

## Appendix I – Summary of Amendments to Guidelines of Sales Practices of Unlisted Capital Market Products (Revised: 19 July 2016)

The following table provides a summary of key amendments made to the *Guidelines on Sales Practices of Unlisted Capital Market Products* effective on 15 August 2016.

General Amendments made throughout the Guidelines on Sales Practices of Unlisted Capital Market Products	
1.	Editorial amendments including: <ol style="list-style-type: none"> <li>(a) streamlining certain terminology to enhance clarity and ensure consistency throughout the Guidelines (for example, substitution of the word "shall" or "should" with the word "must");</li> <li>(b) insertion of cross-reference to other parts of the Guidelines where relevant; and</li> <li>(c) clarifying certain requirements by rephrasing the requirements or giving examples and clarifications in the requirement without any change in policy; and</li> </ol>
2.	Renumbering and rearrangements of current requirements in the Guidelines.

Specific Amendments to Guidelines on Sales Practices of Unlisted Capital Market Products			
No	Reference in the Guidelines on Sales Practices (Version made effective on 29 March 2013)	Revised Version dated 19 July 2016	Comments
1	Paragraph 1.04:  These Guidelines come into effect on 29 March 2013.	Deletion of Paragraph 1.04:  <del>These Guidelines come into effect on 29 March 2013.</del>	Paragraph 1.04 is deleted as the effective date of first issuance has been provided in other specific section of the Guidelines.
2	Paragraph 1.12-Definitions:  No definition for "Eligible Issuer", "operator", "sophisticated investor" and "unit trust fund"	Insertion of new terms "Eligible Issuer", "operator", "sophisticated investor" and "unit trust fund" under paragraph 1.11-Definitions:  <u>"Eligible Issuer" refers to persons who are eligible to issue structured products as specified under the <i>Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework</i>;</u>  <u>"operator" has the same meaning as assigned to it under the <i>Guidelines for the Offering, Marketing and Distributions of Foreign Funds</i>;</u>  <u>"sophisticated investor" means any person who falls within any category of investors set out in Schedule 1 of these Guidelines;</u>  <u>"unit trust fund" has the same meaning assigned to the expression "unit trust scheme" under the CMSA and includes a</u>	The paragraph has been renumbered as paragraph 1.11.  Paragraph 1.11 is amended to insert new terms on "Eligible Issuer", "operator", "sophisticated investor" and "unit trust fund" as references are made to these terms in the requirements.

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		<u>sub-fund of an umbrella fund; and</u>	
3	Paragraph 1.12-Definition of “product issuer”:  “product issuer” means any person who makes available or issues an unlisted capital market product;	Paragraph 1.11-Amendment of the definition of “product issuer”:  “product issuer” means any person who makes available or issues an unlisted capital market product <u>and includes an Eligible Issuer or an operator;</u>	The paragraph has been renumbered as paragraph 1.11.  Paragraph 1.11 is amended to provide clarification that the term “product issuer” includes the Eligible Issuer and an operator.
4	Paragraph 2.03(g):  2.03 A product issuer’s policies and processes must ensure, among others, that–  (g) complaints by investors are dealt with in a fair and efficient manner, and investors are informed of their right to refer their disputes to the Securities Industry Dispute Resolution Center (SIDREC) or the Financial Mediation Bureau (FMB); and	Amendment of paragraph 2.03(g):  2.03 A product issuer’s policies and processes must ensure, among others, that–  (g) complaints by investors are dealt with in a fair and efficient manner, and investors are informed of their right to refer their disputes in relation to a capital market product to the Securities Industry Dispute Resolution Center( SIDREC) <u>or the Financial Market Bureau (FMB); and</u>	Paragraph 2.03(g) is amended to delete reference made to Financial Markets Bureau (FMB) as complaints that relate to capital market products must be referred to Securities Industry Dispute Resolution Centre (SIDREC).
5	Sub-paragraphs 2.03(h)(ii),(iii):  2.03 A product issuer’s policies and processes must ensure, among others, that–  (h) where the purchase of an unlisted capital market product is done through the internet–  ...  (ii) investors must be provided with relevant product information so as to enable them to make an informed investment decision; and	Amendment of sub-paragraphs 2.03(h)(ii),(iii):  2.03 A product issuer’s policies and processes must ensure, among others, that–  (h) where the purchase of an unlisted capital market product is done through <u>the internet–a non-face-to-face transaction–</u>  ...  (ii) investors must be provided with <u>relevant product information so as to enable them to make an informed investment decision; and an adequate warning that the product is only</u>	Sub-paragraphs 2.03(h)(ii),(iii) are amended to entail product issuer’s policies and processes to have safeguards when an unlisted capital market product is purchased by investor and made through non-face-to-face transactions:  <ul style="list-style-type: none"> <li>• Investors must be informed that they are investing in a product without a recommendation is made.</li> <li>• Warning must be provided to inform the investors that the product is only suitable for investors who have met the issuer’s minimum qualifying criteria.</li> <li>• Product information must be provided to investors whether through hardcopy or electronic means to enable them to make an informed investment decision.</li> </ul>

