



AMENDMENTS TO THE RULES AND DIRECTIVES OF BURSA MALAYSIA SECURITIES BERHAD (“BMS RULES AND DIRECTIVES”) IN RELATION TO HARMONISATION OF THE FRAMEWORK FOR PROPRIETARY DAY TRADERS (“PDT”) & SALARIED DEALER’S REPRESENTATIVES TRADING FOR INVESTMENT ACCOUNT (“IVT”)

RULE	EXISTING PROVISIONS		RULE	AMENDED PROVISIONS	
1.01	Day Trading	The taking of proprietary positions by the Participating Organisations on an intraday buy and sell and vice versa, and for the avoidance of doubt excludes Direct Business transactions.	1.01	Day Trading	The taking of proprietary positions by the Participating Organisations on an intraday buy and sell and vice versa, and for the avoidance of doubt excludes Direct Business transactions. <i>[Deleted]</i>
1.01	Dual Licensed Dealer's Representative	A Dealer's Representative who also holds a Capital Markets Services Representative's Licence for dealing in derivatives.	1.01	Dual Licensed Dealer's Representative	A Dealer's Representative who also holds a Capital Markets Services Representative's Licence for dealing in derivatives. <i>[Deleted]</i>
1.01	Proprietary Day Trader	A Dealer's Representative a Participating Organisation engages to execute Day Trading on the Participating Organisation's behalf.	1.01	Proprietary Day Trader	A Dealer's Representative a Participating Organisation engages to execute Day Trading on the Participating Organisation's behalf. <i>[Deleted]</i>



<p>3.44</p>	<p>Categories</p> <p>The categories of Dealer's Representatives are:</p> <p>(a) Commissioned Dealer's Representatives;</p> <p>(b) Salaried Dealer's Representatives; and</p> <p>(c) Proprietary Day Traders.</p>	<p>3.44</p>	<p>Categories</p> <p>The categories of Dealer's Representatives are:</p> <p>(a) Commissioned Dealer's Representatives; <u>and</u></p> <p>(b) Salaried Dealer's Representatives; <u>and</u>.</p> <p>(c) Proprietary Day Traders. <u>[Deleted]</u></p>
<p>3.45</p>	<p>Requirement</p> <p>(1) A Participating Organisation must register the Participating Organisation's Dealer's Representatives with the Exchange.</p> <p>(2) The registration of a Proprietary Day Trader is a privilege granted by the Exchange to the Participating Organisation and the Proprietary Day Trader. As such the Exchange may reject an application for registration of a Proprietary Day Trader without assigning any reason for the rejection.</p>	<p>3.45</p>	<p>Requirement</p> <p>(1) A Participating Organisation must register the Participating Organisation's Dealer's Representatives with the Exchange.</p> <p>(2) The registration of a Proprietary Day Trader is a privilege granted by the Exchange to the Participating Organisation and the Proprietary Day Trader. As such the Exchange may reject an application for registration of a Proprietary Day Trader without assigning any reason for the rejection. <u>[Deleted]</u></p>
<p>3.47(1)(j)</p>	<p>Obligations of a Dealer's Representative</p> <p>(1) Throughout the term of a Dealer's Representative's registration with the Exchange, the Dealer's Representative must:</p> <p>(j) if the Dealer's Representative is a Proprietary Day Trader, only operate the Day Trading Activities Account and no other account, on such conditions as the Exchange may prescribe;</p>	<p>3.47(1)(j)</p>	<p>Obligations of a Dealer's Representative</p> <p>(1) Throughout the term of a Dealer's Representative's registration with the Exchange, the Dealer's Representative must:</p> <p>(j) if the Dealer's Representative is a Proprietary Day Trader, only operate the Day Trading Activities Account and no other account, on such conditions as the Exchange may prescribe; <u>[Deleted]</u></p>



3.47(2)(b)	<p>(2) In Rule 3.47(1):</p> <p>(a) “engaging in any business” includes being a director of or a debenture holder in any entity; and</p> <p>(b) “Day Trading Activities Account” refers to trading account opened in the name of a Participating Organisation and used by the Participating Organisation for Day Trading.</p>	3.47(2)(b)	<p>(2) In Rule 3.47(1):</p> <p>(a) “engaging in any business” includes being a director of or a debenture holder in any entity;and</p> <p>(b) “Day Trading Activities Account” refers to trading account opened in the name of a Participating Organisation and used by the Participating Organisation for Day Trading. <i>[Deleted]</i></p>
3.52	<p>Re-designation</p> <p>(1) A Participating Organisation must notify the Exchange of a Commissioned Dealer's Representative's re-designation to a Salaried Dealer's Representative or vice versa within 14 days from the effective date of the re-designation.</p> <p>(2) A Participating Organisation must apply to the Exchange in the manner the Exchange specifies for a Commissioned Dealer's Representative or a Salaried Dealer's Representative re-designation to a Proprietary Day Trader. The Exchange may disallow the re-designation as the Exchange deems fit.</p> <p>(3) A Participating Organisation must notify the Exchange of a Proprietary Day Trader's re-designation to either a Commissioned Dealer's Representative or Salaried Dealer's Representative at least 3 days prior to the effective date of the re-designation and make payment of any fees prescribed by the Exchange.</p>	3.52	<p>Re-designation</p> <p>(1) A Participating Organisation must notify the Exchange of a Commissioned Dealer's Representative's re-designation to a Salaried Dealer's Representative or vice versa within 14 days from the effective date of the re-designation.</p> <p>(2) A Participating Organisation must apply to the Exchange in the manner the Exchange specifies for a Commissioned Dealer's Representative or a Salaried Dealer's Representative re-designation to a Proprietary Day Trader. The Exchange may disallow the re-designation as the Exchange deems fit. <i>[Deleted]</i></p> <p>(3) A Participating Organisation must notify the Exchange of a Proprietary Day Trader's re-designation to either a Commissioned Dealer's Representative or Salaried Dealer's Representative at least 3 days prior to the effective date of the re-designation and make payment of any fees prescribed by the Exchange. <i>[Deleted]</i></p>



