

PARTICIPATING ORGANISATIONS' CIRCULAR

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AMENDMENTS TO THE RULES OF BURSA MALAYSIA SECURITIES BERHAD (“BMS RULES”) IN RELATION TO THE REMOVAL OF DEALER’S REPRESENTATIVE (“DR”) FULL-TIME REQUIREMENT AND OTHER AMENDMENTS

1. BACKGROUND

1.1 The Securities Commission Malaysia (“**SC**”) issued amendments to its Licensing Handbook on 14 April 2023 to allow a DR who fulfils the relevant prescribed requirements, to undertake one or more of the following additional regulated activities:

- (i) investment advice;
- (ii) financial planning;
- (iii) restricted dealing in unit trust; and
- (iv) dealing in private retirement scheme.

(“Amended DR Licensing Framework”)

1.2 Bursa Malaysia Securities Berhad (“**the Exchange**”) has amended the BMS Rules to remove the requirement for a DR to be employed or engaged on a full-time basis by a Participating Organisation (“**PO**”), as well as enhance the requirements applicable to a DR engaging in other business activities or holding interest in any other business (“**the Amendments**”).

1.3 With the Amendments, the Exchange seeks to achieve, amongst others, the following:

- (a) to provide greater flexibility to a PO and its DR in making arrangements pertaining to the employment or engagement of the DR; and
- (b) to complement the implementation of the Amended DR Licensing Framework.

1.4 The Amendments have been approved by the SC and are detailed in paragraph 2 below.

2. AMENDMENTS TO THE BMS RULES

2.1 The salient amendments made are as follows:

- (a) deleting the requirement for a DR to be employed or engaged on a full-time basis by a PO;
- (b) enhancing the conditions for a DR to engage in other business activities or hold interest in any other business;
- (c) requiring a PO to be satisfied that its DR complies with the relevant conditions to engage in other business activities or hold interest in any other business before approving the DR’s application to undertake such other activities or businesses; and
- (d) clarifying that “engaged in other business activities or hold interest in other business” includes engaging in any additional regulated activities in compliance with the requirements as set out in the SC’s Licensing Handbook.

2.2 The amended BMS Rules is set out in **Annexure 1**.

3. EFFECTIVE DATE

3.1 The amendments to the BMS Rules will take effect on **1 August 2023**.

4. CONTACT PERSONS

4.1 In the event of any queries in relation to the above matter, kindly contact us at the following:

	Contact Details
Investor Development – Innovation & Development	lockck@bursamalaysia.com
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Regulation