

## INTERPRETATION

In these Rules, unless the context otherwise requires, the word standing in the first column set out below shall bear the meaning set out opposite to them respectively in the second column thereof.

“Act”	The Capital Markets and Services Act 2007.
“Agreement”	An agreement in prescribed form between a Clearing Participant and the Clearing House regulating the terms and conditions of participation of such Clearing Participant in one or more of the services or facilities of the Clearing House made available to such Clearing Participant.
“Approved SBLNT Borrower”	A person whose application to participate as a borrower in SBL Negotiated Transactions either to borrow for itself or its client, has been approved by the Clearing House.
“Approved SBLNT Lender”	A person whose application to participate as a lender in SBL Negotiated Transactions, either to lend its own Securities or Securities owned by its client, has been approved by the Clearing House.
“Approved Supplier”	A person approved by the Clearing House to be a supplier in an ISSBNT.
“Approved User”	A person approved by the Clearing House to be a user in an ISSBNT.
“Articles”	The Articles of Association of the Clearing House.
“ATS”	The automated and computerised Securities trading system established by the Exchange.
“Books”	Same meaning as is assigned to that expression in the Act.
“Book-entry”	In relation to any transaction made or effected in respect of Securities, the debiting of the delivering depositor’s or the selling depositor’s securities account with the number of Securities sold and the crediting of the receiving depositor’s or the purchasing depositor’s securities account with the number of Securities purchased.
“Borrower”	A Trading Clearing Participant or such other category of persons who may be prescribed by the Clearing House to be eligible to apply to become a Borrower and whose application to be a Borrower pursuant to the SBL Conditions has been approved by the Clearing House.
“Borrowing Representative”	A Trading Clearing Participant or such other category of persons prescribed by the Clearing House to be eligible to apply to become a Borrowing Representative, who has been approved by the Clearing House to perform certain functions with respect to borrowing of Securities by the Approved SBLNT Borrower.
“Bursa SBL”	The Securities borrowing and lending business established and operated by the Clearing House acting as a central lending agency.

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“Bursa SBL Participant”	The Lending Participant, Lender or Borrower or any one or more of them, as the context may require.
“Bursa SBL System”	The system for Securities borrowing and lending established and operated by the Clearing House for carrying out transactions relating to the Bursa SBL and/or transactions contemplated under the SBL Conditions.
“Bursa SBL Transaction”	A Securities borrowing and lending transaction where Eligible Securities are borrowed from or lent to the Clearing House acting as a central lending agency.
“Buy Transaction”	<p>In relation to the ISS, a transaction, being an agreement for the purchase of Securities by:</p> <p>(a) a Clearing Participant acting as a principal; or</p> <p>(b) a Client,</p> <p>through a Trading Clearing Participant on the Exchange as a buyer to a Market Contract.</p>
Cash Settlement Amount	The amount received by the buying Trading Clearing Participant in lieu of the delivery of the relevant securities in the circumstances set out in Rules 5.2B(b), 5.2C and 5.2D.
“Central Bank”	The Central Bank of Malaysia established under section 3 of the Central Bank of Malaysia Act 1958.
“Central Depository”	Same meaning as is assigned to that expression in the Act.
“CDS”	Central Depository System.
“Clearing and Settlement Functions”	The functions of a Clearing Participant in relation to clearing and settling transactions in securities.
“Clearing Guarantee Fund” or “CGF”	The fund referred to in Rule 6.1.1.
“Clearing House”	Bursa Malaysia Securities Clearing Sdn Bhd.
“Clearing House Direct Business Account”	(See Rule 5.8(a)(v))
“Clearing facility”	<p>(a) A facility for the clearing or settlement of transactions in securities traded on a stock exchange;</p> <p>(b) A facility for the guarantee of settlement of transactions referred to in paragraph (a); or</p> <p>(c) Such other clearing or settlement facility or class of clearing or settlement facilities as the Commission with the approval of the Minister for the time being charged with the responsibility for finance may allow.</p>
“Clearing Participant”	A Trading Clearing Participant or Non Trading Clearing Participant or any one or more of them, as the context may require.
“Clearing Privileges”	Privileges of Clearing Participants to clear and settle transactions through the Clearing House as specified in the Rules.

