

**Summary of Amendments made to the Revised Guidelines on Private Retirement Schemes  
(Issued: 13 July 2017)**

The following tables provide summary of key amendments made to the revised *Guidelines on Private Retirement Schemes* issued on 13 July 2017:

<b>A. General amendments</b>
<ol style="list-style-type: none"> <li>1. Amendments in relation to nomination and pre-retirement withdrawal due to permanent total disablement, serious disease and mental disability;</li> <li>2. Consequential amendments pursuant to Companies Act 2016 and revisions made to the <i>Guidelines of Unit Trust Funds</i> and <i>Guidelines on Sales Practices of Unlisted Capital Market Products</i> ; and</li> <li>3. Editorial amendments including streamlining certain terminology, rephrasing and renumbering of certain requirements, providing guidance and clarifications to the requirements without any change in policy.</li> </ol>

<b>B. Specific amendments</b>			
<b>No.</b>	<b>Reference in the Guidelines on Private Retirement Schemes</b>		<b>Comments</b>
	<b>Version prior to 13 July 2017</b>	<b>Revised version dated 13 July 2017</b>	
	<b>Chapter 2 : Definitions</b>		
1	Paragraph 2.01	Paragraph 2.01	New definitions for "approved accounting standards", "fund", "fund applicant", "guardian", "licensed investment bank", "licensed Islamic bank", "mental disability", "nominee", "permanent total disablement", "private retirements scheme account", "real estate", "serious disease" and "stock exchange".

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			Definition of "transferable securities" which was originally provided in the previous paragraph 8.08 has been included in paragraph 2.01
<b>Chapter 3: The Management Company</b>			
2	Paragraph 3.22	Paragraph 3.22	Amendment to subparagraph 3.22(d) to include nomination as one of the matters where PRS Providers must take all steps to comply with instructions of the PPA.
3	-	Paragraph 3.32A & Schedule A	Insertion of a new requirement for PRS Provider to maintain a website incorporating the information specified in Schedule A.
<b>Chapter 4 : Appointment of Scheme Trustee</b>			
4	-	Paragraph 4.16A	This requirement has been inserted to provide prohibition on Scheme Trustee from holding units or other interest in a fund of a Scheme.
<b>Chapter 5 : Appointment of Third Party to Undertake Function</b>			
5	-	Paragraph 5.10A	This requirement has been inserted to clarify Scheme Trustee's obligations in case a Scheme Trustee's delegate is appointed.
6	-	Paragraph 5.10B	This requirement has been inserted to clarify on remuneration of the Scheme Trustee's delegate.
<b>Chapter 7: Constitution of the Scheme</b>			
7	-	Paragraph 7.01A	The requirement in relation to authorisation of core funds and non-core funds within the Scheme was originally found in the previous paragraph 7.07 and it has been renumbered as paragraph 7.01A.

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8	Paragraph 7.02	Paragraph 7.02	This requirement has been amended to clarify that a PRS Provider must at all times offer three core funds within the Scheme.
9	-	Paragraph 7.02A	The requirement which provides that a Scheme may comprise up to seven funds was originally provided in paragraph 7.02 and it has been renumbered as paragraph 7.02A.
10	-	Paragraph 7.03A	The requirement in relation to revocation of authorized fund was originally provided in paragraph 7.10 and it has been renumbered as paragraph 7.03A.
11	Paragraph 7.04	Paragraph 7.04	This requirement has been amended to clarify that each Scheme must only have one constituent document governing all members of the Scheme.
12	-	Paragraph 7.04A	This requirement has been inserted following consequential amendments to the <i>Guidelines on Unit Trust Funds</i> .
13	-	Paragraph 7.04B	This requirement has been inserted following consequential amendments to the <i>Guidelines on Unit Trust Funds</i> .
14	-	Paragraph 7.19A	This requirement has been inserted to clarify that a PRS Provider must convene a member's meeting to obtain member's approval where the interests of the members may be materially prejudiced by any changes to the deed.

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15	-	Guidance to paragraph 7.19A	Content of the previous paragraph 7.20 has been placed under Guidance to paragraph 7.19A. This Guidance provides clarification on scenarios which constitute changes that may materially prejudice the interest of members. For example, change in distribution policy.
16	Paragraph 7.21	Paragraph 7.21	The requirement on prior written notice to members on proposed modification to the deed where the proposed modification would not materially prejudice the interest of members has been amended from 21 days prior written notice to seven days prior written notice.
<b>Chapter 8 : Investments of the Scheme</b>			
17	Paragraph 8.11	Paragraph 8.11	This requirement has been amended to clarify that investments in a foreign market would include markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO).
<b>Chapter 9 : Charges, Fees and Expenses</b>			
18	-	Paragraph 9.14A	The requirement which provides that fees payable to the Private Pension Administrator may be paid out of a fund has been renumbered as paragraph 9.14A. Prior to the amendment, it was provided in the previous paragraph 9.14.
<b>Chapter 10: Dealing, Valuation and Pricing</b>			
19	-	Paragraph 10.05A	Paragraph 10.03 has been placed under the header of "Creation and cancellation of units" and renumbered as paragraph 10.05A.

