

## PARTICIPATING ORGANISATIONS' CIRCULAR

Date : 29 May 2017

No : R/R 5 of 2017

### AMENDMENTS CONSEQUENTIAL TO THE COMPANIES ACT 2016 ("CA 2016")

1. AMENDMENTS TO THE RULES OF BURSA MALAYSIA SECURITIES BERHAD ("RULES OF BURSA SECURITIES");
2. AMENDMENTS TO DIRECTIVE NO. 3-001 (DIRECTIVES ON APPLICATIONS TO THE EXCHANGE AND FEES PURSUANT TO CHAPTER 3 OF THE RULES) AND DIRECTIVE NO. 4-001 (DIRECTIVES ON MARKET MAKING AND SPECIFIED SECURITIES) ("DIRECTIVES"); AND
3. AMENDMENTS TO BEST PRACTICE NO. 7.16-001 (BEST PRACTICES IN THE ISLAMIC STOCKBROKING SERVICES UNDERTAKEN BY PARTICIPATING ORGANISATIONS), BEST PRACTICE NO. 8.16-001 (DIRECT MARKET ACCESS HANDBOOK) AND BEST PRACTICE NO. 3.39(2)-001 (RECOMMENDATIONS ON COMPLIANCE REPORTING) ("BEST PRACTICES").

### 1. INTRODUCTION

- 1.1 In view of the CA 2016 coming into force and replacing the Companies Act 1965, Bursa Malaysia Securities Berhad has amended the Rules of Bursa Securities, Directives and Best Practices to take into account CA 2016.
- 1.2 The consequential amendments are detailed in paragraphs 2 and 3 below.

### 2. AMENDMENTS TO THE RULES OF BURSA SECURITIES

- 2.1 The salient amendments to the Rules of Bursa Securities are as follows:
  - (a) replacing references to "Companies Act 1965" with "Companies Act 2016";
  - (b) clarifying that the admission criteria for a Participating Organisation which requires an applicant to have as one of its objects, the carrying on of the business of dealing in securities, only applies if the applicant has a constitution which states the objects of the company;
  - (c) replacing references to "memorandum and articles of association" with "constitution"; and
  - (d) updating any cross references to the sections under the Companies Act 1965 with the new sections under the CA 2016.
- 2.2 The amendments to the Rules of Bursa Securities are set out in **Annexure 1**.

### 3. AMENDMENTS TO THE DIRECTIVES AND BEST PRACTICES

3.1 The salient amendments to the Directives and Best Practices are as follows:

- (a) replacing references to “memorandum and articles of association” with “constitution”;
- (b) updating the application form for registration as Market Makers in Appendix 2 of Directive 4-001, including deleting references to “Authorised Capital” and replacing the references to Forms 9, 49, 13, 24 and 44 under the Companies Act 1965 with the equivalent forms under the CA 2016;
- (c) removing the recommendation in relation to the memorandum and articles of association of an Islamic Participating Organisation in Best Practice No. 7.16-001;
- (d) updating Best Practice 3.39(2)-001 on compliance reporting by replacing the references to Forms 9, 24 and 44 under the Companies Act 1965 with the equivalent forms under the CA 2016; and
- (e) replacing references to the “Certificate of Incorporation” with the “notice of registration” in the DMA Handbook under Best Practice 8.16-001.

3.2 The amendments to the Directives and Best Practices are set out in **Annexure 2**.

### 4. EFFECTIVE DATE

The amendments to the Rules of Bursa Securities, Directives and Best Practices as set out in paragraphs 2 and 3 take effect immediately.

### 5. CONTACT PERSON

In the event of any queries in relation to this circular, please contact the following person:

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## Regulation