

ANNEXURE A

RULES OF BURSA MALAYSIA DEPOSITORY SENDIRIAN BERHAD

PROPOSED RULE AMENDMENTS IN RELATION TO CDS eSERVICES (RELEASE 2) & OTHER AMENDMENTS

RULE	EXISTING PROVISIONS	RULE	AMENDED PROVISIONS	RATIONALE
Rule 1.01	New Definition	Rule 1.01	<p><b>Definition:</b></p> <p><u>“Central Depository System Electronic Services” or “CDS eServices” means the internet-based facility made available to the depositors by the Depository to facilitate its various services, such as opening, re-activating of securities accounts, accessing the depositors’ securities account information or conducting specified transactions electronically.</u></p>	This definition is included as it is referred to in the amended rules and to clarify that the services are specifically only those that are offered and made available via CDS eServices.
Rule 1.01	“Data and Information” in relation to ESA means the data and information as set out in the agreement between the Depository and the issuer or offeror in relation to all applications made via ESA which have been successfully balloted at the first or main ballot;	Rule 1.01	<del>“Data and Information” in relation to ESA means the data and information as set out in the agreement between the Depository and the issuer or offeror in relation to all applications made via ESA which have been successfully balloted at the first or main ballot;</del>	This definition is deleted as it is not used in the rules following the proposed amendments in Rule 20.03A, Rule 20.04, 20.07 and Rule 30.01A.
Rule 1.01	“ESA” means the electronic share application system whereby depositors may apply for securities which have been prescribed by the Stock Exchange under section 37 of the Act to be deposited with the Depository via the use of Automated	Rule 1.01	<del>“ESA” means the electronic share application system whereby depositors may apply for securities which have been prescribed by the Stock Exchange under section 37 of the Act to be deposited with the Depository via the use of Automated</del>	This definition is deleted as it is not used in the rules following the proposed amendments relating to electronic share applications.

	Teller Machines of banks and financial institutions participating in the system without having to complete any paper application forms or documents or to provide documentary proof of payment with any such applications;		<del>Teller Machines of banks and financial institutions participating in the system without having to complete any paper application forms or documents or to provide documentary proof of payment with any such applications;</del>	
<b>Rule 1.01</b>	“ESA applicant” means a depositor who applies for securities through the use of ESA;	<b>Rule 1.01</b>	<del>“ESA applicant” means a depositor who applies for securities through the use of ESA;</del>	This definition is deleted as it is not used in the rules following the proposed amendments relating to electronic share applications.
<b>Rule 1.01</b>	“ESA application” means an application for securities made through the use of ESA;	<b>Rule 1.01</b>	<del>“ESA application” means an application for securities made through the use of ESA;</del>	This definition is deleted as it is not used in the rules following the proposed amendments relating to electronic share applications.
<b>Rule 5.02</b>	<b>Processing period:</b>  An application to open a securities account shall be processed by the authorised depository agent within two market days from the date of application.	<b>Rule 5.02</b>	<b>Processing period:</b>  <del>An application to open a securities account shall be processed by the authorised depository agent</del> <u>must process an application to open a securities account</u> within two market days from the date of <u>receipt of the complete application and the relevant supporting documents.</u>	Rule 5.02 is amended to specify when the two market days for processing starts to run, i.e. from the date of receipt of the completed application and relevant supporting documents regardless of the manner in which the application is submitted.
<b>Rule 5.02A</b>	<b>Opening of securities accounts:</b>  (1) Every authorised depository agent must require any person who intends to open a securities account or formalise a securities account that has been opened by the Depository under a public offer (“applicant”) to submit to it, the duly completed prescribed application form together with the relevant supporting documents.	<b>Rule 5.02A</b>	<b>Opening of securities accounts:</b>  (1) <del>Every</del> <u>An</u> authorised depository agent must require any person who intends to open a securities account or formalise a securities account that has been opened by the Depository under a public offer ( <del>“applicant”</del> ) to submit to it, the duly completed prescribed application form together with the relevant supporting documents <u>unless</u>	Rule 5.02A(1) is amended to reflect the ADA’s obligation to require the applicant to submit a duly completed form with the supporting documents in opening a securities account does not apply to an application submitted via CDS eServices.  Operationally, under CDS eServices the system will require that the applicant complete all the mandatory fields to apply to open a securities account, e.g. name, IC,

