

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

AMENDMENTS TO THE RULES OF BURSA MALAYSIA DEPOSITORY SDN BHD (“DEPOSITORY RULES”) TO FACILITATE GREATER OPERATIONAL
EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

RULE	CURRENT PROVISION	RULE	PROPOSED AMENDMENTS
PART I	DEFINITION AND INTERPRETATION	PART I	DEFINITION AND INTERPRETATION
1.01	Definition:	1.01	Definition:
	“bank” shall have the same meaning as is assigned to it under the Banking and Financial Institutions Act 1989;		“bank” [Deleted] shall have the same meaning as is assigned to it under the Banking and Financial Institutions Act 1989;
	“buying depositor” means a depositor who, by virtue of having a trading account with a participating organisation of the Stock Exchange, has placed an order to purchase a deposited security;		“buying depositor” [Deleted] means a depositor who, by virtue of having a trading account with a participating organisation of the Stock Exchange, has placed an order to purchase a deposited security;
	“Central Bank” means the Central Bank of Malaysia established under section 3 of the Central Bank of Malaysia Act 1958;		“Central Bank” means the Central Bank of Malaysia established under section 3 of the Central Bank of Malaysia Act 1958 <u>2009</u> ;
	“finance company” shall have the same meaning as is assigned to it under the Banking and Financial Institutions Act 1989;		“finance company” [Deleted] shall have the same meaning as is assigned to it under the Banking and Financial Institutions Act 1989;
	“fund management” shall have the same meaning as is assigned to it under the Capital Markets and Services Act 2007;		“fund management” [Deleted] shall have the same meaning as is assigned to it under the Capital Markets and Services Act 2007;
	“Investment Bank” means an Investment Bank referred to under the Guidelines on Investment Banks;		“Investment Bank” means an Investment Bank referred to under the Guidelines on Investment Banks <u>which is a licensed investment bank and holds a Capital Markets Services Licence for dealing in securities;</u>
	New definition		<u>“licensed bank” shall have the same meaning as is assigned to it under the Financial Services Act 2013;</u>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	New definition		<u>“licensed investment bank” shall have the same meaning as is assigned to it under the Financial Services Act 2013;</u>
	New definition		<u>“licensed Islamic bank” shall have the same meaning as is assigned to it under the Islamic Financial Services Act 2013;</u>
	“market holiday” means any public holiday or any other day on which the stock market is declared officially closed by the Stock Exchange;		“market holiday” [Deleted]means any public holiday or any other day on which the stock market is declared officially closed by the Stock Exchange;
	“merchant bank” shall have the same meaning as is assigned to it under the Banking and Financial Institutions Act 1989;		“merchant bank” [Deleted]shall have the same meaning as is assigned to it under the Banking and Financial Institutions Act 1989;
	“Rules of the Clearing House” shall have the same meaning as is assigned to ‘rules in relation to an approved clearing house’ as provided in the Capital Market and Services Act 2007;		“Rules of the Clearing House” <u>means the Rules of Bursa Malaysia Securities Clearing Sdn Bhd including any amendment that may be made from time to time;</u> shall have the same meaning as is assigned to ‘rules’ in relation to an approved clearing house’ as provided in the Capital Markets and Services Act 2007;
	“Rules of the Stock Exchange” shall have the same meaning as assigned to it under the Capital Markets and Services Act 2007;		“Rules of the Stock Exchange” <u>means the Rules of Bursa Malaysia Securities Berhad including any amendment that may be made from time to time;</u> shall have the same meaning as assigned to it under the Capital Markets and Services Act 2007;
	“Service Provider” means the entity within the group or an external entity to which the authorised depository agent or the authorised direct member has outsourced the Depository Functions and includes any subsequent service provider(s) to whom the initial service provider or any subsequent service provider has further contracted the Depository Functions;		“Service Provider” means the entity within the group or an external entity to which the authorised depository agent or the authorised direct member has outsourced the Depository Functions and includes any subsequent <u>subsequent</u> service provider(s) to whom the <u>Depository Functions have been subsequently outsourced to initial service provider or any subsequent service provider</u> has further contracted the Depository Functions;

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

1.02	Additional Definitions:	1.02	Additional Definitions:
(1)	Definitions under the Act: The following words and expressions shall have the meaning assigned to them respectively under section 2(1) of the Act, unless the context otherwise requires, namely- “Investigating Officer”	(1)	Definitions under the Act: The following words and expressions shall have the meaning assigned to them respectively under section 2(1) of the Act, unless the context otherwise requires, namely- “Investigating Officer” [Deleted]
(2)	Definitions under the Foreign Ownership Regulations: The following words and expressions shall have the meanings assigned to them respectively under Regulation 2 of the Foreign Ownership Regulations, namely – “foreign”	(2)	Definitions under the Foreign Ownership Regulations: The following words and expressions shall have the meanings assigned to them respectively under Regulation 2 of the Foreign Ownership Regulations, namely – “foreigner”
PART II	RULES RELATING TO AUTHORISED DEPOSITORY AGENT	PART II	RULES RELATING TO AUTHORISED DEPOSITORY AGENT
2.02	Appointment of authorised depository agents:	2.02	Appointment of authorised depository agents:
(1)	Eligibility: Any of the following persons may in writing apply to the Depository to be appointed as its authorised depository agent- (a) a Stock Exchange; (b) a Clearing House; (c) a participating organisation; (d) a bank licensed under the Islamic Banking Act 1983; (e) a bank, merchant bank or finance company licensed under subsection 6(4) of the Banking and Financial Institutions Act 1989;	(1)	Eligibility <u>as an authorised depository agent:</u> Any of the following persons may in writing apply to the Depository to be appointed as its authorised depository agent- <u>To be eligible to be appointed as an authorised depository agent, an applicant must be:</u> (a) a Stock Exchange; (b) a Clearing House; (c) a participating organisation; (d) a <u>licensed Islamic</u> bank licensed under the Banking Act 1983; (e) a <u>licensed</u> bank <u>or licensed investment bank</u> , merchant bank or finance company licensed under subsection 6(4) of the Banking and Financial Institutions Act 1989;

