

# CMDP: MODULE 4 EMERGING AND CURRENT REGULATORY ISSUES IN THE CAPITAL MARKET

LIVE WEBINAR AVAILABLE ON  
7 MAY 2021 | 10.00AM - 12.30PM



**Learning Hours:**  
2.5 Hours



**Fees:**  
MYR 1,500 Per Webinar  
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## PROGRAMME OVERVIEW

Licensed intermediary institutions play an important systemic role in the capital market eco-system. The growth or decline of the capital market is influenced by, among others, the success and failure of these institutions. Hence, the quality of leadership at these institutions is paramount. Kiel et al (2012) suggest four levels of competence required on a board. They are as follows:

- Industry:** Experience in and knowledge of the industry in which the organisation operates
- Technical:** Technical/professional skills and specialist knowledge to assist with ongoing aspects of the board's role
- Governance:** The essential governance knowledge and understanding all directors should possess or develop if they are to be effective board members
- Behavioural:** The attributes and competencies enabling individual board members to use their knowledge and skills to function well as team members and to interact with key stakeholders

## PROGRAMME OBJECTIVE

The Capital Market Director Programme is an exclusive platform for directors (and other senior leaders) of licensed intermediary institutions to be equipped with the relevant knowledge, skills and abilities (basic to intermediate level) to meet the four levels of competence as described above. The programme is also designed to allow directors and other participants to explore and deliberate on pertinent issues affecting the industry from multi-stakeholders' perspectives. The specific objectives of the programme are as follows:

- Equip members of the board with knowledge and skills to provide leadership and oversight of the running of the licensed intermediary institutions.
- Assist directors of licensed intermediary institutions to be an effective member of the board through latest developments in regulations and challenges, business and governance, in the capital market.
- Promote a thorough understanding of the role of the Securities Commission in regulating a dynamic and competitive capital market.

This programme aims to strengthen intermediation standards and capabilities as espoused by the Capital Market Masterplan 2 (CMP2).

## ICF COMPETENCY LEVEL



- Core - Risk Management (Proficiency Level 4)
- Foundational (Product) - Capital Market Environment (Proficiency Level 4)
- Behavioural (Organisational Leadership) - Strategic Thinking (Proficiency Level 4)

## TARGET AUDIENCE

### Individuals

Newly appointed directors and directors of CMSL holders

## PROGRAMME

### Emerging and Current Regulatory Issues in the Capital Market

- Recognise the emerging issues potentially affecting the business of licensed intermediaries:
  - Systemic risk, prudential standards, capital adequacy and stress test;
  - Reputation risks arising from counterparties and/or service vendors/providers;
  - Remuneration driving malpractices;
  - Not adhering to KYC protocols;
  - Conflicts of interest;
  - Churning customer accounts;
  - Dealing with customer complaints and alternative dispute resolutions;
  - Use of social media (e.g. Facebook and twitter) by market participants and intermediaries to differentiate between advice and guidance;
  - Cyber-threats (including examples below) and the impact on the capital markets:
    - Loss of critical data or data leakage – whether caused by unintentional or deliberate act;
    - Social engineering in which customers are manipulated into disclosing confidential information which could lead to identity thefts, email frauds, and spams; and
    - Loss of control over internet protocol (ip) addresses resulting from distributed denial of service (ddos) attacks.

### Learning Objectives/Outcomes

- Discuss and articulate the emerging issues potentially affecting the business of licensed intermediaries;
- Identify and understand the red flags of potential misconducts.

### Speaker

Sue Wan Wong

1.5 HOURS

### The Securities Commission Malaysia: Regulatory Expectations

- Understand the role of the Securities Commission Malaysia as primary stakeholder in ensuring proper conduct through sound appreciation of:
  - SC's supervisory objectives and philosophy;
  - Eleven core principles of SC supervision;
  - Importance of strong compliance framework and culture of compliance;
  - Core supervisory process;
  - Spectrum of supervision including risk posed to the intermediaries from the perspective of conduct, microprudential, AML/CFT and systemic issues; and
  - Common supervisory findings in the areas of
    - Compliance framework and culture;
    - Awareness and understanding of regulatory requirements;
    - Adequacy of resources and controls.
  - Based on interactive discussions regarding red flags identify indicators of possible market misconduct.

### Learning Objectives/Outcomes

- Exercise judgement appropriately in ensuring (i) proper conduct of licensed intermediaries and (ii) effective dealings with the regulator – the Securities Commission Malaysia.

### Speaker

Natalie Sylvia Chow

1 HOUR

## SPEAKERS



### NATALIE SYLVIA CHOW

Currently, Assistant General Manager with the Intermediary and Fund Supervision Business Group of Securities Commission, one of the unit head of Supervision Department, responsible for the supervision of Investment Banks and Fund Management companies.

Natalie has 22 years of working experience. Previously an Associate Director with PricewaterhouseCoopers, where she was with the Business Advisory Services for 15 years with vast consultancy experience on management, operations and finances of large scale, complex businesses from different industries such as hotels, manufacturing, pharmaceutical, property development and retail.

She has also worked in London for 4 years where she was involved in the project development of Green Homes as well as healthcare industry where she was responsible for the business development, operating policies and risk management whilst with Whipps Cross Hospital, NHS London.

Natalie graduated with Bachelor of Science degree from University Sains Malaysia and has an MBA from Portsmouth University, United Kingdom.



### SUE WAN WONG

Sue Wan Wong is a partner in the Corporate, Commercial & Securities Practice Group of Wong & Partners, the member firm of Baker & McKenzie International in Malaysia.

Sue Wan has advised clients on issues relating to exchange controls, securities offerings, distributive trade, directors' duties, shareholders' rights, schemes of arrangement, general commercial, employment law, employee share option schemes and tax. She has undertaken numerous transactions relating to initial public offerings, restructuring, mergers and acquisitions including divestitures, foreign investments and joint ventures for both local and cross border transactions. She has also advised clients in the acquisition of shares in insurers and the transfers of insurance businesses vide schemes of transfer under the Malaysian Insurance Act 1996.

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