7.04	<p>Proprietary trading</p> <p>(1) A Participating Organisation must not allow a Dealer's Representative who undertakes proprietary trading for the Participating Organisation to also deal for the Participating Organisation's Clients or a client of a holder of a Capital Markets Services Licence for dealing in derivatives.</p> <p>(2) A Participating Organisation may allow a Dealer's Representative who undertakes proprietary trading for the Participating Organisation but who is not a Proprietary Day Trader to conduct proprietary trading for the Participating Organisation's Related Corporation.</p> <p>(3) <i>[Deleted]</i></p>	7.04	<p>Proprietary trading</p> <p>(1) A Participating Organisation must not allow a <u>Salaried</u> Dealer's Representative who undertakes proprietary trading for the Participating Organisation to also deal for the Participating Organisation's Clients or a client of a holder of a Capital Markets Services Licence for dealing in derivatives.</p> <p>(2) A Participating Organisation may allow a <u>Salaried</u> Dealer's Representative who undertakes proprietary trading for the Participating Organisation but who is not a Proprietary Day Trader to conduct proprietary trading for the Participating Organisation's Related Corporation.</p> <p>(3) <i>[Deleted]</i></p>
8.14(f)	<p>On-Market Married Transaction</p> <p>A Participating Organisation wishing to execute an On-Market Married Transaction must:</p> <p>(f) not execute the On-Market Married Transaction for Regulated Short Selling, Permitted Short Selling, Intraday Short Selling and Day Trading;</p>	8.14(f)	<p>On-Market Married Transaction</p> <p>A Participating Organisation wishing to execute an On-Market Married Transaction must:</p> <p>(f) not execute the On-Market Married Transaction for Regulated Short Selling, Permitted Short Selling, <u>and</u> Intraday Short Selling and Day Trading;</p>
9.06(9)	<p>Buying-In Procedures</p> <p>(9) A defaulting Participating Organisation against whom buying-in is carried out must not charge brokerage for the buying-in against the selling Client in the failed Contract.</p>	9.06(9)	<p>Buying-In Procedures</p> <p>(9) A defaulting Participating Organisation against whom buying-in is carried out must not charge <u>brokerage commission</u> for the buying-in against the selling Client in the failed Contract.</p>

ANNEXURE 1
Amendments to the BMS Rules and Directives in relation to
Harmonisation of the Framework for
Proprietary Day Traders & Salaried Dealer's Representatives Trading for Investment Account



Schedule 1	Please see Annexure 1A.	Schedule 1	Please see Annexure 1A.
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ANNEXURE 1A

SCHEDULE 1
[Rule 3.48]

DEALER'S REPRESENTATIVE'S SCOPE OF ACTIVITIES

	Activities
(a) Commissioned Dealer's Representative	<ul style="list-style-type: none"> ▪ A Commissioned Dealer's Representative can trade on behalf of Clients only and cannot execute proprietary trading for the Commissioned Dealer's Representative's Participating Organisation ▪ A Commissioned Dealer's Representative can execute any other trading activity the Commission permits except Day Trading
(b) Salaried Dealer's Representative	<ul style="list-style-type: none"> ▪ A Salaried Dealer's Representative can execute proprietary trading for the Salaried Dealer's Representative's Participating Organisation (only if not trading on behalf of Clients or a client of a holder of a Capital Markets Services Licence for dealing in derivatives) including trades executed for the Participating Organisation's Related Corporations referred to in Rule 7.04. ▪ If a Salaried Dealer's Representative trades on behalf of Clients or a client of a holder of a Capital Markets Services Licence for dealing in derivatives, he can only do so if he is not doing proprietary trading for the Salaried Dealer's Representative's Participating Organisation or its Related Corporations ▪ A Salaried Dealer's Representative can execute any other trading activity the Commission permits except Day Trading
(c) Proprietary Day Trader <i>[Deleted]</i>	<ul style="list-style-type: none"> ▪ A Proprietary Day Trader can only execute Day Trading on behalf of a Participating Organisation <i>[Deleted]</i> ▪ A Proprietary Day Trader cannot trade on behalf of Clients or clients of a holder of a Capital Markets Services Licence for dealing in derivatives <i>[Deleted]</i> ▪ [Deleted] ▪ A Proprietary Day Trader can execute any other trading activity the Commission permits <i>[Deleted]</i>



ANNEXURE 1A
Amendments to the BMS Rules and Directives in relation to
Harmonisation of the Framework for
Proprietary Day Traders & Salaried Dealer's Representatives Trading for Investment Account

[End of Schedule]

[End of Amendments to BMS Rules]