

13 December 2016

**CIRCULAR : BR/FH/TLK-han/612-16**

**To : UTMC, IUTA, CUTA, PRS PROVIDER, IPRA AND CPRA  
("DISTRIBUTOR")**

**ATTN : AUTHORISED REPRESENTATIVE/CHIEF EXECUTIVE OFFICER**

Dear Sir/Madam,

**PROCEDURES FOR DISTRIBUTOR IN RELEASING CONSULTANT UPON  
RESIGNATION OR TERMINATION**

We refer to the above.

It was brought to FIMM's attention that Distributor had failed to release Consultant in a timely manner upon Consultant's resignation or termination.

Upon obtaining feedback from the industry, FIMM noted that there is inconsistency of industry practices in the time period taken to release the Consultant upon resignation or termination.

In view of the above, FIMM hereby provides a guiding principle to Distributor for better efficiency and transparency in handling the matter as follows:

- a) Distributor shall serve a letter of termination to the Consultant in the event of any termination to the agency agreement;
- b) Consultant shall serve a letter of resignation to the Distributor in the event of resignation;
- c) Distributor is responsible to collect FIMM Authorisation Card from the Consultant and to destroy the same;
- d) Upon settlement of all outstanding matters with the Consultant, Distributor shall release the Consultant in accordance to the termination or resignation notice period as stipulated in the agency agreement or employment contract;
- e) Distributor shall notify FIMM on the termination or resignation of the Consultant and update FIMM's registration system within 1 business day from the effective date of termination or resignation;

Cont'd...

- f) Distributor may withhold the release of Consultant up to **a maximum of 2 months** subject to the following reasons:
- (i) the Consultant has outstanding debt due to the Distributor; or
  - (ii) there is a pending investigation or disciplinary proceedings against the Consultant by the Distributor .

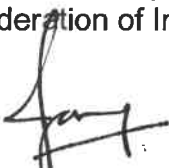
FIMM will not entertain any complaint concerning the release of a Consultant by a Distributor. Both parties shall resolve the matter amicably between themselves.

Consequently, Part 1, Section I, paragraph 3.10 to 3.11 and Part 2, Section 1, paragraph 3.10 to 3.11 of FIMM Registration Manual cease to have effect.

Should you have any queries, please contact Ms. Valli or Ms. Hannah, Business Registration Department at 03-20932600 (ext: 325/326).

Thank you.

Yours faithfully  
Federation of Investment Managers Malaysia



**FARID BIN HASSAN**  
Interim Chief Executive Officer