
AMENDMENTS TO THE ACE LR RELATING TO ENFORCEMENT PROCEEDINGS**CHAPTER 2 - GENERAL****2.05 Obligation to comply**

- (1) A listed corporation, whether or not admission of its securities has taken place before these Requirements are prescribed, is, by virtue of its admission to the Official List, bound by these Requirements, the Rules of the Exchange and the Rules of the Depository.
- (2) A listed corporation, its directors, officers, advisers or any other person to whom these Requirements are directed must –
 - (a) comply with these Requirements for so long as the listed corporation or its securities remain listed on the Official List. This applies even during periods when a listed corporation's securities are suspended from trading; and
 - (b) comply and give effect to any decision made, conditions imposed, and instruction or directive issued, by the Exchange, within the time stipulated by the Exchange.

2.16 ~~Documents forwarded to~~ The Exchange's power to deal with documents

- (1) All documents and information (including confidential document and information) forwarded to or procured by the Exchange will become and remain the property of the Exchange.
- (2) which The Exchange may, in its absolute discretion, deal with them document and information as it wishes including copying, storing in a retrieval system, transmitting to the public, publishing or disclosing all or any part of the documents and forwarding copies to any stock exchange, relevant government bodies, or authorities, or any expert or consultant acting in a professional capacity for and on behalf of the Exchange such persons as the Exchange deems fit.

2.18A Attendance before the Exchange

The directors, officers, employees or advisers of a listed corporation or any other person to whom these Requirements are directed must, if so required by the Exchange, attend personally before the Board, any committee or officer(s) of the Exchange to provide any document, information and/or explanation for any purpose deemed appropriate by the Exchange and the Exchange may record statements from such persons.

CHAPTER 15 – CORPORATE GOVERNANCE**15.03A Provision of information by directors**

Where a listed corporation makes an enquiry with any one of its directors for the purpose of making a disclosure pursuant to these Requirements, such director must provide information promptly to the listed corporation that -

- (a) is clear, unambiguous and accurate;
- (b) does not contain any material omission; and
- (c) is not false or misleading.

CHAPTER 16 SUSPENSION, DE-LISTING AND ENFORCEMENT**PART A – GENERAL****16.01 Introduction**

(1) This Chapter sets out the following:

- (a) the requirements that must be complied with by a listed corporation in respect of voluntary suspension and withdrawal by the listed corporation from the Official List; and
- (b) the powers of the Exchange with regard to -
 - (i) trading halt, suspension and de-listing of a listed corporation or any class of its listed securities by the Exchange; and
 - (ii) enforcement of these Requirements.

(2) For the purpose of this Chapter, where the context permits, enforcement proceedings include an appeal by a person against a decision resulting from an enforcement action taken under this Chapter.

PART D - ENFORCEMENT**16.14 ~~Provision of information by directors~~**

~~Where a listed corporation makes an enquiry with any one of its directors for the purpose of making a disclosure pursuant to these Requirements, such director must provide information promptly to the listed corporation that—~~

- ~~(a) — is clear, unambiguous and accurate;~~
- ~~(b) — does not contain any material omission; and~~
- ~~(c) — is not false or misleading. **[Deleted]**~~

16.15 ~~Attendance before the Exchange~~

~~The directors, officers, employees or advisers of a listed corporation or any other person to whom these Requirements are directed must, if so required by the Exchange, attend personally before the Board, any committee or officer(s) of the Exchange to provide any document, information and/or explanation for any purpose deemed appropriate by the Exchange and the Exchange may record statements from such persons. **[Deleted]**~~

16.16 Power to obtain documents

The Exchange may, for investigation purposes arising from or in relation to its investigation, enforcement or both -

- (a) by notice in writing require an applicant, a listed corporation, its directors, officers, employees, advisers or any other person to whom these Requirements are directed, to produce for inspection any documents, books, papers, registers, records or accounts (whether recorded in documentary or electronic form) (referred to collectively as “**Information**” in this Part D) that are held by the person concerned or to which the person concerned has control or access over;
- (b) inspect and make copies of, or take notes from, such Information;
- (c) retain such Information for such periods as the Exchange deems fit; or
- (d) disclose or forward such Information to such authorities or parties as the Exchange deems fit.

