SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA
(Agensi di bawah KPDNHEP)

INTEREST SCHEMES ACT 2016

PRACTICE DIRECTIVE NO. 2/2020

MORATORIUM PERIOD FOR VALIDITY OF PROSPECTUS OR PRODUCT DISCLOSURE STATEMENT

1. This Practice Directive is issued pursuant to subparagraph 35(a) of Part I of Second Schedule of the Interest Schemes Act 2016 [*Act 778*] ("ISA 2016").

OBJECTIVE

2. This Practice Directive serves to provide a moratorium for the renewal of prospectuses or product disclosure statements which expired during the enforcement of Prevention and Control of Infectious Diseases (Declaration of Infected Local Areas) Order 2020 and the subsequent extension of the Orders (MCO) due to the COVID-19 pandemic.

EXTENSION TO THE VALIDITY PERIOD OF PROSPECTUS OR PRODUCT DISCLOSURE STATEMENT

3. Subparagraph 35(a) of Part I of Second Schedule of the ISA 2016 empowers the Registrar to determine the validity period of a prospectus or product disclosure statement.

4. Through Practice Directive No. 1/2019 (PD 1/2019) issued on 25 July 2019, the Registrar had determined the validity periods of the prospectuses and product disclosure statements as specified in paragraphs 3 and 4 respectively.

5. Taking cognisance that some of the registered Prospectuses or Product Disclosure Statements may have expired during the enforcement of MCO, notwithstanding the validity periods specified in PD 1/2019 and subject to paragraph 7, the Registrar grants a moratorium period of thirty (30) days upon the expiry of the MCO for the management company to renew the prospectus or product disclosure statement.

6. The moratorium period is only applicable for registered prospectuses or product disclosure statements which have expired during the period from 18 March 2020 until the expiry of the MCO period.

7. If the financial year end of the scheme falls after 31 August 2019 to 31 December 2019 and the MCO period has resulted in the delay towards the preparation of the audited financial statements of the scheme, the management company may use the next latest preceding year audited financial statements (2018) for the purpose of renewing the prospectus or product disclosure statement.

8. In addition, the following conditions must be complied with where the management company–

(a) shall, not later than seven (7) working days before the end of the moratorium period, submit the necessary documents and requisite fees to the Registrar for purpose of renewal of the prospectus or product disclosure statement.

(b) shall deposit all money received during the period in which the prospectus or product disclosure statement has lapsed into the trust account and may only be utilised in accordance with the ISA 2016 after the renewal of the prospectus or product disclosure statement has been approved by the Registrar.

9. For avoidance of doubt, any prospectus or product disclosure statement which has expired during the MCO period is deemed to be valid until the end of moratorium period, unless the application for renewal made during the moratorium in this Practice Directive has not been approved by the Registrar.

10. This Practice Directive serves to clarify the special procedures for management companies of interest schemes to renew the registered prospectus or product disclosure statement which has lapsed during the enforcement of MCO due to the COVID-19 pandemic.

REGISTRAR OF COMPANIES
COMPANIES COMMISSION OF MALAYSIA
19 May 2020