



Suruhanjaya Sekuriti
Securities Commission

GUIDELINES FOR SUBMISSION THROUGH THE ELECTRONIC LICENSING APPLICATION SYSTEM

Effective date: 18 February 2005

GUIDELINES FOR SUBMISSION THROUGH THE ELECTRONIC LICENSING APPLICATION SYSTEM

1.0 INTRODUCTION

- 1.1 The Securities Commission is responsible for the licensing of companies and individuals carrying out regulated activities under the SIA and the FIA as well as the approval of registered persons employed by a licensed company.
- 1.2 These Guidelines have been formulated with the objective of providing clarification on submissions covered under ELA. These Guidelines also set out various continuous requirements and conditions to be complied with by licensed companies, licensed representatives and registered persons when making submissions under the ELA environment.

2.0 DEFINITIONS

For the purposes of these Guidelines:

“Acceptance of Terms and Conditions”	refers to the document signed by a licensed company to evidence the company’s agreement to be bound by the T&C, including any amendments, variations or modifications thereto;
“Authorised Users”	means the persons authorised by a licensed company to access or establish a connection to ELA;
“Compliance Officer”	in relation to a licensed company, means a person designated as such, who reports directly to the Board of Directors and who is responsible for reviewing, operating, monitoring and providing guidance in relation to the compliance programme of a licensed company;
“ELA”	means the Securities Commission’s Electronic Licensing Application system;
“Exchange”	means the Bursa Malaysia Securities Berhad, or the Bursa Malaysia Derivatives Berhad, either collectively or individually as the context may require;
“FIA”	means the Futures Industry Act 1993;

“licensed company”	means a company licensed as a Dealer, a Fund Manager or an Investment Adviser under the SIA or as a Futures Broker, a Futures Fund Manager or a Futures Trading Adviser under the FIA, to carry out one or more of the regulated activities under the purview of the Securities Commission;
“licensed representative”	means a person in the employment of or acting for or by arrangement with a licensed company, and who is required to hold a licence pursuant to the SIA or the FIA;
“licensing guidelines”	refers to the following: (a) Guidelines For Dealers and Dealer’s Representatives; (b) Guidelines For Fund Managers and Fund Manager’s Representatives; (c) Guidelines For Investment Advisers and Investment Representatives; (d) Guidelines For Futures Brokers and Futures Broker’s Representatives; (e) Guidelines For Futures Fund Managers and Futures Fund Manager’s Representatives; and (f) Guidelines For Futures Trading Advisers and Futures Trading Adviser’s Representatives; either collectively or individually as the context may require;
“Local Participant”	means a person who is required under the relevant licensing guidelines to obtain the Securities Commission’s prior approval for appointment as a Local Participant, and be admitted as such in accordance with the rules of the relevant Exchange;
“Principal Officer”	in relation to a licensed company, means a Director of the company and a Company Secretary of the company;
“registered person”	means a Principal Officer, a Compliance Officer, and a Local Participant, either collectively or individually as the context may require;
“SIA”	means the Securities Industry Act 1983;
“Terms and Conditions of Use of ELA”	means the terms and conditions governing the use of ELA by a licensed company and its Authorised Users, including any amendments, variations or modifications thereto.

3.0 TERMS AND CONDITIONS OF USE OF ELA

3.1 Newly licensed companies shall, within three (3) months of being licensed, apply to the Securities Commission to be given access to ELA. All licensed companies shall be required to sign the Acceptance of Terms and Conditions evidencing the company's agreement to be bound by the Terms and Conditions of Use of ELA. Thereafter, all licensed companies and their Authorised Users shall comply with the Terms and Conditions of Use of ELA at all times, including any amendments, variations or modifications thereto. The Terms and Conditions of Use of ELA are made available on the ELA Website at <http://ers.seccom.com.my/ela>.