“Client”	A person on whose behalf the Clearing Participant acts in relation to an ISS Transaction.
“Closing Price”	Same meaning as is assigned to that expression in the Exchange Rules
“Collateral”	All or any of the monies and assets provided to the Clearing House by or for a Trading Clearing Participant in connection with Margin and includes the excess Collateral referred to in Rule 5.12.
“Commission”	The Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993 (Act 498).
“Commission’s Licensing Handbook”	The licensing handbook issued by the Commission pursuant to Section 377 of the Act and includes any subsequent amendments, modifications, variations, supplements or substitutes.
“Contract Date”	The day the sell or buy order for an On-Market Transaction is matched in the ATS.
“Contribution”	The amount paid by a Trading Clearing Participant as contribution to the Clearing Guarantee Fund pursuant to Rule 6.2.1.
“Corporation”	Same meaning as is assigned to that expression in the Companies Act 1965 (Act 125).
“Defaulter”	A Trading Clearing Participant who is the subject of any Default Proceedings.
“Default Proceedings”	Any proceedings or other action taken by the Clearing House under its Default Rules.
“Default Rules”	Rules which provide for the taking of Default Proceedings by the Clearing House in relation to Market Contracts or Bursa SBL Transactions, as the case may be, as set out in Chapter 4.
“Depository Rules”	The Rules of the Central Depository
“Direct Business Comparison System”	(See Rule 5.8(a)(v))
“Direct Business Contract”	(a) A contract for sale and purchase of Securities traded on the stock market of the Exchange that is done outside the ATS in accordance with the Exchange Rules; or  (b) Any other transaction in Securities which shall be determined by the Clearing House from time to time as being a Direct Business.
“Director”	[Deleted]
“Document”	Same meaning as is assigned to that expression in the Act.
“Eligible Securities”	The Securities prescribed by the Clearing House in the SBL Circulars from time to time as approved for lending or borrowing either in a Bursa SBL Transaction or a SBL Negotiated Transaction.
“Event of Default”	An event or state of affairs relating to a Trading Clearing Participant as referred to in Rule 4.1.

“Exchange”	Any body corporate which has been approved by the Minister under subsection (2) of section 8 of the Act for which the Clearing House provides its services on the clearing and settlement of transactions in securities effected on or subject to the Exchange Rules.
“Exchange Holding Company”	Bursa Malaysia Berhad.
“Exchange Rules”	The Rules governing among others, the participating organisation of the Exchange.
“Extinguishment of the ISSBNT”	The removal of the ISSBNT from the ISSBNT System in the manner and subject to the conditions as may be prescribed by the Clearing House, and the word “Extinguish” is to be construed accordingly.
“Goods and Services Tax” or “GST”	[Deleted]
“Guidelines on Investment Banks”	The Guidelines on Investment Banks issued jointly by the Central Bank and the Commission, including subsequent amendments, modifications, variations, supplements or substitutes thereto and any directives or guidelines as may be issued thereunder.
“ISS”	The institutional settlement service provided by the Clearing House and made available for the benefit of Clearing Participants whereby ISS Transactions are to be cleared and settled by the Clearing House.
“ISS Affirmation”	A written input from a Clearing Participant in such form as determined by the Clearing House and submitted to the Clearing House to instruct the Clearing House to act in relation to an ISS Transaction involving such Clearing Participant for which an ISS Confirmation is to be or has been issued.
“ISS Confirmation”	One or more written input from a Clearing Participant in such form as determined by the Clearing House and submitted to the Clearing House to instruct the Clearing House to act in relation to an ISS Transaction involving such Clearing Participant for which an ISS Instruction is to be or has been issued and includes an input to redeliver the said ISS Instruction to another Clearing Participant for settlement of the said ISS Transaction.
“ISS Instruction”	A written input from a Clearing Participant in such form as determined by the Clearing House and submitted to the Clearing House to instruct the Clearing House to act in relation to an ISS Transaction involving such Clearing Participant.
“ISS Transaction”	A Buy Transaction or Sell Transaction in respect of which a Trading Clearing Participant and/or one or more Clearing Participants have issued ISS Instruction, ISS Confirmation or ISS Affirmation, as the case may be, to the Clearing House for clearance and settlement of the transaction under the ISS.
“ISSBNT Negotiated Transaction” or “ISSBNT”	A Securities selling and buying transactions entered into between an Approved Supplier and an Approved User based on the ISSBNT Model and facilitated by the Clearing House in accordance with the Rules.
“ISSBNT Circulars”	Any circulars, guidelines, procedures, terms and conditions and all