16.19 Types of actions or penalties

- (1) Without prejudice to any of the powers granted to the Exchange under any written law in relation to the enforcement of these Requirements, the types of action or penalty that the Exchange may take or impose for a breach of these Requirements include any one or more of the following:
 - (a) in relation to applicants and listed corporation -
 - (i) issuance of a caution letter;
 - (ii) issuance of a private reprimand;
 - (iii) issuance of a public reprimand;
 - (iv) imposition of a fine not exceeding RM1 million;
 - (v) issuance of a letter directing the listed corporation to rectify the non-compliance, which direction will remain in force until it is revoked;
 - (vi) imposition of one or more condition(s) for compliance;
 - (vii) non-acceptance of applications or submissions, with or without conditions imposed (after consultation with the SC);
 - (viii) imposition of condition(s) on the delivery or settlement of trades entered into in respect of the listed corporation’s securities;
 - (ix) suspension of trading of the listed securities;
 - (x) de-listing of any listed securities;
 - (xi) de-listing of a listed corporation or any class of its listed securities; or
 - (xii) mandateing education, or training or such other types of programs as may be determined by the Exchange to be undertaken/ or implemented by the corporation for its directors and/or management; or

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- (xiii) any other action which the Exchange may deem appropriate, [subject to consultation with the SC](#);
- (b) in relation to directors or officers of an applicant or a listed corporation, a Controlling Person as defined in Rule 2.22 or any other person to whom these Requirements are directed -
- (i) issuance of a caution letter;
 - (ii) issuance of a private reprimand;
 - (iii) issuance of a public reprimand;
 - (iv) imposition of a fine not exceeding RM1 million;
 - (v) issuance of a letter directing the person in default to rectify the non-compliance, which direction will remain in force until it is revoked;
 - (vi) imposition of one or more condition(s) for compliance;
 - (vii) imposition of a moratorium on or prohibition of dealings in the listed corporation's and/or other listed securities by the relevant director, officer or other person; or
 - (viii) any other action which the Exchange may deem appropriate, [subject to consultation with the SC](#);
- (c) in relation to advisers -
- (i) issuance of a caution letter;
 - (ii) issuance of a private reprimand;
 - (iii) issuance of a public reprimand;
 - (iv) imposition of a fine not exceeding RM1 million;
 - (v) issuance of a letter directing the adviser to rectify the non-compliance, which direction will remain in force until it is revoked;
 - (vi) imposition of one or more condition(s) for compliance;
 - (vii) non-acceptance of applications or submissions or documents made or prepared by the adviser, with or without conditions imposed (after consultation with the SC);
 - (viii) in the case of an Adviser or Sponsor, suspension of any or all rights attaching to registration on the Register of Sponsors on such terms and for such period as the Exchange thinks fit;
 - (ix) removal of the Adviser or Sponsor from the Register of Sponsors; or
 - (x) any other action which the Exchange may deem appropriate, [subject to consultation with the SC](#).
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- (2) Where an applicant, a listed corporation or its directors, officers or advisers, or any other person to whom these Requirements are directed, has failed to comply with a direction or pay any fine imposed by the Exchange under sub-Rule (1) above, the Exchange may impose additional actions or penalties as specified in sub-Rule (1) on such persons. Such additional actions or penalties may include, without limitation, the imposition of additional fines in such manner as the Exchange deems fit (e.g. additional fines on a daily basis until the full amount due is paid to the Exchange) or suspension of trading or de-listing of securities in the case of a listed corporation.