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	(iii) adequate warning must be provided to investors to inform them that the product promoted on the internet is only suitable for investors who have met the issuer's minimum qualifying criteria.	<p><del>suitable for investors who have met the product issuer's minimum qualifying criteria; and</del></p> <p>(iii) <del>adequate warning must be provided to investors to inform them that the product promoted on the internet is only suitable for investors who have met the issuer's minimum qualifying criteria.</del> <u>investors must be provided with relevant product information either through electronic or non-electronic means so as to enable them to make an informed investment decision.</u></p>	
6	<p>Paragraph 2.05:</p> <p>2.05 A product distributor's policies and processes must ensure, among others, that–</p> <p>(a) sales employees and agents who are involved in the promotion, marketing or and sale of unlisted capital market products act honestly, fairly and professionally at all times;....</p>	<p>Renumbered as sub-paragraph 2.08 and amendment to sub-paragraphs 2.08(a), (b), (c), (e) and incorporation of new sub-paragraphs 2.08 (f) –(j).</p> <p>2.08 A product distributor's policies and processes must ensure, among others, that–</p> <p>(a) sales employees and agents who are involved in the promotion, marketing <del>or</del> <u>and</u> sales of an unlisted capital market product act honestly, fairly and professionally at all times <u>including marketing and distribution of an unlisted capital market product to the suitable group of investors that the product has been developed for;</u></p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><i>Guidance for sub-paragraph 2.08(a)</i></p> <p><i>These policies and processes must among others, ensure that sales employees and agents who are involved in the promotion, marketing and sale of an unlisted capital market product–</i></p> <p><i>(a) do not make false or misleading statements to investors; and</i></p> <p><i>(b) act in the best interest of investors at all times. Hence, where a product distributor's interest conflicts with the</i></p> </div>	<p>The previous paragraph 2.05(a) has been renumbered as paragraph 2.08 in the revised Guidelines.</p> <p>Sub-paragraph 2.08(a) is amended to provide clarification that the policies and processes of product distributors must ensure that the sales employees and agents who are involved in the promotion, marketing and sales of an unlisted capital market product act honestly, fairly and professionally including marketing and distributing a capital market product to the suitable group of investors that it had been developed for.</p> <p>A guidance box is also included to include examples and provide better understanding on what constitutes acting honestly, fairly and professionally.</p> <p>Sub-paragraphs 2.05(f)-(j) has been incorporated as areas relevant for product distributors' policies and processes. Initially these areas were mentioned in previous paragraph 2.06 through cross-referencing to product issuer's responsibilities</p>

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		<p><i>interest of an investor, the investor's interest must prevail.</i></p> <p>(b) proper record-keeping of suitability assessment and <del>the giving</del> <u>distribution</u> of product highlights sheet to investors are maintained for the purposes of SC's examination;</p> <p>(c) remuneration, fees and commission paid to sales employees <del>or</del> <u>and</u> agents do not result in <u>sales employees</u> <del>or</del> <u>and</u> agents recommending unsuitable unlisted capital market products to investors;</p> <p>(e) sales employees and agents are continuously trained and <u>be knowledgeable in areas relating to the unlisted capital market products being distributed such as the salient features and risk-reward characteristics in order to ensure that investors are being advised properly;</u></p> <p>(f) <u>investors are fully informed of the salient features of the unlisted capital market product. Information disclosed to investors must facilitate investors in making an informed investment decision;</u></p> <p>(g) <u>investors are kept informed of any changes to the salient features of the unlisted capital market product;</u></p> <p>(h) <u>advertisements and any promotional materials pertaining to unlisted capital market products should not have any information that is false, misleading or contain any material omission;</u></p> <p>(i) <u>complaints by investors are dealt with in a fair and efficient manner, and investors are informed of their right to refer their disputes in relation to a capital market product to SIDREC; and</u></p>	