	<p>(2) In relation to processing an application to open a securities account or formalise a securities account that has been opened by the Depository under a public offer, an authorised depository agent must comply with the procedures prescribed by the Depository to verify the applicant's identity and the authenticity of the application.</p> <p>(3) Deleted</p> <p>(4) The authorised depository agent shall be liable for and shall indemnify and hold indemnified the Depository against any loss, damage, cost, expense, liability or claim suffered or incurred by the Depository, whether directly or otherwise arising from or in connection with:</p> <p>(a) a breach of Rule 5.02A(2); or</p> <p>(b) any wilful act, omission, neglect, fraud or error on the part of any third party relied on to verify the applicant's identity and the authenticity of the application.</p>		<p><u>such application is submitted to it via CDS eServices.</u></p> <p>(2) <del>In relation to processing an application to open a securities account or formalise a securities account that has been opened by the Depository under a public offer,</del> An authorised depository agent must <del>comply with the procedures prescribed by the Depository to</del> verify the applicant's identity and the authenticity of the application <u>in the manner prescribed by the Depository when processing an application to open a securities account that it received in hard copy or via CDS eServices.</u></p> <p>(3) No change.</p> <p>(4) No change.</p>	<p>correspondence address, mobile no, bank account no, and e-mail address, as well as to submit the relevant supporting documents. Where there is an incomplete mandatory field or no supporting documents attached, the applicant cannot proceed with submission of the application. The automation within the CDS eServices will render the ADA's obligation under the current Rule 5.02A(1) redundant.</p> <p>Rule 5.02A(1) must be maintained to manage all other applications to open a securities account that is submitted directly to the ADA.</p> <p>Rule 5.02A (2) is amended in line with the principle-based approach of the rules and have the prescriptive requirements in the Procedures Manual and to provide clarity that the verification of the applicant's identity and the authenticity of applications by the ADA is required in respect of both applications submitted in hard copy or via CDS eServices. This will also enable BMDepo to specify the methods of verification by the ADAs that will be acceptable. At present, the Procedures Manual makes reference to Bursa Malaysia Securities Berhad's Directive 5-001 (Directives on Conduct of Business) when the applicant does not appear in person to open a CDS account (non face-to-face).</p>
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	(5) In the event of any wilful act, omission, neglect, fraud or error on the part of any third party referred to in Rule 5.02A(4)(b), the authorised depository agent shall be deemed to have committed a breach of the provision of this Rule as if the wilful act, omission, neglect, fraud or error had been committed by the authorised depository agent and be subject to the powers of the Depository pursuant to Rule 39.02.		(5) No change.	
<b>Rule 5.09</b>	<p><b>Dormant account:</b></p> <p>(1) <b>Reactivation:</b> Every authorised depository agent shall 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 prescribed form together with the relevant supporting documents as may be determined by the Depository.</p> <p>(2) <b>Processing period:</b> An application to reactivate a dormant account shall be processed by the authorised depository agent within two market days from the date of application.</p> <p>(3) <b>Prohibition:</b> No authorised depository agent unless otherwise directed by the Depository, in consultation with the</p>	<b>Rule 5.09</b>	<p><b>Dormant account:</b></p> <p>(1) <b>Reactivation:</b> <del>Every</del> <u>An</u> authorised depository agent <del>shall</del> <u>must</u> 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 <del>prescribed form together with the relevant supporting documents as may be determined</del> <u>prescribed</u> by the Depository.</p> <p>(2) <b>Processing period:</b> An <del>application to reactivate a dormant account shall be processed by the</del> authorised depository agent <u>must process an application to reactivate a dormant account</u> within two market days from the date of <u>receipt of the hard copy of the complete</u> application.</p> <p>(3) <b>No change.</b></p>	<p>One of the initiatives under CDS eServices is to enable the depositor who has registered for CDS eServices to apply to reactivate his/her dormant account via CDS eServices, without the need to go through the ADA. While the ADA's obligation under Rule 5.09(1) remains for applications made by walk-in depositors (i.e. require a completed form to be submitted), applications made through CDS eServices will be processed directly by the Depository upon the application being submitted through the CDS eServices and rendering the ADA's obligation under current Rule 5.09(1) inapplicable.</p> <p>Rule 5.09(1) is amended to reflect that no supporting documents are needed for applications to reactivate an inactive account.</p> <p>Rule 5.09(2) is amended to specify when the two market days for processing starts to run, i.e. from the date of receipt of the</p>

	<p>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) <b>Interpretation:</b> Dormant account shall have the same meaning as defined under Rule 26.10.</p>			<p>complete application if the reactivation applications are made in hard copy.</p>
<b>Rule 5.10</b>	<p><b>Inactive account:</b></p> <p>(1) <b>Reactivation:</b> Every authorised depository agent shall require any depositor who intends to reactivate an inactive account to submit to it the duly completed prescribed form together with the relevant supporting documents as may be determined by the Depository.</p> <p>(2) <b>Processing period:</b> An application to reactivate an inactive account shall be processed by the authorised depository agent within two market days from the date of application.</p> <p>(3) <b>Prohibition:</b> 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>	<b>Rule 5.10</b>	<p><b>Inactive account:</b></p> <p>(1) <b>Reactivation:</b> <del>Every</del><u>An</u> authorised depository agent <del>shall</del><u>must</u> require any depositor who intends to reactivate an inactive account to submit to it the duly completed <del>prescribed</del><u>prescribed</u> <del>form together with the relevant supporting documents as may be determined</del><u>prescribed</u> by the Depository.</p> <p>(2) <b>Processing period:</b> An <del>application to reactivate an inactive account shall be processed by the</del> authorised depository agent <u>must process an application to reactivate an inactive account</u> within two market days from the date of <u>receipt of the hard copy of the complete</u> application.</p> <p>(3) <b>No change.</b></p>	<p>The rationale for the changes made to Rule 5.09(1) and (2) (on reactivating a dormant account) similarly applies to proposed changes to Rule 5.10(1) and (2) in relation to reactivating an inactive account.</p>

	(4) <b>Interpretation:</b> Inactive account shall have the same meaning as defined under Rule 26.11.		(4) <b>No change.</b>	
<b>Rule 20.01</b>	<b>Section 37 of the Act:</b>  This chapter shall apply to all securities proposed to be listed for quotation on the official list of the Stock Exchange which have been prescribed by the Stock Exchange under section 37 of the Act to be deposited with the Depository (in this chapter hereinafter referred to as “the said securities”).	<b>Rule 20.01</b>	<b>No change.</b>	There are no changes to this rule and it is included in this table for completeness and as reference to ‘said securities’ is made in existing rules that are being amended.
<b>Rule 20.02</b>	<b>Procedures for handling of applications for the said securities:</b>  (1) <b>Applications:</b> Any application other than an application through the use of ESA, made by a person for any of the said securities shall be made in the form prescribed by the issuer. The issuer or offeror must ensure that the person’s securities account number has been correctly entered on the said form.  (1A) <b>ESA Application:</b> In respect of any ESA application, the issuer or offeror shall ensure that the applicant has an existing securities account and his securities account number is correctly submitted by him to the issuer or offeror.	<b>Rule 20.02</b>	<b>Procedures for handling of applications for the said securities:</b>  (1) <b>Applications:</b> Any application <del>other than an application through the use of ESA,</del> made by a person for any of the said securities shall be made in the form <u>or manner</u> prescribed by the issuer. The issuer or offeror must ensure that the person’s securities account number has been correctly <del>entered on the said forms</del> <u>submitted by the applicant.</u>  (1A) <del>Deleted.</del>	The amendments proposed to this rule is premised on the fact that BMDepo in processing and verifying the information of received from the issuer or offeror relating to the successful applicants (upon balloting) that is the same for both paper-form IPO share applications as well as electronic IPO share applications. In fact, a common list is submitted and no distinction is made as to the method of subscription.  It is also to be noted that at present, the electronic share IPO applications are done via automated teller machines as well as the websites of participating banks. Moving forward, CDS eServices will be another avenue for depositors to make IPO share applications. As mentioned, the procedures undertaken by BMDepo in its capacity as the central depository having CDS information for all 3 electronic methods as well as the paper-form applications would be the same in that BMDepo will ensure that the CDS