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20	-	Paragraph 10.05B	Paragraph 10.04 has been placed the header of "Creation and cancellation of units" and renumbered as paragraph 10.05B.
21	-	Paragraph 10.15A	This requirement is inserted to allow automatic termination of PRS Account by PRS Provider to ensure compliance with relevant laws.
22	-	Paragraph 10.16A	The requirement on dealing in unit a price determined in accordance with paragraph 10.33 was originally provided in the previous paragraph 10.18 has been renumbered as paragraph 10.16A.
23	Paragraph 10.17	Paragraph 10.17	Paragraph 10.17 has been amended to solely cover requirements on transfers between PRS Providers.
24	-	Paragraph 10.17A	The content of previous paragraph 10.17 on withdrawals has been included in paragraph 10.17A.  Paragraph 10.17A is further enhanced to cover withdrawal due to permanent total disablement (PTD), serious disease and mental disability where withdrawal request could come from members directly or redirected by the PPA (for members with multiple PRS Providers).
25	-	Paragraph 10.17B	This requirement was originally provided in the previous sub-paragraph 10.17(c) and has been renumbered as Paragraph 10.17B.

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26	-	Paragraph 10.25A	This is a new requirement on PRS Provider's obligation to ensure that the fund and fund units are correct valued and priced in line with the requirements in the Guidelines.
<b>Chapter 11: Operational Matters</b>			
27	Paragraph 11.05	Paragraph 11.05	Amendments to clarify that cooling-off period are not available for subsequent contributions by members and contributions made by employers on behalf of employees.
28	-	Guidance to paragraph 11.32	A new guidance box has been inserted to clarify the limit to the fund's dealings.
29	Paragraph 11.37	Paragraph 11.37	Subparagraph 11.37(b) has been amended to include withdrawal following death of member (regardless whether or not a nomination has been made).  Further, subparagraph 11.37(d) has been inserted to include withdrawal due to permanent total disablement, serious disease or mental disability of a member.
30	Guidance to paragraph 11.37	Guidance to paragraph 11.37	Guidance box was amended to clarify that applications to made under paragraph 13.24 are not considered a withdrawal.
31	-	Paragraph 11.37A	A table has been inserted to clarify the extent of permitted withdrawals, either partial or full, for all circumstances of withdrawal. Information in this table has been extracted from the previous paragraph 11.37.

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32	Paragraph 11.38	Paragraph 11.38	This requirement has been amended to clarify that request for withdrawal may receive from the request directly from persons mentioned in the requirement of through a notification from PPA.
33	-	Paragraph 11.38A	This requirement was originally provided in the previous paragraph 11.38 and has been renumbered as paragraph 11.38A.
34	-	Paragraph 11.39A	This requirement is originally provided in previous paragraph 11.39 and it has been renumbered as paragraph 11.39A. In addition, reference to permanent total disablement, serious disease and mental disability has been added as circumstances which are exempted from the 8% tax penalty.
35	Paragraph 11.44	Paragraph 11.44	Subparagraph 11.44(a) has been amended to include that notification to SC must be made upon court's confirming members' resolution to terminate the fund.
36	-	Paragraphs 11.46A, 11.46B, 11.46C and 11.46D	The requirements on termination of class of units have been included.
37	-	Guidance to paragraph 11.51	This is a new guidance box to provide clarity on meeting of members.
38	Paragraph 11.75	Paragraph 11.75	Member's age has been amended from 80 years to 100 years for the purpose of transfer of unclaimed monies to the Registrar of Unclaimed Monies.
39	Paragraph 11.76	Paragraph 11.76	This requirement has been amended to provide for PRS Provider's obligation (instead of the Scheme Trustee) to obtain approval from Private Pension Administrator (PPA) prior to transferring unclaimed accrued benefits to the Registrar of Unclaimed Monies.

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40	-	Paragraph 11.85A	This is a new requirement that allows vested units to remain in sub-account A only.
<b>Chapter 13: Disclosure Document and Product Highlights Sheet</b>			
41	-	Paragraph 13.01A	This is a new requirement that allow more than one disclosure documents under one Scheme. However, separate disclosure document is only allowed for each non-core fund.
42	Paragraph 13.03	Paragraph 13.03	This requirement has been amended to clarify that the obligation to disseminate disclosure documents is dispensed with in the case of members who make additional contributions to their existing funds options
43	-	Paragraph 13.03A	This requirement was originally found in previous paragraph 13.03 and has been renumbered as paragraph 13.03A. This requirement has been clarified to provide that it is applicable where contributions are channeled to default option when a member has not made a fund selection.
44	-	Paragraph 13.03B	This is a new requirement inserted requiring PRS Provider to ensure the disclosure document and product highlights sheet are posted on PRS Provider's website. Further, copies of these documents must be made available free of charge to members who requested for them at any point of time.
45	-	Paragraph 13.04A	This requirement was originally found in previous paragraph 13.04 and has been further amended for clarity.
46	Paragraph 13.23	-	The requirement has been deleted.