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		<p><del>(j) where the purchase of an unlisted capital market product is done through a non-face-to-face transaction–</del></p> <p><del>(i) investors must be informed that they are investing in the product without a recommendation being made;</del></p> <p><del>(ii) investors must be provided with an adequate warning that the product is only suitable for investors who have met the product issuer's minimum qualifying criteria; and</del></p> <p><del>(iii) investors must be provided with relevant product information either through electronic or non-electronic means so as to enable them to make an informed investment decision.</del></p>	
7	<p>Paragraph 2.09:</p> <p>2.09 The Board of a product issuer and product distributor shall ensure that the product issuer or product distributor continuously review its policies and processes to ensure their continued effectiveness.</p>	<p>Amendment of paragraph 2.09:</p> <p>2.09 The Board of <del>a product issuer and</del> product distributor <del>shall</del> <b>must</b> ensure that the <del>product issuer or product distributor</del> continuously review its policies and processes to ensure their continued effectiveness.</p>	<p>Paragraph 2.09 is amended to provide for the responsibilities of the Board of a product distributor who must ensure that the product distributor continuously review its policies and processes to ensure their continued effectiveness.</p>
8	<p>Sub-paragraph 3.07 (a):</p> <p>3.07 The PHS should incorporate all the relevant information that investors need to decide on whether to invest in an unlisted capital market product. The PHS must therefore include the following information–</p> <p>(a) information on the preparer of the PHS;</p>	<p>Renumbered as sub-paragraph 3.06(a) Amendment of sub-paragraph 3.06(a):</p> <p>3.06 The PHS should incorporate all the relevant information that investors need to decide on whether to invest in an unlisted capital market product. The PHS must <del>therefore</del> include the following information:</p> <p><del>(a) information on the preparer of the PHS;</del> <b>Date of the issuance of a PHS that must appear on the first page</b></p>	<p>The paragraph is renumbered as paragraph 3.06(a).</p> <p>Amendment is made to include that a PHS must include the date of issuance of a PHS that must be incorporated on the first page of the PHS to inform the investor whether the PHS received by him is the latest version.</p> <p>The following sub-paragraphs 3.06 (b) – (i) have been renumbered accordingly.</p>

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		<a href="#">of the PHS;</a>	
9	<p>Sub-paragraph 3.07(f):</p> <p>3.07 The PHS should incorporate all the relevant information that investors need to decide on whether to invest in an unlisted capital market product. The PHS must therefore include the following information–</p> <p>...</p> <p>(f) valuations and exiting from investment (e.g. how often and where valuations will be published, duration of cancellation period, how investors can exit investment within cancellation period, how investors can exit investment within the cancellation period and related costs); and</p>	<p>Renumbered as sub-paragraph 3.07(g). Amendment of sub-paragraph 3.06(g):</p> <p>3.06 The PHS should incorporate all the relevant information that investors need to decide on whether to invest in an unlisted capital market product. The PHS must <del>therefore</del> include the following information–</p> <p><del>(f) (g) valuations and exiting from investment (e.g. how often and where valuations will be published, duration of cancellation period, how investors can exit investment within cancellation period, how investors can exit investment within the cancellation period and related costs) and relevant matters relating to investments. Examples:</del></p> <p><del>(i) How often and where valuations will be published;</del></p> <p><del>(ii) Duration of cancellation period;</del></p> <p><del>(iii) How investors can exit investment within the cancellation period;</del></p> <p><del>(iv) Related costs, charges or penalty for early exit or early redemption and the basis for such costs, charges or penalty;</del></p> <p><del>(v) Basis or purpose of any costs, charges or penalty deductible or payable in relation to early exit or early redemption; and</del></p> <p><del>(vi) In relation to structured products, to disclose how the early redemption amount is determined</del></p>	<p>The paragraph is renumbered as paragraph 3.06(g).</p> <p>Amendment is made to provide more examples on matters on valuations and relevant matters relating to exit from investment. This information is vital to enable investor to make an informed investment decision.</p>

