

RULES OF BURSA MALAYSIA DEPOSITORY SDN BHD

RULE AMENDMENTS IN RELATION TO EDIVIDEND

The following sets out the rule amendments to facilitate payment by an issuer of cash dividends by directly crediting the depositor's dividend entitlements into his bank account.

1.0 RULE 1.01 – DEFINITIONS:

1.1 Rule 1.01 be amended to include a new definition as follows:

“bank account information” in relation to a depositor, means the information prescribed by the Depository relating to the depositor’s bank account that is to be used for crediting of cash dividends paid by the issuer.

“eDividend” means the payment of cash dividends to a depositor by directly crediting the depositor’s dividend entitlement into his bank account as provided to the Depository from time to time.

2.0 RULE 21.01 – APPLICATION OF THIS CHAPTER:

2.1 Rule 21.01 be amended as follows:

- (1) **Application:** This chapter applies to every issuer or offeror who, in relation to any deposited security –
- (a) makes a bonus issue, or issues securities pursuant to a rights issue;
 - (b) issues securities pursuant to an exercise of any right or option to acquire securities in the share capital of the issuer; ~~or~~
 - (c) makes an offer for sale of securities; or
 - (d) pays any form of cash dividends.
- (2) **Compliance with section 38 of the Act:** Every issuer in relation to any prescribed security who issues securities enumerated in Rule 21.01 shall do all acts and things as may be necessary in order to comply with section 38 of the Act unless such issuer is exempted by virtue of an exemption order made under section 62A of the Act.

3.0 RULE 21.10 – DIVIDENDS:

3.1 The rule title to Rule 21.10 be amended as follows:

RULE 21.10 – CASH DIVIDENDS:

3.2 Rule 21.10 be amended as follows:

~~The distribution of cash dividends shall be handled solely by the issuer and the Depository’s role in a cash dividend exercise is to assist in providing a Record of Depositors to the issuers in accordance with the provisions of chapter 24.0.~~

- (1) **Bank Account Information:** An issuer intending to pay cash dividends to its shareholders must request for the bank account information of its shareholders from the Depository in the manner prescribed by the Depository. For the avoidance of doubt, the

bank account information provided under this rule will not form part of the Record of Depositors. The issuer must take all reasonable measures to ensure that the bank account information is used solely for the purpose of or in connection with paying cash dividends via eDividend.

(2) **Issuer unable to credit:** If the issuer is unable to credit a depositor's dividend entitlement into the depositor's bank account based on the bank account information received from the Depository, the issuer must immediately notify the Depository of this in the manner prescribed by the Depository.

(3) **Indemnity:** The issuer must fully indemnify the Depository for any loss, damage, liability or cost incurred by the Depository as a result of or in connection with the unauthorised access, alteration, disclosure, dissemination or misuse of the bank account information by the issuer or any of the issuer's agents or servants.

(4) **Unlisted Securities:** An issuer of unlisted securities intending to pay cash dividends electronically may, but is not required pursuant to Rule 21.10(1) to, request for the bank account information of its shareholders from the Depository. If such issuer requests for its shareholders' bank account information, it must comply with this Rule 21.10.

4.0 **RULE 25.03 – COMPLIANCE WITH RULES, ETC:**

4.1 Rule 25.03 be amended as follows:

Every depositor shall comply with the provisions of the Act, the Regulations and these Rules, whether in this part of otherwise, and any directions which may be issued by the Depository from time to time where they purport to apply to him, directly or indirectly.

5.0 **RULE 25.05 – CHANGE OF PARTICULARS:**

5.1 Rule 25.05 be amended as follows:

It shall be the responsibility of a depositor to notify the authorised depository agent of any change of particulars or information ~~pertaining to the depositor's securities accounts provided to the Depository~~ including, inter alia-

- (a) the name of the depositor;
- (b) the address for correspondence as well as for legal service;
- (c) the identity card, passport or company/business registration number;
- (d) where in the case of corporations, the authorised signatories; ~~and~~
- (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;
- (f) bank account information; and
- (g) the depositor's contact details for the purposes of receiving electronic notification of cash dividend payments.

6.0 RULE 25.05A – DEPOSITORS’ INFORMATION:

6.1 A new rule 25.05A be inserted as follows:

- (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.
- (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.
- (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.