4.0 SUBMISSIONS UNDER ELA

4.1 With the exception of new individual applications for an Investment Adviser's licence and new company applications for licences, the following applications are to be submitted to the Securities Commission via ELA:

Representative

- Application for New Representative's Licence
- Application for Renewal of Representative's Licence
- Application by Representative for Variation of Particulars Relating To Principal
- Application by Representative for Variation of Particulars
- Notification of Cessation of Representative

Company

- Application for Renewal of Company's Licence
- Application by Company for Variation of Particulars
- Application for Change of Shareholders
- Notification of Variation of Particulars/Change of Shareholders
- Notification of Cessation of A Company

Registered Persons

- Application for Registration As A Compliance Officer
- Application for Registration As A Local Participant
- Application for Appointment Of A Principal Officer
- Notice of Appointment of Registered Person
- Notification Of Cessation Of Registered Person

4.2 New individual applications for an Investment Adviser's licence and new company applications for licences are to be submitted to the Securities Commission manually under the relevant licensing guidelines.

4.3 The following may also be undertaken and/or submitted to the Securities Commission via ELA:

- Maintenance of a Register of Securities
- Submission of Reports

4.4 The Securities Commission may, from time to time, add on new categories of submissions to be covered under ELA.

5.0 REPRESENTATIVE: FORMS AND SUPPORTING DOCUMENTS

5.1 Application for New Representative's Licence

An application for a new representative's licence shall be made to the Securities Commission by completing the form entitled "Application For Representative's Licence". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) A copy of the applicant's new identity card (for Malaysian citizens) or passport (for Non-Malaysian citizens);
- (b) A copy of the applicant's recent passport-sized coloured photograph;
- (c) A copy of the applicant's relevant academic certificates;
- (d) Details of securities sold/purchased by the applicant for his own account during the last 12 months immediately preceding the date of application;
- (e) Other documents relevant to the application, as required in the relevant form.

5.2 Application for Renewal of Representative's Licence

An application for the renewal of a representative's licence shall be made to the Securities Commission by completing the form entitled "Application For Renewal Of Representative's Licence". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) Details of securities sold/purchased by the applicant for his own account during the last 12 months immediately preceding the date of application;
- (b) Other documents relevant to the application, as required in the relevant form.

5.3 Application by Representative for Variation of Particulars Relating to Principal

An application by a representative for the variation of particulars relating to its principal shall be made to the Securities Commission by completing the form entitled "Application by Representative for Variation of Particulars Relating To Principal". The duly completed form shall be submitted by the new principal through ELA, and shall be accompanied by the following documents:

- (a) A letter from the current principal confirming the release of the applicant to the new principal;
- (b) A letter from the relevant Exchange approving the transfer of the applicant to the new principal.

5.4 Application by Representative for Variation of Particulars

An application by a representative for the variation of particulars relating to name, residential address, business address and remuneration type shall be made to the Securities Commission by completing the form entitled "Change of Particulars Affecting A Representative". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) For change of name – a letter from the National Registration Department confirming the change in name;
- (b) For change of type of remuneration – a letter from the principal confirming the new remuneration arrangement.

5.5 Notification of Cessation of Representative

A licensed representative who intends to cease the regulated activity for which he or she is licensed, shall through his or her principal, notify the Securities Commission of the intention to cease such activity by completing the form entitled "Cessation of A Representative". The duly completed form shall be submitted through ELA, accompanied by a copy of the representative's original licence certificate.

The principal shall deliver to the Securities Commission the original licence certificate immediately after submitting the above notification.

6.0 COMPANY: FORMS AND SUPPORTING DOCUMENTS

6.1 Application for Renewal of Company's Licence

An application for the renewal of a company licence shall be made to the Securities Commission by completing the form entitled "Application For Renewal of Company Licence". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) Form 24 – Companies Act 1965 (latest copy lodged with the Companies Commission of Malaysia (CCM) and certified by the Company Secretary);
- (b) Form 49 – Companies Act 1965 (latest copy lodged with the CCM and certified by the Company Secretary);
- (c) A copy of the Director's report on the financial standing, affairs, current assets and contingent liabilities of the company (For the period between the date of the last account and the date not earlier than fourteen (14) days before the date of application).