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		<u>(including the basis or key factors or parameters taken into consideration in arriving at the amount).</u>	
10	-	<p>Insertion of new sub-paragraph 3.06(i):</p> <p>3.06 The PHS should incorporate all the relevant information that investors need to decide on whether to invest in an unlisted capital market product. The PHS must <del>therefore</del> include the following information–</p> <p>(i) <u>In relation to a unit trust fund, information on fund performance which consists of the following:</u></p> <p><u>(i) Average total returns of the unit trust fund over—</u></p> <p><u>(A) the most recent financial year or since establishment if it is less than one financial year;</u></p> <p><u>(B) recent three financial years;</u></p> <p><u>(C) recent five financial years; and</u></p> <p><u>(D) recent 10 financial years.</u></p> <p><u>(ii) Annual total return of the unit trust fund for each of the last 10 financial years, or since establishment if it is less than 10 years;</u></p> <p><u>(iii) For the purpose of (i) and (ii) above, the basis of calculation and any assumption made in calculating the returns;</u></p>	<p>A new sub-paragraph 3.06(i) is inserted.</p> <p>New insertion is made to state that in the case of a unit trust fund, a PHS for a unit trust fund must include the details of fund performance as stated in the amendment to enable investor to make an informed investment decision.</p>

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		<p>(iv) <u>For the purpose of (i) and (ii) above, the use of graphs to illustrate the performance of the unit trust fund and comparison with the selected benchmark is highly recommended. There should also be a brief write-up on the fund's performance vis-à-vis the stated benchmark. If there has been a change in the benchmark at any point in the last one, three, five and 10 financial years, or since establishment if it is shorter to state the fact and explain the reason for the change;</u> (v) <u>Portfolio turnover ratio and a brief explanation of any significant change on such information for three most recent financial years, or since establishment if it is shorter; and</u></p> <p>(vi) <u>The unit trust fund's gross and net of tax distribution per unit for the past three financial years, specifying the form by which distributions were made (e.g. cash or units).</u></p>	



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11	-	<p>Insertion of new sub-paragraphs 3.06(j) (k)(l) and (m):</p> <p>3.06 The PHS should incorporate all the relevant information that investors need to decide on whether to invest in an unlisted capital market product. The PHS must <del>therefore</del> include the following information–</p> <p>(j) <u>In the case of a structured product, a risk warning statement that appears on the first and last page of a PHS in accordance with the format specified below:</u></p> <p><b><u>WARNING</u></b></p> <p><b><u>THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/ REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.</u></b></p> <p>(k) <u>In the case of a structured product, where the PHS includes past performance information of an underlying reference, a warning statement must provide that the past performance of such underlying reference should not be relied on as indicative of future performance;</u></p> <p>(l) <u>In the case of a unit trust fund, a warning statement reflected in accordance with the format specified below:</u></p> <p><b><u>YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST</u></b></p>	<p>A new sub-paragraph 3.06(j) is inserted.</p> <p>New insertion is made to state that a PHS must include the relevant warning statement to be incorporated in format stated in the Guidelines to ensure investor protection.</p>

