

MEMORANDUM

TO : ALL DEALERS' REPRESENTATIVES (DRs)
FROM : THE MANAGEMENT
DATE : 16 APRIL 2015
SUBJECT : SAFEGUARDING OF CLIENTS' MONIES

The Securities Commission (SC) had expressed their concern over the industry's weaknesses in the controls to safeguard clients' monies. Attached is the letter from the SC for your perusal.

As stated in the SC's letter, the following procedures will take effect from 17 April 2015 when DRs advise the Company on payments from their clients.

1.	For payment of RM50,000 and above by cheque directly bank into the Company's account, submit photocopy of the cheque together with the bank in slip. This will enable the Company to verify the identity of the cheque issuer
2.	For online fund transfer/telegraphic transfer, the transferor's name must match the trading account name and be reflected in the transfer advice
3.	DRs are prohibited to split clients' payments and credit the monies into more than one trading account unless a written consent is obtained from the cheque issuer/transferor with an explanation on the relationship of these clients
4.	Monies deposited by Client A cannot be allocated to Client B unless there is a discernible relationship between Client A and Client B and a written consent from Client A
5.	Deposits from several individuals cannot be allocated to one client's account
6.	DRs are prohibited from accepting payments from clients directly into their personal bank account and subsequently making payment on behalf of clients from their personal bank account

Please inform your clients of these new procedures and requirements.

Thank you