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(f) a bank established under an Act of Parliament; or</p> <p>(g) a body corporate of a type prescribed by the Minister under the Act.</p> <p>(2) Conditions: Unless directed otherwise by the Depository, the conditions for appointment as an authorised depository agent are as follows-</p> <p>(a) Capital funds: the applicant has a minimum amount of capital funds of not less than twenty million ringgit unimpaired by losses or in the case of a participating organisation, the minimum paid-up capital and shareholders' funds unimpaired by losses as may be prescribed from time to time under the Rules of the Stock Exchange;</p> <p>(b) Personnel, experience and skill: the applicant has adequate number of personnel having the experience and skill acceptable to the Depository;</p> <p>(c) Ability to provide required equipment, etc: the applicant is able to provide adequate equipment and facilities for the provision of the services, and performance of the duties and obligations, required under the Act and these Rules;</p> <p>(d) Legal proceedings, etc: the applicant is not subject to any legal or administrative proceedings which might</p>	<p>(f) a bank established under an Act of Parliament; or</p> <p>(g) a body corporate of a type prescribed by the Minister under the Act.</p> <p>(2) Conditions <u>for appointment as an authorised depository agent:</u> Unless directed otherwise by the Depository, the conditions for appointment as an authorised depository agent are as follows-</p> <p>(a) Capital funds<u>Paid-Up Capital and Shareholders Funds:</u> the applicant has:</p> <p>(i) a minimum amount of capital funds<u>paid-up capital and shareholders' funds</u> of not less than twenty million ringgit unimpaired by losses; or</p> <p>(ii) in the case of a participating organisation, the minimum paid-up capital and shareholders' funds unimpaired by losses as may be prescribed from time to time under the Rules of the Stock Exchange;</p> <p>(b) Personnel, experience and skill: the applicant has adequate number of personnel having the experience and skill <u>to be able to perform the functions of an authorised depository agent acceptable to the Depository;</u></p> <p>(c) Ability to provide required equipment<u>systems</u>, etc: the applicant is able to provide adequate equipment<u>systems</u> and facilities for the provision of the services, and performance of the duties and obligations, required under the Act and these Rules;</p> <p>(d) Legal proceedings, <u>statutory audit</u> etc: the applicant is not subject to any <u>qualified audit opinion in a statutory audit</u>, legal</p>
--	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>adversely affect its financial or business condition or its ability to comply with any requirements under these Rules.</p> <p>For the purposes of these Rules, “capital funds”, in relation to an applicant, means the paid-up capital, the share premiums and reserves as at the last statutory audit balance date of the applicant but does not include any paid-up redeemable preference shares.</p> <p>(3) Application and accompanying information: An application under this Rule shall be made in writing and shall be accompanied with such information as may be necessary in order to assist the Depository in determining the application and the suitability of the applicant to act as an authorised depository agent. An application for opening a branch office of an authorised depository agent shall be made separately in writing. In the case of an Investment Bank, the approval of an application for opening a branch office shall be subject to the applicant receiving the approval of the Central Bank for the same.</p> <p>(4) Additional information: At any time after receiving an application the Depository may, in writing, require the applicant to furnish additional information or documents.</p> <p>(5) Deleted</p> <p>(6) Availability: Notwithstanding any of the provisions in this Rule the Depository may refuse to process the application of any person to be appointed as its authorised depository agent if the computer system or any of the network related to the computer system is unavailable for the time being to such person. Any person who is unsuccessful in their application may however apply to be placed on the waiting list of the Depository.</p>	<p>or administrative proceedings which might adversely affect its financial or business condition or its ability to comply with any requirements under these Rules.</p> <p>For the purposes of these Rules, “capital funds”, in relation to an applicant, means the paid-up capital, the share premiums and reserves as at the last statutory audit balance date of the applicant but does not include any paid-up redeemable preference shares.</p> <p>(3) Application and accompanying information: An application under this Rule shall be made in writing <u>to the Depository</u> and shall be accompanied with such information as may be necessary in order to assist the Depository in determining the application and the suitability of the applicant to act as an authorised depository agent. An application for opening a branch office of an authorised depository agent shall be made separately in writing. In the case of an Investment Bank, the approval of an application for opening a branch office shall be subject to the applicant receiving the approval of the Central Bank for the same.</p> <p>(4) Additional information: At any time after receiving an application the Depository may, in writing, require the applicant to furnish additional information or documents.</p> <p>(5) Deleted</p> <p>(6) Availability: Notwithstanding any of the provisions in this Rule, the Depository may refuse to process the application of any person to be appointed as its authorised depository agent if the computer system or any of the network related to the computer system is unavailable for the time being to such person. Any person who is unsuccessful in their application may however apply to be placed on the waiting list of the Depository. <u>Deleted</u></p>
--	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(7) No obligation to appoint: Notwithstanding and without prejudice to any other provisions in this chapter the Depository need not (without giving any reason whatsoever) be obligated to appoint every person who is eligible under Rule 2.02(1) to be an authorised depository agent. Any person so aggrieved by virtue of not being appointed as an agent may appeal to the Depository. Upon presentation of the appeal, such person shall submit to the decision of the Depository whose decision shall be final and binding upon that person.</p>		<p>(7) No obligation to appoint: Notwithstanding and without prejudice to any other provisions in this chapter the Depository need not (without giving any reason whatsoever) be obligated to appoint every person who is eligible under Rule 2.02(1) to be an authorised depository agent. Any person so aggrieved by virtue of not being appointed as an agent may appeal to the Depository. Upon presentation of the appeal, such person shall submit to the decision of the Depository whose decision shall be final and binding upon that person.</p>
<p>2.04</p>	<p>Conditions of appointment:</p> <p>Every authorised depository agent shall, throughout the term of its appointment -</p> <p>(a) not later than six (6) months after the end of its each financial year or such longer period as the Depository may allow, submit to the Depository a copy of its audited annual balance sheet, profit and loss account and statement, and such other documents as may be required by the Depository from time to time; and</p> <p>(b) comply with these Rules (whether in this Part or otherwise), the Procedures Manual, the provisions of the Act and the Regulations to such extent to which the same purports to apply to them.</p>	<p>2.04</p>	<p>Conditions of appointment:</p> <p><u>(1)</u> Every authorised depository agent shall, throughout the term of its appointment -</p> <p>(a) not later than six (6) months after the end of its each financial year or such longer period as the Depository may allow, submit to the Depository a copy of its audited annual balance sheet, profit and loss account and statement <u>audited financial statements</u>, and such other documents as may be required by the Depository from time to time; and</p> <p>(b) comply with these Rules (whether in this Part or otherwise), the Procedures Manual, the provisions of the Act and the Regulations to such extent to which the same purports to apply to them.</p> <p><u>(2) An authorised depository agent need not comply with Rule 2.04(1)(a) in the event it is a participating organisation and it has submitted its latest audited financial statements to the Stock Exchange pursuant to the Rules of the Stock Exchange.</u></p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>2.10 Inspection</p> <p>(1) Depository’s right to inspection:</p> <p>(a) The Depository may conduct an inspection on an authorised depository agent at any time in the following circumstances:</p> <p>(i) on any matter in relation to these Rules, the authorised depository agent’s internal policies and procedures and any other rules and regulations related to its functions as an authorised depository agent; or</p> <p>(ii) where the Depository has reason to suspect that the authorised depository agent has engaged in an activity that has affected or may affect the integrity of the Depository’s computer system or the orderly handling of deposited securities.</p> <p>(b) An authorised depository agent and its Relevant Person must:</p> <p>(i) give or procure for the Depository all information, documents, books and records the Depository requests for and allow the Depository to take copies and extracts of such documents, books and records; and</p> <p>(ii) give the Depository access to the relevant premises, including its terminals and other computer peripherals situated at the authorised depository agent’s premises, for the Depository to conduct an inspection under Rule 2.10.</p> <p>(c) An authorised depository agent and its Relevant Person must:</p> <p>(i) not hinder or obstruct the Depository during the inspection; and</p> <p>(ii) give the Depository all assistance the Depository reasonably requires to conduct the inspection.</p>	<p>2.10 Inspection</p> <p>(1) Depository’s right to inspection:</p> <p>(a) The Depository may conduct an inspection on an authorised depository agent, <u>including its branch offices, at any time in the following circumstances:</u></p> <p>(i) on any matter in relation to these Rules, the authorised depository agent’s internal policies and procedures and any other rules and regulations related to its functions as an authorised depository agent; or</p> <p>(ii) where the Depository has reason to suspect that the authorised depository agent has engaged in an activity that has affected or may affect the integrity of the Depository’s computer system or the orderly handling of deposited securities.</p> <p>(b) An authorised depository agent and its Relevant Person must:</p> <p>(i) give or procure for the Depository all information, documents, books and records the Depository requests for and allow the Depository to take copies and extracts of such documents, books and records; and</p> <p>(ii) give the Depository access to the relevant premises, including its terminals and other computer peripherals situated at the authorised depository agent’s premises, for the Depository to conduct an inspection under Rule 2.10.</p> <p>(c) An authorised depository agent and its Relevant Person must:</p> <p>(i) not hinder or obstruct the Depository during the inspection; and</p> <p>(ii) give the Depository all assistance the Depository reasonably requires to conduct the inspection.</p>
---	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(2) Deleted</p> <p>(3) Reporting:</p> <p>(a) The Depository will notify the authorised depository agent concerned of the findings of the Depository's inspection.</p> <p>(b) An authorised depository agent must table the Depository's findings to the authorised depository agent's board of directors as soon as possible.</p> <p>(c) An authorised depository agent must within such time as may be stipulated by the Depository:</p> <p style="padding-left: 40px;">(i) take corrective measures to address the Depository's findings; and</p> <p style="padding-left: 40px;">(ii) notify the Depository in writing of the authorised depository agent's board of director's decided course of action and corrective measure taken (if any) to address the Depository's findings.</p> <p>(4) Deleted</p>		<p>(2) Deleted</p> <p>(3) Reporting:</p> <p>(a) The Depository will notify the authorised depository agent concerned of the findings of the Depository's inspection.</p> <p>(b) An authorised depository agent must table the Depository's findings to the authorised depository agent's board of directors as soon as possible.</p> <p>(c) An authorised depository agent must within such time as may be stipulated by the Depository:</p> <p style="padding-left: 40px;">(i) take corrective measures to address the Depository's findings; and</p> <p style="padding-left: 40px;">(ii) notify the Depository in writing of the authorised depository agent's board of director's decided course of action and corrective measure taken (if any) to address the Depository's findings.</p> <p>(4) Deleted</p>
2.12	<p>Outsourcing by Authorised Depository Agents:</p> <p>(1) Outsourcing: An authorised depository agent which outsources its Depository Functions must comply with these Rules and the Commission's Licensing Handbook as though the authorised depository agent is the CMSL holder mentioned in the Commission's Licensing Handbook.</p> <p>(2) Directions: An authorised depository agent must ensure that the Service Provider(s) comply with the Rules that are applicable to the</p>	2.12	<p>Outsourcing by Authorised Depository Agents:</p> <p>(1) Outsourcing: An authorised depository agent which outsources its Depository Functions must comply with these Rules and the Commission's Licensing Handbook as though the authorised depository agent is the CMSL holder mentioned in the Commission's Licensing Handbook holds a Capital Markets Services Licence.</p> <p>(2) Directions: An authorised depository agent must ensure that the Service Provider(s) comply with the Rules that are applicable to the outsourced</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>outsourced functions in the same manner as the authorised depository agent is required to.</p> <p>(3) Accountability: An authorised depository agent remains accountable for all outsourced Depository Functions and will be held liable for any act or omission on the part of the Service Provider which results in a breach of these Rules.</p> <p>(4) Investment Bank:</p> <p>(a) This Rule 2.12 is not applicable to an authorised depository agent which is an Investment Bank.</p> <p>(b) An authorised depository agent which is an Investment Bank must instead comply with the Guidelines on Investment Banks and such other requirements of the Central Bank relating to the matter.</p>		<p>functions <u>Depository Functions</u> in the same manner as the authorised depository agent is required to.</p> <p>(3) Accountability: An authorised depository agent remains accountable for all outsourced Depository Functions and will be held liable for any act or omission on the part of the Service Provider which results in a breach of these Rules.</p> <p>(4) Investment Bank:</p> <p>(a) This Rule 2.12 is not applicable to an authorised depository agent which is an Investment Bank.</p> <p>(b) An authorised depository agent which is an Investment Bank must instead comply with the Guidelines on Investment Banks and such other requirements of the Central Bank relating to the matter.</p>
<p>3.01</p>	<p>Circumstances and Actions:</p> <p>(1) Circumstances which warrant action: Any authorised depository agent may be subjected to any one or more of the actions set out in Rule 3.01(2) to be taken by the Depository if-</p> <p>(a) it has been suspended from trading as a participating organisation of the Stock Exchange;</p> <p>(b) the Stock Exchange has withdrawn its recognition as a participating organisation;</p> <p>(c) it has violated the Rules;</p>	<p>3.01</p>	<p>Circumstances and Actions:</p> <p>(1) Circumstances which warrant action: Any authorised depository agent <u>or any branch office</u> may be subjected to any one or more of the actions set out in Rule 3.01(2) to be taken by the Depository if-</p> <p>(a) it has been suspended from trading as a participating organisation of the Stock Exchange;</p> <p>(b) the Stock Exchange has withdrawn its recognition as a participating organisation;</p> <p>(c) it has violated the Rules, <u>directions, or any agreement with the Depository referred to in Rule 2.07(1)(c);</u></p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(d) it has failed to comply with any recommendations made by the advisory committee;</p> <p>(e) it has violated, whether directly or indirectly, any provisions of the Act;</p> <p>(f) it has failed to pay any debts due and owing to the Depository, an authorised depository agent, an authorised direct member, an issuer or depositor in accordance with these Rules;</p> <p>(g) it has failed to indemnify the Depository in accordance with Rule 2.09;</p> <p>(h) it has become or is likely to become insolvent or has been or is likely to be wound up under the Companies Act 2016 or any rules or regulations thereto;</p> <p>(i) it has failed to pay any penalties or fines imposed by the Depository pursuant to these Rules;</p> <p>(j) where it is a statutory body established under any Act of Parliament, it has been placed under the control of the Government of Malaysia or any of its appointees by reason that it is financially insolvent;</p> <p>(k) it is necessary to facilitate the carrying out of any instructions, directives, orders or decisions made by the Stock Exchange or the Commission in respect of the authorised depository agent;</p> <p>(l) the Depository is not satisfied with the security features and controls of the authorised depository agent; or</p>	<p>(d) it has failed to comply with any recommendations made by the advisory committee;</p> <p>(e) it has violated, whether directly or indirectly, any provisions of the Act;</p> <p>(f) it has failed to pay any debts due and owing to the Depository, an authorised depository agent, an authorised direct member, an issuer or depositor in accordance with these Rules;</p> <p>(g) it has failed to indemnify the Depository in accordance with Rule 2.09;</p> <p>(h) it has become or is likely to become insolvent or has been or is likely to be wound-up under the Companies Act 2016 or any rules or regulations thereto;</p> <p>(i) it has failed to pay any penalties or fines imposed by the Depository pursuant to these Rules Deleted;</p> <p>(j) where it is a statutory body established under any Act of Parliament, it has been placed under the control of the Government of Malaysia or any of its appointees by reason that it is financially insolvent;</p> <p>(k) it is necessary to facilitate the carrying out of any instructions, directives, orders or decisions made by the Stock Exchange or the Commission in respect of the authorised depository agent;</p> <p>(l) the Depository is not satisfied with the security features and controls of the authorised depository agent; or</p>
--	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(m) a receiver or a receiver and manager has been appointed over it.</p> <p>(2) Actions that may be taken by the Depository: Upon the happening of any of the events set out in Rule 3.01(1), the Depository may take any one or more of the following actions against an authorised depository agent or any branch office-</p> <p>(a) suspend the authorised depository agent from maintaining or performing any or all of the approved functions of an authorised depository agent;</p> <p>(b) issue instructions, directives or orders to the authorised depository agent in relation to the control and management of the securities accounts of depositors who have maintained their accounts with such authorised depository agent and the performance of any or all of the approved functions of the authorised depository agent;</p> <p>(c) enter the premises of the authorised depository agent and supervise the management of the securities accounts of depositors who have maintained their accounts with such authorised depository agent and the performance of any or all of the approved functions of the authorised depository agent;</p>	<p>(m) a receiver or a receiver and manager has been appointed over it.</p> <p>(2) Actions that may be taken by the Depository: Upon the happening of any of the events set out in Rule 3.01(1), the Depository may take any one or more of the following actions against an authorised depository agent or any branch office-</p> <p>(a) suspend the authorised depository agent from maintaining or performing any or all of the approved functions of an authorised depository agent;</p> <p>(b) issue instructions, directives or orders to the authorised depository agent in relation to the control and management of the securities accounts of depositors who have maintained their accounts with such authorised depository agent and the performance of any or all of the approved functions of the authorised depository agent;</p> <p>(c) enter the premises of the authorised depository agent <u>for any one or more of the following purposes:</u></p> <p>(i) <u>and to</u> supervise the management of the securities accounts of depositors who have maintained their accounts with such the authorised depository agent and the performance of any or all of the approved functions of the authorised depository agent;</p> <p>(ii) <u>to take over the control and management of the securities accounts of depositors maintained with the authorised depository agent;</u></p>
--	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(d) enter the premises of the authorised depository agent and take over the control and management of the securities accounts of depositors who have maintained their accounts with such authorised depository agent;</p> <p>(e) enter the premises of the authorised depository agent and take possession or control of all records and communications in relation to all securities accounts of depositors maintained with the authorised depository agent, and such other records and accounts as will sufficiently explain the transactions and operations of the authorised depository agents in relation to the deposited securities;</p> <p>(f) assume total control of the management of all securities accounts maintained with the authorised depository agent and transfer the whole operation of the authorised depository agent in its capacity as an authorised depository agent to another location to be determined by the Depository in its absolute discretion; or</p> <p>(g) terminate the appointment as an authorised depository agent,</p> <p>provided that no such action shall be effected by the Depository without prior consultation with -</p>		<p><u>(iii) to take possession or control of all records and communications in relation to all securities accounts of depositors maintained with the authorised depository agent, and such other records and accounts as will sufficiently explain the transactions and operations of the authorised depository agents in relation to the deposited securities;</u></p> <p>(d) Deletedenter the premises of the authorised depository agent and take over the control and management of the securities accounts of depositors who have maintained their accounts with such authorised depository agent;</p> <p>(e) Deletedenter the premises of the authorised depository agent and take possession or control of all records and communications in relation to all securities accounts of depositors maintained with the authorised depository agent, and such other records and accounts as will sufficiently explain the transactions and operations of the authorised depository agents in relation to the deposited securities;</p> <p>(f) assume total control of the management of all securities accounts maintained with the authorised depository agent and transfer the whole operation of the authorised depository agent in its capacity as an authorised depository agent to another location to be determined by the Depository in its absolute discretion; or</p> <p>(g) terminate the appointment as an authorised depository agent,</p> <p>provided that no such action shall be effected by the Depository without prior consultation with -</p>
--	---	--	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(a) the Stock Exchange and the Commission where the authorised depository agent is a participating organisation; and</p> <p>(b) the Central Bank and the Commission where such authorised depository agent is a bank, merchant bank or finance company.</p> <p>(c) Deleted</p>		<p>(i)(a) the Stock Exchange and the Commission where the authorised depository agent is a participating organisation <u>or a Clearing House</u>; and</p> <p>(ii)(b) the Central Bank and the Commission where such authorised depository agent is a <u>licensed bank, merchant bank or finance company, licensed investment bank, licensed Islamic bank or a bank established under an Act of Parliament</u>.</p> <p>(iii)(c) Deleted</p>
<p>3.03</p>	<p>Appointment of manager:</p> <p>The Depository upon consultation with the Commission may appoint any suitable and competent person or persons, with remuneration to be paid by the authorised depository agent for the purpose of exercising any of the powers specified in Rule 3.01(2) paragraphs (c), (d), (e) and (f).</p>	<p>3.03</p>	<p>Appointment of manager:</p> <p>The Depository upon consultation with the Commission may appoint any suitable and competent person or persons, with remuneration to be paid by the authorised depository agent for the purpose of exercising any of the powers specified in Rule 3.01(2) paragraphs (c), (d), (e) and (f).</p>
<p>3.04</p>	<p>Actions against branch offices:</p> <p>(1) Actions that may be taken by the Depository: Notwithstanding any provision in this chapter the Depository may take any one or more of the actions set out in Rules 3.01(2) or 3.02(2), as the case may be in respect of a particular branch office of an authorised depository agent-</p> <p>(a) by reasons stipulated under Rules 3.01(1) or 3.02(1), as the case may be; or</p>	<p>3.04</p>	<p>Actions against branch offices:</p> <p>(1) Actions that may be taken by the Depository: Notwithstanding any provision in this chapter, the Depository may take any one or more of the actions set out in Rules 3.01(2) or 3.02(2), as the case may be, against in respect of a particular branch office of an authorised depository agent-</p> <p>(a) <u>where the circumstances which warrant action by reasons stipulated under Rules 3.01(1) apply to that branch office or 3.02(1), as the case may be</u>; or</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(b) if the Depository is not satisfied with the capabilities of that branch office to discharge any of the approved functions,</p> <p>provided however that where the branch office is that of a bank, merchant bank, finance company, Islamic bank or a bank established under an Act of Parliament no such action shall be effected without prior consultation with the Central Bank and where such authorised depository agent is a participating organisation or a Clearing House, prior consultation is also held with the relevant Exchanges and the Commission.</p> <p>(2) Termination of appointment: In the event the Depository suspends or terminates the appointment as authorised depository agent under this chapter, such suspension or termination shall mean the automatic suspension or termination of any of its approved branch offices but the suspension or termination of appointment of any branch office of an authorised depository agent shall not operate to relieve any other branch office or the main office from performing any duties or functions imposed on it under the Act or in these Rules.</p>		<p>(b) if the Depository is not satisfied with the capabilities of that branch office to discharge any of the approved functions,</p> <p><u>(1A) Consultation required: The Depository shall not take any action pursuant to Rule 3.04(1) above without prior consultation with:</u> <u>(a) the Central Bank, provided however that where if the authorised depository agent is branch office is that of a licensed bank, merchant bank, finance company licensed investment bank, licensed Islamic bank, or a bank established under an Act of Parliament; and</u> <u>(a)(b) the Stock Exchange and Commission, no such action shall be effected without prior consultation with the Central Bank and if where such the authorised depository agent is a participating organisation or a Clearing House, prior consultation is also held with the relevant Exchanges and the Commission.</u></p> <p>(2) <u>Suspension or Termination of appointment: In the event the Depository suspends or terminates</u><u>Suspension or termination by the Depository of the appointment as of an authorised depository agent under this chapter, such suspension or termination shall mean the automatic suspension or termination of any of its approved branch offices, but the suspension or termination of appointment of any branch office of an authorised depository agent shall not operate to relieve any other branch office or the main office from performing any duties or functions imposed on it under the Act or in these Rules of an authorised depository agent.</u></p>
<p>Chapt er 3A.0</p>	<p><u>NEW PROVISION</u></p>	<p>Chapt er 3A.0</p>	<p><u>Transfer, Termination and Cessation of Appointment</u></p>
	<p>New Provision</p>	<p><u>3A.01</u></p>	<p><u>Transfer of Appointment:</u></p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

