

PARTICIPATING ORGANISATIONS' CIRCULAR

Date : 15 August 2008

No: R/R 8 of 2008

CLARIFICATION ON PARAGRAPH 3.5 OF THE PARTICIPATING ORGANISATIONS' CIRCULAR NO. R/R 18 OF 2005 ON THE 'DIRECTIVES FOR THE PARTICIPATING ORGANISATIONS ON THE USE OF CLEARING ACCOUNT, ERROR OR MISTAKE ACCOUNT AND INVESTMENT ACCOUNT ("THE CIRCULAR")

The Exchange hereby issues a clarification in relation to the computation of *the 'average price of the securities transacted'* as stated in paragraph 3.5 of the Circular. Paragraph 3.5 of Circular was amended vide Participating Organisations' Circular No. R/R 7 of 2007 dated 14 June 2007.

An excerpt of paragraph 3.5 is as stated below:

"A Participating Organisation shall book out an order that has been fulfilled by the Participating Organisation at the end of T day itself or in relation to an order that has been carried forward at the end of the day on which the order was carried forward. Subject to paragraph 3.5A, such order shall be booked out based on the *average price of the securities transacted*. The contract note(s) arising from the booking out process shall be issued in the name of the client in accordance with Rule 404.3(9)".

Kindly be advised that the *'average price of the securities transacted'* as stated in the above provision must be computed based on the 'the volume weighted average price' ("VWAP") of the securities transacted for a client as set out below:

***the total value of securities transacted for a client
over the accumulation period ("the period")***

the total quantity of securities transacted during the period

Kindly be guided accordingly.

This Circular is available at:

http://www.bursamalaysia.com/website/bm/rules_and_regulations/bursa_rules/bm_securities.html

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