

Our Ref: SR/TAC(ro)/LD02/13 [BT & Foreign CIS]

25 March 2013

The Company Secretary
(Listed Issuers)

Via email

Dear Sir/Madam,

AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS IN RELATION TO BUSINESS TRUST AND FOREIGN COLLECTIVE INVESTMENT SCHEMES

1. INTRODUCTION

Pursuant to section 9 of the Capital Markets and Services Act 2007, Bursa Malaysia Securities Berhad ("**Bursa Securities**") has amended the Main Market Listing Requirements ("**Main LR**") to facilitate the listing of business trusts and foreign collective investment schemes on the Main Market of Bursa Securities.

2. BUSINESS TRUST AMENDMENTS

2.1 Background & Objectives

- (a) In conjunction with the introduction of the business trust framework in Malaysia by the Securities Commission ("**SC**"), we have reviewed the Main LR to facilitate the listing of business trusts on the Main Market of Bursa Securities ("**BT Amendments**"). This review forms part of the SC's and Bursa Securities' ongoing efforts to enhance our attractiveness as a destination for capital raising and investment.
- (b) In finalizing the BT Amendments, we have taken into consideration the feedback received from the relevant industry participants.
- (c) We believe that the BT Amendments will enhance the market framework by -
 - (i) broadening the breadth and depth of our capital market by offering a wider variety of products listed on Bursa Securities;

AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS IN RELATION TO BUSINESS TRUST AND FOREIGN COLLECTIVE INVESTMENT SCHEMES

- (ii) offering an alternative to asset owners to raise capital while maintaining control over the assets; and
- (iii) providing greater options to investors on their choice of investment on Bursa Securities.

2.2 Principles of BT Amendments

The BT Amendments are finalized based on the following underlying principles:

- (a) ensuring parity of regulation between a business trust with any other listed issuer;
- (b) requiring additional disclosure of information which may be required by investors to make informed investment decision; and
- (c) ensuring a balanced regulatory framework with no more rules than necessary.

2.3 Salient BT Amendments

The salient BT Amendments are as follows:

- (a) clarifying that where applicable, the requirements in the Main LR shall apply to an applicant or a listed issuer which is a business trust subject to such adaptations or modifications, where necessary [*paragraph 2.09 of the Main LR*];
- (b) applying similar admission procedures and requirements applicable to a listed issuer, to a business trust applicant seeking listing of a business trust on the Main Market [*new Part F in Chapter 4; Practice Notes 21 and 23 of the Main LR*];
- (c) imposing similar public spread requirements applicable to an applicant which is a corporation, to a business trust applicant at admission and on a continuing basis [*new paragraph 4.19, paragraph 8.02 and new paragraph 8.40A of the Main LR*];
- (d) imposing similar requirements applicable to a listed issuer in relation to the composition of independent directors on the board and audit committee, to the board and audit committee of a trustee-manager at admission and on a continuing basis [*new paragraphs 4.17 and 4.18 of the Main LR*];
- (e) requiring the solvency statement and distribution policy to be included with the announcement of distribution made pursuant to paragraph 9.19(2) of the Main LR [*new paragraph 9.52 of the Main LR*];

AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS IN RELATION TO BUSINESS TRUST AND FOREIGN COLLECTIVE INVESTMENT SCHEMES

- (f) prescribing specific events which require immediate announcements by a business trust [*new paragraph 9.53 of the Main LR*];
- (g) prescribing additional information to be included in the quarterly reports and annual reports of a business trust [*new paragraph 9.54 and Part C of Appendix 9B; new paragraph 9.55 and Part C of Appendix 9C of the Main LR*];
- (h) applying the requirements in Chapter 10 of the Main LR to a business trust or its subsidiaries which enters into transactions. For this purpose –
 - (i) a new definition of the business trust’s subsidiary is provided;
 - (ii) the definitions of “director”, “major shareholder”, “major unit holder”, “related party” and “person connected” are amended to cater for a business trust structure; and
 - (iii) the relevant interested persons such as the trustee-manager, its director, major shareholder and persons connected, as well as the major unit holder and its persons connected, are expressly excluded from voting on a resolution approving a related party transaction or a Recurrent Related Party Transaction;

[paragraph 1.01, paragraphs 10.02(c), (f) and (fA); paragraphs 10.08(7) and 10.09(2) of the Main LR];
- (i) allowing a business trust to undertake a unit buy-back [*paragraph 12.01 and new paragraph 12.27 of the Main LR*];
- (j) applying the requirements on dealings in listed securities within and outside the closed period in Chapter 14 of the Main LR to the director, chief executive, chief financial officer and any other employee of the trustee-manager who is privy to price sensitive information of the business trust [*paragraphs 14.02(b)(ii) and (i)(ii); and paragraph 14.03(1) of the Main LR*];
- (k) applying the existing PN17 framework to a business trust with the necessary modifications [*paragraph 8.04 and Practice Note 17 of the Main LR*]; and
- (l) streamlining the relevant terminologies used in the Main LR with the CMSA and the SC’s Business Trust Guidelines.

AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS IN RELATION TO BUSINESS TRUST AND FOREIGN COLLECTIVE INVESTMENT SCHEMES

3. AMENDMENTS RELATING TO COLLECTIVE INVESTMENT SCHEMES

Foreign Collective Investment Schemes

- 3.1 In line with the framework set out under the SC's Guidelines for the Offering, Marketing and Distribution of Foreign Funds, as well as the legal framework contemplated under the CMSA which allows the listing of a business trust established outside Malaysia, we have extended the requirements relating to foreign listing in Chapter 4A to -
- (a) a collective investment scheme that is primarily regulated in a jurisdiction other than Malaysia, including a business trust established outside Malaysia ("**foreign collective investment scheme**") seeking primary listing on the Main Market; and
 - (b) a collective investment scheme, including a business trust seeking secondary listing on the Main Market.

[Chapter 4A; Practice Notes 21, 23, 24 and 25 of the Main LR].

Suspension and Delisting of Collective Investment Schemes

- 3.2 In addition to the above, we have also clarified the circumstances in which Bursa Securities may suspend trading of listed units or delist a collective investment scheme (including a business trust) *[new paragraphs 16.02(1)(iA) and 16.11(2)(c) & (d) of the Main LR].*

4. FULL TEXT OF AMENDMENTS AND QUESTIONS & ANSWERS

- 4.1 The full text of the above amendments is attached in **Appendix 1**. For ease of reference, the amendments are reflected in the following manner:
- portions underlined are text newly inserted / added onto the existing rules; and
 - portions struck through are text deleted.
- 4.2 In addition, we have also provided some "Questions and Answers" in **Appendix 2** to facilitate the listed issuer's better understanding of, and compliance with the above amendments.

AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS IN RELATION TO BUSINESS TRUST AND FOREIGN COLLECTIVE INVESTMENT SCHEMES

5. IMPLEMENTATION


The amendments set out in **Appendix 1** are **effective immediately**.

6. ADDITIONAL INFORMATION

- 6.1 This letter and all the above documents are also available at Bursa Malaysia's website at <http://www.bursamalaysia.com>.
- 6.2 If you have any queries on the above, please do not hesitate to liaise with the contact persons from our Listing Division who have been assigned to you as informed via our letter dated 20 June 2008 (Our Ref: IS/LD/09/08), the details of which can also be found at <http://www.bursamalaysia.com/contact>.

Thank you.

Yours faithfully,



SELVARANY RASIAH
Chief Regulatory Officer

Encls. (2)