			<p><u>An authorised depository agent is not permitted to transfer its appointment by the Depository to any other person without the approval of the Depository.</u></p>
	<p>New Provision</p>	<p><u>3A.02</u></p>	<p><u>Obligations upon Termination of Appointment:</u></p> <p><u>(1) In the event that the appointment of any authorised depository agent is terminated for any reason whatsoever, the authorised depository agent shall, as soon as possible:</u></p> <ul style="list-style-type: none"> <u>(a) give notice of the termination to its clients; and</u> <u>(b) transfer the deposited securities of its clients to such other securities accounts indicated by the clients within the time specified by the Depository.</u> <p><u>(2) In addition to the actions to be taken under Rule 3A.02(1) above, the authorised depository agent whose appointment has been terminated must:</u></p> <ul style="list-style-type: none"> <u>(a) pay all outstanding charges as directed by the Depository;</u> <u>(b) fulfill all outstanding obligations as directed by the Depository;</u> <u>(c) transfer its deposited securities to another authorised depository agent within the time specified by the Depository; and</u> <u>(d) until the termination of its appointment is effective, continue to comply with the Rules.</u>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	New Provision	<u>3A.03</u>	<p><u>Resignation:</u></p> <p><u>(1) An authorised depository agent may resign by giving at least 60 days written notice to the Depository and the resignation takes effect at the later of either the expiration of that notice period or:</u></p> <p><u>(a) when there is no further obligation or liability owed by the authorised depository agent to the Depository, any other authorised depository agent, any authorised direct member, any issuer or any depositor;</u></p> <p><u>(b) when all securities in the securities accounts maintained by the authorised depository agent for depositors have been transferred to another authorised depository agent at the choice of the depositors in whose name the securities accounts have been opened; and</u></p> <p><u>(c) when the authorised depository agent has presented to the Depository such indemnities and guarantees as the Depository in its sole discretion may require.</u></p> <p><u>(2) The acceptance of the resignation is at the absolute discretion of the Depository.</u></p> <p><u>(3) The resigning authorised depository agent's name will be removed from the register of authorised depository agents on the effective date of resignation.</u></p> <p><u>(4) The resignation of an authorised depository agent does not in any way affect any pre-existing liability which that authorised depository agent may have incurred to the Depository.</u></p> <p><u>(5) An authorised depository agent shall continue to comply with the Rules until the effective date of resignation.</u></p>
--	---------------	---------------------	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

New Provision		<u>3A.04</u>	<p><u>Continuing Liability:</u></p> <p>(1) <u>A former authorised depository agent remains liable to disciplinary action for any breach of these Rules committed during the period while it was an authorised depository agent.</u></p> <p>(2) <u>A former authorised depository agent must retain all its records for the duration required by the Act and produce such record in a legible form to the Depository upon demand.</u></p> <p>(3) <u>All provisions in these Rules continue to apply in respect of the former authorised depository agent to the extent required to give effect to Rules 3A.04(1) or (2).</u></p>
New Provision		<u>4A.06</u>	<p><u>Integrity of the Computer System and Orderly Handling of Deposited Securities</u></p> <p><u>An authorised depository agent must not engage in any activity that may affect the integrity of the Depository's computer system or the orderly handling of deposited securities.</u></p>
New Provision		<u>5.04A</u>	<p><u>Change of particulars:</u></p> <p>(1) <u>Processing of application:</u> <u>An authorised depository agent must process an application to update the particulars of a securities account in the manner prescribed by the Depository.</u></p> <p>(2) <u>On-going obligation:</u> <u>If an authorised depository agent has updated any particulars of a depositor in its internal records and similar data fields are present in the Depository's computer system, the authorised depository agent must request that the depositor updates the depositor's particulars with the Depository and notify the Depository on the updated particulars, in the manner prescribed by the Depository.</u></p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

			(3) <u>Records: If the authorised depository agent does not submit a notification to the Depository under Rule 5.04A(2) due to the depositor's refusal or inability to comply with the updating requirements prescribed by the Depository, the authorised depository agent must maintain written records of their efforts to request the depositor to comply with the updating requirements.</u>
5.07	Closing of securities account: Unless expressly authorised by the Depository, no securities account may be closed by an authorised depository agent without obtaining prior written consent of the depositor. An application to close a securities account shall be made in the prescribed form.	5.07	Closing of securities account: Unless expressly authorised by the Depository, no securities account may be closed by an authorised depository agent without obtaining prior written consent of the depositor. An application to close a securities account shall be made in the prescribed form <u>manner prescribed by the Depository.</u>
5.08	Balance enquiry: (1) Depositor may request enquiry: A depositor may, by completing the prescribed form in the Procedures Manual, require an authorised depository agent with whom the depositor's securities account is maintained to enquire into the balance status of the depositor's securities account.	5.08	Balance enquiry: (1) Depositor may r <u>Request for balance enquiry:</u> <u>(a) A depositor may, by completing the prescribed form in the Procedures Manual, require an authorised depository agent with whom the depositor's securities account is maintained to enquire into the balance status of the depositor's securities account.</u> <u>(b) A person permitted by the Act may request any authorised depository agent to enquire into the balance status of a depositor's securities account.</u> <u>(a)(c) A request for balance enquiry under Rule 5.08(1)(a) and (b) above must be made in the manner prescribed by the Depository.</u>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(2) Authorisation by depositor: A depositor may, by way of a written authorisation permit the authorised depository agent with whom his securities account is maintained, to allow any person duly authorised by the depositor and specifically named in the written authorisation, to enquire into the balance status of the depositor's securities account. Where the person authorised is a person other than a dealer's representative of that authorised depository agent, the written authorisation shall only be effective for the purpose of making one balance enquiry. Where the person authorised is a dealer's representative of that authorised depository agent, the written authorisation must be in the form prescribed in the Procedures Manual and shall be valid for such period as may be stipulated by the depositor in the written authorisation unless revoked by the depositor by submitting to that authorised depository agent a notice in writing in the form prescribed in the Procedures Manual. Notwithstanding the foregoing, the authorisation effected under this Rule shall cease to be of effect if the dealer's representative authorised under this Rule ceases to be a dealer's representative of the authorised depository agent with whom the depositor maintains a securities account.</p> <p>(3) Revocation of authorisation: Where the person authorised by a depositor is a dealer's representative, the depositor may revoke such authorisation by providing written notice to the authorised depository agent in the prescribed form in the Procedures Manual.</p> <p>(4) Responsibility of authorised depository agent for disclosure: Without prejudice to the provisions of section 45 of the Act and pursuant to this Rule, it shall be the responsibility of the authorised depository agent to ensure that no information relating to the balance status of any securities account shall be disclosed</p>	<p>(2) Authorisation by depositor: A depositor may, by way of a written authorisation permit the authorised depository agent with whom his securities account is maintained, to allow any person duly authorised by the depositor and specifically named in the written authorisation, to enquire into the balance status of the depositor's securities account. Where the person authorised is a person other than a dealer's representative of that authorised depository agent, the written authorisation shall only be effective for the purpose of making one balance enquiry. Where the person authorised is a dealer's representative of that authorised depository agent, the written authorisation must be in the form prescribed in the Procedures Manual <u>be in the manner prescribed by the Depository</u> and shall be valid for such period as may be stipulated by the depositor in the written authorisation unless revoked by the depositor <u>in accordance with Rule 5.08(3) by submitting to that authorised depository agent a notice in writing in the form prescribed in the Procedures Manual.</u> Notwithstanding the foregoing, the authorisation effected under this Rule shall cease to be of effect if the dealer's representative authorised under this Rule ceases to be a dealer's representative of the authorised depository agent with whom the depositor maintains a securities account.</p> <p>(3) Revocation of authorisation: Where the person authorised by a depositor is a dealer's representative, the depositor may revoke such authorisation by providing written notice to the authorised depository agent <u>with whom his securities account is maintained in the prescribed form manner prescribed by the Depository in the Procedures Manual.</u></p> <p>(4) Responsibility of authorised depository agent for disclosure: Without prejudice to the provisions of section 45 of the Act and pursuant to this Rule, it shall be the responsibility of the authorised depository agent to ensure that no information relating to the balance status of any securities account shall be disclosed to any</p>
---	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>to any person except to the person duly authorised under Rule 5.08(2).</p> <p>(5) Interpretation: For the purposes of this Rule, “dealer’s representative” shall refer to a dealer’s representative who is in the employment of, or acting for or by arrangement with the authorised depository agent with whom the depositor giving the authorisation maintains a securities account.</p>		<p>person except to the person duly <u>permitted by the Act or</u> authorised under Rule 5.08(2).</p> <p>(5) (5) Interpretation: For the purposes of this Rule, “dealer’s representative” shall refer to a dealer’s representative <u>of the Participating Organisation for or on behalf of whom the authorised depository agent maintains the securities account for the depositor giving the authorisation who is in the employment of, or acting for or by arrangement with the authorised depository agent with whom the depositor giving the authorisation maintains a securities account.</u></p>
<p>5.09</p>	<p>Dormant account:</p> <p>(1) Reactivation: An authorised depository agent must require any depositor who intends to reactivate a dormant account that has not been closed pursuant to Rule 26.06A(2) to submit to it the duly completed form as prescribed by the Depository.</p> <p>(2) Processing period: An authorised depository agent must process an application to reactivate a dormant account within two market days from the date of receipt of the hard copy of the complete application.</p> <p>(3) Prohibition: No authorised depository agent unless otherwise directed by the Depository, in consultation with the Commission, shall effect a debit or credit entry in any dormant account unless the provisions in Rule 5.09(1) and (2) have been complied with.</p> <p>(4) Interpretation: Dormant account shall have the same meaning as defined under Rule 26.10.</p>	<p>5.09</p>	<p>Dormant account:</p> <p>(1) Reactivation: An authorised depository agent must require any depositor who intends to reactivate a dormant account that has not been closed pursuant to Rule 26.06A(2) <u>to submit to it the duly completed form to make an application in the manner</u> prescribed by the Depository.</p> <p>(2) Processing period: An authorised depository agent must process an application to reactivate a dormant account within two market days from the date of receipt of the <u>hard copy of the</u> complete application <u>in the manner prescribed by the Depository.</u></p> <p>(3) Prohibition: No authorised depository agent unless otherwise directed by the Depository, in consultation with the Commission, shall effect a debit or credit entry in any dormant account unless the provisions in Rule 5.09(1) and (2) have been complied with.</p> <p>(4) Interpretation: Dormant account shall have the same meaning as defined under Rule 26.10.</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

