

INFORMATION ON APPLICATION FOR REGISTRATION AS PARTICIPATING ORGANISATION OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)

All applicants are requested to carefully study the Rules of Bursa Securities before submitting their application. The Rules set out the rights and obligations of Participants of Bursa Securities.

1. Minimum paid-up capital and minimum shareholders’ funds unimpaired by losses

A Participating Organisation must maintain its paid-up capital and shareholders’ funds unimpaired by losses, at a level not less than the minimum set out below:

- (a) for an Investment Bank, as the Central Bank and the Commission may stipulate;
- (b) for a Universal Broker, RM100,000,000; and
- (c) for any other Participating Organisation, RM20,000,000.

2. Locally Incorporated

The applicant shall be a locally incorporated company.

3. Initial Approval from the Ministry of Finance or the Securities Commission

The applicant shall in the first instance be granted with an initial approval by the Ministry of Finance or the Securities Commission to set up and establish a stockbroking company in Malaysia.

4. Application to the Exchange

4.1 The applicant shall submit to Bursa Securities the following:

- i) Cover letter detailing the approval sought addressed to Bursa Securities.
 - ii) Certified true copies of the constitution, if any, or any other constituent documents, of the applicant company and if any, its corporate shareholders (if any); copies of the applicant’s constitution, if any or other constituent documents evidencing the applicant’s:
 - (i) directors and shareholders; and
 - (ii) paid-up capital;
 - a) such documents and information as may be appropriate in respect of its financial standing such as:
 - Auditor’s Certification;
 - Balance Sheet; and
 - i) Notice of registration;
 - ii) Notification of change in the Register of Directors, Manager and Secretaries;
 - iii) notice of registration of the new name;
 - iv) Return of allotment of shares;
 - v) Notification for change in the registered address (if relevant);
 - vi) Particulars of change or alteration relating to foreign company (if relevant);
- or similar documents of its nature.
- b) payment of a non-refundable application fee of RM2,500;
 - c) duly completed Appendix 1A (Form of Application - Participating Organisation) of the Rules;
 - d) duly completed Appendix 2A (Statutory Declaration - Participating Organisation) of the Rules;
 - e) duly completed Appendix 3A (Undertaking - Participating Organisation of

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the Rules); and

- iii) Letter of approval-in-principle from Ministry of Finance or the Securities Commission,
- iv) Any other approvals from any other relevant authorities as the case may be; and
- v) Any other documents that may be required or relevant to the application.

5. Approval-in-Principle

5.1 Where the application is successful, Bursa Securities will grant its approval-in-principle for the registration of the company as Participating Organisation of the Exchange subject to the applicants’ meeting among others, the following:

- i) being issued with a valid Capital Market Services License (“CMSL”) issued by the Securities Commission pursuant to the Capital Markets and Services Act 2007 and has satisfied or will satisfy upon registration, the terms and conditions of, or imposed by the Commission related to, such license;
- ii) have satisfied or will satisfy upon registration, all the financial requirements prescribed in Chapter 13 of the Rules of Bursa Securities, as may be amended, varied, modified, supplemented or substituted thereto from time to time;
- iii) have or will maintain facilities and personnel adequate for the expeditious and orderly carrying out of its business of dealing in securities (including those activities which are normally ancillary and closely related thereto as envisaged in the Rules of Bursa Securities) and such other businesses as may be permitted by the Commission from time to time.
- iv) have at least three (3) heads, namely the Head of Dealing, Head of Operations and Head of Compliance, registered with the Exchange in accordance with the Rules of Bursa Securities;
- v) complying with such other requirements as prescribed in Chapter 3 of the Rules of Bursa Securities and/or as may be prescribed by the Exchange from time to time;
- vi) successfully undergoing the relevant readiness assessment pursuant to the requirement of Bursa Securities;
- vii) payment of the relevant Participantship and other related fees; and
- viii) complying with the requirement of the Rules of Bursa Securities including any directives, notices, circulars, guidelines and schedules issued by Bursa Securities and with other laws, rules and procedures that are applicable to it.

6. Readiness Assessment

The applicant is required to undergo a Readiness Assessment, which scope, criteria and manners will be prescribed by the Exchange. After the completion of the Readiness Assessment, the Exchange will submit its recommendation to the Securities Commission.

7. Application to the Securities Commission for CMSL

The applicant is required to submit an application to the Securities Commission in the prescribed manner. Kindly refer to the Licensing Handbook issued by the Securities Commission for more information.

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8. Issuance of CMSL

The Securities Commission will issue the successful applicant with the relevant CMSL.

9. Registration with Bursa Securities

Once the applicant has been duly licensed, it will be registered as a Participating Organisation of Bursa Securities.

10. Fees applicable for Participating Organisation

Type	Amount
Application Fee	RM2,500.00
Registration Fee	RM10,000.00
Annual Subscription Fee	RM12,000.00

11. Contact

- Head, Participants Affairs
Participants Supervision
Regulation
Bursa Malaysia Berhad
2nd Floor, Exchange Square
50200 Kuala Lumpur

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