

# **BURSA MALAYSIA SECURITIES BERHAD**

## **PRACTICE NOTE NO 5/2001**

### **TRAINING FOR DIRECTORS**

**Issued in relation to paragraph 15.09 of the Listing Requirements;**

**And**

**Pursuant to paragraph 2.08 of the Listing Requirements.**

#### **1.0 Introduction**

- 1.1 This Practice Note prescribes the requirements of the Exchange in relation to training programmes that must be attended by directors of a listed issuer or an applicant seeking listing on the Official List of the Exchange (hereinafter referred to as “the Directors”) in compliance with the Listing Requirements.
- 1.2 Pursuant to paragraph 15.09 of the Listing Requirements, Directors must attend training programmes that are prescribed by the Exchange from time to time.
- 1.3 In furtherance of paragraph 15.09, the Exchange has prescribed that Directors attend the Mandatory Accreditation Programme (“MAP”).
- 1.4 The MAP will be organised by such body corporate as may be approved by the Exchange (hereinafter referred to as “the Approved Organiser”).

#### **2.0 Mandatory Accreditation Programme (MAP)**

- 2.1 A Director must comply with the following requirements in relation to the MAP:-
  - (a) A Director must attend the MAP consisting of a total of 9 modules. After completion of the MAP to the satisfaction of the Approved Organiser, a certificate will be issued to the Director to confirm his completion of the MAP;
  - (b) A Director who is a director of one or more listed issuers at the date this Practice Note takes effect (hereinafter referred to as “the Effective Date”) must complete the MAP within 1 year from the Effective Date;
  - (c) A Director who is appointed for the first time as a director of a listed issuer after the Effective Date must complete the MAP within 4 months from the date of appointment;

- (d) A Director of an applicant seeking listing on the Official List of the Exchange after the Effective Date must complete the MAP within 4 months from the date of listing of the applicant unless he falls within the category set out in subparagraph (b) above in which case the period in subparagraph (b) shall apply; and
  - (e) Unless otherwise stipulated by the Exchange, only a Director who has been issued a certificate by the Approved Organiser for completion of the MAP within the timeframes stipulated in subparagraphs (b), (c) or (d) above or such other timeframe as may be allowed by the Exchange will be deemed to have completed the MAP.
- 2.2 The course content and duration of the MAP may be varied by the Approved Organiser with the approval of the Exchange at any time deemed necessary provided that a Director who has already been issued with a certificate for completing the MAP or any part thereof prior to the date of variation will not be affected by the variation.
- 2.3 Owing to the large number of directors that must attend and complete the MAP within the stipulated timeframes, all Directors are advised to follow the time schedules prepared by the Approved Organiser for directors of each listed issuer to attend the MAP. The Approved Organiser will be contacting the Directors on the time schedules for the MAP.
- 3.0 Saving and transitional provisions in relation to Continuing Education Programme (CEP)**
- 3.1 The repeal of Practice Note No 15/2003 (PN 15/2003) with effect from 1 January 2005 shall not in any way affect the obligations of Directors to attend Continuing Education Programme (CEP) as prescribed under PN15/2003 which obligations arose prior to the effective date of the repeal. For this purpose, it is clarified that the following Directors are directors who must ensure that they comply with their obligations under PN15/2003 prior to its repeal, to accumulate the requisite minimum CEP Points for the calendar years 2003 and 2004:-
- (a) Directors who have completed the MAP or whose Stipulated Timeframes (as defined under paragraph 2.1 of PN15/2003) for completion of the MAP expire on or before 31 December 2002 (hereinafter referred to as “Group 1 Directors”); and
  - (b) Directors who are required to attend CEP for the calendar year 2004 namely Directors who have completed the MAP or whose Stipulated Timeframes for completion of the MAP expire on or before 31 December 2003, other than Group 1 Directors (hereinafter referred to as “Group 2 Directors”).

- 3.2 Notwithstanding the provisions of PN15/2003, the Directors referred to in paragraph 3.1 above (hereinafter collectively referred to as “the Said Group of Directors”) are hereby given an extension of time as follows to accumulate the requisite minimum CEP Points referred to in paragraph 3.1 above –
- (a) Group 1 Directors must accumulate a minimum of 24 CEP points for the calendar year 2003 and 48 CEP points for the calendar year 2004. The Group 1 Directors will have up to 31 December 2005 to accumulate a total minimum of 72 CEP points for both the calendar years of 2003 and 2004.
  - (b) Group 2 Directors must accumulate a minimum of 48 CEP points for the calendar year 2004. The Group 2 Directors have up to 31 December 2005 to accumulate a minimum of 48 CEP points for the calendar year of 2004.
- 3.3 For the avoidance of doubt, the Said Group of Directors need not accumulate any CEP Point for the calendar years commencing 2005. The requirements of paragraph 15.09(2) of the Listing Requirements, instead, will be applicable to the Said Group of Directors with effect from 1 January 2005. In this regard, all listed issuers must commence making the disclosure required in paragraph 15.09(2) and paragraph (27) of Appendix 9C of the Listing Requirements in respect of annual reports issued for financial years ending on or after 31 December 2005.

#### **4.0 Duty of listed issuers**

- 4.1 Listed issuers must notify their directors of the requirement to attend the MAP.

#### **5.0 Failure to comply with paragraph 15.09 of the Listing Requirements**

- 5.1 A Director who does not attend the MAP within the timeframes stipulated will be in breach of the Listing Requirements and enforcement action may be taken against him pursuant to paragraph 16.16 of the Listing Requirements.

#### **6.0 The Approved Organiser**

- 6.1 Details of the Approved Organiser are available at the Exchange’s website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

#### **7.0 Effective Date**

- 7.1 This Practice Note takes effect on 15 February 2001.