

Proposed by: Tan Chong Education Services Sdn Bhd Training Outline

Program Topic	RELATED PARTY TRANSACTIONS (“RPTs”) & CONFLICTS OF INTEREST - <i>Implications to the Board, Audit Committee & Management</i>
Speaker Name	Lee Min On
Date	23rd October 2019
Who Should Attend	<ul style="list-style-type: none"> • Directors of listed issuers • Chief Officers (e.g. CEO, COO, CFO) • Chief Audit Executives (Heads of Internal Audit) • Compliance Officers • Chief Governance Officers • Head of Legal • Company Secretaries • Management • Practitioners of Governance, Risk & Compliance • Advocates of Governance
Why Attend	<p>Related Party Transactions - RPTs (including Recurrent Related Party Transactions – RRPTs) may be viewed with concern, especially by those who are not parties to the arrangements. Some key concerns are:</p> <ul style="list-style-type: none"> • How to demonstrate that the terms of arrangements are not detrimental to minority shareholders?; • Are the transactions in the Company’s best interest?”; and • What about Transfer Pricing requirements that may pose a risk on additional tax payable, if not properly handled?” <p>Management develops systems and processes to ensure RPTs & RRPTs are identified, the pricing methodology of which accords with regulatory requirements; recorded on a timely basis and appropriately disclosed to comply with regulatory requirements. Both the External Auditors and Internal Auditors are tasked to assess RPTs/RRPTs and their underlying on adequacy of disclosure and request from the Audit Committee (‘AC’) respectively. Ultimately, it is the primary responsibility of the Board of Directors to ensure compliance with regulatory requirements from the perspective of Bursa’s Listing Requirements, the Companies Act 2016 and Transfer Pricing Guidelines 2012 of the Inland Revenue Board.</p>

<p>Learning Objectives</p>	<p>By the end of this course, the participant will be able to:</p> <ul style="list-style-type: none"> • Understand the intricacies of RPTs & RRPTs and its implications towards the company • Adopt the requirements of the Transfer Pricing Guidelines 2012 under the Income Tax Act 1967 in their business process • Establish the collaboration between Internal Audit & Audit Committee in assessing the adequacy & operating effectiveness of controls & measures deployed by Management on RPTs/RRPTs 	
	<p>0900-0930</p>	<ul style="list-style-type: none"> • Introduction to Related Party Transactions & Conflicts of Interest
	<p>0930-1045</p>	<ul style="list-style-type: none"> • Regulatory requirements relating to RPTs/RRPTs & their implications • Why RPTs/RRPTs are normally viewed with concern • The Shareholder Mandate – what’s the rationale for having one & its usefulness to stakeholders • Duties of the Board of Directors, Audit Committee & Management on RPTs/RRPTs • Challenges faced by the Audit Committee • “Arm’s length” definition & documentation (including Transfer Pricing Guidelines 2012 under the Income Tax Act, 1967) • Tools available to the Audit Committee (“AC”) to review RPTs/RRPTs – the Corporate Governance Guide 3rd Edition: Moving from Aspiration to Actualization
	<p>1100-1300</p>	<ul style="list-style-type: none"> • Key elements of a typical Related Party Transactions framework • How the Internal Audit function can assist the AC in assessing the adequacy & operating effectiveness of controls & measures deployed by Management on RPTs/RRPTs • Roles of the External Auditors on RPTs • Case studies • Questions & answers
<p>Speaker Profile</p>	<p>Career :</p> <ul style="list-style-type: none"> • Chartered Accountant, CA(M), Malaysian Institute of Accountants • Certified Public Accountant, CPA (M), Malaysian Institute of Certified Public Accountants • Fellow Member, CFIIA, Institute of Internal Auditors Malaysia <p>Training: Retired as Partner of KPMG Malaysia end 2015 after serving 36 years (Audit & Consulting). Speaks regularly at public seminars and conducts in-house training on Corporate Liability, Sustainability Reporting, Corporate Governance, Enterprise Risk Management (including Fraud Risk Management), Internal Controls, Risk-based Internal Audit, Companies Act 2016 – Directors’ Responsibilities, Bursa’s Listing Requirements, Corporate Reporting (financial & non-financial), Management Discussion & Analysis Disclosure and Board Effectiveness Evaluation.</p> <p>Co-authored the Corporate Governance Guide 1st and 2nd Editions, publications of Bursa, to assist listed issuers on how to apply the Principles and Best Practices/ Recommendations of the Malaysian Code on Corporate Governance 2007 and 2012 respectively. Independent Non-Executive Director of several Main Market Listed Companies (Audit Committee Chairman of 2 of them) and Audit Committee Chairman, Institute of Internal Audit.</p>	