6.2 Application by Company for Variation of Particulars

An application by a company for the variation of particulars relating to its name, registered address or business address, shall be made to the Securities Commission by completing the form entitled "Variation of Particulars". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) For change of name – a letter from the CCM confirming the reservation of the new name for the applicant;
- (b) For change of business address – a detailed layout of the proposed business premise.

6.3 Application for Change of Shareholders

An application for a change in the shareholders of a licensed company shall be made to the Securities Commission by completing the form entitled "Change of Shareholders". The duly completed form shall be submitted through ELA, accompanied by the proposed new shareholding structure.

The new shareholding structure is to be tabulated in the form entitled "Application for Change of Shareholding Structure".

6.4 Notification of Variation of Particulars/Change of Shareholders

Upon the approval of an application under Paragraph 6.2 or Paragraph 6.3, the applicant shall notify the Securities Commission of the implementation of the variation of particulars or the change in shareholders, as the case may be, by submitting through ELA, the form entitled "Notice of Change".

- (i) A notice of variation of company particulars shall be accompanied by either of the following documents, whichever is applicable:
 - (a) For change of name – Form 13 of Companies Act 1965 (latest copy lodged with the CCM and certified by the Company Secretary); or
 - (b) For change of registered address – Form 44 of Companies Act 1965 (latest copy lodged with the CCM and certified by the Company Secretary).

- (ii) A notification of change of shareholders shall be accompanied by the applicant's latest shareholding structure and either of the following documents, whichever is applicable:
 - (a) Form 24 of Companies Act 1965 (latest copy lodged with the CCM and certified by the Company Secretary); or
 - (b) Form 32A of Companies Act 1965 duly stamped.

6.5 Notification of Cessation of a Company

A company shall notify the Securities Commission of its intention to cease the regulated activity for which it is licensed by completing the form entitled "Cessation of a Company". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) A copy of the original licence certificate of the company; and
- (b) A copy of an auditor's report on the company's liabilities and obligation.

The company shall also deliver to the Securities Commission the original licence certificate immediately after submitting the above notification.

7.0 REGISTERED PERSONS: FORMS AND SUPPORTING DOCUMENTS

7.1 Application for Registration As A Compliance Officer

An application for registration as a Compliance Officer shall be made to the Securities Commission by completing the form entitled "Registration For

Compliance Officer". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) A copy of the applicant's new identity card (for Malaysian citizens) or passport (for Non-Malaysian citizens);
- (b) A copy of the applicant's recent passport-sized coloured photograph;
- (c) A copy of the applicant's relevant academic certificates;
- (d) Other documents relevant to the application, as required in the relevant form.

7.2 Application for Registration As A Local Participant

An application for registration as a Local Participant shall be made to the Securities Commission by completing the form entitled "Registration For Local Participant". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) A copy of the applicant's new identity card (for Malaysian citizens) or passport (for Non-Malaysian citizens);
- (b) A copy of the applicant's recent passport-sized coloured photograph;
- (c) A copy of the applicant's relevant academic certificates;
- (d) Other documents relevant to the application, as required in the relevant form.

7.3 Application for Appointment of a Principal Officer

An application for the appointment of a Principal Officer shall be made to the Securities Commission by completing the form entitled "Appointment of Principal Officer". The duly completed form shall be submitted through ELA, accompanied by the following documents:

- (a) A copy of the applicant's new identity card (for Malaysian citizens) or passport (for Non-Malaysian citizens);
- (b) A copy of the applicant's recent passport-sized coloured photograph;
- (c) A copy of the relevant academic certificates;
- (d) Details of securities sold/purchased by the applicant for his own account during the last 12 months immediately preceding the date of application;
- (e) Other documents relevant to the application, as required in the relevant form.