5.10	<p>Rule 5.10 Inactive account:</p> <p>(1) Reactivation: An authorised depository agent must require any depositor who intends to reactivate an inactive account to submit to it the duly completed form as prescribed by the Depository.</p> <p>(2) Processing period: An authorised depository agent must process an application to reactivate an inactive account within two market days from the date of receipt of the hard copy of the complete application.</p> <p>(3) Prohibition: No authorised depository agent unless otherwise directed by the Depository, in consultation with the Commission, shall effect a debit entry in any inactive account unless the provisions in Rule 5.10(1) and (2) have been complied with.</p> <p>(4) Interpretation: Inactive account shall have the same meaning as defined under Rule 26.11.</p>	5.10	<p>Rule 5.10 Inactive account:</p> <p>(1) Reactivation: An authorised depository agent must require any depositor who intends to reactivate an inactive account to submit to it the duly completed<u>make an application in the form manner as</u> prescribed by the Depository.</p> <p>(2) Processing period: An authorised depository agent must process an application to reactivate an inactive account within two market days from the date of receipt of the hard copy of<u>the complete application in the manner prescribed by the Depository.</u></p> <p>(3) Prohibition: No authorised depository agent unless otherwise directed by the Depository, in consultation with the Commission, shall effect a debit entry in any inactive account unless the provisions in Rule 5.10(1) and (2) have been complied with.</p> <p>(4) Interpretation: Inactive account shall have the same meaning as defined under Rule 26.11.</p>
6.04	<p>Procedures for deposits:</p> <p>(1) One deposit form for each type of security: When a depositor lodges with an authorised depository agent, two or more types of prescribed or unlisted securities to be deposited with the Depository, the agents shall ensure that the depositor completes a separate prescribed form for each type of security.</p> <p>(2) Documents to lodge: It shall be the responsibility of the authorised depository agent, in processing a deposit of scrip lodged by a depositor (hereinafter in this chapter such deposit is referred to as a "Deposit"), to check and ensure the completeness, accuracy and genuineness of the documents lodged as follows-</p>	6.04	<p>Procedures for deposits:</p> <p>(1) One deposit form for each type of security: When a depositor lodges with an authorised depository agent, two or more types of prescribed or unlisted securities to be deposited with the Depository, the agents shall ensure that the depositor completes a separate prescribed form for each type of security.</p> <p>(2) Documents to lodge: It shall be the responsibility of the authorised depository agent, in processing a deposit of scrip lodged by a depositor (hereinafter in this chapter such deposit is referred to as a "Deposit"), to check and ensure the completeness, accuracy and genuineness of the documents lodged as follows-</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(a) the prescribed form (deposit request), if any, fully and properly completed in triplicate;</p> <p>(b) that the scrips and instruments of transfer to be deposited are “good for delivery” and that such scrips are those mentioned in the deposit request form; and</p> <p>(c) such other accompanying documents duly processed in such manner as the Depository may, from time to time, determine in its Procedures Manual.</p> <p>A fee prescribed in Part VII of these Rules shall be collected by the authorised depository agent on behalf of the Depository when a depositor submits the above documents.</p> <p>(2A) (a) Deleted</p> <p>(b) Moratorium securities:</p> <p>(i) Moratorium securities shall be deposited into the securities account of the person whose name appears on the scrip unless permitted otherwise by the Commission and the securities shall be placed under suspense.</p> <p>(ii) All moratorium securities deposited pursuant to Rule 6.04(2A)(b)(i), shall, in the securities account be designated as moratorium securities and the designation shall be removed after the expiry of then moratorium period upon confirmation by the issuer.</p> <p>(3) “good for delivery”: For the purposes of this chapter, a scrip and the instrument of transfer is good for delivery if-</p>		<p>(a) the prescribed forms (deposit request), if any, fully and properly completed in triplicate;</p> <p>(b) that the scrips and instruments of transfer to be deposited are “good for delivery” and that such scrips are those mentioned in the deposit request form; and</p> <p>(c) such other accompanying documents duly processed in such manner as the Depository may, from time to time, determine in its Procedures Manual.</p> <p>A fee prescribed in Part VII of these Rules <u>by the Depository</u> shall be collected by the authorised depository agent on behalf of the Depository when a depositor submits the above documents.</p> <p>(2A) (a) Deleted</p> <p>(b) Moratorium securities:</p> <p>(i) Moratorium securities shall be deposited into the securities account of the person whose name appears on the scrip unless permitted otherwise by the Commission and the securities shall be placed under suspense.</p> <p>(ii) All moratorium securities deposited pursuant to Rule 6.04(2A)(b)(i), shall, in the securities account be designated as moratorium securities and the designation shall be removed after the expiry of then moratorium period upon confirmation by the issuer.</p> <p>(3) “good for delivery”: For the purposes of this chapter, a scrip and the instrument of transfer is good for delivery if-</p>
--	---	--	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(a) the scrip has not been reported lost or stolen at the time of deposit;</p> <p>(b) the scrip has been issued in accordance with section 97 of the Companies Act 2016; and</p> <p>(c) the instrument of transfer has been duly executed by the transferor and duly witnessed by a person other than the transferor's spouse and presented with such other documents, if any, as may be required by the issuer concerned to enable lawful registration of the transfer to be effected notwithstanding that the transferee's portion of the instrument of transfer be left uncompleted (blank).</p>		<p>(a) the scrip has not been reported lost or stolen at the time of deposit;</p> <p>(b) the scrip has been issued in accordance with section 97 of the Companies Act 2016; and</p> <p>(c) the instrument of transfer has been duly executed by the transferor and duly witnessed by a person other than the transferor's spouse and presented with such other documents, if any, as may be required by the issuer concerned to enable lawful registration of the transfer to be effected notwithstanding that the transferee's portion of the instrument of transfer be-is left uncompleted (blank).</p>
PART III	RULES RELATING TO AUTHORISED DIRECT MEMBER	PART III	RULES RELATING TO AUTHORISED DIRECT MEMBER
14.02	<p>Eligibility as an authorised direct member:</p> <p>The following persons shall be eligible to apply to the Depository to be an authorised direct member –</p> <p>Persons</p> <p>(a) a body corporate that is incorporated within Malaysia and is by notice published in the Gazette declared to be a public authority or an instrumentality or agency of the Government of Malaysia or of any State;</p> <p>(b) statutory bodies (other than banks under category (d) established under an Act of Parliament);</p> <p>(c) a bank licensed under the Islamic Banking Act 1983, or a bank, merchant bank or finance company licensed under subsection 6(4) of the Banking and Financial Institutions Act 1989;</p>	14.02	<p>The following persons shall be eligible to apply to the Depository to be an authorised direct member –</p> <p><u>To be eligible to be appointed as an authorised direct member, an applicant must be:</u></p> <p>Persons</p> <p>(a) a body corporate that is incorporated within Malaysia and is by notice published in the Gazette declared to be a public authority or an instrumentality or agency of the Government of Malaysia or of any State;</p> <p>(b) <u>a</u> statutory body<u>ies</u> (other than <u>a</u> bank<u>s</u> under category (d) established under an Act of Parliament);</p> <p>(c) a <u>licensed Islamic bank, licensed bank or licensed investment bank</u> bank licensed under the Islamic Banking Act 1983, or a bank, merchant</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(d) a bank established under an Act of Parliament;</p> <p>(e) an issuer within the meaning of section 2(1)(c) of the Insurance Act 1963, which has obtained prior approval from the Director General of Insurance to be an authorised direct member;</p> <p>(f) a management company for a unit trust fund which has been approved by the Commission (or any other relevant authority);</p> <p>(g) an asset management company in possession of a valid licence under the Capital Markets and Services Act 2007;</p> <p>(h) a body corporate which is, primarily or, in the ordinary course of its business, engaged in the making of investments in marketable securities, with an aggregate investment fund for trading on the stock market of the Stock Exchange in excess of one hundred million ringgit;</p> <p>(i) a body corporate (other than any of the above) which has been approved by the Depository upon consultation with the Commission.</p>		<p>bank or finance company licensed under subsection 6(4) of the Banking and Financial Institutions Act 1989;</p> <p>(d) a bank established under an Act of Parliament;</p> <p>(e) an issuer within the meaning of section 2(1)(c) of the Insurance Act 1963, which has obtained prior approval from the Director General of Insurance to be an authorised direct member; <u>a licensed insurer under the Financial Services Act 2013</u></p> <p>(f) a management company for a unit trust fund which has been approved by the Commission (or any other relevant authority);</p> <p>(g) an asset management company in possession of a valid licence under the Capital Markets and Services Act 2007;</p> <p>(h) a body corporate which is, primarily or, in the ordinary course of its business, engaged in the making of investments in marketable securities, with an aggregate investment fund for trading on the stock market of the Stock Exchange in excess of one hundred million ringgit;</p> <p>(i) a body corporate (other than any of the above) which has been approved by the Depository upon consultation with the Commission.</p>
<p>14.13</p>	<p>Outsourcing by Authorised Direct Members:</p> <p>(1) Compliance with conditions: An authorised direct member which outsources its Depository Functions to a Service Provider must comply with the conditions set out in this Rule 14.13.</p> <p>(2) Compliance by Service Provider: The authorised direct member must ensure compliance by the Service Provider(s) of all relevant requirements stipulated in any provision in these</p>	<p>14.13</p>	<p>Outsourcing by Authorised Direct Members:</p> <p>(1) Compliance with conditions: An authorised direct member which outsources its Depository Functions to a Service Provider must comply with the conditions set out in this Rule 14.13.</p> <p>(2) Compliance by Service Provider: The authorised direct member must ensure compliance by the Service Provider(s) of all relevant requirements stipulated in any provisions in these Rules,</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>Rules, agreement between the authorised direct member and the Depository and direction issued by the Depository.</p> <p>(3) Accountability: An authorised direct member remains accountable for all outsourced Depository Functions and will be held liable for any act or omission on the part of the Service Provider which results in a breach of these Rules.</p> <p>(4) Insurance: The authorised direct member must have in place an insurance policy to protect it against any liability, loss or damage arising from any action or omission of the Service Provider in performing the said Depository Functions.</p> <p>(5) Access to books: The authorised direct member must ensure that the Depository or its agent shall at all times have access to and be allowed to make copies of the books of the authorised direct member or the Service Provider. The authorised direct member shall procure a written consent through a letter of undertaking from the Service Provider to allow the Depository or its agent to exercise its powers as stated above.</p> <p>(6) Amendments to conditions: The Depository reserves the right to add, delete or amend any of the conditions set out in Rule 14.13.</p> <p>(7) Notification of outsourcing: An authorised direct member must notify the Depository within 2 weeks from the signing of the relevant agreement(s) setting out the terms and conditions of the outsourcing arrangement, including where applicable, the agreement setting out the terms and conditions for sub-contracting the Depository Functions to another Service Provider (“relevant service level agreement(s)”).</p>		<p>agreement between the authorised direct member and the Depository and direction issued by the Depository.</p> <p>(3) Accountability: An authorised direct member remains accountable for all outsourced Depository Functions and will be held liable for any act or omission on the part of the Service Provider which results in a breach of these Rules.</p> <p>(4) Insurance: The authorised direct member must have in place an insurance policy to protect it against any liability, loss or damage arising from any action or omission of the Service Provider in performing the said Depository Functions.</p> <p>(5) Access to books: The authorised direct member must ensure that the Depository or its agent shall at all times have access to and be allowed to make copies of the books of the authorised direct member or the Service Provider. The authorised direct member shall procure a written consent through a letter of undertaking from the Service Provider to allow the Depository or its agent to exercise its powers as stated above.</p> <p>(6) Amendments to conditions: The Depository reserves the right to add, delete or amend any of the conditions set out in <u>this</u> Rule 14.13.</p> <p>(7) Notification of outsourcing: An authorised direct member must notify the Depository within 2 weeks from the signing of the relevant agreement(s) setting out the terms and conditions of the outsourcing arrangement, including where applicable, the agreement setting out the terms and conditions for sub-contracting the Depository Functions to another Service Provider (“relevant service level agreement(s)”).</p>
--	--	--	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(8) Termination or variation of services of Service Provider: An authorised direct member must, in respect of the outsourcing of the Depository Functions, notify the Depository of:</p> <p>(i) the termination or variation of the relevant service level agreement(s); or</p> <p>(ii) any adverse development arising from or in connection with the outsourcing arrangement that could significantly affect the authorised direct member,</p> <p>within 2 weeks from the occurrence of such event.</p> <p>(9) Non-application: The above provisions shall not apply to an authorised direct member who is also a CMSL holder as mentioned in the Commission’s Licensing Handbook. Such authorised direct member may outsource its Depository Functions subject to compliance with the Commission’s Licensing Handbook and the provisions in Rule 2.12 which shall apply, mutatis mutandis, to such authorised direct member as if it were an authorised depository agent mentioned therein.</p>		<p>(8) Termination or variation of services of Service Provider: An authorised direct member must, in respect of the outsourcing of the Depository Functions, notify the Depository of:</p> <p>(i) the termination or variation of the relevant service level agreement(s); or</p> <p>(ii) any adverse development arising from or in connection with the outsourcing arrangement that could significantly affect the authorised direct member,</p> <p>within 2 weeks from the occurrence of such event.</p> <p>(9) Non-application: The above provisions shall not apply to an authorised direct member who is also a CMSL holder as mentioned in the Commission’s Licensing Handbook <u>also holds a Capital Markets Services Licence</u>. Such authorised direct member may outsource its Depository Functions subject to compliance with the Commission’s Licensing Handbook and the provisions in Rule 2.12 which shall apply, mutatis mutandis, to such authorised direct member as if it were an authorised depository agent mentioned therein.</p>
<u>Chapt er 14A.0</u>	<u>NEW PROVISION</u>	<u>Chapt er 14A.0</u>	<u>Transfer, Termination & Cessation of Registration</u>
	New provision	<u>14A.0 1</u>	<u>No Transfer of Appointment</u> <u>An authorised direct member is not permitted to transfer its appointment by the Depository to any other person.</u>
	New provision	<u>14A.0 2</u>	<u>Obligations upon Termination of Appointment</u>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

			<p>(1) <u>In the event that the appointment of any authorised direct member is terminated for any reason whatsoever, the authorised direct member shall:</u></p> <p>(a) <u>transfer its deposited securities as specified by the Depository;</u></p> <p>(b) <u>pay all outstanding charges as directed by the Depository;</u></p> <p>(c) <u>fulfill all outstanding obligations as directed by the Depository; and</u></p> <p>(d) <u>until the termination of its appointment is effective, continue to comply with the Rules.</u></p>
	New provision	<p><u>14A.0</u> <u>3</u></p>	<p><u>Resignation</u></p> <p>(1) <u>An authorised direct member may resign by giving at least 60 days written notice to the Depository and the resignation takes effect at the later of either the expiration of that notice period or:</u></p> <p>(a) <u>when there is no further obligation or liability owed by the authorised direct member to the Depository, any authorised depository agent, any other authorised direct member or any issuer;</u></p> <p>(b) <u>when all securities in the securities accounts maintained by the authorised direct member have been transferred to an authorised depository agent of the authorised direct member's choice; and</u></p> <p>(c) <u>when the authorised direct member has presented to the Depository such indemnities and guarantees as the Depository in its sole discretion may require.</u></p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