16.20 Cumulative actions or penalties

~~If an applicant, a listed corporation or its directors, officers, advisers or any other person to whom these Requirements are directed fails to comply with an action or penalty taken or imposed by the Exchange. The imposition of any one or more of the actions or penalties set out in under Rule 16.19, the Exchange has the power to does not preclude the Exchange from later taking or imposing such commence enforcement further proceedings actions or penalties, as stipulated under Rule 16.18 above against an such applicant, a listed corporation, or aits directors, or officers of a listed corporation, an advisers or any other person to whom the Requirements are directed, and take or impose one or more actions or penalties as provided under Rule 16.19 as the Exchange thinks fit on the same facts or further facts, including de-listing in the case of a listed corporation.~~

16.21A Publication of enforcement action

~~The Exchange shall have the power to publish to the public, any action taken against any person under these Requirements in any manner as the Exchange deems fit or expedient.~~

16.23 Notification by the Exchange Referral of conduct to other authorities

The Exchange may, at any time, and in its absolute discretion, refer the conduct of any applicant, listed corporation, or its directors, officers, advisers or any other person to whom these Requirements are directed, to any relevant authority or professional body, without giving notice to such persons.

16.25 Rights of person

~~The person who is the subject of enforcement proceedings by the Exchange may request for an oral hearing before the Exchange, make submissions, and procure the attendance of witnesses to answer the case made against him by the Exchange. **[Deleted]**~~

16.26 Procedures

~~The Exchange will determine the procedures applicable to any enforcement action taken under this Chapter. Such procedures may vary to adapt to the circumstances of any particular case.~~

~~[Cross reference: Guidance Note 21]~~

16.27 Right of appeal

- (1) ~~A person who is dissatisfied with a decision resulting from an enforcement action taken under this Chapter may appeal against such decision in the manner prescribed by the Exchange from time to time.~~

~~[Cross reference: Guidance Note 21]~~

- (2) ~~The Exchange may suspend the enforcement of any such decision that is the subject of the appeal until the disposal of the appeal.~~

16.28 Unpaid fine is debt owing to the Exchange

A fine or any portion of a fine, or cost ordered by the Exchange, remaining unpaid by a person, is a debt owing by the person to the Exchange.

16.29 Agreed settlement

- (1) A person who is the subject of an enforcement proceeding by the Exchange may, at any time before the Exchange makes a decision, propose a settlement of the enforcement proceeding by agreeing to a set of facts, liability or penalty with the Exchange.
- (2) The Exchange may reject, accept or vary the proposed settlement based on terms that it deems fit.
- (3) Where the Exchange accepts the proposed settlement, the settlement will be recorded as a decision of the Exchange.
- (4) If the Exchange is not agreeable to the proposed settlement, the Exchange may pursuant to Rule 16.26, proceed with a full enforcement proceeding.

[Cross reference: Guidance Note 21]

16.30 Standard of proof

The Exchange will not find an allegation proven unless the Exchange is satisfied that the allegation is proven on the balance of probabilities.

BURSA MALAYSIA SECURITIES BERHAD**GUIDANCE NOTE 21****ENFORCEMENT PROCEEDINGS & RELATED MATTERS**

<u>Details</u>	<u>Cross References</u>
Effective date: 8 May 2013	<u>Rules 16.26, 16.27 & 16.29</u>

1.0 Introduction

- 1.1 Pursuant to Rule 16.26 of the Listing Requirements, the Exchange will determine the procedures applicable to any enforcement action taken under Chapter 16 of the Listing Requirements.
- 1.2 Parts I and II of this Guidance Note set out the procedures and requirements relating to a full and expedited enforcement proceeding respectively.
- 1.3 Pursuant to Rule 16.27 of the Listing Requirements, any person who is dissatisfied with a decision resulting from an enforcement action taken may appeal against such decision in the manner as may be prescribed by the Exchange from time to time. Part III of this Guidance Note sets out the procedures and requirements relating to the appeal procedure.
- 1.4 Part IV of this Guidance Note sets out the oral representation that may be requested by a person in an enforcement proceeding.
- 1.5 For the avoidance of doubt, the Exchange is not bound by legal rules of evidence and procedure in any enforcement proceedings under the Listing Requirements.