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		<p align="center"><u><b>CONSULTANT</b></u></p> <p align="center"><u>(m) In the case of a unit trust fund, where past performance information of the product is included in the PHS, such information must be accompanied with a warning statement that is reflected in bold in the following manner:</u></p> <p align="center"><u><b>PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE</b></u></p>	
12	<p>Paragraph 3.15</p> <p>3.15 It is encouraged that the PHS should not exceed six A4 pages for conventional capital market products and twelve pages for capital market products based on Shariah principles. Font type and size of not less than Arial 8 should be used.</p>	<p>Renumbered as Paragraph 3.10 and the requirement is amended as follows:</p> <p>3.10 <del>It is encouraged that the PHS should not exceed six A4 pages for conventional capital market products and twelve pages for capital market products based on Shariah principles. The PHS for all unlisted capital market products must not exceed eight A4 pages. In relation to a PHS for an unlisted Islamic capital market product, it must not exceed 12 A4 pages.</del> Font type and size of not less than Arial 8 <del>should</del> <u>must</u> -be used.</p>	<p>Paragraph 3.10 is amended to state the change in the requirement for the page number of PHS for all unlisted capital market product other than Islamic capital market product exceeding from six pages to eight pages, taking into account new minimum content required in the PHS such as fund performance in relation to unit trust funds.</p>
13	<p>Paragraph 3.17:</p> <p>3.17 Information incorporated by reference refers to information that frequently changes and found in publicly available sources.</p>	<p>Renumbered as Paragraph 3.16 and the requirement is amended as follows:</p> <p>3.16 <del>Information incorporated by reference refers to information that frequently changes and found in publicly available sources. allows the preparer of the PHS to only provide in the PHS a reference to a source of or link to the information in another document instead of including such information in full in the PHS itself. Information incorporated by reference is only permitted for information that frequently changes or</del></p>	<p>Paragraph 3.16 is amended to provide better explanation on information incorporated by reference for greater understanding.</p>

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		<u>found in publicly available sources.</u>	
14	<p>Paragraph 3.21:</p> <p>3.21 All information in paragraph 3.07 above should be clearly disclosed in a PHS and this information must not be made by reference to information in other sources, like websites. However, where the unlisted capital market products by its nature, contains information that changes frequently, the following information may be incorporated by reference:</p> <p>(a) Risks;</p> <p>(b) Ratings; and</p> <p>(c) Accounts (if any)</p>	<p>Renumbered as paragraph 3.20 and the requirement is amended as follows:</p> <p>3.20 <u>All information in paragraph <del>3.07</del> 3.06 should be clearly disclosed in a PHS and this information must not be made by reference to information in other sources, like websites. However, where the unlisted capital market products by its nature, contains information that changes frequently, the following information may be incorporated by reference:</u></p> <p><del>(a) Risks;</del></p> <p>(a) Ratings; and</p> <p><del>(c) Accounts (if any)</del></p> <p>(b) <u>In relation to the fund performance of a unit trust fund, the basis of calculation and any assumption made in calculating the returns.</u></p>	<p>Reference to “risks” is no longer allowed to be incorporated by reference as such information must appear directly in the PHS. Reference to “accounts” is also deleted as this information is not required to be part of PHS. Further, basis of calculation and assumptions in relation to fund performance may be incorporated by reference.</p>
15	<p>Paragraph 3.22:</p> <p>3.22 A product issuer is required to prepare a PHS. However, where a product issuer is a foreign entity, the Board of the local product distributor shall be responsible for the PHS that is issued in connection with the distribution of the unlisted capital market product in Malaysia.</p>	<p>Renumbered as Paragraph 3.21 and the requirement is amended as follows:</p> <p>3.21 A product issuer is required to prepare a PHS. <u>However, where a product issuer is a foreign entity, the Board of the local product distributor shall be responsible for the PHS that is issued in connection with the distribution of the unlisted capital market product in Malaysia. The Board of product issuer shall be responsible for the accuracy of the content of the PHS for the offering, marketing and distribution of an unlisted capital market product.</u></p>	<p>Paragraph 3.21 is amended to include that the product issuer is responsible for the accuracy of the contents as well as in preparing a PHS, instead of the product distributor. This is consistent with the product issuer's role in coming up with features of such product.</p>