			<p>(2) <u>The acceptance of the resignation is at the absolute discretion of the Depository.</u></p> <p>(3) <u>The resigning authorised direct member's name will be removed from the register of authorised direct members on the effective date of resignation.</u></p> <p>(4) <u>The resignation of an authorised direct member does not in any way affect any pre-existing liability which that authorised direct member may have incurred to the Depository.</u></p> <p>(5) <u>An authorised direct member shall continue to comply with the Rules until the effective date of resignation.</u></p>
	New provision	14A.0 4	<p><u>Continuing Liability</u></p> <p>(1) <u>A former authorised direct member remains liable to disciplinary action for any breach of these Rules committed during the period while it was an authorised direct member.</u></p> <p>(2) <u>A former authorised direct member must retain all its records for a minimum of seven (7) years and produce such record in a legible form to the Depository upon demand.</u></p> <p>(3) <u>All provisions in these Rules continue to apply in respect of the former authorised direct member to the extent required to give effect to Rules 14A.04(1) or (2).</u></p>
PART IV	RULES RELATING TO ISSUERS	PART IV	RULES RELATING TO ISSUERS
18.03	<p>Verification of scrips and transfer into the name of the Depository or its nominee company:</p> <p>(1) An issuer or its company registrar, as the case may be shall, within seven market days (or such longer period as may be allowed in</p>	18.03	<p>Verification of scrips and transfer into the name of the Depository or its nominee company:</p> <p>(1) An issuer or its company registrar, as the case may be shall, within seven (7) market days (or such longer period as may be allowed</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>writing by the Depository) upon receipt of the appropriate documents from the Depository pursuant to Rule 6.05(4) ascertain and notify the Depository whether the security underlying the scrip lodged is capable of being transferred into the name of the Depository or its nominee company.</p> <p>(2) An issuer shall refuse to register such transfer if-</p> <p>(a) it ascertains that the scrip is not a genuine scrip or is a scrip that was reported lost or destroyed;</p> <p>(b) in relation to any such security, it discovers that –</p> <p style="padding-left: 40px;">(i) there has been duplication in the issuance of the scrip representing that security; or</p> <p style="padding-left: 40px;">(ii) such scrip is a scrip issued in excess of the issued capital of the issuer;</p> <p>(c) it has been served with an order of court of competent jurisdiction prohibiting any dealings in respect of such security underlying such scrip; or</p> <p>(d) an order under regulation 8 of the Essential (Protection of Depositors) Regulations 1986 made by the Central Bank and published in Gazette prevents the person who deposited scrip from dealing with any of his monies, properties or assets.</p> <p>(3) Where the registration of such transfer has not been refused pursuant to Rule 18.03(2), the issuer or its company registrar shall complete and deliver the appropriate certificate duly registered in the name of the Bursa Malaysia Depository Nominees Sdn. Bhd. and the Depository shall then be authorised to credit the securities by book entry as “free</p>	<p>in writing by the Depository) upon receipt of the appropriate documents from the Depository pursuant to Rule 6.05(4) ascertain and notify the Depository whether the security underlying the scrip lodged is capable of being transferred into the name of the Depository or its nominee company.</p> <p>(2) An issuer shall refuse to register such transfer if-</p> <p>(a) it ascertains that the scrip is not a genuine scrip or is a scrip that was reported lost or destroyed;</p> <p>(b) in relation to any such security, it discovers that –</p> <p style="padding-left: 40px;">(i) there has been duplication in the issuance of the scrip representing that security; or</p> <p style="padding-left: 40px;">(ii) such scrip is a scrip issued in excess of the issued capital of the issuer;</p> <p>(c) it has been served with an order of court of competent jurisdiction prohibiting any dealings in respect of such security underlying such scrip; or</p> <p>(d) an order under regulation 8 of the Essential (Protection of Depositors) Regulations 1986 made by the Central Bank and published in <u>the</u> Gazette prevents the person who deposited <u>the</u> scrip from dealing with any of his monies, properties or assets.</p> <p>(3) Where the registration of such transfer has not been refused pursuant to Rule 18.03(2), the issuer or its company registrar shall complete and deliver the appropriate certificate duly registered in the name of the Bursa Malaysia Depository Nominees Sdn. Bhd. and the Depository shall then be authorised to credit the securities by book entry as “free securities” in the respective securities accounts of the depositories.</p>
---	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>securities” in the respective securities accounts of the depositors.</p> <p>(4) Where the registration of such transfer has been refused pursuant to Rule 18.03(2), the issuer or its company registrar, as the case may be, shall prepare a List of Rejected Deposits to indicate all the rejected transfers and serve notice of such rejection on the Depository as well as the transferor with the reasons for such rejection.</p> <p>(5) The List of Rejected Deposits shall be delivered or transmitted by facsimile to the Depository within seven market days (or such longer period as may be allowed in writing by the Depository) after the lodgement of such scrips by the Depository whereupon the issuer or its company registrar shall return the scrips and the relevant instruments of transfers to the Depository provided however that the same are not required for the purposes of conducting any investigation by the relevant authorities. Upon being notified of such rejection the Depository shall debit such securities from the securities accounts of the respective depositors.</p>		<p>(4) Where the registration of such transfer has been refused pursuant to Rule 18.03(2), the issuer or its company registrar, as the case may be, shall prepare a List of Rejected Deposits to indicate all the rejected transfers and serve notice of such rejection on the Depository as well as the transferor with the reasons for such rejection.</p> <p>(5) The List of Rejected Deposits shall be delivered or transmitted by facsimile to the Depository <u>in the manner prescribed by the Depository</u>, within seven <u>(7)</u> market days (or such longer period as may be allowed in writing by the Depository) after the lodgement of such scrips by the Depository. Thereafter, whereupon the issuer or its company registrar shall return the scrips and the relevant instruments of transfers to the Depository <u>unless provided however that</u> the same are not required for the purposes of conducting any investigation by the relevant authorities. Upon being notified of such rejection, the Depository shall debit such securities from the securities accounts of the respective depositors.</p>
<p>24.01</p>	<p>Request:</p> <p>(1) Application: An issuer of any deposited security may, in the manner prescribed by the Depository upon consultation with the Commission, from time to time request the Depository to issue a Record of Depositors as at the date of request or, such other date as may be specified by it in such request, but in any event not being a date earlier than one year from the date of such request.</p> <p>(2) Manner: Every request made pursuant to Rule 24.01(1) shall be in the following manner:</p> <p>(a) Deleted</p>	<p>24.01</p>	<p>Request:</p> <p>(1) Application: An issuer of any deposited security may, in the manner prescribed by the Depository upon consultation with the Commission, from time to time request the Depository to issue a Record of Depositors as at the date of request or, such other date, as may be specified by it in such request, but in any event not being a date earlier than one year from the date of such request.</p> <p>(2) Manner: Every request made pursuant to Rule 24.01(1) shall be in the following manner:</p> <p>(a) Deleted</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(b) subject to rule 24.01A,-</p> <p>(i) by a payment of an amount as prescribed by the Depository and in the manner prescribed by the Depository as security for payment of fees for a Record of Depositors (hereinafter in this chapter referred to as “the ROD Fees”); or</p> <p>(ii) by providing a bank guarantee as prescribed by the Depository and in the manner prescribed by the Depository as security for payment of the ROD Fees; and</p> <p>(c) by complying with these Rules and any directions that may be issued by the Depository from time to time with regard to the issuance of a Record of Depositors.</p>	<p>(b) subject to rule 24.01A,-</p> <p>(i) by a payment of an amount as prescribed by the Depository and in the manner prescribed by the Depository as security for payment of fees for a Record of Depositors (hereinafter in this chapter referred to as “the ROD Fees”); or</p> <p>(ii) by providing a bank guarantee as prescribed by the Depository and in the manner prescribed by the Depository as security for payment of the ROD Fees ; and</p> <p>(c) by complying with these Rules and any directions that may be issued by the Depository from time to time with regard to the issuance of a Record of Depositors.</p> <p><u>(1) Security for Payment: An issuer of any deposited security must:</u></p> <p><u>(a) provide a security for payment of fees for a Record of Depositors (hereinafter in this chapter referred to as “security for payment”) in the manner prescribed by the Depository; and</u></p> <p><u>(b) ensure the security for payment is maintained in the manner prescribed by the Depository as long as its deposited securities are deposited with the Depository.</u></p> <p><u>(2) Request for Record of Depositors:</u></p> <p><u>(a) An issuer of any deposited security may request the Depository to issue a Record of Depositors:</u></p> <p><u>(i) as at the date of the request; or</u></p> <p><u>(ii) such other date which is not earlier than one year from the date of the request,</u></p>
--	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

