

CMDP: MODULE 4

EMERGING AND CURRENT REGULATORY ISSUES IN THE CAPITAL MARKET

5
CPE POINTS



18 APRIL 2025

9.00AM-12.30PM | SECURITIES COMMISSION OF MALAYSIA



Fees:
MYR 2,200
(fee is not inclusive of SST)



CPE Points Earned:
5 CPE Points



Mode:
Physical - Face to Face

SIDCPHYSICAL Face-to-Face Event.

Seats Are **Limited**.
Register **Now** at www.sidc.com.my

PROGRAMME OVERVIEW

Licensed intermediary institutions play an important systemic role in the capital market ecosystem. The growth or decline of the capital market is influenced by, among others, the success and failure of these institutions. Hence, the quality of leadership at these institutions is paramount. Kiel et al., 2012 suggest four levels of competence required of a board. They are as follows:

Industry: Experience in and knowledge of the industry in which the organisation operates

Technical: Technical/professional skills and specialist knowledge to assist with ongoing aspects of the board's role

Governance: The essential governance knowledge and understanding all directors should possess or develop if they are to be effective board members

Behavioural: The attributes and competencies enabling individual board members to use their knowledge and skills to function well as team members and to interact with key stakeholders

PROGRAMME OBJECTIVE

The **Capital Market Director Programme** is an exclusive platform for directors and other strategic personalities of licensed intermediary institutions to equip themselves with new and relevant knowledge, skills and abilities (basic to intermediate level). The programme is also designed to allow them to explore and deliberate on pertinent issues affecting the industry from multi-stakeholders' perspectives.

The specific objectives of the programme are as follows:

- 1) Equip members of the board with knowledge and skills to provide leadership and oversight of the running of the licensed intermediary institutions;
- 2) Assist directors of licensed intermediary institutions to be an effective member of the board through latest developments in regulations and challenges, business and governance, in the capital market; and
- 3) Promote a thorough understanding of the role of the Securities Commission in regulating a dynamic and competitive capital market.

This programme aims to strengthen intermediation standards and capabilities as espoused by the Capital Market Masterplan 2 (CMP2).

ICF COMPETENCY LEVEL

- Core - Corporate Governance, Ethic & Integrity, Risk Management (Proficiency Level 4)
- Foundational (Regulatory) - Capital Market Institutions, Capital Market Intermediaries, Capital Market Products Regulations (Proficiency Level 4)
- Foundational (Product) - Capital Market Environment (Proficiency Level 4)
- Behavioural (Organisation Leadership) - Strategic Thinking (Proficiency Level 4)

TARGET AUDIENCE

Individuals
Newly appointed directors and directors of CMSL holders.

WHAT WILL YOU LEARN?

MODULE 4: EMERGING AND CURRENT REGULATORY ISSUES IN THE CAPITAL MARKET

At the end of the module, participants will be able to:

- Understand and articulate the emerging issues potentially affecting the business of licensed intermediaries;
- Identify and understand the red flags of potential misconducts; and
- Exercise judgement appropriately in ensuring (i) proper conduct of licensed intermediaries and (ii) effective dealings with the regulator – the Securities Commission Malaysia.

PROGRAMME OUTLINE

- 09.00 am • Recognise the emerging issues potentially affecting the business of licensed intermediaries:
- o Systemic risk, prudential standards, capital adequacy and stress test;
 - o Reputation risks arising from counterparties and/or service vendors/providers;
 - Remuneration driving malpractices;
 - Not adhering to KYC protocols;
 - Conflicts of interest;
 - Churning customer accounts;
 - o Dealing with customer complaints and alternative dispute resolutions;
 - o Use of social media (e.g. Facebook, Tik Tok and Twitter) by market participants and intermediaries to differentiate between advice and guidance;
 - o Cyber-threats (including examples below) and the impact on the capital markets:
 - Loss of critical data or data leakage – whether caused by unintentional or deliberate act;
 - Social engineering in which customers are manipulated into disclosing confidential information which could lead to identity thefts, email frauds, and spams; and
 - Loss of control over internet protocol (IP) addresses resulting from distributed denial of service (DDOS) attacks.

10.30 am Coffee Break

- 10.45 am • Understand the role of the Securities Commission Malaysia as primary stakeholder in ensuring proper conduct through sound appreciation of:
- o SC's supervisory objectives and philosophy;
 - o Eleven core principles of SC supervision –
 - Integrity
 - Skill, care and diligence
 - Supervision and control
 - Financial requirements
 - Market conduct
 - Priority to client's interests
 - Communication with clients
 - No conflicts of interests
 - Safeguarding clients' assets
 - Compliance culture
 - Dealing with regulators
 - o Importance of strong compliance framework and culture of compliance
 - o Core supervisory process;
 - o Spectrum of supervision including risk posed to the intermediaries from the perspective of conduct, microprudential, AML/CFT and systemic issues; and
 - o Common supervisory findings in the areas of
 - Compliance framework and culture;
 - Awareness and understanding of regulatory requirements;
 - Adequacy of resources and controls.
 - o Based on interactive discussions regarding red flags identify indicators of possible market misconduct.

12.30 pm End of Programme

SPEAKER



SUE WAN WONG

Sue Wan Wong is a partner in the Corporate, Commercial & Securities Practice Group at Wong & Partners, a member firm of Baker & McKenzie in Malaysia. She advises clients on exchange controls, securities offerings, mergers and acquisitions, corporate restructuring, and financial services regulations. Sue Wan has extensive experience in FinTech, helping businesses navigate regulatory challenges and foster industry partnerships. She is a member of the US-ASEAN Business Council (Financial Services Committee) and Secretary of the FinTech Association of Malaysia. Admitted to practice in Malaysia in 2003, she holds a Bachelor of Laws (Honours) from the University of Malaya and a Bachelor of Civil Law from the University of Oxford.



ASHRAF ARSHAD

Ashraf Arshad currently holds the position of Assistant General Manager in the Intermediary Supervision Department at the Securities Commission Malaysia. He oversees stockbroking firms, digital brokers and credit rating agencies. His other experiences include surveillance work on the equity market and public listed companies in Malaysia. Previously, he was seconded to the World Bank Malaysia office, promoting financial inclusion, Islamic finance, and green finance in Southeast Asia. A member of the Malaysian Institute of Accountants, Ashraf holds a Master's in International Finance (Merit) from the University of Leeds and a Bachelor of Accountancy (Honours) from Universiti Putra Malaysia.

Visit www.sidc.com.my for More SIDC Training Programmes **TODAY!**



Securities Industry Development Corporation (765264K)
3, Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur, Malaysia
Email: sidc@sidc.com.my Website: www.sidc.com.my



Find us on Youtube, LinkedIn, Facebook & Instagram at Securities Industry Development Corporation - SIDC
**The SIDC reserves the right to amend the programme as deemed appropriate as without prior notice.*

For enquiries on registration, please contact: **+603 6204 8439 / 8274** | Register today at www.sidc.com.my

Get in touch and speak to our friendly team:

Farith Jamal | +6014 653 2578 | Farith.Jamal@sidc.com.my

Sarah Dalina | +6011 2711 9658 | Sarah.Dalina@sidc.com.my

Wan Mohd Farid | +6012 641 7589 | FaridK@sidc.com.my

Abdul Qaiyum | +6017 871 3242 | Qaiyum.Ghazali@sidc.com.my

Nur Hanis Hidayah | +6010 543 7702 | HanisM@sidc.com.my