	(2) <b>Wrong securities account number:</b> An issuer or offeror, as the case may be, must reject any application if the securities account number has been wrongly submitted pursuant to Rule 20.02(1) or 20.02(1A).		(2) <b>Wrong securities account number:</b> An issuer or offeror, <del>as the case may be,</del> must reject any application if the securities account number has been wrongly submitted pursuant to Rule 20.02(1) <del>or 20.02(1A).</del>	account numbers submitted by the issuing house matches the NRIC number in the CDS.
<b>Rule 20.03 A</b>	<b>Data and Information:</b> In respect of ESA applications, upon the completion of balloting, the issuer or offerors shall provide to the Depository, the Data and Information for verification in accordance with the terms of the agreement between the issuer or offerors and the Depository (“the Agreement”).	<b>Rule 20.03 A</b>	<del>Deleted.</del>	This provision is deleted as the information provided to the issuing house is the same for applications made both using the form or through electronic means.
<b>Rule 20.04</b>	<b>Depository to process Allotment List:</b> (1) <b>Issuer to deliver:</b>  (a) The issuer or offeror, upon the completion of balloting of applications for the said securities, shall provide a record to the Depository containing, inter alia, information pertaining to the successful allottees referred to in Rule 20.06 (hereinafter in this chapter referred to as “the Allotment List”); and  (b) where the balloting of applications for the said securities includes ESA applications, the record provided to the Depository pursuant to Rule 20.04(1)(a) shall contain the Data and Information as verified	<b>Rule 20.04</b>	<b>Depository to process Allotment List:</b> (1) <b>Issuer to deliver:</b>  <del>(a)</del> —The issuer or offeror, upon the completion of balloting of applications for the said securities, shall provide a record to the Depository containing, inter alia, information pertaining to the successful allottees referred to in Rule 20.06 (hereinafter in this chapter referred to as “the Allotment List”); <del>and</del>  <del>(b)</del> — <del>where the balloting of applications for the said securities includes ESA applications, the record provided to the Depository pursuant to Rule 20.04(1)(a) shall contain the Data and Information as verified</del>	Rule 20.04(1)(b) is deleted as the information provided to BMDepo by the issuer or offeror is the same for applications made both using the form or through electronic means. As mentioned above, a single list is in fact submitted to BMDepo.

	<p>pursuant to Rule 20.03A and any other information in accordance with the terms of the Agreement.</p> <p>(2) <b>Depository to process:</b> The Depository shall within three market days upon receipt of the Allotment List pursuant to Rule 20.04(1), verify the Allotment List and notify the issuer or offeror of the results thereof.</p>		<p><del>pursuant to Rule 20.03A and any other information in accordance with the terms of the Agreement.</del></p> <p>(2) <b>No change.</b></p>	
<p><b>Rule 20.05</b></p>	<p><b>Verification by the computer system:</b></p> <p>For the purposes of verification pursuant to Rule 20.04(2), the Depository shall provide the issuer or offeror, as the case may be, information which include, <i>inter alia</i> -</p> <p>(a) a list of applicants, who are existing depositors, but have been rejected by the computer system by reason that their securities account numbers do not tally with their respective national registration identity card or in the case of companies, their respective certificates of incorporation numbers;</p> <p>(b) in the case of applications other than ESA applications, a list of applicants who may become new depositors by reasons that the computer system has successfully conducted preliminary checks for the opening of new accounts for such applicants; and</p>	<p><b>Rule 20.05</b></p>	<p><b>Verification by the computer system:</b></p> <p>For the purposes of verification pursuant to Rule 20.04(2), the Depository shall provide the issuer or offeror, <del>as the case may be,</del> information which include, <i>inter alia</i> -</p> <p>(a) a list of applicants, whose <u>applications</u> <del>are existing depositors, but</del> have been rejected by the computer system by reason that their securities account numbers do not tally with their respective national registration identity card or in the case of companies, their respective certificates of incorporation numbers;</p> <p>(b) <u>Deleted</u></p>	<p>Rule 20.05(b) and (c) are deleted as these provisions are premised on the fact that non-depositors (i.e. do not have CDS accounts) may apply for IPO shares. However, the practice of allowing non-depositors to subscribe to IPO shares has stopped. Any applications for IPO shares must include the CDS account number of the applicant failing which the same will be rejected.</p>