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16	<p>Paragraph 3.25:</p> <p>3.25 The preparer of a PHS should regularly review the PHS to ensure that investors are provided with information that is up-to-date. The PHS should reflect material changes, if any, to the key features, terms, conditions or risks associated with the product. This is necessary so as to ensure that the PHS remains a reliable source of information to an investor. The updated PHS should be lodged with the SC.</p>	<p>Amendment of paragraph 3.25:</p> <p>3.25 The preparer of a PHS <del>should</del> <u>must regularly review the PHS to ensure that investors are provided with information that is reliable and up-to-date. In this regard:</u></p> <p>(a) <u>Where there is a material change to the content of the PHS in relation to the key features, terms, conditions or risk associated with the product, the PHS must be revised and updated to reflect such material changes;</u></p> <p>(b) <u>In relation to a unit trust fund, the information on fund performance must be updated to reflect the information of the most recent financial year; and</u></p> <p>(c) <u>The revised and updated PHS must be lodged with the SC.</u></p> <p><del>The PHS should reflect material changes, if any, to the key features, terms, conditions or risks associated with the product. This is necessary so as to ensure that the PHS remains a reliable source of information to an investor. The revised and updated PHS must be lodged with the SC.</del></p>	<p>Paragraph 3.25 is amended to provide better explanation that where there is a material change to the content of the PHS in relation to the key features, terms, conditions or risk associated with the product, the PHS must be revised and updated to reflect such material changes. In relation to a unit trust fund, the information on fund performance must be updated to reflect the information of the most recent financial year. The revised and updated PHS must be lodged with the SC.</p>

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17	<p>Paragraph 3.30:</p> <p>3.30 An electronic PHS may be made available online together with any other electronic disclosure document, provided that the investor is given a hardcopy version of the PHS before he makes an investment decision.</p>	<p>Renumbered as paragraph 3.27 and the requirement is amended as follows:</p> <p>3.27 <del>An electronic PHS may be made available online together with any other electronic disclosure document, provided that the investor is given a hardcopy version of the PHS before he makes an investment decision.</del> <u>A PHS, either a hardcopy version or an electronic version, must be provided to the investor before he makes an investment decision. However a hardcopy version of the PHS must be given to an investor upon a request from such an investor.</u></p>	<p>Paragraph 3.27 is amended to enable electronic version of PHS to be given to an investor.</p>
18	-	<p>New paragraph 3.28:</p> <p>3.28 <u>Whenever an investor, including an accredited investor requests for a copy of a PHS, a product distributor must provide such an investor with a PHS.</u></p>	<p>Paragraph 3.28 is amended to state clearly that notwithstanding that the Guidelines did not impose an obligation for a PHS to be given to accredited investors. However, such investor still has the right to request for a copy of a PHS at any time.</p>
19	<p>Paragraph 4.08:</p> <p>In addition to paragraphs 4.05 to 4.07 above, in a case of a private retirement scheme, a suitability assessment need not be conducted on–</p> <p>(a) an investor who does not select a fund within a scheme and therefore a fund is chosen for the investor by way of default;</p> <p>(b) an investor who switches to a fund within the default option based on his age category;</p> <p>(c) an employer which channels contributions for the employees; or</p>	<p>Amendment of Paragraph 4.08:</p> <p><u>In the case of a private retirement scheme, in</u> addition to paragraphs 4.056 to 4.07, a suitability assessment need not be conducted on–</p> <p>(a) an investor who does not select a fund within a scheme and therefore a fund is chosen for the investor by way of default;</p> <p>(b) an investor who switches to a fund within the default option based on his age category;</p> <p>(c) an employer which channels contributions for the employees; or</p>	<p>Paragraph 4.08 is amended to provide better explanation that in the case of a private retirement scheme, a suitability assessment need not be conducted on an investor who does not select a fund within a scheme and therefore a fund is chosen for investor by way of default, an investor switches a fund within the default option based on his category, an employer channels contributions for employees or an investor transfers accrued benefits from a private retirement scheme account of another private retirement scheme provider, in addition to compliance with paragraphs 4.06 to 4.07.</p>