7.4 Notice of Appointment of Registered Person

Upon the approval of an application under Paragraph 7.1, Paragraph 7.2 or Paragraph 7.3, the applicant shall notify the Securities Commission of the appointment of the relevant registered person by submitting through ELA, the form entitled "Notice of Appointment". A Notice of Appointment in relation to the appointment of a Director or a Company Secretary shall be accompanied by a copy of Form 49 – Companies Act 1965 (latest copy lodged with the CCM and certified by the Company Secretary).

7.5 Notification of Cessation of Registered Person

A licensed company shall notify the Securities Commission of the cessation of any of the persons registered with the Securities Commission under this section by completing the form entitled "Cessation of Registered Person". The duly completed form shall be submitted through ELA, accompanied by a copy of the relevant document, such as the resignation or termination letter.

8.0 OTHERS: FORMS AND SUPPORTING DOCUMENTS

8.1 Maintenance of a Register of Securities

A person who is required by Section 30 of the SIA to maintain a register of securities may use ELA's online Register of Securities for the purposes of storing information with regards to the securities in which the person has an interest. Such person may do so by completing the form entitled "Register of Securities" and submitting the same through ELA, accompanied by the relevant supporting documents. The maintenance of a register using ELA's online Register of Securities shall be deemed to be in compliance with the requirements of Section 30 of the SIA.

8.2 Report Submission

A licensed company that is required by Section 49 of the SIA or any of the Securities Commission's guidelines to submit an auditor's report or other type of reports to the Securities Commission, may do so by uploading the relevant reports through ELA under "Report Submission".

9.0 REQUIREMENT TO PRINT OUT APPLICATION FORMS AND VALIDATION BY AUTHORISED SIGNATORIES

9.1 A licensed company shall ensure that all submission are printed out and signed by the relevant authorised persons (in the case of a submission by a licensed

company), the relevant representative (in the case of a submission by a licensed representative) or the relevant registered person (in the case of a submission by a registered person), before the application or notification, as the case may, is submitted to the Securities Commission through ELA. The particulars appearing on the printed copy shall be the same as that submitted through ELA.

10.0 REQUIREMENT OF RETENTION OF FORMS

- 10.1 The printed copy of all submissions together with the supporting documents, shall be kept by the licensed company and/or the relevant person at the business address or the principal address, or a designated place which has been approved by the Securities Commission, at all times for as long as the person is licensed or is in the employment of the licensed company, and, for a period of seven (7) years after the person leaves the licensed company.
- 10.2 For this purpose, the Securities Commission reserves the right to conduct an examination at the business address of the applicant or at its principal address or at the designated place to ascertain that this requirement is complied with.

11.0 GENERAL REQUIREMENT FOR A SUPPORTING DOCUMENT

- 11.1 A document to be uploaded and submitted to the Securities Commission through ELA shall not exceed Five Hundred and Twelve Kilobytes (512KB) and be in the following format:
- (a) Joint Photographic Experts Group (JPEG);
 - (b) Adobe Portable Document (PDF);
 - (c) Microsoft Words;
 - (d) Microsoft Excel; or
 - (e) ASCII Text.

12.0 FEES

- 12.1 Before submitting an application or notification to the Securities Commission through ELA, the licensed company shall ensure that there is sufficient balance in the company's ELA account with the Securities Commission. The quantum of fees chargeable for the relevant submission are as set out under the Third Schedule of the Securities Industry Regulations 1987, the Third Schedule of the Securities Industry (Licensing of Fund Manager and Fund Manager's Representative) Regulations 1996 and the Second Schedule of the Futures Industry Regulations 1995.

12.2 The fees referred to under Paragraph 12.1 shall be made payable to the Securities Commission in the form of bank drafts or cheques upon the occurrence of an event set out under Paragraph 17.0.

13.0 WITHDRAWAL OF APPLICATION

13.1 An application made through ELA whose status is "In Process" may be withdrawn via the "Withdraw" button appearing at the bottom of ELA's Submissions page. Where a processing fee is prescribed, such fees will be deducted if the withdrawal takes place after the application has been reviewed by the Licensing Department of the Securities Commission.