	other written requirements as may be prescribed and issued by the Clearing House, whether or not electronically, relating to the ISSBNT.
“ISSBNT Eligible Securities”	That portion of the Eligible Securities prescribed by the Clearing House as approved for an ISSBNT.
“ISSBNT Model”	The prevailing Islamic Securities Selling and Buying – Negotiated Transaction model endorsed by the Shariah Advisory Council of Securities Commission Malaysia.
“ISSBNT Participant”	The Approved Supplier or Approved User, or both, as the context may require.
“ISSBNT Participant / Representative”	The Approved Supplier, Approved User, Supplier Representative or User Representative, or any one or more of them, as the context may require.
“ISSBNT Securities”	The ISSBNT Eligible Securities that are sold or purchased in relation to an ISSBNT.
“ISSBNT System”	The system operated by the Clearing House to facilitate ISSBNT.
“Immediate Basis Contract”	[Deleted]
“Investment Bank”	An Investment Bank as referred to in the Guidelines on Investment Banks.
“Investment Bank Capital Adequacy Framework”	The Investment Bank Capital Adequacy Framework referred to in the Guidelines on Investment Banks.
“Last Done Price”	Same meaning as is assigned to that expression in the Exchange Rules.
“Leg 1 of the ISSBNT”	The initial sale of the ISSBNT Eligible Securities by the Approved Supplier to the Approved User in accordance with the ISSBNT Model.
“Leg 2 of the ISSBNT”	Any subsequent sale by the Approved User to the Approved Supplier of similar or equivalent securities as that of Leg 1 of the relevant ISSBNT in accordance with the ISSBNT Model.
“Lender”	A Lending Participant who via the Bursa SBL has specified Eligible Securities as being available for lending and whose Specified Eligible Securities have been approved for loan to the Clearing House pursuant to the SBL Conditions;
“Lending Agent”	A Clearing Participant who has been approved by the Clearing House to perform certain functions with respect to lending of Securities by the Lending Participant or the Lender to the Clearing House in a Bursa SBL Transaction as specified in these Rules or any directives, circulars or instructions issued by the Clearing House and who is appointed as an agent to act on behalf of the Lending Participant or the Lender in respect of these functions;
“Lending Participant”	A person who has been approved by the Clearing House as a lending participant and who has not since then withdrawn its application to be a lending participant;

“Lending Interest”	<p>A notification submitted by the Lending Participant or Lender of its wish to lend Eligible Securities to the Clearing House which includes, amongst others, the following –</p> <ul style="list-style-type: none"><li>(a) the description and quantity of the Eligible Securities it wishes to lend; and</li><li>(b) the account number of the securities account from which the Loaned Securities are to be debited;</li></ul>
“Lending Representative”	<p>A Trading Clearing Participant, Non Trading Clearing Participant or such other category of persons prescribed by the Clearing House to be eligible to apply to become a Lending Representative, who has been approved by the Clearing House to perform certain functions with respect to lending of Securities by the Approved SBLNT Lender.</p>
“Listing Requirements”	<p>The rules governing the listing of Securities and regulation of listed issuers on the stock market(s) of the Exchange, where the transactions in such Securities are cleared or settled through the Clearing House.</p>
“Loaned Securities”	<p>The Eligible Securities that are lent or borrowed.</p>
“Margin”	<p>The amounts required to be provided by a Trading Clearing Participant to the Clearing House pursuant to Rule 5.9 to manage the risks arising from the Trading Clearing Participant’s obligations in respect of its Novated Contracts.</p>
“Market Day”	<p>A day on which both the Clearing House and the Exchange are open for business, which may include a Surprise Holiday.</p>
“Market Contracts”	<ul style="list-style-type: none"><li>(a) Novated Contract; or</li><li>(b) Direct Business Contract.</li></ul>
“Non Trading Clearing Participant”	<p>A person who is admitted by the Clearing House as a Clearing Participant to participate in the ISS.</p>
“Novated Contract”	<p>A contract between the Clearing House and a Trading Clearing Participant arising as a result of the novation of an On-Market Transaction referred to in Rule 5.1A(a).</p>
“Officer”	<p>Same meaning as is assigned to that expression in the Act.</p>
“On-Market Transaction”	<p>A transaction in Securities that is concluded by way of:</p> <ul style="list-style-type: none"><li>(a) automated matching of orders entered into the order book maintained in the ATS in accordance with Rule 8.08 of the Exchange Rules; or</li><li>(b) a transaction that is concluded in accordance with Rule 8.14 of the Exchange Rules.</li></ul>
“Operational Procedure”	<p>The Operational Procedure(s) of the Clearing House in relation to any of the services or facilities of the Clearing House containing the practices, procedures and requirements relating to the operations and functions of any such services or facilities of the Clearing House, issued from time to time.</p>