	(c) in the case of applications other than ESA applications, a list of applicants, who claimed to be new depositors, but which the computer system has discovered are already existing depositors together with their existing securities account numbers.		(c) <del>Deleted.</del>	
<b>Rule 20.06</b>	<p><b>Allotment List:</b></p> <p>The issuer or offeror must, for the purpose of allotment of deposited securities pursuant to this chapter, ensure that the Allotment List provided to the Depository contains, inter alia-</p> <p>(a) their names, race, nationality, national registration identity card numbers (or in the case of companies, the company registration numbers);</p> <p>(b) the number of shares allotted to each of them; and</p> <p>(c) their securities account numbers.</p>	<b>Rule 20.06</b>	No change.	There are no changes to this provision and it is included in this table for completeness only.
<b>Rule 20.07</b>	<p><b>Finalisation of successful applicants:</b></p> <p>Upon completion of the verification of Data and Information pursuant to Rule 20.05, the issuer or offeror shall provide to the Depository a final record of the successful allottees together with the scripts (in such denomination as may be specified by the Depository) duly registered in the name of Bursa Malaysia Depository Nominees Sdn.</p>	<b>Rule 20.07</b>	<p><b>Finalisation of successful applicants:</b></p> <p>(1) Upon completion of the verification of <del>Data and Information of the Allotment List</del> pursuant to Rule 20.05, the issuer or offeror <del>shall</del> <b>must</b> provide to the Depository a final record of the successful allottees together with the scripts (in such denomination as may be specified by the Depository) duly</p>	This rule is amended to reflect the position that the verification done by the BMDepo is not premised or dependent on any agreement signed with the issuer or offeror but instead undertaken as part of the BMDepo's role as custodian of deposited securities and having access to the CDS account numbers of the depositors.

	Bhd. For the purposes of Rule 20.07, the final record submitted to the Depository shall be deemed to be the final record of successful allottees where information pertaining to the successful allottees referred to in Rule 20.06 are not rejected by the computer system pursuant to Rule 20.05.		registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd.  (2) For the purposes of Rule 20.07, the final record submitted to the Depository shall be deemed to be the final record of successful allottees where information pertaining to the successful allottees referred to in Rule 20.06 are not rejected by the computer system pursuant to Rule 20.05.	
<b>Rule 20.08</b>	<b>Opening of accounts:</b>  Upon the receipt of the final record of successful applicants the Depository shall simultaneously allocate new account numbers for the successful new depositors and notify them to contact their preferred authorised depository agent to open their accounts in such manner as may be required under these Rules.	<b>Rule 20.08</b>	<del>Deleted.</del>	This provision is deleted as it is no longer the practice of allowing non-depositors to apply for IPO shares and thereafter formalising the account opening. However, BMDepo remains facilitative to enable existing successful applicants who have yet to formalise the account opening to do the same.
<b>Rule 20.10</b>	<b>Notice:</b>  (1) <b>Notice:</b> The issuer or offeror, as the case may be, shall send to each successful applicant, a notice confirming that he has been successful in his application and advise him that his securities account has been credited with the number of shares allotted or allocated to him.	<b>Rule 20.10</b>	<b>Notice:</b>  (1) <b>Notice:</b> The issuer or offeror, <del>as the case may be, shall</del> <b>must</b> send to each successful applicant, a notice confirming that he has been successful in his application and <del>that advise him that</del> his securities account has been credited with the number of shares allotted <del>or allocated</del> to him.  <u>(1A) The notice must be sent to the applicant's address as provided by the Depository.</u>	The issuer's or offeror's general obligation to notify the applicant of his successful application is the same regardless of the manner in which the applicant has applied for the IPO, i.e. physical forms or through ESA. In this connection, Rule 20.10(2) is deleted as the issuer's or offeror's obligation is already provided for in Rule 20.10(1).  We have extended the obligation of the issuer or offeror to send the notice to the successful applicants to the address provided by BMDepo's records in the new

	(2) <b>Notice to ESA applicant:</b> In the case of successful applications, the issuer or offeror, as the case may be, shall send the notice described in Rule 20.10(1) to the address of the successful applicant as provided by the Depository which shall be in accordance with the address entered into the computer system of the Depository.		(2) <del>Deleted.</del>	Rule 20.10(1A) to all instead of just the ESA applicants for consistency.
<b>Rule 25.01</b>	<p><b>Application to be a depositor:</b></p> <p>(1) Application: Any person who intends to open a securities account or formalise a securities account that has been opened by the Depository under a public offer must:</p> <p>(a) be eligible to be a depositor pursuant to Rule 25.02; and</p> <p>(b) submit the duly completed prescribed application form together with the relevant supporting documents to the authorised depository agent.</p> <p>(1A) Where a person intends to open a securities account or formalise a securities account opened by the Depository under a public offer, the person must comply with the</p>	<b>Rule 25.01</b>	<p><b>Application to be a depositor:</b></p> <p>(1) Application: Any person who intends to open a securities account or formalise a securities account that has been opened by the Depository under a public offer must:</p> <p>(a) be eligible to be a depositor pursuant to Rule 25.02; and</p> <p>(b) submit the duly completed prescribed application form together with the relevant supporting documents to the authorised depository agent; <del>or</del></p> <p><u>(c) submit an application to open a securities account via CDS eServices in the manner prescribed by the Depository.</u></p> <p>(1A) No change.</p>	<p>Under the current process to open a securities account, the applicant will submit the form directly to the ADA, whether in person or non-face-to-face.</p> <p>Moving forward, CDS eServices will allow the applicant to apply to open a securities account through the CDS eServices, i.e. directly to the Depository. However, the processing of applications submitted via CDS eServices will be done by the ADA whereby the ADA will be able to access applications (and supporting documents received) that are stored with the Depository. From the applicant's perspective, the application made through the CDS eServices is not submitted to the ADA.</p> <p>Rule 25.01(1) is amended to facilitate both the current process (which will be maintained) and CDS eServices by introducing Rule 25.01(1)(c) to specifically cater for applications which may be made via CDS eServices.</p>