14.0 NOTIFICATION BY THE SECURITIES COMMISSION

14.1 The Securities Commission will notify applicants of the results of their applications via e-mail, save and except for circumstances envisaged under Paragraph 15.0 below, where letters will be issued by the Securities Commission.

15.0 GROUNDS FOR REFUSAL TO GRANT OR RENEW LICENCE

15.1 The Securities Commission may refuse to grant or renew a licence on any ground as specified in Section 17 of the SIA, or Section 24 and/or Section 25 of the FIA.

16.0 ISSUANCE OF LICENCES

16.1 The Securities Commission shall issue a licence certificate to the successful applicants of new licences. Such licence certificate is to be retained by the applicant. Upon renewal of the licence, the Securities Commission will only issue a notification slip via e-mail to notify the successful applicants of the new validity period of the licence.

16.2 An applicant is required to retain the notification slips for record purposes for as long as the applicant remains licensed. Together with the licence certificate, the notification slips shall remain in use until such time the licence expires, the licenced person surrenders the licence to the Securities Commission, the Securities Commission suspends or revokes the licence, or any of circumstances under Paragraph 16.3 occurs.

16.3 Where an application for a variation or change of particulars has been approved, the Securities Commission will issue a new licence certificate to the licensed person to reflect the change effected. The original licence certificate shall be returned to the Securities Commission. The new licence certificate shall remain in

use until such time another application for variation or change of particulars is made, or any of the circumstances under Paragraph 16.2 occurs.

17.0 UNAVAILABILITY OF ELA

- 17.1 In the event ELA becomes unavailable for more than five (5) consecutive days, due to an electrical power failure, a natural disaster, an emergency or other events beyond the control of the Securities Commission, the applicant shall submit applications or notifications to the Securities Commission in manual form. All manual submission submitted to the Securities Commission shall be accompanied by a diskette or a CD-ROM containing the soft copy of the duly completed forms and supporting documents. The Securities Commission may, through its website or via the mass media, inform the public of measures put in place for accepting such submissions, until such time the system is back in operation.
- 17.2 All applications made pursuant to Paragraph 17.1 shall be submitted to the Securities Commission at the following address:

**Head
Licensing Department
Securities Commission
No. 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur
Tel: (603) 6204 8000
Fax: (603) 6201 5282**

18.0 FALSE OR MISLEADING STATEMENTS

- 18.1 An applicant shall ensure that all information submitted to the Securities Commission through ELA are true and accurate. Under Section 22 of the SIA and Section 88 of the FIA, the penalty for an offence relating to false and misleading statements is a fine not exceeding 1 Million Ringgit, or imprisonment for a term not exceeding 10 years, or both.

19.0 RESPONSIBILITY OF DIRECTORS

- 19.1 Notwithstanding Paragraph 18.1, a licensed company and its Directors shall be ultimately responsible for all information entered into ELA through the use of the company's account. Hence, a licensed company shall have in place the necessary policies and procedures to ensure that information submitted via ELA on its

behalf, or on behalf of its representatives and/or registered persons, are true and accurate.

20.0 ELA HELPDESK

20.1 For further enquiries or assistance on submission through ELA or any other ELA related matters, applicants may contact the ELA Helpdesk at 603-62048977 or e-mail elahelp@seccom.com.my.

21.0 GENERAL

21.1 Submission of additional information

Where necessary, the Securities Commission may require other relevant or additional information to be submitted.

21.2 Continuous compliance

All licensed companies, licensed representatives and registered persons shall comply with the requirements of these Guidelines at all times. In addition, the licensed companies and licensed representatives shall comply with all relevant provisions in the securities laws and the licensing conditions in relation to the type of licensed activities.

21.3 Exemption or variation of requirements

The Securities Commission may, where it deems appropriate, allow any exemption and variation from the requirements of these Guidelines based on the merits of the case, whether on a permanent basis or for a specified period of time.