

Bursa Malaysia Rules – Key Enforcement Cases in 2019

B. Case on Market Abuses/Manipulative Activities where Enforcement Actions were taken against RP

Expectations on RPs:

- (a) RPs including DRs are obligated to carry out their duties efficiently including ensuring maintenance of a fair and orderly market, fair dealing and market orderliness/integrity.
- (b) DRs should avoid/refrain from engaging in manipulative/false trading activities.
- (c) It is not acceptable for DRs to act as mere order takers for their clients. DRs must:-
 - (i) make proper assessment of the orders received/executed; and
 - (ii) exercise proper skill, care and diligence in undertaking dealing activities for their clients, including being alert to any irregularities in the clients' trades and undertake due enquiries on such trades,

so as to avoid/prevent/refrain from any manipulative/false trading activities.

- (l) Bursa Malaysia Securities had imposed a public reprimand, fine, suspension and Mandatory Training on the following DR for engaging in market abuses/manipulative trading activities, details of which can be found in the media release issued:

<u>No.</u>	<u>RP</u>	<u>Type of market abuse/manipulative activities</u>	<u>Date of media release</u>
1.	Lo Ling (DR)	<ul style="list-style-type: none"> • Cross-trades to facilitate rollover activities • Bidding up activities • Marking the close activities 	6 May 2019

Glossary:

Bursa Malaysia Securities: Bursa Malaysia Securities Berhad

DR: Dealer's Representative

Mandatory Training: Requirement to undergo training on conduct or professionalism of DRs/RPs/Head of Dealing/Compliance Officer/market offences

RP: Registered Person