PART I FULL ENFORCEMENT PROCEEDING**2.0 Requisite Notice**

- 2.1 When the Exchange proposes to take an enforcement action against a person under the Listing Requirements, the Exchange will serve the person a written notice specifying the nature and particulars of the breach the person is alleged to have committed ("**Requisite Notice**").

3.0 Response to Requisite Notice

- 3.1 A person may submit to the Exchange a written response to the Requisite Notice ("**Response**") within the time stipulated in the Requisite Notice.

4.0 Notification of decision

4.1 After the conclusion of an enforcement proceeding, the Exchange will notify the person in writing of the decision including the penalty imposed (if any).

PART II EXPEDITED ENFORCEMENT PROCEEDING

5.0 Procedures relating to an expedited enforcement proceeding

5.1 The Exchange may initiate expedited enforcement proceedings under this Part II against a person whom enforcement action is proposed to be taken, instead of proceedings under Part I, in circumstances the Exchange deems fit, such as in respect of a breach of the Listing Requirements which does not typically attract a penalty beyond -

(a) a reprimand; or

(b) a fine of more than RM 10,000.00.

5.2 In an expedited enforcement proceeding, the Exchange will notify the person against whom the enforcement action is proposed to be taken, in writing, of the breach and penalty imposed on that breach ("**Determination**").

5.3 The person must, within the time specified in the Determination, inform the Exchange in writing whether or not the person agrees with the Determination. A person is deemed to have agreed with the Determination if the person does not respond within the specified time.

5.4 If the person agrees or is deemed to have agreed with the Determination, the person must give effect to the penalty imposed. Enforcement action will be recorded as having been taken against the person upon the expiry of the specified time.

5.5 If the person does not agree with the Determination, the matter will proceed under Part I. The person may submit a written response to the Determination as if the Determination is a Requisite Notice under Part I. In deliberating the matter, the Exchange is not bound by the Determination and may impose a higher penalty based on the facts or evidence presented during the proceeding under Part I.

6.0 No limitation

6.1 Nothing in this Part prevents the Exchange from proceeding with the full enforcement proceeding under Part I for any breach of the Listing Requirements.

PART III APPEAL

7.0 Notice of appeal

7.1 If a person appeals against a decision referred to in Part I above, the person must within the time stated in the notification of decision given under Part I, give to the Exchange a notice in writing ("**Notice of Appeal**") that -

(a) identifies the decision against which the appeal is made; and

(b) sets out the ground(s) of the appeal together with representations to justify the ground(s) relied upon.

8.0 Deliberation of appeals

8.1 A person may produce evidence that was not presented at the initial enforcement proceeding if -

- (a) the evidence was not available at the time of the initial enforcement proceeding; and
- (b) the evidence would have been likely to have had a determining influence upon the decision appealed against.

8.2 The person must produce the new evidence as stated in paragraph 8.1 above when submitting the Notice of Appeal.

8.3 The Exchange may produce new evidence arising from the Notice of Appeal submitted by the person.

8.4 The Exchange may affirm, vary or set aside the decision appealed against.

9.0 Notification of decision on appeal

9.1 After the conclusion of an appeal, the Exchange will notify the person in writing of the decision of the appeal and such decision is final.

PART IV ORAL REPRESENTATIONS**10.0 Request for oral representations etc.**

10.1 The Exchange may allow an oral representation, submission or attendance of witnesses for any proceedings commenced against a person under this Guidance Note.

10.2 The person against whom the enforcement action is taken may only request for the oral representation, oral submission or attendance of witnesses if it has submitted –

- (a) a Response as required in Part I; or
- (b) a Notice of Appeal as required in Part III.

[End]