



RULES OF BURSA MALAYSIA SECURITIES BHD
RULE AMENDMENTS IN RELATION TO THE DELETION OF SECTION 94 OF THE CAPITAL MARKETS AND SERVICES ACT 2007

	EXISTING PROVISIONS	AMENDED PROVISIONS
Rule 7.25	<p>7.25 Opening of Trading Account</p> <p>(1) A Participating Organisation must not open a trading account to trade in securities for employees, Dealer's Representatives or Trading Representatives of another Participating Organisation.</p> <p>(2) No employee, Dealer's Representative or Trading Representative may open a trading account to trade in securities other than with the Participating Organisation by whom he is employed or engaged.</p> <p>(3) A Participating Organisation must require the Participating Organisation's employees, Dealer's Representatives and Trading Representatives to trade in securities through the Participating Organisation.</p>	<p>7.25 Opening of Trading Account</p> <p>(1) A Participating Organisation must not open a trading account to trade in securities for employees, Dealer's Representatives or Trading Representatives of another Participating Organisation.</p> <p>(2) No employee, Dealer's Representative or Trading Representative may open a trading account to trade in securities other than with the Participating Organisation by whom he is employed or engaged.</p> <p>(3) Participating Organisation must require the Participating Organisation's employees, Dealer's Representatives and Trading Representatives to trade in securities through the Participating Organisation. [Deleted]</p>
Rule 7.26	<p>7.26 Approval</p> <p>(1) An employee, Dealer's Representative, Trading Representative or Director of a Participating Organisation must not undertake any trading in securities for his own account unless there is a prior approval in writing or by electronic means issued for each transaction by the Participating Organisation. For purposes of this Rule 7.26, a Director's account will include an account in which such a Director has a direct or indirect interest.</p> <p>(2) A Participating Organisation may only issue the approval under Rule 7.26(1) if the Participating Organisation is satisfied that the transaction does not conflict with the interests of the Participating Organisation's Clients.</p>	<p>7.26 <u>Approval/Notification</u></p> <p>(1) <u>Subject to compliance with the provisions on conflicts of interests as set out in Rules 3.16 and 5.02, An</u> employee, Dealer's Representative, Trading Representative or Director of a Participating Organisation <u>who trades in securities for his own account</u> must not undertake any trading in securities for his own account unless there is a prior approval to notify the Participating Organisation of such trades in writing or by electronic means issued for each transaction by the Participating Organisation. For purposes of this Rule 7.26, a Director's account will include an account in which such a Director has a direct or indirect interest.</p> <p>(2) <u>Upon receipt of the notifications, a</u> Participating Organisation may only issue the approval under Rule 7.26(1) if the Participating Organisation is satisfied that the transaction does not conflict with the interests of the Participating Organisation's Clients, must take the necessary steps to ensure compliance with its obligations to manage conflicts of interests and risks under Rule 5.02.</p>



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Rule 7.27	<p>7.27 Transactions by Employees, Dealer's Representatives, Trading Representatives and Directors</p> <p>(1) A Participating Organisation must identify and designate a Dealer's Representative who is specifically permitted to undertake transactions in securities for all its employees, Dealer's Representatives, Trading Representatives and Directors.</p> <p>(2) A designated Dealer's Representative may only execute transactions in securities for its employees, Dealer's Representatives, Trading Representatives or Directors of a Participating Organisation if approval under Rule 7.26(1) is obtained.</p> <p>(3) When trading in securities through the Participating Organisation, an employee, Dealer's Representative, Trading Representative or Director of a Participating Organisation may only undertake the transactions through a designated Dealer's Representative appointed by the Participating Organisation under Rule 7.27(1).</p> <p>(4) A designated Dealer's Representative is prohibited from executing trades for his own account.</p>	<p>7.27 Transactions by Employees, Dealer's Representatives, Trading Representatives and Directors</p> <p>(1) A Participating Organisation must identify and designate a Dealer's Representative who is specifically permitted to undertake transactions in securities for all its employees, Dealer's Representatives, Trading Representatives and Directors.</p> <p>(2) A designated Dealer's Representative may only execute transactions in securities for its employees, Dealer's Representatives, Trading Representatives or Directors of a Participating Organisation if approval under Rule 7.26(1) is obtained.</p> <p>(3) When trading in securities through the Participating Organisation, an employee, Dealer's Representative, Trading Representative or Director of a Participating Organisation may only undertake the transactions through a designated Dealer's Representative appointed by the Participating Organisation under Rule 7.27(1).</p> <p>(4) A designated Dealer's Representative is prohibited from executing trades for his own account. <i>[Deleted]</i></p>
Rule 7.30	<p>7.30 Margin financing</p> <p>(6) A Participating Organisation must not extend Margin Financing to:</p> <p>(a) any of its Directors, employees, Dealer's Representatives or Trading Representative;</p> <p>(b) any firm or corporation in which any of its Directors, employees, Dealer's Representatives or Trading Representatives is a director, partner, manager, guarantor or agent other than as a stockbroking agent;</p> <p>(c) any corporation in which any of its Directors, employees, Dealer's Representatives or Trading Representatives holds shares except:</p>	<p>7.30 Margin financing</p> <p>(6) A Participating Organisation must not extend Margin Financing to:</p> <p>(a) any of its Directors, employees, Dealer's Representatives or Trading Representative;</p> <p>(b) any firm or corporation in which any of its Directors, employees, Dealer's Representatives or Trading Representatives is a director, partner, manager, guarantor or agent other than as a stockbroking agent;</p> <p>(c) any corporation in which any of its Directors, employees, Dealer's Representatives or Trading Representatives holds shares except:</p>



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	<p>(i) where none of its Executive Directors, employees, Dealer's Representatives or Trading Representatives holds 5% or more of the issued share capital of that corporation;</p> <p>(ii) a corporation, whether listed or not listed on the Exchange, where no Non-Executive Directors of the Participating Organisation holds, directly or indirectly 5% or more of the issued share capital of that corporation; or</p> <p>(iii) a corporation not listed on the Exchange, where no Non-Executive Directors of a Participating Organisation holds shares in his personal capacity;</p> <p>(d) any individual to whom any of its Directors, employees, Dealer's Representatives or Trading Representatives has provided a guarantee;</p> <p>(e) any person who is prohibited under Section 94(2) of the Capital Markets and Services Act; and</p> <p>(f) any other person as may be determined by the Minister with prior written notice given to all the Participating Organisations.</p> <p>For this Rule 7.30(6), the terms "Director", "employee" and "Dealer's Representatives" who are Salaried Dealer's Representatives include the spouse, parent and child of such persons.</p>	<p>(i) where none of its Executive Directors, employees, Dealer's Representatives or Trading Representatives holds 5% or more of the issued share capital of that corporation;</p> <p>(ii) a corporation, whether listed or not listed on the Exchange, where no Non-Executive Directors of the Participating Organisation holds, directly or indirectly 5% or more of the issued share capital of that corporation; or</p> <p>(iii) a corporation not listed on the Exchange, where no Non-Executive Directors of a Participating Organisation holds shares in his personal capacity;</p> <p>(d) any individual to whom any of its Directors, employees, Dealer's Representatives or Trading Representatives has provided a guarantee;</p> <p>(e) any person who is prohibited under Section 94(2) of the Capital Markets and Services Act; and</p> <p>(f) any other person as may be determined by the Minister with prior written notice given to all the Participating Organisations.</p> <p>For this Rule 7.30(6), the terms "Director", "employee" and "Dealer's Representatives" who are Salaried Dealer's Representatives include the spouse, parent and child of such persons. [Deleted]</p>

[End of Amendments to Rules]