

Chapter 7

KEY PARTIES

Management Company

Corporate information

- 7.01 The prospectus must disclose corporate information of the management company, including–
- (a) the legal name, date and place of incorporation, and the registration number;
 - (b) the management company's experience in operating and managing a fund;
 - (c) where applicable, summary of the management company's financial position for the past three years, in tabular form, disclosing–
 - (i) paid-up share capital;
 - (ii) shareholders' funds;
 - (iii) revenue;

- (iv) profit or loss before tax; and
 - (v) profit or loss after tax; and
 - (d) where applicable, total number of funds as well total value of funds operated by the management company.
- 7.02 There must also be a disclosure of–
- (a) the roles, duties and responsibilities of the management company; and
 - (b) all material litigations and arbitrations, including those pending or threatened, which might materially affect the business and financial position of the management company or any of its fund manager.
- 7.03 A prospectus must disclose the promoters, substantial shareholders, directors and key personnel of the management company's direct and indirect unit holding in the fund before and after offering.

Directors and key personnel

- 7.04 A prospectus must disclose the following information on the directors and key personnel of the management company:
- (a) Name, age, educational and professional qualification, and work experience; and
 - (b) Functions and areas of experience or responsibility in the management company.

Fund management function

- 7.05 A prospectus must disclose the designated person responsible for the management of the fund, his qualifications and relevant work experience.
- 7.06 Where the fund management function is undertaken by an external party, the prospectus must, in addition to the disclosure requirements of paragraph 7.05, disclose the following:
- (a) A brief corporate information of the fund manager;
 - (b) Roles and duties of the fund manager;

- (c) The fund manager's experience in fund management;
- (d) Total value of funds under the fund manager's management; and
- (e) All material litigation and arbitration, including those pending or threatened, which might materially affect the business or financial position of the fund manager.

Outsourcing function

7.07 If any other function of the management company is outsourced to an external party, the following information must be disclosed:

- (a) A brief corporate information of the service provider; and
- (b) Roles and duties of the service provider.

Audit or compliance committee

7.08 Where applicable, the prospectus must disclose the details relating to the audit and compliance committee, or by whatever name called, including names of committee members.

Investment committee

- 7.09 Where an investment committee is appointed, information on the members of the investment committee must be disclosed, such as–
- (a) names, designation, whether independent or non-independent, relevant qualifications and experience of each member of the committee; and
 - (b) roles and primary functions of the investment committee, as well as frequency of meetings.

Shariah adviser

- 7.10 Where a Shariah adviser is appointed, the following information must be disclosed:
- (a) Names and experience of the Shariah adviser. Where the Shariah adviser is a corporation, to also state the name and experience of the Shariah officer responsible for Shariah matters of the fund;
 - (b) Roles and primary functions of the Shariah adviser; and

- (c) Frequency of review on the fund's investments by the Shariah adviser to ensure compliance with Shariah principles or any other relevant principle at all times.

Trustee

7.11 The following information of the trustee must be disclosed:

- (a) Corporate information;
- (b) Experience as trustee to funds;
- (c) Roles, duties and responsibilities of a trustee; and
- (d) All material litigations and arbitrations, including those pending or threatened, which might materially affect the business or financial position of the trustee or trustee's delegates.

7.12 A prospectus must also include a trustee's statement of responsibility.

Delegates

- 7.13 Where custodial function of the trustee is delegated, the following information must be disclosed:
- (a) A brief corporate information on the trustee's delegate; and
 - (b) The roles and duties of the trustee's delegate.

Other key parties

- 7.14 Where any key party is appointed or contracted by the management company in managing the fund, details of the key party, including roles and duties.