

BURSA MALAYSIA SECURITIES BERHAD
Date : 4 July 2011
R/R No.: 4 of 2011
AMENDMENTS TO THE RULES OF BURSA MALAYSIA SECURITIES BERHAD (“RULES OF BURSA SECURITIES”) TO EXPAND THE CATEGORIES OF PERSONS WHO MAY VERIFY AND ATTEST ACCOUNT OPENING DOCUMENTATION
1. INTRODUCTION

Reference is made to Participating Organisations' circular R/R 16 of 2009.

Kindly be advised that amendments have been made to the Rules of Bursa Securities (“Rule Amendments”) to further expand the categories of persons who may verify and attest account opening document in the manner described below.

2. AMENDMENTS TO THE RULES OF BURSA SECURITIES

The Rule Amendments are contained in **Annexure 1**. In gist, Rule 404.4(7)(b) has been amended to include the following categories:-

- (i) lawyers in any jurisdiction who has a valid license to practise law in that jurisdiction;
- (ii) commissioner for oaths in any jurisdiction;
- (iii) a Justice of the Peace in any jurisdiction; and
- (iv) licensed Dealer’s Representatives or authorised officers of a stockbroking company licensed or approved to trade on a recognised stock exchange.

3. FREQUENTLY ASKED QUESTIONS

For further clarification, kindly refer to **Annexure 2** for a set of FAQs.

4. EFFECTIVE DATE

Please be informed that the Rule Amendments are effective from 4 July 2011.

5. CONTACT PERSONS

Please direct any queries you may have in relation to the above to the following persons:

Name	Contact Details <i>(new email effective from 28 March 2011)</i>
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This Circular is available at

http://www.bursamalaysia.com/website/bm/regulation/rules/bursa_rules/



**RULES OF BURSA MALAYSIA SECURITIES BHD
RULE AMENDMENTS IN RELATION TO
VERIFICATION AND ATTESTATION OF ACCOUNT OPENING DOCUMENTATION**

EXISTING PROVISIONS		AMENDED PROVISIONS
<p>Rule 404.4(7)(b)</p>	<p>Exception: Notwithstanding Rule 404.4(6)(a), a Participating Organisation may at its discretion -</p> <p>(b) in the case of an application by a client other than that specified in Rule 404.4(7)(a), allow the authentication of a client's application for account opening under Rule 404.4(6)(a) to be done by any of the following persons in place of a Dealer's Representative –</p> <p>(i) officers authorised by the Participating Organisation;</p> <p>(ii) authorised officers of a Malaysian Embassy or High Commission Consulate;</p> <p>(iii) Notary Public, or in countries that do not have a Notary Public, advocates and solicitors or officers authorised by a licensed stockbroking company with a recognised stock exchange;</p> <p>(iv) officer of a registered person referred to under the third column of Item 1(b) of Schedule 4 of</p>	<p>Exception: Notwithstanding Rule 404.4(6)(a), a Participating Organisation may at its discretion -</p> <p>(b) in the case of an application by a client other than that specified in Rule 404.4(7)(a), allow the authentication of a client's application for account opening under Rule 404.4(6)(a) to be done by any of the following persons in place of a Dealer's Representative –</p> <p>(i) <u>an</u> officers authorised by the Participating Organisation;</p> <p>(ii) <u>an</u> authorised officers of a Malaysian Embassy or High Commission Consulate;</p> <p><u>(iii) a lawyer in any jurisdiction who has a valid licence to practise law in that jurisdiction; or</u></p> <p><u>(iv) a commissioner for oaths in any jurisdiction;</u></p> <p><u>(v) a Justice of the Peace in any jurisdiction;</u></p> <p>(iii) a Notary Public, or in countries that do not have a Notary Public, advocates and solicitors or officers authorised by a licensed stockbroking company with a recognised stock exchange in any jurisdiction;</p> <p><u>(ivii) an</u> officer of a registered person referred to under the third column of Item 1(b) of <u>Part 1 of</u> Schedule 4 of to the</p>



	EXISTING PROVISIONS	AMENDED PROVISIONS
	<p>the Capital Markets and Services Act, who is authorised by such registered person to perform the activities referred to under the second column of the said Item 1(b) of Schedule 4;</p> <p>(v) authorised officer of:</p> <p>(aa) a licensed bank as defined under BAFIA; or</p> <p>(bb) an Islamic bank as licensed under the Islamic Banking Act 1983,</p> <p>and with which the individual holds an account; or</p> <p>(vi) such other person as may be approved by the Exchange from time to time provided that notification of such approval is forwarded to the Commission within three market days from the date of such approval.</p> <p>PROVIDED THAT the Participating Organisation shall in</p>	<p>Capital Markets and Services Act, who is authorised by such registered person to perform the activities referred to under the second column of the said Item 1(b) of Schedule 4;</p> <p>(viii) <u>an</u> authorised officer of:</p> <p>(aa) a licensed bank as defined under BAFIA; or</p> <p>(bb) an Islamic bank as licensed under the Islamic Banking Act 1983,</p> <p>and with which the individual holds an account; or</p> <p>(ix) <u>officers the following persons authorised by in relation to a licensed stockbroking company licensed or approved to trade on with</u> a recognised stock exchange;</p> <p>(aa) <u>any person who holds a licence equivalent to a licence held by a Dealer's Representative; or</u></p> <p>(bb) <u>any other person authorised by such licensed stockbroking company, or</u></p> <p>(vix) such other person as may be approved by the Exchange from time to time provided that notification of such approval is forwarded to the Commission within three market days from the date of such approval.</p> <p>PROVIDED THAT the Participating Organisation shall in such cases</p>



EXISTING PROVISIONS		AMENDED PROVISIONS
	such cases take all such steps as shall be necessary to ensure the genuineness or authenticity of the application.	take all such steps as shall be necessary to ensure the genuineness or authenticity of the application.

[End of Amendments]

Verification and Attestation of Account Opening Documentation**Frequently Asked Question (FAQs)**

Q1. Is a Participating Organisation (“PO”) obliged under Rule 404.4(7) to allow verification and attestation by the persons listed in Rule 404.4(7)(b)?

The PO is not obliged, but has the discretion, to allow verification and attestation of account opening documentation by any of the persons in Rule 404.4(7)(b). This discretion should be exercised bearing in mind that the PO is responsible at all times to ensure that such witnessing is properly carried out.

Q2. Are the persons listed in Rule 404.4(7)(b) obliged to carry out the verification and attestation on behalf of the PO?

The persons listed in Rule 404.4(7)(b) are not obliged, but have the discretion as to whether to carry out the verification and attestation of account opening documentation on behalf of a PO. The persons listed in Rule 404.4(7)(b) also have the discretion as to who they want to witness for and may decline to act a witness for certain individuals if they see fit.

Q3. What steps are required of the PO prior to allowing the persons mentioned in Rule 404.4(7)(b) to verify and attest account opening documentation?

Pursuant to Rule 404.4(1)(b), POs must establish written procedures on the opening of accounts for their clients and adequate internal control to ensure that all information obtained is properly verified. POs must take all such steps necessary to ensure the genuineness or the authenticity of the application by first assessing whether, in its opinion, the account opening documents will be duly and properly verified by the persons mentioned in Rule 404.4(7)(b). A PO must be satisfied that it is reasonable for the PO to rely on the verification and attestation of the persons mentioned in Rule 404.4(7)(b). If the PO is comfortable that these procedures and safeguards are satisfactory, the PO may allow the verification and attestation to be done by such persons. If not, the PO must verify and attest the account opening documents through other persons in Rule 404.4(7)(b) who they are comfortable with, or require the individual to be present before the PO.