

Listing Requirements Enforcement In Focus

Enforcement for Non-Compliance of Dealing in Quoted Securities by Directors under Chapter 14 of the LR

Failure to Disclose Dealings in Quoted Securities by Director

CASE 1 – WRONG AND NON-DISCLOSURES OF NUMEROUS SECURITIES DEALINGS

Mr. L, the chief executive officer cum executive director of PIC was found to have undertaken numerous dealings in the securities of PIC directly and through his 3 companies. These dealings were undertaken for a period from September 2008 until August 2009 and no disclosures was made in accordance with paragraphs 14.08 and 14.09 of the LR. In this regard, Mr. L failed to make the necessary announcements (prior to and/or after each dealing, as the case may be) and disclosures with regards to his dealings during the material period. His explanation to Bursa that the non-disclosure of the dealings was due to the fact that the dealings were undertaken by his financiers arising from margin calls was unacceptable as it was noted that he was aware of the dealings through the margin call notices issued by his financiers. In any event, he has the duty to monitor his dealings and ensure compliance of the LR. In addition, he was found to have made announcements of his dealings of PIC in March 2009 which were inaccurate and misleading. Mr. L was **publicly reprimanded and fined RM10,000**.

CASE 2 – NON-DISCLOSURES OF NUMEROUS SECURITIES DEALINGS

Mr. C, the chief financial officer and executive director of IET was found to have carried out numerous dealings in the securities of IET during the period from May 2007 until June 2008 and from January 2009 until 31 December 2009. None of the dealings was announced to Bursa and the market pursuant to paragraphs 14.08 and 14.09(a) of the LR. Arising from these dealings, he ceased to be a substantial shareholder of IET. Mr. C justified his failure to make the necessary disclosures premised on his reliance on his broker and the company secretary to ensure compliance of his obligations was unacceptable as it was his duty to monitor and ensure compliance. **Public reprimand and a fine of RM15,000 was imposed** against him.