			<p><u>provided a security for payment has been provided and maintained in Rule 24.01(1).</u></p> <p><u>(b) Every request for Record of Depositors must be made in the manner prescribed by the Depository, and will be subject to the fees prescribed by the Depository for a Record of Depositors (hereinafter in this chapter referred to as “the ROD Fees”).</u></p> <p><u>(3) Utilisation of Security for Payment for Settlement of ROD Fees: The Depository may utilise the security for payment for the settlement of ROD Fees where the payment of ROD Fees has not been made pursuant to Rule 24.01(2)(b).</u></p>
24.01 A	<p>Payment of ROD Fees:</p> <p>Any payments received pursuant to Rule 24.01(2)(b) shall be utilised for settlement of ROD Fees in the manner determined by the Depository upon consultation with the Commission.</p>	24.01 A	<p>Payment of ROD Fees:</p> <p>Any payments received pursuant to Rule 24.01(2)(b) shall be utilised for settlement of ROD Fees in the manner determined by the Depository upon consultation with the Commission.Deleted</p>
Part V	DEPOSITORS	Part V	DEPOSITORS
25.02	<p>Rule 25.02 Eligibility:</p> <p>(1) Criteria: Any of the following persons shall be eligible to open a securities account with the Depository –</p> <p>(a) an individual who has attained the age of eighteen (18) years as of the application date;</p> <p>(b) a corporation within the meaning of section 3 of the Companies Act 2016;</p>	25.02	<p>Rule 25.02 Eligibility:</p> <p>(1) Criteria: Any of the following persons shall be eligible to open a securities account with the Depository –</p> <p>(a) an individual who has attained the age of eighteen (18) years as at the application date;</p> <p>(b) a corporation within the meaning of section 3 of the Companies Act 2016;</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(c) any body corporate that is incorporated within Malaysia and is by notice published in the Gazette declared to be a public authority or an instrumentality or agency of the Government of Malaysia or of any State;</p> <p>(d) a society under any written law relating to cooperative societies;</p> <p>(e) a trustee or trust corporation duly constituted under any written law;</p> <p>(f) a society registered under the Societies Act 1966; or</p> <p>(g) statutory bodies incorporated under an Act of Parliament.</p> <p>(h) Deleted</p> <p>(2) Exceptions: Notwithstanding the provisions of Rule 25.02(1), the following categories shall not be eligible to open a securities account-</p> <p>(a) a person who has been adjudicated a bankrupt under the Bankruptcy Act 1967 and remains an undischarged bankrupt at the time of application;</p> <p>(b) a “mentally disordered person” within the meaning of the Mental Disorders Ordinance 1952;</p> <p>(c) a partnership within the meaning of the Partnership Act 1966;</p> <p>(d) a person who is not a beneficial owner or not an authorised nominee of the deposited securities.</p>	<p>(c) any body corporate that is incorporated within Malaysia and is by notice published in the Gazette declared to be a public authority or an instrumentality or agency of the Government of Malaysia or of any State;</p> <p>(d) a society under any written law relating to cooperative societies;</p> <p>(e) a trustee or trust corporation duly constituted under any written law;</p> <p>(f) a society registered under the Societies Act 1966; or</p> <p>(g) statutory bodies incorporated under an Act of Parliament.</p> <p>(h) Deleted</p> <p>(2) Exceptions: Notwithstanding the provisions of Rule 25.02(1), the following categories shall not be eligible to open a securities account-</p> <p>(a) a person who has been adjudicated a bankrupt under the Bankruptcy<u>Insolvency</u> Act 1967 and remains an undischarged bankrupt at the time of application;</p> <p>(b) a <u>person who is “mentally disordered” or has a “mental disorder”</u>—person within the meaning of the Mental Disorders Ordinance 1952<u>Health Act 2001</u>;</p> <p>(c) a partnership within the meaning of the Partnership Act 196<u>16</u>; <u>or</u></p> <p>(d) a person who is not a beneficial owner or not an authorised nominee of the deposited securities.</p>
--	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>25.02 B</p> <p>Authorised nominee</p> <p>(1) One beneficial owner for one securities account: Subject to any exemptions made pursuant to any securities laws, an authorised nominee shall only be allowed to hold deposited securities for one beneficial owner in respect of each securities account opened by the authorised nominee.</p> <p>(2) Name of beneficial owner: Subject to any exemptions made pursuant to any securities laws, an authorised nominee who intends to open securities account with the Depository shall stipulate the name of the beneficial owner of the deposited securities in the application for account opening in the manner prescribed by the Depository.</p> <p>(3) Deleted</p> <p>(4) Disclosure of information: An authorised nominee shall, in such manner and within such period as may be specified by the Depository, furnish to the authorised depository agent, authorised direct member or the Depository, as the case may be, the name and other particulars of the instructing client of the authorised nominee and/or the name and other particulars of the beneficial owner of the securities deposited in the securities account opened in the name of the authorised nominee.</p> <p>(5) Failure to disclose information or breach of the Rules of the Stock Exchange: The Depository may take any one or more of the actions set out in Rule 25.02B(6) as it deems fit if:-</p> <p style="padding-left: 20px;">(a) an authorised nominee fails to provide the information required by the Depository pursuant to Rule 25.02B(4) within such period as may be specified by the Depository, whether due to the failure of an instructing client to provide the information or otherwise; or</p>	<p>25.02 B</p> <p>Authorised nominee</p> <p>(1) One beneficial owner for one securities account: Subject to any exemptions made pursuant to any securities laws, an authorised nominee shall only be allowed to hold deposited securities for one beneficial owner in respect of each securities account opened by the authorised nominee.</p> <p>(2) Name <u>and details</u> of beneficial owner: Subject to any exemptions made pursuant to any securities laws, an authorised nominee who intends to open securities account with the Depository shall stipulate the name <u>and other required details</u> of the beneficial owner of the deposited securities in the application for account opening in the manner prescribed by the Depository.</p> <p>(3) Deleted</p> <p>(4) Disclosure of information: An authorised nominee shall, in such manner and within such period as may be specified by the Depository, furnish to the authorised depository agent, authorised direct member or the Depository, as the case may be, the name and other particulars of the instructing client of the authorised nominee and/or the name and other particulars of the beneficial owner of the securities deposited in the securities account opened in the name of the authorised nominee.</p> <p>(5) Failure to disclose information or breach of the Rules of the Stock Exchange: The Depository may take any one or more of the actions set out in Rule 25.02B(6) as it deems fit if:-</p> <p style="padding-left: 20px;">(a) an authorised nominee fails to provide the information required by the Depository pursuant to Rule 25.02B(4) within such period as may be specified by the Depository, whether due to the failure of an instructing client to provide the information or otherwise; or</p>
---	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(b) there is an act or omission by an authorised nominee or its instructing client, where applicable, in relation to any transaction or dealing in securities held in the authorised nominee's securities account which act or omission directly or indirectly causes, aids or facilitates a breach of the Rules of the Stock Exchange.</p> <p>(6) Actions that may be taken by the Depository: Without prejudice to any of the powers granted to the Depository in these Rules or under any written law, the actions that the Depository may take upon the happening of any of the events set out in Rule 25.02B(5) include one or more of the following:-</p> <p>(a) prohibiting the said authorised nominee, any other authorised nominee, authorised depository agent or authorised direct member from maintaining any securities account which is exempted from the provisions of subsection 25A(1) of the Act for the instructing client referred to in paragraph (a) or (b) of Rule 25.02B(5), where applicable (hereinafter referred to respectively as "the Instructing Client");</p> <p>(b) revoking the said authorised nominee's authority to act as an exempt authorised nominee, where applicable, in respect of any or all securities accounts held by the said authorised nominee;</p> <p>(c) revoking the said authorised nominee's authority to act as an authorised nominee, in respect of any or all securities accounts held by the said authorised nominee;</p> <p>(d) specifying any or all securities accounts held by the said authorised nominee, any other authorised nominee, authorised depository agent or authorised direct member</p>	<p>(b) there is an act or omission by an authorised nominee or its instructing client, where applicable, in relation to any transaction or dealing in securities held in the authorised nominee's securities account which act or omission directly or indirectly causes, aids or facilitates a breach of the Rules of the Stock Exchange.</p> <p>(6) Actions that may be taken by the Depository: Without prejudice to any of the powers granted to the Depository in these Rules or under any written law, the actions that the Depository may take upon the happening of any of the events set out in Rule 25.02B(5) include one or more of the following:-</p> <p>(a) prohibiting the said authorised nominee, any other authorised nominee, authorised depository agent or authorised direct member from maintaining any securities account which is exempted from the provisions of subsection 25A(1) of the Act for the instructing client referred to in paragraph (a) or (b) of Rule 25.02B(5), where applicable (hereinafter referred to respectively as "the Instructing Client");</p> <p>(b) revoking the said authorised nominee's authority to act as an exempt authorised nominee, where applicable, in respect of any or all securities accounts held by the said authorised nominee;</p> <p>(c) revoking the said authorised nominee's authority to act as an authorised nominee, in respect of any or all securities accounts held by the said authorised nominee;</p> <p>(d) specifying any or all securities accounts held by the said authorised nominee, any other authorised nominee, authorised depository agent or authorised direct member for</p>
---	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>for the Instructing Client, as under suspense for such period as may be specified by the Depository; or</p> <p>(e) issuing any instruction or directive or impose any condition on the said authorised nominee as it deems fit.</p> <p>(7) Depository to notify Commission: The Depository shall notify the Commission of any action taken by the Depository as provided in Rule 25.02B(6).</p> <p>(8) Transfer of securities to beneficial owners: Subject to Rule 25.02B(6), in circumstances where the Depository takes any of the actions under paragraphs (a) to (c) of Rule 25.02B(6), the nominee shall, where applicable, transfer the deposited securities held in its securities accounts that are affected to the securities account(s) of the beneficial owner(s) of the deposited securities or the securities account(s) of the authorised nominee(s) acting for the beneficial owner(s) within the time frame stipulated by the Depository.</p>		<p>the Instructing Client, as under suspense for such period as may be specified by the Depository; or</p> <p>(e) issuing any instruction or directive or imposing any condition on the said authorised nominee as it deems fit.</p> <p>(7) Depository to notify Commission: The Depository shall notify the Commission of any action taken by the Depository as provided in Rule 25.02B(6).</p> <p>(8) Transfer of securities to beneficial owners: Subject to Rule 25.02B(6), in circumstances where the Depository takes any of the actions under paragraphs (a) to (c) of Rule 25.02B(6), the <u>authorised</u> nominee shall, where applicable, transfer the deposited securities held in its securities accounts that are affected to the securities account(s) of the beneficial owner(s) of the deposited securities or the securities account(s) of the authorised nominee(s) acting for the beneficial owner(s) within the time frame stipulated by the Depository.</p>
<p>25.05</p>	<p>Change of particulars:</p> <p>It shall be the responsibility of a depositor to notify the Depository, in the manner prescribed, of any change of particulars or information provided to the Depository including, inter alia-</p> <p>(a) the name of the depositor;</p> <p>(b) the address for correspondence as well as for legal service;</p> <p>(c) the identity card, passport or company/business registration number;</p> <p>(d) where in the case of corporations, the authorised signatories;</p>	<p>25.05</p>	<p>Change of particulars:</p> <p>It shall be the responsibility of a depositor to notify the Depository, in the manner prescribed, of any change of particulars or information provided to the Depository including, <u>amongst others</u>inter alia-</p> <p>(a) the name of the depositor;</p> <p>(b) the address for correspondence as well as for legal service;</p> <p>(c) the identity card, passport or company/business registration number;</p> <p>(d) where in the case of corporations<u>for depositors that are not individuals</u>, the authorised signatories;</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(e) where in the case of a company, the shareholding, if the shareholding results in the change of status from foreign depositor to Malaysian or vice versa;</p> <p>(f) bank account information; and</p> <p>(g) the depositor's contact details for the purposes of receiving electronic notification of notices, statements of accounts or other communication in respect of the depositor's deposited securities.</p>		<p>(e) where in the case of afor depositors that are companyies, the shareholding, if the <u>change in</u> shareholding results in the change of status from foreign depositor to Malaysian or vice versa;</p> <p>(f) bank account information; and</p> <p>(g) the depositor's contact details for the purposes of receiving electronic notification of notices, statements of accounts or other communication in respect of the depositor's deposited securities.</p>
<p>25.05 A</p>	<p>Depositors' Information:</p> <p>(1) Information: A depositor must provide to the Depository such information as required under these Rules or as the Depository may prescribe from time to time in relation to or in connection with the depositor's securities accounts or the deposited securities in the depositor's securities account.</p> <p>(2) Accuracy: A depositor must ensure that all information provided to the Depository, whether or not pursuant to these Rules, is correct and accurate at all times.</p> <p>(3) Reliance: The Depository is entitled to rely solely on any information provided to it by the depositor without any obligation to inquire further and the Depository shall not be liable to any party for any loss, damage, liability or cost that may be incurred by such party as a result of or in connection with any inaccuracy of information provided by the depositor.</p>	<p>25.05 A</p>	<p>Depositors' Information:</p> <p>(1) Disclosure of Information: A depositor must provide to the Depository such information as required under these Rules or as the Depository may prescribe from time to time in relation to or in connection with the depositor's securities accounts or the deposited securities in the depositor's securities account. <u>A depositor must provide to the Depository, information in relation to or in connection with his securities accounts or deposited securities, in the manner and within such period as may be specified by the Depository.</u></p> <p>(2) Accuracy: A depositor must ensure that all information provided to the Depository, whether or not pursuant to these Rules, is correct and accurate at all times.</p> <p>(3) Reliance: The Depository is entitled to rely solely on any information provided to it by the depositor without any obligation to inquire further and the Depository shall not be liable to any party for any loss, damage, liability or cost that may be incurred by such party as a result of or in connection with any inaccuracy of information provided by the depositor.</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>25.06 Notices:</p> <p>(1) Notice to depositors: Notwithstanding Rules 2.11 and 14.11, any notice, statement of accounts or other communication from the Depository to the depositor may be given or sent using any one of the following modes, as the Depository deems fit:</p> <p>(a) by hand to the depositor’s last known address as provided by the depositor to the Depository;</p> <p>(b) by ordinary post to the depositor’s last known address as provided by the depositor to the Depository;</p> <p>(c) by electronic means to the depositor’s last known electronic contact details as provided by the depositor to the Depository or any other instantaneous means; or</p> <p>(d) by any other means as the Depository may deem fit.</p> <p>(2) Notice to depositors (deemed service): Any notice, statement of accounts or other communication is deemed served upon and received by the depositor:</p> <p>(a) if sent by hand, at the time of delivery;</p> <p>(b) if sent by ordinary post, at the time when the letter containing the notice, statement of accounts or other communication would be delivered in the ordinary course of post; and</p> <p>(c) if sent by electronic or any other instantaneous means, on the same day as when the notice, statement of accounts or other communication was sent or effected by the Depository.</p> <p>(3) Additional mode of service in the manner permitted by law: Notwithstanding anything in these Rules, the service of any court</p>	<p>25.06 Notices:</p> <p>(1) Notice to depositors: Notwithstanding Rules 2.11 and 14.11, any notice, statement of accounts or other communication from the Depository to the depositor may be given or sent using any one of the following modes, as the Depository deems fit:</p> <p>(a) by hand to the depositor’s last known address as provided by the depositor to the Depository;</p> <p>(b) by ordinary post to the depositor’s last known address as provided by the depositor to the Depository;</p> <p>(c) by electronic means to the depositor’s last known electronic contact details as provided by the depositor to the Depository or any other instantaneous means; or</p> <p>(d) by any other means as the Depository may deem fit.</p> <p>(2) Notice to depositors (deemed service): Any notice, statement of accounts or other communication is deemed served upon and received by the depositor:</p> <p>(a) if sent by hand, at the time of delivery;</p> <p>(b) if sent by ordinary post, at the time when the letter containing the notice, statement of accounts or other communication would be delivered in the ordinary course of post; and</p> <p>(c) if sent by electronic or any other instantaneous means, on the same day as when the notice, statement of accounts or other communication was sent or effected by the Depository.</p> <p>(3) Additional mode of service in the manner permitted by law: Notwithstanding anything in these Rules, the service of any court</p>
--	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>process on a depositor may also be effected by any manner permitted by law.</p> <p>(4) Notice to Depository: Any notice, other communication or court process to be served on or sent to the Depository must be addressed to its registered office at:</p> <p>15th Floor Exchange Square Bukit Kewangan 50200 Kuala Lumpur,</p> <p>and unless the mode of delivery is otherwise specified by the Depository, must be delivered by hand, by courier or by post. Proof of posting is not proof of receipt and the Depository is deemed to have received such notice, other communication or court process only if receipt is acknowledged by the Depository.</p> <p>(5) Undelivered communication: The Depository may cease sending notices, statements of accounts or other communications to the depositor's address or contact details in the Depository's records if 5 of these communications are consecutively returned undelivered to the Depository. The Depository will resume sending notices, statements of accounts or other communications upon the address or contact details being updated by the depositor.</p>		<p>process on a depositor may also be effected by any manner permitted by law. Deleted</p> <p>(4) Notice to Depository: Any notice, or other communication or court process to be served on or sent to the Depository must be addressed to its registered office at:</p> <p>15th Floor Exchange Square Bukit Kewangan 50200 Kuala Lumpur,</p> <p>and unless the mode of delivery is otherwise specified by the Depository, must be delivered by hand, by courier or by post. Proof of posting is not proof of receipt and the Depository is deemed to have received such notice, other communication or court process only if receipt is acknowledged by the Depository.</p> <p>(5) Undelivered communication: The Depository may cease sending notices, statements of accounts or other communications to the depositor's address or contact details in the Depository's records if five (5) <u>three (3)</u> of these communications are consecutively returned undelivered to the Depository. The Depository will resume sending notices, statements of accounts or other communications upon the address or contact details being updated by the depositor.</p>
25.07	<p>Suspension:</p> <p>(1) Right to suspend: The Depository may, in good faith and in the exercise of any power or performance of any duty, conferred or imposed on it by or under these Rules, specify any or all of the deposited securities held in a depositor's securities account to be in or under suspense in accordance with Rules 36.01 and 36.02.</p> <p>(2) Disclaimer of liabilities: In the event that a depositor's account or any of the deposited securities are in suspense or under suspense</p>	25.07	<p>Suspension:</p> <p>(1) Right to suspend: The Depository may, in good faith and in the exercise of any power or performance of any duty, conferred or imposed on it by or under these Rules, specify any or all of the deposited securities held in a depositor's securities account to be in or under suspense in accordance with Rules 36.01 and 36.02.</p> <p>(2) Disclaimer of liabilities: In the event that a depositor's account or any of the deposited securities are in suspense or under suspense in</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>in accordance with Rules 36.01 or 36.02 or under any written law the depositor agrees that the Depository or its nominee company, Bursa Malaysia Depository Nominees Sdn. Bhd. shall not, where it is acting in good faith, be liable for and shall be held harmless against all losses, costs and expenses which may be incurred by the depositor in connection with the suspension of such account or of any deposited securities held therein. However nothing in this Rule shall prevent any aggrieved person or depositor from bringing a suit directly against any authorised depository agent or member company who has wrongfully suspended or initiated any suspension of such account or of any deposited securities held therein.</p> <p>(3) Depositor may request suspension: Notwithstanding anything in this Rule a depositor may voluntarily request for suspension of any deposited securities held in his account, whether <i>in toto</i> for any or all depositor’s transactions, or for any specific transaction otherwise. An application for request to suspend an account or any deposited security therein shall be made in the prescribed form.</p>		<p>accordance with Rules 36.01 or 36.02 or under any written law, the depositor agrees that the Depository or its nominee company, Bursa Malaysia Depository Nominees Sdn. Bhd. shall not, where it is acting in good faith, be liable for and shall be held harmless against all losses, costs and expenses which may be incurred by the depositor in connection with the suspension of such account or of any deposited securities held therein. However, nothing in this Rule shall prevent any aggrieved person or depositor from bringing a suit directly against any authorised depository agent or member company who has wrongfully suspended or initiated any suspension of such account or of any deposited securities held therein.</p> <p>(3) Depositor may request suspension: Notwithstanding anything in this Rule, a depositor may voluntarily request for suspension of any deposited securities held in his account, whether <i>in toto</i> for any or all <u>the</u> depositor’s transactions, or for any specific transaction otherwise. An application for request to suspend an account or any deposited securities <u>therein</u> shall be made in the prescribed form <u>manner prescribed by the Depository</u>.</p>
26.02	<p>“One Person One Account” rule for individuals: No individual depositor shall open or maintain more than one securities account with the same authorised depository agent. An application to open an individual account shall be made in the prescribed form. All individuals who are Malaysian citizens or permanent residents shall be required to open their securities account with their individual identity card numbers.</p>	26.02	<p>“One Person One Account” rule for individuals: No individual depositor shall open or maintain more than one securities account with the same authorised depository agent. An application to open an individual account shall be made in the prescribed form <u>manner prescribed by the Depository</u>. All individuals who are Malaysian citizens or permanent residents shall be required to open their securities account with their individual identity card numbers.</p>
26.03	<p>Body corporate:</p> <p>Subject to Rule 26.01, any corporate body shall be allowed to open more than one account with any authorised depository agent. An application to open a corporate account shall be made by completing the prescribed form.</p>	26.03	<p>Body corporate:</p> <p>Subject to Rule 26.01, any corporate body shall be allowed to open more than one <u>corporate</u> account with any authorised depository agent. An application to open a corporate account shall be made by completing the prescribed form <u>in the manner prescribed by the Depository</u>.</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>26.04 A</p>	<p>Establishment of share buy-back accounts:</p> <p>(a) Opening of account: Unless permitted otherwise by a Stock Exchange, an issuer shall, open only one securities account designated as share buy-back account with any one of the authorised depository agent.</p> <p>(b) Operation of account: An issuer shall only utilise “the share buy-back account” for the purpose of purchasing its own securities in a share buy-back in accordance with the relevant laws, regulations or rules.</p>	<p>26.04 A</p>	<p>Establishment of share buy-back accounts:</p> <p>(a) Opening of account: Unless permitted otherwise by a Stock Exchange, an issuer shall, open only one securities account designated as share buy-back account with any one of the authorised depository agent.</p> <p>(b) Operation of account: An issuer shall only utilise “the share buy-back account” for the purpose of purchasing its own securities in a share buy-back <u>or dealing with its treasury shares</u> in accordance with the relevant laws, regulations or rules.</p>
<p>26.05</p>	<p>Account details:</p> <p>Every securities account, upon approval by the Depository, shall bear the name and address of the depositor and an account number. No applicant for a securities account shall be deemed to be a depositor unless and until he has been allocated a securities account number by the Depository.</p>	<p>26.05</p>	<p>Account details:</p> <p>Every securities account, upon approval by the Depository, shall bear <u>include</u> the name and address of the depositor and an account number. No applicant for a securities account shall be deemed to be a depositor unless and until he has been allocated a securities account number by the Depository.</p>
<p>26.06</p>	<p>Closing of securities account by depositor: A depositor may close his securities account maintained with any authorised depository agent by providing written notice to the Depository in the prescribed form.</p>	<p>26.06</p>	<p>Closing of securities account by depositor: A depositor may close his securities account maintained with any authorised depository agent by providing written notice to the Depository in the prescribed form manner <u>prescribed by the Depository.</u></p>
<p>26.09</p>	<p>Available Balance:</p> <p>(1) Depositor may check the available balance amount: A depositor may at any time check the available balance amount of securities in the depositor’s securities account in the manner prescribed by the Depository.</p> <p>(2) Authorisation and revocation by depositor: For the purposes of this Rule, a depositor may –</p>	<p>26.09</p>	<p>Available Balance:</p> <p>(1) Depositor may check the available balance amount: A depositor may at any time check the available balance amount of securities in the depositor’s securities account in the manner prescribed by the Depository.</p> <p>(2) Authorisation and revocation by depositor: For the purposes of this Rule, a depositor may –</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(a) subject to Rule 5.08(2) authorise any person to enquire into the balance status of the depositor's securities account; and</p> <p>(b) where the person authorised by the depositor pursuant to Rule 5.08(2) is a dealer's representative, revoke such authorisation by providing a written notice to the authorised depository agent in the prescribed form in the Procedures Manual.</p>		<p>(a) subject to Rule 5.08(2), authorise any person to enquire into the balance status of the depositor's securities account; and</p> <p>(b) where the person authorised by the depositor pursuant to Rule 5.08(2) is a dealer's representative, revoke such authorisation by providing a written notice to the authorised depository agent in the <u>prescribed form in the Procedures Manual manner prescribed by the Depository.</u></p>
Part VI	GENERAL	Part VI	GENERAL
33.01	<p>Classification of securities accounts:</p> <p>(1) Types of accounts opened by the Depository: Pursuant to the powers conferred under section 25(3) of the Act, the Depository may open the following accounts -</p> <p>(a) principal accounts for every authorised depository agent or authorised direct member;</p> <p>(b) a clearing account for every authorised depository agent who is a member company of the Stock Exchange; and</p> <p>(c) non-principal accounts for depositors or authorised direct members.</p> <p>(2) Types of accounts opened and maintained by an authorised depository agent: Subject to Rule 2.05A, an authorised depository agent shall be allowed to open, operate and maintain the following types of accounts in the manner prescribed by the Central Depository-</p> <p>(a) its principal accounts;</p> <p>(b) non-principal accounts for its clients; and</p>	33.01	<p>Classification of securities accounts:</p> <p>(1) Types of accounts opened by the Depository: Pursuant to the powers conferred under section 25(3) of the Act, the Depository may open the following accounts -</p> <p>(a) principal accounts for every authorised depository agent or authorised direct member;</p> <p>(b) a clearing account for every authorised depository agent who is a member company of the Stock Exchange; and</p> <p>(c) non-principal accounts for depositors or authorised direct members.</p> <p>(2) Types of accounts opened and maintained by an authorised depository agent: Subject to Rule 2.05A, an authorised depository agent shall be allowed to open, operate and maintain the following types of accounts in the manner prescribed by the Central Depository-</p> <p>(a) its principal accounts;</p> <p>(b) non-principal accounts for its clients; and</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(c) subject to rule 33.09(1A), nominee accounts for its locally incorporated nominee companies which are wholly owned.</p> <p>For the purposes of this rule, the account other than a principal account shall be construed as a non-principal account.</p> <p>(3) Types of accounts opened and maintained by authorised direct members: Subject to Rule 15.01, an authorised direct member shall be allowed to open, operate and maintain the following types of accounts in the manner prescribed by the Central Depository-</p> <p>(a) principal accounts;</p> <p>(b) subject to Rule 33.09(1A), nominee accounts for locally-incorporated nominee companies which are wholly owned by such person; and</p> <p>(c) Deleted</p>		<p>(c) subject to rule 33.09(1A), nominee accounts for its locally incorporated nominee companies which are wholly owned.</p> <p>For the purposes of this rule, the account other than a principal account shall be construed as a non-principal account.</p> <p>(3) Types of accounts opened and maintained by authorised direct members: Subject to Rule 15.01, an authorised direct member shall be allowed to open, operate and maintain the following types of accounts in the manner prescribed by the Central Depository-</p> <p>(a) <u>its</u> principal accounts; <u>and</u></p> <p>(b) subject to Rule 33.09(1A), nominee accounts for <u>its</u> locally-incorporated nominee companies which are wholly owned <u>by the authorised direct member. by such person; and</u></p> <p>(c) Deleted</p>
<p>33.02</p>	<p>Principal and pledged accounts:</p> <p>(1) Principal accounts: Subject to Rule 15.01 and Rule 2.05A respectively, an authorised depository agent or authorised direct member may open its own principal accounts in the manner prescribed by the Central Depository. Once an authorised depository agent's or an authorised direct member's principal accounts are opened the authorised depository agent or authorised direct member shall maintain and operate such accounts.</p>	<p>33.02</p>	<p>Principal and pledged accounts:</p> <p>(1) Principal accounts: Subject to Rule 15.01 and Rule 2.05A respectively, an authorised depository agent or authorised direct member may open its own principal accounts in the manner prescribed by the Central Depository. Once an authorised depository agent's or an authorised direct member's principal accounts are opened, the authorised depository agent or authorised direct member shall maintain and operate such accounts.</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>(2) Pledged securities accounts: For the purposes of these Rules, principal accounts do not include accounts which are designated as pledged securities accounts under section 40(3) of the Act.</p> <p>(3) Deleted</p> <p>(4) Register of securities: Every authorised depository agent shall ensure compliance with Section 83 of the Capital Markets and Services Act 2007.</p> <p>(5) Deleted</p>		<p>(2) Pledged securities accounts: For the purposes of these Rules, principal accounts do not include accounts which are designated as pledged securities accounts under section 40(3) of the Act.</p> <p>(3) Deleted</p> <p>(4) Register of securities: Every authorised depository agent shall ensure compliance with Ssection 83 of the Capital Markets and Services Act 2007.</p> <p>(5) Deleted</p>
<p>33.11</p>	<p>Dormant account:</p> <p>(1) Application of Rule 26.10: Save and except for Rule 26.10(5) and Rule 26.10(6) the provisions stated in Rule 26.10 shall apply mutatis mutandis to all authorised depository agents and authorised direct members.</p> <p>(2) Reactivation: Every authorised depository agent or authorised direct member may reactivate its principal or nominee account which has been designated by the Central Depository as dormant that has not been closed pursuant to Rule 26.06A(2), in the manner prescribed by the Central Depository.</p> <p>(3) Construction: Where reference is made to the following terms in Rule 26.10, it shall be construed respectively as follows:-</p> <p>(a) “depositor” shall be construed as authorised depository agent or authorised direct member as the case may be and its wholly-owned nominee companies respectively;</p> <p>(b) “securities” account shall be construed as the principal or nominee account of the authorised depository agent or</p>	<p>33.11</p>	<p>Dormant account:</p> <p>(1) Application of Rule 26.10: Save and except for Rule 26.10(5) and Rule 26.10(6), the provisions stated in Rule 26.10 shall apply mutatis mutandis to all authorised depository agents and authorised direct members.</p> <p>(2) Reactivation: Every authorised depository agent or authorised direct member may reactivate its principal or nominee account which has been designated by the Central Depository as dormant that has not been closed pursuant to Rule 26.06A(2), in the manner prescribed by the Central Depository.</p> <p>(3) Construction: Where reference is made to the following terms in Rule 26.10, it shall be construed respectively as follows:-</p> <p>(a) “depositor” shall be construed as authorised depository agent or authorised direct member as the case may be and its wholly-owned nominee companies respectively;</p> <p>(b) “securities” account shall be construed as the principal or nominee account of the authorised depository agent or</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	authorised direct member as the case may be, opened pursuant to Rule 33.01.		authorised direct member as the case may be, opened pursuant to Rule 33.01.
36.02	<p>Securities under suspense:</p> <p>Subject to Rule 36.04, the Depository may specify a deposited security held in any particular securities account or a particular securities account as under suspense, whether on a temporary basis or otherwise, in any of the following circumstances -</p> <p>(a) where the Stock Exchange in accordance with its Rules has suspended trading of a particular security or a particular class of securities in respect of such security;</p> <p>(b) in the case of an individual depositor, where it has been notified that the depositor has died;</p> <p>(c) where a request for suspension of such security has been received from the depositor;</p> <p>(d) where in compliance with the powers of the Investigating Officer to inspect, examine and operate the whole or any part of the computer system pursuant to section 54(1)(a) of the Act, the Commission has decided that it is absolutely necessary to place such security under suspense;</p> <p>(e) where a direction is given by of the Depository, in consultation with the Stock Exchange and with the approval of the Commission to suspend such security in the public interests;</p> <p>(f) where it has been traced that the deposited security is at some point in time a deposited security which was obtained illegally</p>	36.02	<p>Securities under suspense:</p> <p>Subject to Rule 36.04, the Depository may specify a deposited security held in any particular securities account or a particular securities account as under suspense, whether on a temporary basis or otherwise, in any of the following circumstances -</p> <p>(a) where the Stock Exchange in accordance with its Rules has suspended trading of a particular security or a particular class of securities in respect of such security;</p> <p>(b) in the case of an individual depositor, where it has been notified that the depositor has died;</p> <p>(c) where a request for suspension of such security has been received from the depositor;</p> <p>(d) where in compliance with the powers of the Investigating Officer to inspect, examine and operate the whole or any part of the computer system pursuant to section 54(1)(a) of the Act, the Commission has decided that it is absolutely necessary to place such security under suspense; <u>where the Commission in exercising its powers under section 57 of the Act has decided that it is absolutely necessary to place such securities under suspension;</u></p> <p>(e) where a direction is given by of the Depository, in consultation with the Stock Exchange and with the approval of the Commission to suspend such security in the public interests;</p> <p>(f) where it has been traced that the deposited security is at some point in time a deposited security which was obtained illegally into</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>into the account or is a security underlying a scrip which has been reported lost or stolen;</p> <p>(g) where the Depository in its absolute discretion is of the opinion that there is a need to place under suspense a transferred security pending further investigations by the relevant authorities;</p> <p>(h) where, subject to an indemnity given by the authorised depository agent, a request for suspension has been received from such agent where the account is maintained;</p> <p>(i) where the Depository has been served with an order of a court of competent jurisdiction prohibiting any dealing in respect of a deposited security;</p> <p>(j) where an order under regulation 8 of the Essential (Protection of Depositors) Regulation 1986 has been made by the Central Bank and published in the Gazette;</p> <p>(k) where an application under section 22 of the Act for withdrawal of such security has been made by a depositor.</p> <p>(l) where a Receiver or Manager appointed in relation to an authorised depository agent under suspension has recommended pursuant to Rule 3.03(d) to the Depository that a particular securities account, a particular securities therein or a particular issue of securities thereof be put under suspension;</p> <p>(m) where the issuer purchases its own securities in a share buy-back in accordance with the relevant laws, regulations or rules;</p>	<p>the account or is a security underlying a scrip which has been reported lost or stolen;</p> <p>(g) where the Depository in its absolute discretion is of the opinion that there is a need to place under suspense a transferred security pending further investigations by the relevant authorities;</p> <p>(h) where, subject to an indemnity given by the authorised depository agent, a request for suspension has been received from such agent where the account is maintained;</p> <p>(i) where the Depository has been served with an order of a court of competent jurisdiction prohibiting any dealing in respect of a deposited security;</p> <p>(j) where an order under regulation 8 of the Essential (Protection of Depositors) Regulation 1986 has been made by the Central Bank and published in the Gazette;</p> <p>(k) where an application under section 22 of the Act for withdrawal of such security has been made by a depositor <u>pursuant to the Rules</u>;</p> <p>(l) <u>in the case of an authorised depository agent that is under suspension,</u> where a <u>manager</u> Receiver or Manager appointed in relation to an the authorised depository agent under suspension pursuant to Rule 3.03 has recommended pursuant to Rule 3.03(d) to the Depository that a particular securities account, a particular securities therein or a particular issue of securities thereof be put under suspension;</p> <p>(m) where the issuer purchases its own securities in a share buy-back in accordance with the relevant laws, regulations or rules;</p>
---	--