“Participants”	Clearing Participants, SBL Participants/Agents and ISSBNT Participants/Representatives who are not Clearing Participants, or any one or more of them, as the context may require.
“Ready Basis Contract”	A contract where the date and time for delivery and settlement for the buying and selling of Securities traded on the stock market of the Exchange are as stipulated in Schedules 2 and 3 of the Exchange Rules.
“Record”	Same meaning as is assigned to that expression in the Act.
“Relevant Details”	Those details with respect to an ISS Transaction which the Clearing House may prescribe from time to time as being mandatory, the reporting of which in an ISS Instruction, ISS Confirmation or ISS Affirmation, as the case may be, is required for the purpose of clearance and settlement of the ISS Transaction.
“Relevant office-holder”	<ul style="list-style-type: none"><li>(a) The Director General of Insolvency appointed under section 70 of the Bankruptcy Act 1967 [Act 360];</li><li>(b) Any person acting in relation to a company as its liquidator, provisional liquidator, receiver or manager;</li><li>(c) Any person acting in relation to an individual as his trustee in bankruptcy or interim receiver of his property;</li><li>(d) Any person appointed pursuant to an order for the administration in bankruptcy of an insolvent estate of a deceased person; or</li><li>(e) A Special Administrator appointed under the Pengurusan Danaharta Nasional Berhad Act 1998 [Act 587].</li></ul>
“Rules”	Same meaning as is assigned to that expression in the Act, in relation to the Clearing House
“SBL Circulars”	Any circulars, guidelines, procedures, terms and conditions and all other written requirements as may be prescribed and issued from time to time by the Clearing House, whether or not electronically, relating to the Bursa SBL Transactions, the SBL Negotiated Transactions, the SBL Conditions or the transactions contemplated under the SBL Conditions;
“SBL Conditions”	The prescribed application to be approved as a Lending Participant together with the Bursa SBL (Terms and Conditions for Lending Participant and Lender) or the prescribed application to be approved as a Borrower together with the Bursa SBL (Terms and Conditions for Borrower) individually or collectively, as the context may require, as may be amended, modified or varied from time to time, and shall include the SBL Circulars for the time being in force;
“SBL Negotiated Transaction or SBLNT”	A Securities borrowing and lending transaction entered into between an Approved SBLNT Lender and an Approved SBLNT Borrower where the parties may negotiate and agree on the terms of the transaction and the transaction is facilitated by the Clearing House in accordance with the Rules.
“SBL Participant/Agent”	The Lending Participant, Lender, Borrower, Approved SBLNT Lender, Approved SBLNT Borrower, Lending Agent, Lending

	Representative or Borrowing Representative, or any one or more of them, as the context may require.
“SBLNT Participant”	The Approved SBLNT Lender or Approved SBLNT Borrower, or both, as the context may require.
“SBL Participant/ Representative”	The Approved SBLNT Lender, Approved SBLNT Borrower, Lending Representative or Borrowing Representative, or any one or more of them, as the context may require.
“SBLNT System”	The system operated by the Clearing House to facilitate SBL Negotiated Transactions.
“Scheduled Financial Settlement Time”	The scheduled financial settlement time referred to in Rule 5.3(h).
“Sell Transaction”	In relation to ISS, a transaction, being an agreement for the sale of Securities by:  (a) a Clearing Participant acting as a principal, or  (b) a Client,  through a Trading Clearing Participant on the Exchange as a seller to a Market Contract.
“Securities”	Same meaning as is assigned to that expression in the Act.
“Service Provider”	The entity within the group or an external entity to which the Clearing Participant has outsourced the Clearing and Settlement Functions and includes any subsequent service provider(s) to whom the initial service provider or any subsequent service provider has further contracted the Clearing and Settlement Functions.
“Specified Eligible Securities”	The Eligible Securities specified by the Lending Participant or Lender via the Bursa SBL System which are available for lending to the Clearing House as may be updated from time to time through the Bursa SBL System;
“Supplier Representative”	A person approved by the Clearing House to perform certain functions with respect to the selling of Securities by the Approved Supplier in an ISSBNT.
“Surprise Holiday”	A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year.
“Tick”	The minimum change allowed in the bidding price for buying-in of Securities referred to in Rule 5.2A as set out in Schedule 5-1.
“These Rules” or “The Rules”	The Rules of the Clearing House
“Tradeable Balance”	(a) Securities marked as “free” in the relevant securities accounts; or  (b) Securities that are due to be delivered to the relevant securities account pursuant to an outstanding purchase contract. An outstanding purchase contract means a purchase contract that was executed by the selling TCP as



defined in Rule 5.2A(a) for the same securities account prior to the sale referred to in Rule 5.2A(a), and the Securities in the purchase contract have not been delivered to such securities account.

- “Trading Clearing Participant” A person who is a participant of the Exchange and admitted by the Clearing House as a Clearing Participant to participate in one or more of the services provided by the Clearing House.
- “User Representative” A person approved by the Clearing House to perform certain functions with respect to the buying of Securities by the Approved User in an ISSBNT.

Save as otherwise stated herein words and expressions used in these Rules shall have the meanings as assigned to it under the Act wherever applicable.

Words importing the singular number shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine or neuter genders.

A reference to a statute is to that statute so modified, re-enacted or consolidated and includes regulations, rules or other statutory instruments made under that statute.