	<p>authorised depository agent's requirements relating to verification referred to in Rule 5.02A(2).</p> <p>(2) No obligation: The Depository or the authorised depository agent is under no obligation and may refuse to open a securities account for any person who has not duly completed or executed the appropriate prescribed application form or has not submitted the relevant documents required in relation to the opening of such account.</p>		<p>(2) No change.</p>	
<b>Rule 25.05</b>	<b>Change of particulars:</b>	<b>Rule 25.05</b>	<b>Change of particulars:</b>	
	<p>It shall be the responsibility of a depositor to notify the authorised depository agent 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>(e) where in the case of a company, the shareholding, if the shareholding</p>		<p>It shall be the responsibility of a depositor to notify the <del>authorised depository agent</del> <u>Depository, in the manner prescribed,</u> of any change of particulars or information provided to the Depository including, inter alia-</p> <p>(a) No change.</p> <p>(b) No change.</p> <p>(c) No change.</p> <p>(d) No change.</p> <p>(e) No change.</p>	<p>The intention behind this provision is to require the depositor to update their information, so that the BMDepo has a record of the same in the central depository system.</p> <p>At present, the depositors are required to update any changes via a form that is used and submit the same to the ADA (i.e. to notify the ADAs). The ADA, who is the agent of the depository and has access to the CDS, will then update the depositor's information on the CDS.</p> <p>Moving forward, the depositor changing or updating their particulars will be able to do so directly on the CDS eServices, i.e. to BMDepo. Operationally, the ADA will still be notified of such changes through an end-of-the-day report auto-generated by the CDS.</p>

	<p>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>(f) No change.</p> <p>(g) No change.</p>	<p>This amendment is made to reflect that the notification of change of particulars is to BMDepo.</p>
<p><b>Rule 25.05 A</b></p>	<p><b>Depositors' Information:</b></p> <p>(1) <b>Information:</b> 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) <b>Accuracy:</b> 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) <b>Reliance:</b> 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</p>	<p><b>Rule 25.05 A</b></p>	<p>No change.</p>	<p>There are no amendments to this rule and it is included for completeness only.</p>

	with any inaccuracy of information provided by the depositor.			
<b>Rule 26.09</b>	<p><b>Balance enquiry:</b></p> <p>(1) <b>Depositor may request enquiry:</b> A depositor may at any time or from time to time make an enquiry into the balance status of the depositor's securities account. An application for a balance enquiry shall be made in the prescribed form in the Procedures Manual.</p> <p>(2) <b>Authorisation and revocation by depositor:</b> For the purposes of this Rule, a depositor may -</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 prescribed form in the Procedures Manual.</p>	<b>Rule 26.09</b>	<p><b><u>Available Balance-enquiry:</u></b></p> <p>(1) <b>Depositor may <del>request enquiry</del> <u>check the available balance amount:</u></b> A depositor may at any time <del>or from time to time check the available</del> <u>make an enquiry into the balance status amount of securities in</u> the depositor's securities account <del>in the manner. An application for a balance enquiry shall be made in the</del> <u>prescribed form in the Procedures Manual</u> <del>by the Depository.</del></p> <p>(2) No change.</p>	<p>The present rule framework contemplates a depositor requesting for his/her CDS balances via the ADA. The proposal to view CDS Account balances via the CDS eServices would be an alternative way for the depositor to obtain the CDS account balance.</p> <p>This amendment is to clarify the relevant provision and to simplify the same so it is more principled base.</p>
<b>Rule 26.10</b>	<p><b>Dormant Account</b></p> <p>(1) <b>Interpretation:</b> A securities account is termed a dormant account where</p>	<b>Rule 26.10</b>	<p><b>Dormant Account</b></p> <p>(1) No change.</p>	<p>Rule 26.10(5) requires any person requesting to reactivate his/her dormant CDS account to submit to the ADA a completed prescribed form together with the relevant supporting documents.</p>

	<p>(a) there are no deposited securities in the depositor’s securities account (hereinafter referred to in this Rule as ‘Nil balance’); and</p> <p>(b) there have not been any debit or credit entries in the depositor’s securities account for thirty six (36) months from the date of Nil balance (hereinafter referred to as “the said period”).</p> <p>(2) <b>Designation of a securities account as a dormant account:</b> All dormant accounts shall be designated as such by the Depository on or after the said period.</p> <p>(3) <b>Deleted</b></p> <p>(4) <b>Prohibition:</b> Upon the designation of a dormant account as such, the depositor shall be prohibited, unless otherwise directed by the Depository, in consultation with the Commission, from performing and/or discharging any of the depositor’s transactions specified under Rule 25.04(2) which requires debit or credit entries to be effected by the Depository in the dormant account. This prohibition does not apply to a subscription to a public offer or participation in a corporate action so long as the dormant account has not been closed at the point of the crediting of the securities in relation to the public offer or corporate action.</p>		<p>(2) No change.</p> <p>(3) No change.</p> <p>(4) No change.</p>	<p>In the CDS eServices, the reactivation of dormant account is done instantaneously upon the prescribed fees being paid online. A notification will be sent to the relevant ADA of the reactivation. In this regard, submission of the request to activate a dormant account is done to BMDepo. Effectively, the ADAs are not involved in the reactivation process and are merely informed upon the reactivation.</p> <p>The amendments made to Rules 26.10(5) is to generalise the provision so as to cater for reactivation in the current manner (i.e. through submission of form and reactivation by the ADAs) and reactivation through the CDS eServices by the Depository. Additionally, Rule 26.10(5) is also amended to remove references to submission of supporting documents as the same is not required.</p> <p>Rule 26.10(6) is amended to specify when the two market days for processing starts to run, i.e. from the date of receipt of the completed application regardless of the manner in which the application is submitted.</p>
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	<p>(5) <b>Reactivation:</b> Every depositor who intends to reactivate a dormant account that has not been closed pursuant to Rule 26.06A(2) shall submit to the authorised depository agent the duly completed prescribed form together with the relevant supporting documents as may be determined by the Depository.</p> <p>(6) <b>Processing period:</b> An application to reactivate a dormant account shall be processed by the Depository within two market days from the date of application.</p>		<p>(5) <b>Reactivation:</b> <del>Every</del><sup>A</sup> depositor who intends to reactivate a dormant account that has not been closed pursuant to Rule 26.06A(2) <del>shall submit</del><sup>must apply</sup> to the authorised depository agent <del>or the Depository the duly completed prescribed form together with the relevant supporting documents as may be determined in the manner prescribed</del> by the Depository.</p> <p>(6) <b>Processing period:</b> An application to reactivate a dormant account shall be processed by the <u>authorised depository agent or the</u> Depository within two market days from the date of <u>receipt of the complete</u> application.</p>	
<p><b>Rule 26.11</b></p>	<p><b>Inactive Account</b></p> <p>(1) <b>Interpretation:</b> A securities account is termed an inactive account where</p> <p>(a) there are deposited securities in the depositor’s securities account;</p> <p>(b) there have not been any debit or credit entries in the depositor’s securities account for thirty six (36) months from the date of the last entry made in the securities account (hereinafter referred to as “the said period”); and</p>	<p><b>Rule 26.11</b></p>	<p><b>Inactive Account</b></p> <p>(1) No change.</p>	<p>The rationale for the changes made to Rule 26.10(5) and (6) (on reactivating a dormant account) similarly applies to proposed changes to Rule 26.11(5) and (6) in relation to reactivating an inactive account.</p>