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	(d) an investor who transfers accrued benefits from a private retirement scheme provider to an existing private retirement scheme account of another private retirement scheme provider.	(d) an investor who transfers accrued benefits from a private retirement scheme provider to an existing private retirement scheme account of another private retirement scheme provider.	
20	<p>Appendix A :</p> <p>1. No title of Appendix A</p> <p>2. No details on "Date of Issuance" on Appendix A</p> <p>3. Sample of Responsibility Statement:</p> <p>This Product Highlights Sheet has been reviewed and approved by the directors or authorized committee or persons approved by the Board of (name of product issuer) or as the case may be by the Board of (name of Product Distributor issuing foreign capital market products) and they collectively and individually accept full responsibility for the accuracy of the information. ...</p> <p>4. Only one sample on Statement of Disclaimer for products authorised by the SC. No reference was made to products under Lodge and Launch framework.</p>	<p>Amendment of Appendix A:</p> <p>1. Insertion of title of Appendix A:</p> <p><b>APPENDIX A-RESPONSIBILITY STATEMENT AND STATEMENT OF DISCLAIMER</b></p> <p>2. Insertion of "Date of Issuance" on Appendix A:</p> <p>3. Amendment of sample of Responsibility Statement:</p> <p>This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of (name of Product Issuer) <del>or as the case may be by the Board of (name of Product Distributor issuing foreign capital market products)</del> and they <del>have</del> collectively and individually accept full responsibility for the accuracy of the information.</p> <p>4. Insertion of sample options on Statements of Disclaimers in accordance with the regulatory framework applicable on such products:</p> <ul style="list-style-type: none"> <li>• New Sample 1 for products that require Authorisation/Recognition of the SC and</li> <li>• New Sample 2 for products under the Lodge and Launch Framework.</li> </ul>	<p>Appendix A is amended—</p> <ul style="list-style-type: none"> <li>• To include a new title for Appendix A;</li> <li>• To provide the date of issuance of the PHS on the first page of the PHS to ensure that the investors are aware of the latest copy of PHS being made available;</li> <li>• To emphasise in the Responsibility Statement that the Board of the Product Issuer will be collectively and individually accept full responsibility for the accuracy and contents of the PHS, as the product issuers issues the PHS and this is relevant to all unlisted capital market products. Reference to Board of product distributor has been removed as product distributor is not responsible in detailing the key features of the product and not responsible for any changes on the unlisted capital market products; and</li> <li>• To provide samples of Statements of Disclaimer where the Board of Director of Product Issuer must choose, where relevant, if the unlisted capital market product is issued under the authorisation/recognition regime or whether the unlisted capital market product is issued under the Lodge and Launch Framework.</li> </ul>

**Appendix I – Summary of Amendments to Guidelines of Sales Practices of Unlisted Capital Market Products  
(Revised: 19 July 2016)**

Specific Amendments to Guidelines on Sales Practices of Unlisted Capital Market Products			
No	Reference in the Guidelines on Sales Practices (Version made effective on 29 March 2013)	Revised Version dated 19 July 2016	Comments
21	PHS Guide	<p>Amendment of Appendix B:</p> <p>1. Insertion of title of Appendix B:</p> <p><b>APPENDIX B-GUIDE ON PRODUCT HIGHLIGHTS SHEET</b></p> <p>2. Amendment under "Key Risks":</p> <ul style="list-style-type: none"> <li>• <i>For unit trust fund, a unit trust consultant (UTC) <del>UTC</del> may represent company that distributes unit trust fund that uses a nominee system and the rights as a unit holder may be limited if an investor invest in unit trust funds through it. If the company that distributes a unit trust fund uses a nominee system, to state if rights as a unit holder will be limited in any way.</i></li> </ul> <p>3. Amendment under "Fees and Charges":</p> <ul style="list-style-type: none"> <li>• <i>For unit trust fund or private retirement scheme, if an investor redeems units in a unit trust fund and then purchase units in another, the investor will probably have to pay a sales charge. However, if an investor switches from one fund to another managed by the same unit trust management company or private retirement scheme provider, it is likely that such investor may not have to pay any sales charge. To clearly state the policy on switching and redemption, and relevant fees, if any.</i></li> <li>• <i>Insertion of e-mail address for Federation of Investment Managers Malaysia (FIMM)'s Complaint Bureau</i></li> </ul>	<p>Appendix B is amended—</p> <ul style="list-style-type: none"> <li>• The statement in relation to rights of an investor using a nominee system is included under "Key Risks".</li> <li>• The importance of asking about switching prior to redemption is also included under "Fees and Charges".</li> </ul> <p>The above information are inserted following streamlining of requirements in relation to unit trust funds and private retirement schemes.</p> <ul style="list-style-type: none"> <li>• E-mail address of FIMM's Complaint Bureau is also included to facilitate investors in making any complaint.</li> </ul>