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(n) where the Depository has been served with a written request by a person duly authorised to investigate into any offence under any law;</p> <p>(o) where the Depository receives instructions from the Clearing House to suspend securities held in the principal or nominee account of the authorised depository agent or the authorised direct member arising from the default of the authorised depository agent or authorised direct member in its obligations to the Clearing House as a Clearing participant, pursuant to the Rules of the Clearing House;</p> <p>(p) where the Depository receives instructions from the Commission to suspend pursuant to any securities laws; and</p> <p>(q) in such other circumstances as the Depository may in its discretion deem fit, and the Depository shall notify the Commission of the suspension as soon as the decision to suspend is made by the Depository.</p>	<p>(n) where the Depository has been served with a written request by a person duly authorised to investigate into any offence under any law;</p> <p>(o) where the Depository receives instructions from the Clearing House to suspend securities held in the principal or nominee account of the authorised depository agent or the authorised direct member arising from the default of the authorised depository agent or authorised direct member in its obligations to the Clearing House as a cClearing participant, pursuant to the Rules of the Clearing House;</p> <p>(p) where the Depository receives instructions from the Commission to suspend pursuant to any securities laws; and</p> <p>(q) in such other circumstances as the Depository may in its discretion deem fit, and the Depository shall notify the Commission of the suspension as soon as the decision to suspend is made by the Depository.</p>
<p>36.04 Interpretation:</p> <p>In these Rules, unless otherwise expressed to the contrary,-</p> <p>(a) under section 35(4) of the Act, a depositor of any deposited security in suspense shall not be treated for the purposes of section 35 of the Act as being</p> <p>(i) a member registered in the register of members;</p> <p>(ii) a holder registered in the register of debenture holders;</p> <p>(iii) a holder registered in the register of interest holders maintained by a management company under the Interest Schemes Act 2016;</p>	<p>36.04 Interpretation:</p> <p>In these Rules, unless otherwise expressed to the contrary, ;-</p> <p>(a) under section 35(4) of the Act, a depositor of any deposited security in suspense shall not be treated for the purposes of section 35 of the Act as being -</p> <p>(i) a member registered in the register of members;</p> <p>(ii) a holder registered in the register of debenture holders;</p> <p>(iii) a holder registered in the register of interest holders maintained by a management company under the Interest Schemes Act 2016;</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(iv) a holder registered in the register of unit holders maintained by the management company under the Commission (Unit Trust Scheme) Regulations 1996; or</p> <p>(v) a person included in any other register maintained by the issuer in respect of or arising from any other securities issued by the issuer.</p> <p>(b) a depositor of any deposited security under suspense shall, for the purposes of section 35 of the Act, be treated as a member but nonetheless such security is under suspense by virtue of the Depository placing a computerised “freeze” or “hold”, whether temporary or otherwise, on such security resulting in any of the following forms of suspension-</p> <p>(i) where a “freeze” or “hold” has been placed upon a particular counter in such manner whereby no entries whatsoever may be made in respect of all securities of such counter in all securities accounts held by the Depository or a particular authorised depository agent or authorised direct member;</p> <p>(ii) where a “freeze” or “hold” has been placed on a particular securities account in such manner whereby no entries whatsoever may be made in respect of all deposited securities whatsoever held in such account;</p> <p>(iii) where a “freeze” or “hold” has been placed on a particular counter and only in respect of a particular depositor’s account in such manner whereby no entries may be made whatsoever in respect of all deposited</p>	<p>(iv) a holder registered in the register of unit holders maintained by the management company under section 308 of the Capital Markets and Services Act 2007the Commission (Unit Trust Scheme) Regulations 1996; or</p> <p>(v) a person included in any other register maintained by the issuer in respect of or arising from any other securities issued by the issuer.</p> <p>(b) a^{aA} depositor of any deposited security under suspense shall, for the purposes of section 35 of the Act, be treated as a member but nonetheless such security is under suspense by virtue of the Depository placing a computerised “freeze” or “hold”, whether temporary or otherwise, on such security resulting in any of the following forms of suspension-</p> <p>(i) where a “freeze” or “hold” has been placed upon a particular counter in such manner whereby no entries whatsoever may be made in respect of all securities of such counter in all securities accounts held by the Depository or a particular authorised depository agent or authorised direct member;</p> <p>(ii) where a “freeze” or “hold” has been placed on a particular securities account in such manner whereby no entries whatsoever may be made in respect of all deposited securities whatsoever held in such account;</p> <p>(iii) where a “freeze” or “hold” has been placed on a particular counter and only in respect of a particular depositor’s account in such manner whereby no entries may be made whatsoever in respect of all deposited securities of that counter held under such securities account; or</p>
--	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	<p>securities of that counter held under such securities account; or</p> <p>(iv) where a “freeze” or “hold” has been placed on particular quantum and type of security held under a particular securities account in such manner that no entries may be made in respect to such quantum and type of security held under such account,</p> <p>provided that entries may still be made for all the above forms of suspension for the purpose of settling a sale of the deposited securities contracted on the stock market prior to the suspension and provided further that the suspension referred to in paragraph (iii) above shall not prevent any trades in respect of the deposited securities from being settled.</p>		<p>(iv) where a “freeze” or “hold” has been placed on <u>a</u> particular quantum and type of security held under a particular securities account in such manner that no entries may be made in respect to such quantum and type of security held under such account,</p> <p>provided that entries may still be made for all the above forms of suspension for the purpose of settling a sale of the deposited securities contracted on the stock market prior to the suspension and provided further that the suspension referred to in paragraph (iii) above shall not prevent any trades in respect of the deposited securities from being settled.</p>
<p>37.05</p>	<p>Arbitration:</p> <p>(1) Arbitration agreement: This Rule forms the basis of an arbitration agreement binding upon the Depository, authorised depository agents, authorised direct members and issuers made in accordance with the Arbitration Act 1952 and any amendments thereto. It shall also bind any depositor who elects to settle any dispute involving any transaction or entry in respect of his securities account by way of arbitration.</p> <p>(2) One or three arbitrators: All disputes under this Rule shall be referred to a single arbitrator, if the parties can agree on one, but otherwise to two arbitrators, one to be appointed by each party with the third arbitrator/umpire to act as the presiding arbitrator to be-</p> <p>(a) appointed by the two arbitrators if an agreement can be reached; or</p>	<p>37.05</p>	<p>Arbitration:</p> <p>(1) Arbitration agreement: This Rule forms the basis of an arbitration agreement binding upon the Depository, authorised depository agents, authorised direct members and issuers made in accordance with the Arbitration Act 1952<u>2005</u> and any amendments thereto. It shall also bind any depositor who elects to settle any dispute involving any transaction or entry in respect of his securities account by way of arbitration.</p> <p>(2) One or three arbitrators: All disputes under this<u>these</u> Rules shall be referred to a single arbitrator, if the parties can agree on one, but otherwise to two arbitrators, one to be appointed by each party with the third arbitrator/umpire to act as the presiding arbitrator to be-</p> <p>(a) appointed by the two arbitrators if an agreement can be reached; or</p>