	<p>(c) there has been no suspension placed on the securities account on the expiry date of the said period.</p> <p>(2) <b>Designation of a securities account as an inactive account:</b> All inactive accounts shall be designated as such by the Depository on or after the said period.</p> <p>(3) <b>Notice:</b> One month prior to the above designation, the Depository shall, issue a notice to the depositor to inform the depositor of the same.</p> <p>(4) <b>Prohibition:</b> Upon the designation of an inactive account as such, the depositor shall be prohibited, unless otherwise directed by the Depository, in consultation with the Commission, from performing and/or discharging any depositor's transactions specified under Rule 25.04(2) which requires debit entries to be effected by the Depository in the inactive account.</p> <p>(5) <b>Reactivation:</b> Every depositor who intends to reactivate an inactive account shall submit to the authorised depository agent the duly completed prescribed form together with the relevant supporting documents as may be determined by the Depository.</p> <p>(6) <b>Processing period:</b> An application to reactivate an inactive account shall be</p>		<p>(2) No change.</p> <p>(3) No change.</p> <p>(4) No change.</p> <p>(5) <b>Reactivation:</b> <del>Every</del><sup>A</sup> depositor who intends to reactivate an inactive account <del>shall submit</del> <u>must apply</u> to the authorised depository agent <u>or the Depository</u> <del>the duly completed prescribed form together with the relevant supporting documents as may be determined</del> <u>in the manner prescribed</u> by the Depository.</p> <p>(6) <b>Processing period:</b> An application to reactivate an inactive account shall be</p>	
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	<p>processed by the Depository within two market days from the date of application.</p> <p>(7) <b>Designation from inactive account to dormant account:</b> Where a debit entry directed by the Depository under Rule 26.11(4) results in a nil balance in the securities account and no debit or credit entries have been made in the securities account for thirty six (36) months from the date of nil balance, the account shall be designated as dormant account and all provisions in the Rules relating to dormant account shall apply accordingly.</p>		<p>processed by the <u>authorised depository agent or the</u> Depository within two market days from the date of <u>receipt of the complete</u> application.</p> <p>(7) No change.</p>	
<b>Rule 30.01</b>	<p><b>Application:</b></p> <p>Any application made by an applicant for any prescribed securities issued pursuant to a public offer shall be made in the manner prescribed by the issuer in the relevant prospectus.</p>	<b>Rule 30.01</b>	<p><b>Application:</b></p> <p><del>Any application made by a</del>n applicant for any prescribed securities issued pursuant to a public offer <del>shall</del><u>must be a depository and such application must</u> be made in the <u>form or</u> manner prescribed by the issuer in the relevant prospectus.</p>	<p>This amendment is made for consistency with the proposed amendments in Rule 20.02 where an application for IPO shares are to be made in '<i>the form or manner prescribed by the issuer.</i>' Additionally, this provision is amended to specify the current practice that only depositors (i.e. having existing securities account) may apply for IPO shares.</p>
<b>Rule 30.01 A</b>	<p><b>Disclaimer of liabilities in respect of ESA:</b></p> <p>The Depository shall not be liable for any loss, damage, cost, expense, liability or claim which may be suffered or incurred by an ESA applicant in respect of or arising from its release to the issuer or offeror of any information relating to the ESA</p>	<b>Rule 30.01 A</b>	<del>Deleted.</del>	<p>This provision is deleted as the process or procedures concerning electronic share applications by the Depository as the central depository is no different than that of conventional (paper form) IPO share applications. In any event, the general disclaimer of liability provision in Rule 38.06 will apply.</p>