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47	-	Paragraph 13.23A	This is a new requirement which sets out the obligation which PRS Providers must undertake where there is a change to the disclosure document.
48	-	Paragraph 13.23B	This is a new requirement which sets out the effective date of the significant change to the disclosure document.
49	-	Paragraph 13.24A	This is a new requirement which sets out the list of circumstances where the right to withdraw application under paragraph 13.24 is not applicable.
50	-	Paragraph 13.31A	This is a new requirement which sets out information contained in Product Highlights Sheet (PHS) should not be false or misleading.
51	-	Paragraph 13.31B and 13.31C	These are new requirements which set out the number of pages of the PHS in relation to core and non-core funds.
52		Paragraph 13.31D	This is a new requirement which sets out the font type of the PHS.
53	-	Paragraph 13.32A	This is a new requirement applicable where a PHS is submitted for language in a language other than Bahasa Malaysia or English.
54	Paragraph 13.35	-	This requirement has been deleted.
55		Paragraph 13.35A	This requirement provides for the obligation on PRS Provider to regularly review and update the PHS.
56	-	Paragraphs 13.37A, 13.37B and 13.37C	New requirements on distribution of a PHS.
<b>Chapter 14 : Applications, Notifications and Reporting</b>			
57	-	Paragraph 14.01A	This requirement was originally found in previous paragraph 7.08 and has been renumbered as paragraph 14.01A.
58	-	Paragraph 14.01B	This requirement was originally found in previous paragraph 7.09 and has been renumbered as paragraph 14.01B.

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59	Paragraph 14.05	-	This paragraph has been deleted.
60	Paragraph 14.06	-	This paragraph has been deleted.
61	-	Paragraphs 14.06A	This requirement in relation to registration of disclosure document was originally provided in the previous paragraph 13.20 and has been renumbered as paragraph 14.06A.
62	-	Paragraph 14.06B	This requirement in relation to registration of disclosure document was originally provided in the previous paragraph 13.21 and has been renumbered as paragraph 14.06B.
63	-	Paragraph 14.06C	This requirement in relation to registration of disclosure document was originally provided in the previous paragraph 13.27 and has been renumbered as paragraph 14.06C.
64	-	Paragraph 14.06D	This requirement in relation to registration of disclosure document was originally provided in the previous paragraphs 13.26 and 13.28 has been renumbered as paragraph 14.06D.
65		Paragraph 14.06E	This requirement in relation to lodgement of disclosure document was originally provided in the previous paragraph 13.31
66		Paragraph 14.06F	This requirement in relation to lodgement of PHS was originally found in previous paragraph 13.37.
67	Paragraph 14.07	-	This paragraph has been deleted.
<b>Chapter 15 : Nomination</b>			
68	-	Paragraphs 15.01-15.25	This is a new chapter on nomination which may be made by members of PRS.

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<b>Schedules</b>			
69	Schedule A Investment Restrictions and Limits – Core Requirements	Schedule A Information Required to be Included in the PRS Provider’s Website	Schedule A now sets out the information required to be included in the PRS Provider’s website.
70	Schedule B Valuation	Schedule B Investment Restrictions and Limits – Core Requirements	Schedule B now sets out investment restrictions and limits. Further, the content of Schedule B1 (attached to Schedule B) was originally provided under the previous Schedule A1.
71	Schedule C Deed of a Private Retirement Scheme	Schedule C Valuation	Schedule C now sets out requirements on valuation.
72	Schedule D Contents of a Fund’s Report	Schedule D Deed of a Private Retirement Scheme	Schedule D now sets out requirements on Deed of a PRS.
73	Schedule E Submission of Applications, Notifications and Documents	Schedule E Contents of a Fund’s Report	Schedule E now sets out requirements on contents of a fund’s report.
74	Schedule F Reporting to the SC	Schedule F Submission of Applications, Notifications and Documents	Schedule F now sets out requirements on submission of applications, notifications and documents.

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75	Schedule G Minimum Contents of a Product Highlights Sheet	Schedule G Reporting to the SC	Schedule G now sets out requirements on reporting to the SC.
76	-	Schedule I Minimum Contents of a Product Highlights Sheet	Schedule I now sets out requirements on minimum contents of a Product Highlights Sheet. These requirements were originally found in the previous Schedule G and have been further amended.
	<b>Guidance</b>		
77	-	Guidance I Guidance in relation to Product Highlights Sheet	This Guidance set out guidance and template in relation to the Product Highlights Sheet.