

**P.U. (A) 480/2012**

**CAPITAL MARKETS AND SERVICES ACT 2007**

**CAPITAL MARKETS AND SERVICES (CAPITAL MARKET COMPENSATION FUND)  
REGULATIONS 2012**

IN exercise of the powers conferred under subsection 378(1) of the Capital Markets and Services Act 2007 [Act 671], the Commission, with the approval of the Minister, makes the following regulations:

**Citation and commencement**

1. (1) These regulations may be cited as the **Capital Markets and Services (Capital Market Compensation Fund) Regulations 2012**.

(2) These regulations come into operation on 28 December 2012

**Application**

2. These Regulations shall apply to the Capital Market Compensation Fund Corporation and the Capital Market Compensation Fund established under Part IV of the Act.

**Interpretation**

3. In this Regulation—

“Fund” means Capital Market Compensation Fund;

“Corporation” means the Capital Market Compensation Fund Corporation;

## **Investment of monies in the Fund**

4. The Corporation may invest any monies which forms part of the Fund and is not immediately required for any other purposes under Part IV of the Act—

- (a) in fixed deposits or any other type of investments or placements with a licensed institution;
- (b) in a unit trust scheme approved by the Commission; or
- (c) in any other type of investment subject to the Corporation obtaining the prior approval of the Commission and subject to terms and conditions as may be specified by the Commission.

## **Regulatory report to the Commission**

5. Within three months after the end of each financial year, the Corporation shall prepare and submit a regulatory report to the Commission in writing, of the following:

- (a) where the Corporation invest any monies which forms parts of the Fund—
  - (i) the particulars of the licensed institution in which the fixed deposit or any other type of investment or placement is made;
  - (ii) the relevant rate or rates of interest paid on the fixed deposit or the investment or placement for that financial year;
  - (iii) the total amount of interest or profit earned from the fixed deposit or investment or placement in that financial year;
  - (iv) the manner and time of payment of such interest, profit or other form of income;
  - (v) the securities in which the Corporation has invested;
  - (vi) the appreciation or depreciation in value of investments held;

- (vii) dividends declared and paid in respect of those securities; and
- (b) the amount to be charged to meet the expenses incurred or involved in the administration of the Fund.

### **Appeal to the Commission**

6. (1) The Commission shall determine its own procedures in hearing any appeals made to it pursuant to section 166 of the Act.

(2) The Commission may in respect of an appeal under subregulation (1)–

- (a) affirm the determination of the Corporation;
- (b) set aside the determination of the Corporation; or
- (c) substitute the determination of the Corporation with its own determination.

Dated 24 December 2012

[RS(A&R)/CF-CMFC.1/11(016)-1;PN(PU2)662/VII]

RANJIT AJIT SINGH  
*Chairman Securities Commission*

Approved 27 December 2012

[KK/BPKA/K1/(S)/483/128/1/1 Jld. 8; PN(PU2)662/VII]

DATO' SERI AHMAD HUSNI MOHAMAD HANADZLAH  
*Second Minister of Finance*