

CAPITAL MARKETS AND SERVICES ACT 2007 (Act 671)

An Act to consolidate the Securities Industry Act 1983 [Act 280] and Futures Industry Act 1993 [Act 499], to regulate and to provide for matters relating to the activities, markets and intermediaries in the capital markets, and for matters consequential and incidental thereto.

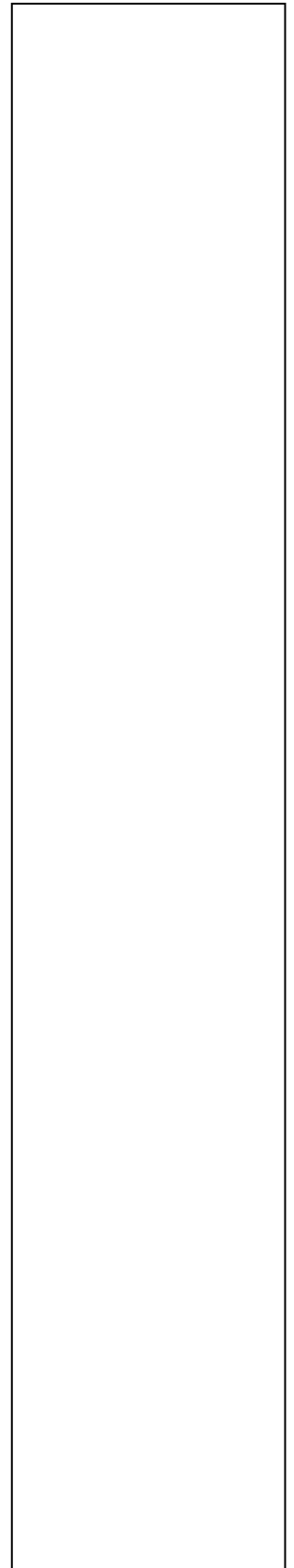
Section 65 of the CMSA

Grounds for refusal for the grant of Capital Markets Services Representative's Licence

65.

(1) Where an application is made for the grant of a Capital Markets Services Representative's Licence under section 60, the Commission may refuse the application on any of the following grounds:

- (a) the application was not made in accordance with section 60;
- (b) the applicant has failed to comply with any other requirement of this Act or any guidelines made under this Act;
- (c) any information or document that is furnished by the applicant to the Commission is false or misleading or from which there is a material omission;
- (d) the applicant is an undischarged bankrupt whether within or outside Malaysia;
- (e) execution against the applicant in respect of a judgment debt has been returned unsatisfied in whole or in part;
- (f) the applicant has, whether within or outside Malaysia, entered into a compromise or scheme of arrangement with his creditors, being a compromise or scheme of arrangement that is still in operation;
- (g) the applicant has—
 - (i) *been convicted, whether within or outside Malaysia, of an offence involving fraud or other dishonesty or violence or the conviction of which involved a finding that he acted fraudulently or dishonestly;*
 - (ii) *been convicted of an offence under the securities laws or any law outside Malaysia relating to capital market;*
 - (iia) *been subjected to any action taken by the Commission under section 354, 355 or 356;*[Ins.
 - (iii) *contravened any provision made by or under any written law whether within or outside Malaysia appearing to the Commission to be enacted for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of financial services or the management of companies or against financial loss due to the conduct of discharged or undischarged bankrupts;*
 - (iv) *engaged in any business practices appearing to the Commission to be deceitful or oppressive or otherwise improper (whether unlawful or not) or which otherwise reflect discredit on his method of conducting business; or*
 - (v) *engaged in or has been associated with any other business practices or otherwise conducted himself in such a way as to cast doubt on his competence and soundness of judgment;*
- (h) the Commission is not satisfied as to the educational or other qualification or experience of the applicant having regard to the nature of the duties he is to perform in connection with the holding of the licence;



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(i) the Commission has reason to believe that the applicant may not be able to act in the best interests of the clients of a holder of a Capital Markets Services Licence having regard to his reputation, character, financial integrity and reliability;

(j) the Commission is not satisfied as to the record of past performance or expertise of the applicant having regard to the nature of the duties which he may perform in connection with the holding of the licence;

(k) there are other circumstances which are likely to lead to the improper conduct of business by, or reflect discredit on the manner of conducting the business of, the applicant or any person employed by or associated with him for the purpose of his business;

(l) the Commission has reason to believe that the applicant will not carry on the regulated activity efficiently, honestly or fairly; or

(m) the Commission is of the opinion that it would be contrary to the interests of the public to grant the licence. [Am.

(2) [Deleted] [Del. Act A1406/2011]

(3) [Deleted] [Del. Act A1406/2011]