	<p>applicant consequent to the processing of the Data and Information unless:</p> <p>(a) the information provided to the issuer was not in accordance with the information in the computer system of the Depository; or</p> <p>(b) the information in the computer system is not updated in accordance with the information furnished to the Depository by the ESA applicant in the prescribed form for updating of the securities account particulars.</p>			
<b>Rule 30.02</b>	<p><b>Existing depositor:</b></p> <p>Where the applicant already has a securities account (hereinafter in Rule 30.02, the applicant is referred as “the existing depositor”) and is successfully allocated or allotted any securities pursuant to the public offer, the Depository shall, upon receipt of such allotted securities in accordance with these Rules, credit such securities to his securities account provided always that the existing depositor has correctly furnished his securities account number in the manner prescribed by the issuer.</p>	<b>Rule 30.02</b>	<p><del>Existing depositor</del><u>Allotment in a public offer:</u></p> <p>Where <u>an applicant</u> <del>the applicant already has a securities account (hereinafter in Rule 30.02, the applicant is referred as “the existing depositor”) and</del> is successfully allocated or allotted any securities pursuant to the public offer, the Depository shall, upon receipt of such allotted securities in accordance with these Rules, credit such securities to his securities account provided always that the <del>existing depositor</del> <u>applicant</u> has correctly furnished his securities account number in the manner prescribed by the issuer.</p>	This rule is amended to reflect that all successful IPO share applicants would in fact be depositors.
<b>Rule 30.03</b>	<p><b>New depositors:</b></p> <p>(1) <b>Preferred authorised depository agent:</b> Where the applicant does not yet have a securities account (hereinafter in this Rule, the applicant</p>	<b>Rule 30.03</b>	<del>Deleted.</del>	As mentioned in the rationale for the amendments to Rule 20.05 and Rule 20.08, the practice of allowing non-depositors to apply for IPO shares and thereafter formalising the account opening has stopped. Accordingly, this provision is

	<p>is referred as “the new depositor”), he is to indicate on the prescribed application form the authorised depository agent of his choice through which he is to open his securities account to enable the Depository to credit his allotted securities in the event that he is successful in his application.</p> <p>(2) <b>Opening of account:</b> Pursuant to Rule 30.03(1) the new depositor is required to formalise the opening of his securities account by completing and executing the necessary application form and submitting the relevant documents to his preferred authorised depository agent. No new depositor shall be allowed to sell, transfer or withdraw any of the allotted securities before undergoing these necessary formalities otherwise. A fee as may be prescribed under Part VI shall be levied on the new depositor for the opening of the account.</p>			<p>removed as it is no longer relevant and does not apply. A new provision will be introduced (Rule 30.07) to cater for investors who have yet to formalise their accounts.</p>
<p><b>Rule 30.04</b></p>	<p><b>Notice:</b></p> <p>(1) <b>Notice:</b> The issuer or offeror, as the case may be, shall send to each successful applicant a notice confirming that he has been successful in his application and that his allotted securities have been credited into his securities account.</p>	<p><b>Rule 30.04</b></p>	<p><b>Notice:</b></p> <p>(1) <b>Notice:</b> The issuer or offeror, <del>as the case may be, shall</del> <b>must</b> send to each successful applicant, a notice confirming that he has been successful in his application and that his allotted securities have been credited into his securities account.</p>	<p>The rationale for the changes made to Rule 20.10 similarly applies to proposed changes to Rule 30.04.</p>

	<p>(2) <b>Notice to ESA applicant:</b> In the case of successful ESA applications, the issuer or offeror, as the case may be, shall send the notice described in Rule 30.04 to the address of the successful applicant as provided by the Depository which shall be in accordance with the address entered into the computer system of the Depository.</p>		<p><u>(1A) The notice will be sent to the applicant’s address as provided by the Depository to the issuer or offeror.</u></p> <p>(2) <u>Deleted.</u></p>	
	<p><b>New provision</b></p>	<p><u><b>Rule 30.07</b></u></p>	<p><u><b>Saving and transitional provision</b></u></p> <p><u>(1) This rule sets out the requirements that must be complied with by an applicant who had been successfully allotted with securities pursuant to a public offer but has yet to formalise the opening of a securities account with the Depository (hereinafter referred to as the “Unformalised Depositor”), prior to the deletion of Rule 30.03.</u></p> <p><u>(2) An Unformalised Depositor must formalise the opening of his securities account by completing the application form and submitting the relevant supporting documents to his preferred authorised depository agent within the time prescribed by the Depository.</u></p> <p><u>(3) An Unformalised Depositor is not allowed to sell, transfer or withdraw</u></p>	<p>This new provision sets out the obligations of the investors who have been successfully allotted securities previously but yet to formalise their securities account. This provision is modelled after the existing Rule 30.03 which will be deleted. Additionally, this new provision allows BMDepo to specify the appropriate time frame for investors to formalise their securities account.</p> <p>At present, BMDepo will not specify a fixed period and will only do so after engaging the relevant stakeholders and seeking their feedback.</p>

			<u>any of the allotted securities before formalising the opening of his securities account with the Depository.</u>	
<b>Rule 31.03</b>	<p>(1) A depositor must provide his bank account information to receive cash distributions from an issuer via direct credit into the depositor's bank account 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.</p> <p>(2) By complying with Rule 31.03(1), the depositor irrevocably consents to:</p> <p>(a) the receipt of all cash distributions that may accrue to the depositor in respect of the depositor's deposited securities via direct credit into the depositor's bank account; and</p> <p>(b) 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 distributions that may accrue to the depositor via direct credit into the depositor's bank account or for any other purpose in connection</p>	<b>Rule 31.03</b>	<p>(1) A depositor must provide his bank account information to receive cash distributions from an issuer via direct credit into the depositor's bank account by submitting, <del>through an authorised depository agent,</del> a duly completed prescribed form together with the relevant supporting documents in the manner prescribed by the Depository.</p> <p>(2) No change.</p>	<p>Moving forward with the CDS eServices, the depositor will have the alternative of registering to receive their cash distributions directly into their bank account, i.e. eDividends, directly on CDS eServices instead of going through the ADA.</p> <p>Rule 31.03(1) is amended to reflect this.</p>

