

**Amendments to the Rules of Bursa Bonds Sdn. Bhd.
In relation to regulated short selling for corporate bonds and extension of trade reporting time**

RULES OF BURSA MALAYSIA BONDS SDN BHD

AMENDMENTS IN RELATION TO REGULATED SHORT SELLING FOR CORPORATE BONDS AND EXTENSION OF TRADE REPORTING TIME

RULE	EXISTING PROVISION	RULE	AMENDED PROVISION
505.1	<p>SHORTSELLING</p> <p>(1) TPMs and EPMs can only short sell a stock in ETP where such short selling is permitted by Bank Negara Malaysia under Section 98(4)(d) of the Capital Markets and Services Act.</p> <p>(2) All short selling pursuant to Rule 505.1(1) must be in accordance with the terms set by Bank Negara Malaysia.</p>	505.1	<p>SHORTSELLING</p> <p>(1) TPMs and EPMs can only short sell a stock in ETP where such short selling is permitted by:</p> <p style="padding-left: 40px;"><u>a) Bank Negara Malaysia under Section 98(4)(d) of the Capital Markets and Services Act; or</u></p> <p style="padding-left: 40px;"><u>b) the Commission under its relevant guidelines issued under the Capital Markets and Services Act 2007.</u></p> <p>(2) All short selling pursuant to Rule 505.1(1) must be in accordance with the terms set by Bank Negara Malaysia- <u>or the Commission as the case may be.</u></p>
702.1	<p>TRADE REPORTING AND TRADE CONFIRMATION HOURS</p> <p>(1) Trade Reporting Hours: The reporting days for Off ETP transactions are from Mondays to Fridays (subject to public and other holidays as declared by Bursa Bonds) in two (2) sessions as follows: –</p> <p>(a) Morning session : 9.00 am to 1.29pm</p> <p>(b) Afternoon session : 1.30 pm to 5.15 pm</p>	702.1	<p><u>TIMING FOR</u> TRADE REPORTING AND TRADE CONFIRMATION HOURS</p> <p>(1) Trade Reporting Hours: The reporting days for Off ETP transactions are from Mondays to Fridays (subject to public and other holidays as declared by Bursa Bonds) in two (2) sessions as follows: –</p> <p>(a) Morning session : 9.00 am to 1.29pm</p> <p>(b) Afternoon session : 1.30 pm to 5.15 pm</p>

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	<p>(2) Trade Confirmation Hours: The confirmation days of any reporting made of Off ETP transactions are from Mondays to Fridays (subject to public and other holidays as declared by Bursa Bonds) in two (2) sessions as follows –</p> <p>(a) Monday session : 9.00 am to 12.30pm</p> <p>(b) Afternoon session : 2.30 pm to 5.30 pm</p>		<p>(2) Trade Confirmation Hours: The confirmation days of any reporting made of Off ETP transactions are from Mondays to Fridays (subject to public and other holidays as declared by Bursa Bonds) in two (2) sessions as follows –</p> <p>(a) Monday session : 9.00 am to 12.30pm</p> <p>(b) Afternoon session : 2.30 pm to 5.30 pm <u>Trade reporting and trade confirmation for Off ETP transactions will be carried out during such hours as prescribed by Bursa Bonds.</u></p>
<p>703.1</p>	<p>REPORTING AND CONFIRMATION OF OFF ETP TRANSACTIONS</p> <p>(1) A selling TPM or EPM must initiate the report of an Off ETP transaction in ETP within 10 minutes after the TPM or EPM concludes the Off ETP transaction.</p> <p>(2) The buying TPM or EPM must confirm the Off ETP transaction within 10 minutes after the buying TPM or EPM receives the request for confirmation generated in ETP.</p> <p>(3) Selling TPMs and EPMs must, where an Off ETP transaction is concluded after the trade reporting hours stated in Rule 702.1(1), initiate a report of the Off ETP transaction within 10 minutes of the commencement of the next reporting hours.</p>	<p>703.1</p>	<p>REPORTING AND CONFIRMATION OF OFF ETP TRANSACTIONS</p> <p>(1) A selling TPM or EPM must initiate the report of an Off ETP transaction in ETP within 10 minutes after the TPM or EPM concludes the Off ETP transaction. <u>within such timeframes as may be prescribed by Bursa Bonds.</u></p> <p>(2) The buying TPM or EPM must confirm the Off ETP transaction within 10 minutes <u>within such timeframe as may be prescribed by Bursa Bonds</u> after the buying TPM or EPM receives the request for confirmation generated in ETP.</p> <p>(3) Selling TPMs and EPMs must, where an Off ETP transaction is concluded after the trade reporting hours stated in prescribed <u>under</u> Rule 702.1(1), initiate a report of the Off ETP transaction within 10 minutes of <u>within such timeframe as may be prescribed by Bursa Bonds after</u> the commencement of the next reporting hours.</p>

**Amendments to the Rules of Bursa Bonds Sdn. Bhd.
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<p>(4) Where the TPM or EPM is both the selling and the buying TPM or EPM, the selling and buying TPM or EPM will only need to initiate a report of the Off ETP transaction in ETP.</p> <p>(5) Where a report of an Off ETP transaction initiated by a selling TPM or EPM in ETP pursuant to these Rules, remains unconfirmed by the buying TPM or EPM by the end of the market day in which the report was initiated, the report will lapse at the end of that market day. However this does not preclude Bursa Bonds from taking any appropriate action against the buyer who failed to confirm the trade within the time frame stated in Rule 703.1(2).</p> <p>(6) In a situation where the Name Switching referred to in Rule 506.1 has taken place, the Replacement Counterparty referred to in Rule 506.1 must initiate the report of an Off ETP transaction resulting from the Name Switching regardless of whether the Replacement Counterparty is the selling or buying TPM in the Name Switching process. The party in the original trade who is subjected to the Name Switching, must confirm the Off ETP transaction reported by the Replacement Counterparty. All rules applicable to a selling TPM or EPM herein is applicable to the Replacement Counterparty who is initiating the reporting and all rules applicable to a buying TPM or EPM herein is applicable to the party in the original trade who is confirming.</p>		<p>(4) Where the TPM or EPM is both the selling and the buying TPM or EPM, the selling and buying TPM or EPM will only need to initiate a report of the Off ETP transaction in ETP.</p> <p>(5) Where a report of an Off ETP transaction initiated by a selling TPM or EPM in ETP pursuant to these Rules, remains unconfirmed by the buying TPM or EPM by the end of the market day in which the report was initiated, the report will lapse at the end of that market day. However this does not preclude Bursa Bonds from taking any appropriate action against the buyer who failed to confirm the trade within the time frame stated in <u>prescribed under</u> Rule 703.1(2).</p> <p>(6) In a situation where the Name Switching referred to in Rule 506.1 has taken place, the Replacement Counterparty referred to in Rule 506.1 must initiate the report of an Off ETP transaction resulting from the Name Switching regardless of whether the Replacement Counterparty is the selling or buying TPM in the Name Switching process. The party in the original trade who is subjected to the Name Switching, must confirm the Off ETP transaction reported by the Replacement Counterparty. All rules applicable to a selling TPM or EPM herein is applicable to the Replacement Counterparty who is initiating the reporting and all rules applicable to a buying TPM or EPM herein is applicable to the party in the original trade who is confirming.</p>
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[End of rule amendments]