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

<p>(b) where the first two arbitrators cannot agree on the choice of the presiding arbitrator, appointed by the Advisory Committee.</p> <p>(3) Status of award: Where the dispute has been brought up-</p> <p>(a) by a depositor against the Depository, an authorised depository agent, an issuer or another depositor, any award of the arbitrator or the majority of the arbitrators shall be final and binding upon the parties to such dispute unless a legal objection has been raised by such depositor within fourteen days from the date of the award;</p> <p>(b) by an authorised depository agent, authorised direct member or issuer against any other party (other than the Depository), award of the arbitrator or the majority of the arbitrators shall be final and binding upon the parties to such dispute.</p> <p>(4) Depository's right of enforcement: Nothing in this chapter shall be construed as enabling any authorised depository agent, authorised direct member, issuer or depositor to prevent, obstruct or delay the Depository to exercise its right or power to enforce any provisions of the Act, these Rules or the Procedures Manual upon such authorised depository agent, authorised direct member, issuer or depositor.</p> <p>(5) Disputes must involve financial loss: Any dispute which may be brought up for arbitration pursuant to this Rule must involve a financial loss or damage of not less than five thousand ringgit on the part of the aggrieved party.</p>	<p>(b) where the first two arbitrators cannot agree on the choice of the presiding arbitrator, appointed by the Aadvisory Ccommittee.</p> <p>(3) Status of award: Where the dispute has been brought up-</p> <p>(a) by a depositor against the Depository, an authorised depository agent, an issuer or another depositor, any award of the arbitrator or the majority of the arbitrators shall be final and binding upon the parties to such dispute unless a legal objection has been raised by such depositor within fourteen days from the date of the award;</p> <p>(b) by an authorised depository agent, authorised direct member or issuer against any other party (other than the Depository), award of the arbitrator or the majority of the arbitrators shall be final and binding upon the parties to such dispute.</p> <p>(4) Depository's right of enforcement: Nothing in this chapter shall be construed as enabling any authorised depository agent, authorised direct member, issuer or depositor to prevent, obstruct or delay the Depository from exercising to exercise its right or power to enforce any provisions of the Act, these Rules, or the Procedures Manual or the Act upon such authorised depository agent, authorised direct member, issuer or depositor.</p> <p>(5) Disputes must involve financial loss: Any dispute which may be brought up for arbitration pursuant to this Rule must involve a financial loss or damage of not less than five thousand ringgit on the part of the aggrieved party.</p>
--	---

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

37B.0 2	<p>Deduction:</p> <p>(1) Right to deduct: Where an authorised depository agent, authorised direct member or issuer (“Relevant Person”) fails to pay any fees and other charges payable to the Depository, the Depository reserves the right to deduct such sums from any payments owing by the Depository to the Relevant Person.</p> <p>(2) Written notice: Where the Depository exercises its right to deduct under Rule 37B.02(1), it shall give the Relevant Person a written notice of at least one month prior to the date of deduction.</p>	37B.0 2	<p>Deduction:</p> <p>(1) Right to deduct: Where an authorised depository agent, authorised direct member or issuer (“Relevant Person”) fails to pay any fees and other charges payable to the Depository, the Depository reserves the right to deduct such sums from any payments owing by the Depository to the Relevant Person<u>such person</u>.</p> <p>(2) Written notice: Where the Depository exercises its right to deduct under Rule 37B.02(1), it shall give the Relevant Person<u>such person</u> a written notice of at least one month prior to the date of deduction.</p>
<u>38.13</u>	<u>NEW PROVISION</u>	<u>38.13</u>	<p><u>Partial invalidity</u></p> <p><u>If at any time any provisions of these Rules become illegal, invalid or inapplicable in any respect, the legality, validity or enforceability of the remaining provisions shall not in any way be affected or impaired.</u></p>
<u>38.14</u>	<u>NEW PROVISION</u>	<u>38.14</u>	<p><u>Governing Law and jurisdiction</u></p> <p><u>The interpretation, construction and operations of these Rules and the respective rights and obligations of the Depository and depositors, authorised depository agents, authorised direct members, issuers and users shall be determined under the laws of Malaysia and subject to these Rules, each depositor, authorised depository agent, authorised direct member, issuer and user agrees to submit to the jurisdiction of the courts of Malaysia.</u></p>
Part VIII	AUTHORISED NOMINEE	Part VIII	AUTHORISED NOMINEE
	Authorised Nominee [Rule 1.01]		Authorised Nominee [Rule 1.01]

ANNEXURE 1
AMENDMENTS TO THE DEPOSITORY RULES TO FACILITATE GREATER
OPERATIONAL EFFICIENCY AND REFLECT REGULATORY CHANGES AND UPDATES

	(1) A licensed institution as defined in the Banking and Financial Institutions Act 1989 and its wholly-owned subsidiary that is a nominee company.		(1) A licensed institution <u>licensed bank or licensed investment bank as defined in the Banking and Financial Institutions Act 1989</u> and its wholly-owned subsidiary that is a nominee company.
	(2) A scheduled institution under the Banking and Financial Institutions Act 1989 which carries on development finance business or leasing business as defined under the Banking and Financial Institutions Act 1989 and its wholly-owned subsidiary that is a nominee company.		(2) A scheduled prescribed financial institution under the <u>Financial Services Act 2013</u> Banking and Financial Institutions Act 1989 which carries on development finance business or leasing business as defined under the Banking and Financial Institutions Act 1989 <u>Financial Services Act 2013</u> , and its wholly-owned subsidiary that is a nominee company.
	(5) An Islamic bank as defined in the Islamic Banking Act 1983 and its wholly-owned subsidiary that is a nominee company.		(5) An licensed Islamic bank as defined in the Islamic Banking Act 1983 and its wholly-owned subsidiary that is a nominee company.
	(7) A licensed offshore bank as defined under the Offshore Banking Act 1990 and its wholly-owned subsidiary that is a nominee company.		(7) A licensed offshore bank <u>Labuan bank</u> as defined under the Offshore Banking Act 1990 <u>Labuan Financial Services and Securities Act 2010</u> and its wholly-owned subsidiary that is a nominee company.
	(13)The Minister of Finance Incorporated.		(13)The Minister of Finance Incorporated <u>established pursuant to the Minister of Finance (Incorporation) Act 1957</u> .
	(16)A holder of a Capital Markets Services Licence for the purposes of carrying on the business of fund management, its wholly-owned subsidiary that is a nominee company and its custodian appointed pursuant to section 121 of the Capital Markets and Services Act 2007.		(16) A holder of a Capital Markets Services Licence for the purposes of carrying on the business of fund management, its wholly-owned subsidiary that is a nominee company and its <u>appointed</u> custodian appointed pursuant to as defined in section 121 of the Capital Markets and Services Act 2007.

[End of Amendments to the Depository Rules]