	with the payment of cash distributions via direct credit into the depositor's bank account.			
<b>Rule 32.01</b>	<p><b>Issuance:</b></p> <p>(1) <b>Active accounts:</b> Except in the case of a depositor of a dormant account or an inactive account, the Depository shall issue free of charge to every depositor a statement of his securities account:</p> <p>(a) in the month following any debit or credit entries in the depositor's securities account; and</p> <p>(b) where there are deposited securities in the depositor's account but no debit or credit entry in the depositor's securities account since the date of issuance of the last statement, on a half-yearly basis in the months of June and December.</p> <p>(2) <b>Inactive accounts:</b> In the case of an inactive account, the Depository shall issue a yearly statement in the month of December, and where there is a debit or credit entry in the depositor's account, a statement in the month following such entry.</p>	<b>Rule 32.01</b>	<p><b>Issuance:</b></p> <p><u>Subject to Rule 32.04, the Depository will issue free of charge to every depositor a statement of his securities accounts in the following manner:</u></p> <p>(4a) <b>Active accounts:</b> <del>Except in the case of a depositor of a dormant account or an inactive account, the Depository shall issue free of charge to every depositor a statement of his securities account:</del></p> <p>(a) no change.</p> <p>(b) no change.</p> <p>(2b) <b>Inactive accounts:</b> <del>In the case of an inactive account, the Depository shall issue</del>a yearly statement in the month of December, and where there is a debit or credit entry in the depositor's <u>securities</u> account, a statement in the month following such entry.</p>	<p>This provision is amended in light of the insertion of the new Rule 32.04 which deals with the statement of accounts that are issued to the depositors who are registered with the CDS eServices. At present, the obligation to issue statement of accounts follows this provision and the frequency for the same is subject to the status of the securities account. Upon the launch of CDS eServices, it is important to clarify that the issuance for depositors who are registered with the CDS eServices will be under the new Rule 32.04 and no longer Rule 32.01. Additional amendments have also been made to this provision to simplify the drafting.</p>

	(3) <b>Dormant accounts:</b> In the case of a dormant account no statement of securities account will be issued to the depositor.		<del>(3c) Dormant accounts: In the case of a dormant account</del> no statement of securities accounts will be issued to the depositor.	
<b>Rule 32.02</b>	<p><b>Additional statements:</b></p> <p>Notwithstanding Rule 32.01, a depositor may, at any time, require the Depository to issue him a statement of account in respect of all or any of the deposited securities for the time being standing to the credit of his securities account. An application for such statement shall -</p> <p>(a) in the case of a principal account, be submitted to the Depository; or</p> <p>(b) in the case of a non-principal account, be submitted to</p> <p>the authorised depository agent through whom such securities account is maintained.</p>	<b>Rule 32.02</b>	No change.	There are no amendments to this rule and it is included for completeness only.
<b>Rule 32.03</b>	<p><b>Discrepancies:</b></p> <p>Any depositor who disputes any entry shown on his statement of account is to report the discrepancy to the Depository, whether directly or through his authorised depository agent within seven days from the date of receipt of the statement. In this context, the presumption as stated in Rule 25.06 shall not apply if it is established by the depositor that the delay, if any, is not due to his fault. The Depository shall in any</p>	<b>Rule 32.03</b>	No change.	There are no amendments to this rule and it is included for completeness only.



	event ensure that the statement of account is sent out promptly.			
	New Rule	Rule 32.04	<p><u>Rule 32.04 Statement of Accounts and Notices to Depositors on CDS eServices:</u></p> <p><u>(1) Access to Statement of Accounts and Notices to Depositors: Where any provision of these Rules requires the Depository to send or issue statement of accounts or notices to a depositor and such depositor has registered for CDS eServices, the Depository may do so in the following manner:</u></p> <p><u>(a) by placing the statement of accounts and notices in relation to the depositor's securities accounts (hereinafter referred to as "the Statements and Notices to Depositor") on the CDS eServices; and</u></p> <p><u>(b) by allowing the access and retrieval of such Statements and Notices to Depositor from the CDS eServices in accordance with the directions issued by the Depository.</u></p> <p><u>(2) Issuance:</u></p> <p><u>(a) For the purposes of this Rule, the Statements and Notices to Depositors are deemed sent or issued by the Depository to the</u></p>	<p>This provision is modelled after the existing Rule 2.11 and as mentioned above, governs the issuance of statement of account in respect of depositors who are registered with CDS eServices. This provision is inserted in view of the proposal to stop sending notices and statement of accounts to all CDS eServices users. The notices and statement of accounts will instead be made available for viewing and download on the CDS eServices.</p> <p>At present, there are 2 groups of depositors; those who have signed up for eServices and those who have not. The former receive their statement of accounts via email (in password protected PDF document) and the latter by hard copy. Moving forward, all depositors who have registered in CDS eServices will no longer receive the statement of accounts in email or hard copy, as the case may be. It will only be made available on the CDS eServices for viewing and downloading. Should the depositor terminate their registration in CDS eServices, BMDepo will revert to sending them via email or hard copy as the case may be (and the same would then come under Rule 32.01).</p> <p>BMDepo believes that it has fulfilled its obligation to notify and issue statement of accounts to its depositors under section 26 of Securities Industry (Central Depositories) Act 1991 by making it available on CDS</p>

			<p><u>Depositor when the same is placed on the CDS eServices and is capable of being retrieved by the depositor in accordance with the directions issued by the Depository.</u></p> <p><u>(b) where through no fault of the Depository, the Statements and Notices to the Depositor are not capable of being retrieved by the depositor, in accordance with the directions issued by the Depository, the Statements and Notices to the Depositor are nevertheless deemed sent or issued pursuant to Rule 32.04(2)(a).</u></p>	<p>eServices and BMDepo need not send out the notices and statement of accounts separately. However, as BMDepo acknowledges that at present, not all depositors have computer or internet access and thus, BMDepo will continue to send notices and statement of accounts (email or hard copy) to depositors who do not sign up on CDS eServices or has terminated their account with CDS eServices.</p>
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[End of Proposed Rule Amendments]