

Summary of key amendments for FIMM Guidance on Simple Language and Effective Drafting Practices for Prospectus

No.	Revised version dated 19 August 2016	Remarks						
1	<p>Part I, Section 2, Guidance 15:</p> <p>Insertion of new fund feature immediately after last item of the table:</p> <table border="1" data-bbox="320 696 991 981"> <thead> <tr> <th data-bbox="320 696 560 734">Fund Feature</th> <th data-bbox="560 696 991 734">Risk for Consideration</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 734 560 981"><i>Fund that invests in warrants and convertibles</i></td> <td data-bbox="560 734 991 981"><i>You should disclose that such investments have an expiry date and may experience time decay, and the erosion of value accelerates as the instrument advances to its expiry date</i></td> </tr> </tbody> </table>	Fund Feature	Risk for Consideration	<i>Fund that invests in warrants and convertibles</i>	<i>You should disclose that such investments have an expiry date and may experience time decay, and the erosion of value accelerates as the instrument advances to its expiry date</i>	<p>To insert additional fund feature.</p>		
Fund Feature	Risk for Consideration							
<i>Fund that invests in warrants and convertibles</i>	<i>You should disclose that such investments have an expiry date and may experience time decay, and the erosion of value accelerates as the instrument advances to its expiry date</i>							
2	<p>Part II, Section 3, Item 1:</p> <p>To replace the term “private debt securities” with “corporate bonds” in the table of Glossary of Financial/ Investment Terminology as follows:</p> <table border="1" data-bbox="320 1223 991 1971"> <thead> <tr> <th data-bbox="320 1223 400 1328">No</th> <th data-bbox="400 1223 608 1328">Financial/ Investment Terminology</th> <th data-bbox="608 1223 991 1328">Definition</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 1328 400 1971">1</td> <td data-bbox="400 1328 608 1971">asset-backed securities (ABS)</td> <td data-bbox="608 1328 991 1971">means private—debt securities corporate bonds or sukuk that are issued pursuant to a securitisation transaction. Such ABS shall exclude any private—debt securities corporate bonds or sukuk with convertible or exchangeable features; Examples of such excluded securities include exchangeable bonds and private—debt securities corporate securities</td> </tr> </tbody> </table>	No	Financial/ Investment Terminology	Definition	1	asset-backed securities (ABS)	means private—debt securities corporate bonds or sukuk that are issued pursuant to a securitisation transaction. Such ABS shall exclude any private—debt securities corporate bonds or sukuk with convertible or exchangeable features; Examples of such excluded securities include exchangeable bonds and private—debt securities corporate securities	<p>The amendments were carried out in line with Technical Note issued by the Securities Commission Malaysia (SC) on 21 July 2016.</p> <p>Please take note that the term “Islamic Private Debt Securities” remains unchanged, in line with the term currently adopted by Bank Negara Malaysia (BNM).</p>
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			bonds or sukuk with attached warrants.							
3	<p>Part II, Section 3, Item 7:</p> <p>Amendment on the definition of convertible securities as follows:</p> <table border="1" data-bbox="320 633 991 992"> <thead> <tr> <th data-bbox="320 633 400 741">No</th> <th data-bbox="400 633 611 741">Financial/ Investment Terminology</th> <th data-bbox="611 633 991 741">Definition</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 741 400 992">7</td> <td data-bbox="400 741 611 992">Convertible securities</td> <td data-bbox="611 741 991 992">means securities which are convertible or exercisable, by their terms of issue, into listed or unlisted shares other securities</td> </tr> </tbody> </table>			No	Financial/ Investment Terminology	Definition	7	Convertible securities	means securities which are convertible or exercisable, by their terms of issue, into listed or unlisted shares other securities	More concise definition.
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4.	<p>Part II, Section 3, Item 17:</p> <p>Table of Glossary of Financial/Investment Terminology:</p> <p>Insertion of additional item to the table of Glossary of Financial/ Investment Terminology as follows:</p> <table border="1" data-bbox="320 1346 991 1704"> <thead> <tr> <th data-bbox="320 1346 400 1453">No</th> <th data-bbox="400 1346 611 1453">Financial/ Investment Terminology</th> <th data-bbox="611 1346 991 1453">Definition</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 1453 400 1704">18</td> <td data-bbox="400 1453 611 1704">Warrants</td> <td data-bbox="611 1453 991 1704">means securities that give the holder the right but not the obligation to buy or sell certain securities at a certain price before the expiry date.</td> </tr> </tbody> </table>			No	Financial/ Investment Terminology	Definition	18	Warrants	means securities that give the holder the right but not the obligation to buy or sell certain securities at a certain price before the expiry date.	To insert additional terminology.
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