

## SC'S LODGE AND LAUNCH FRAMEWORK

SC's Lodge and Launch Framework ("LOLA Framework") for wholesale products was brought into effect on 15 June 2015. The LOLA Framework enhances business efficiency by enabling wholesale products to be launched once the required documents and information are lodged with the SC. This allows for faster time to market for issuers and fund managers while affording investors quicker access to investment opportunities.

### Information/documents to be lodged

The information and documents to be lodged pursuant to the LOLA Framework is as set out in the Lodgement Kit.

### Obligation to submit documents on time

A key component of investor protection in the LOLA Framework is the reliability, completeness and accuracy of information provided to investors in the lodged document. Following the removal of approval requirements in the launching of wholesale products, the SC is committed in conducting post-lodgement review of the products based on information in the lodged document.

The information submitted to the SC is important as it provides insights into the products regulated by the SC as well as assist in the collation of up-to date statistics on the products. Additionally, the information submitted to the SC facilitates the preparation of periodic reports to various stakeholders including timely disclosure of information to investors.

To achieve this purpose, lodgement of information and documents in a timely manner is crucial for the SC's surveillance and supervision. Timelines as set out in the LOLA Guidelines will therefore be strictly enforced by the SC.

### Late submission penalty

Late submission of information/documents may lead to a breach of the LOLA Guidelines and result in an administrative action by the SC.

The following computation of penalty will be adopted by the SC for delays in submission of information/documents pursuant to the LOLA Guidelines:

Quantum of Breach(es)	Penalty Imposed
1 <sup>st</sup> to 3 <sup>rd</sup> breach	RM 1,000 a day
4 <sup>th</sup> breach onwards	RM 4,000 a day

The SC also reserves the right to adopt a different computation of penalty and impose any other forms of sanctions on a case-to-case basis after taking into consideration the mitigating or aggravating factors, if any.