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SC to continue funding Sidrec

KUALA LUMPUR: The Securities Industry Dispute Resolution Centre (Sidrec) will be financed for a further two years by the Securities Commission.

In a statement, Sidrec chief executive officer Sujatha Sekhar Naik said the extended funding was on the understanding that a case levy, would be imposed on members who have claims registered against them.

Members will be informed of the structure of the levy in due course, she added.

Sujatha said the extended funding by the SC was an interim measure to allow time to monitor developments and undertake a thorough review towards determining an equitable apportionment of costs that takes into account all concerns raised.

She also highlighted that worldwide, the operation of an industry dispute resolution body, was financed either wholly or substantially by its members.

"As such the principle of industry contributing to the funding of Sidrec is very much in line with international practice.

"However, Sidrec is cognisant of the challenges of costs to business faced by members, and will work closely with the SC to arrive at an equitable funding structure," she added.

Sidrec will continue to focus on achieving greater awareness of its services through engagements and collaboration with its members and other stakeholders, by providing an independent and impartial avenue for the resolution of disputes. – Bernama