7.0 RULE 31.03 – DIVIDENDS:

7.1 The rule title to Rule 31.03 be amended as follows:

RULE 31.03 – CASH DIVIDENDS:

7.2 Rule 31.03 be amended as follows:

~~Any dividend (excluding bonus) which may accrue to a depositor shall be forwarded directly by the issuer.~~

- (1) A depositor must provide his bank account information to receive cash dividends from an issuer via eDividend by submitting, through an authorised depository agent, a duly completed prescribed form together with the relevant supporting documents in the manner prescribed by the Depository.
- (2) By complying with Rule 31.03(1):
 - (a) the depositor irrevocably consents to receiving all cash dividends that may accrue to the depositor in respect of the depositor’s deposited securities via eDividend; and
 - (b) the depositor irrevocably consents to the disclosure by the Depository, the issuer or their respective agents to any person, of the depositor’s bank account information or such other information, as may be necessary or expedient to facilitate the payment of cash dividends that may accrue to the depositor via eDividend or for any other purpose in connection with the payment of cash dividends via eDividend.
- (3) If the issuer is unable to credit the cash dividends into a depositor’s bank account based on the bank account information provided by the depositor:
 - (a) the Depository will issue a notice to the depositor to inform the depositor of the same; and
 - (b) under such circumstances as may be prescribed by the Depository, the Depository shall be authorised to omit the depositor from the list of depositors who have provided their bank account information for purposes of receiving

cash dividends via eDividend when providing such information pursuant to an issuer's request under Rule 21.10(1).

(4) For the avoidance of doubt, it is the issuer's responsibility to make payment of the depositor's dividend entitlements.

8.0 RULE 34.01 – DEPOSITORY TO MAINTAIN A COMPENSATION SCHEME:

8.1 Rule 34.01 be amended as follows:

It shall be the duty of the Depository to maintain at all times after the commencement of operations a compensation scheme which shall cover loss or damage incurred by depositors arising from, *inter alia*:

- (a) computer crimes involving theft or criminal damage to the Depository's computer system;
- (b) theft, damage, falsification or alteration of any record or data kept within the Depository's computer system;
- (c) stolen or missing scrips which are under the physical control of the Depository itself, whether such scrips are kept in its premises or are in transit;
- (d) fire or theft of any records in any vault, premise or warehouse of the Depository where such records are to be kept pursuant to section 59 of the Act;
- (e) professional negligence of its employees or servants;
- (f) public liability; and
- (g) infidelity of employees through dishonest or fraudulent acts committed by such employees with intent to cause or sustain loss or to obtain financial gain for themselves, wherever committed and whether committed alone or in collusion with others.

9.0 RULE 34.04 - QUANTUM OF CLAIM:

9.1 Rule 34.04 be amended as follows:

In respect of any claim made by an aggrieved depositor in respect of any transaction pertaining to his securities account or in connection with any securities held in such account, the maximum value of compensation per claim allowable under such compensation scheme shall be one hundred thousand ringgit.

10.0 RULE 38.01 – FORMS:

10.1 Rule 38.01 be amended by inserting a new Rule 38.01(3) as follows:

- (1) **Prescribed particulars:** Where a form prescribed by these Rules require completion by the insertion of, or the attachment to the form of a document containing particulars or other matters referred to in the form, those particulars or matters are prescribed as the particulars or other matters required under these Rules for the purposes of which the form or document is prescribed.
- (2) **Directions:** A form prescribed by these Rules containing any direction for its completion shall be completed in accordance with those directions. Where such form

requires insertion of a name of an individual person, it shall be the name as it appears in, in the case of a Malaysian citizen, the identity card or, in the case of a non-Malaysian citizen, the passport of that person or any other identification document prescribed by the Depository.

(3) English version to prevail: The forms prescribed by these Rules are written in English and should the forms be translated into a language other than English, the English version shall, save for any manifest error, prevail.

11.0 RULE 38.07 – CONDUCT:

11.1 A new Rule 38.07 be inserted as follows:

Any act or omission by a person includes an act or omission caused directly or indirectly by the said person. For the avoidance of doubt, an act or omission caused directly or indirectly by the person includes an act or omission of its employee or agent.

12.0 PARV VII – FEES AND CHARGES

12.1 PART VII be amended by inserting two new items and a new note at the bottom of the schedule as follows:

FEES AND CHARGES STRUCTURE FOR THE CENTRAL DEPOSITORY SYSTEM					
NO	NAME	RATE	BASIS	LEVIED ON	WHEN
18	<u>Provision of bank account information to Issuer to facilitate eDividend fee</u>	<u>7 sen</u>	<u>Per account</u>	<u>Issuer</u>	<u>Billed on request</u>
19	<u>Provision by depositor of bank account information for the purpose of eDividend fee¹</u>	<u>RM10</u>	<u>Per form submitted</u>	<u>Depositor</u>	<u>Payable on submission of the relevant prescribed form to the ADA/ADM</u>

¹ For the avoidance of doubt, this fee is only applicable to the provision of bank account information for an existing securities account. It does not apply to the provision of bank account information upon (1) opening of a new securities account or (2) updating bank account information previously provided to the Depository.

[End]