

FAQ



Q What is Bursa Malaysia-i?

A Bursa Malaysia-i is a fully integrated Islamic securities exchange platform with a comprehensive range of exchange-related facilities including listing, trading, clearing, settlement and depository services, leveraging on the existing infrastructure with enhancements to incorporate Shariah-compliant features.

Shariah seeking investors are able to choose to invest in Shariah-compliant securities listed on the Main and ACE Market of Bursa Malaysia Securities Berhad and may access the Bursa Malaysia-i platform by interfacing (either direct or online) with Islamic Participating Organisations ("Islamic PO"), where the investors would be able to experience comprehensive end-to-end Shariah investing, whereby the trade and post-trade services provided by Bursa Malaysia are Shariah-compliant.

Q Who are the Islamic POs?

- A**
- 1) Affin Hwang Investment Bank Berhad (Window)
 - 2) AmInvestment Bank Berhad (Window)
 - 3) BIMB Securities Sdn Bhd (Full-fledged)
 - 4) CIMB Investment Bank Berhad (Window)
 - 5) Hong Leong Investment Bank Berhad (Window)
 - 6) Jupiter Securities Sdn Bhd (Window)
 - 7) Kenanga Investment Bank Berhad (Window)
 - 8) Malacca Securities Sdn Bhd (Window)
 - 9) Maybank Investment Bank Berhad (Window)
 - 10) RHB Investment Bank Berhad (Window)

Note: "Full-fledged" services means Islamic stockbroking services provided by the Participating Organisation on a fully Shariah-compliant basis.
"Window" services means Islamic stockbroking services provided by the Participating Organisation, other than on a full-fledged basis.

Q What are the main differences between the existing trading activities with the Islamic POs and trading activities with the Islamic POs post-establishment of Bursa Malaysia-*i*?

A **Instruments:**
Investment instruments listed on the Main and ACE Market of Bursa Malaysia Securities Berhad are Shariah-compliant.

Trade:
Islamic POs and conventional POs have segregated trading channels.

Depository:
Shariah-compliant securities in an investor's CDS account are now tagged with "SP" coding which indicates "Shariah-compliant securities".

Clearing:
Post-trade clearing of trades done via the Islamic POs will be undertaken and guaranteed by Shariah-compliant Bursa Malaysia Securities Clearing Sdn Bhd.

Settlement:
Settlement of trades between the Islamic POs and Bursa Malaysia will be done through Islamic Financial Institutions.

Q Who can have access to Bursa Malaysia-*i*?

A All types of investors: retail, institutions, fund managers, unit trust managers (domestically and internationally)

Q Do international investors have access to the Bursa Malaysia-*i* platform to trade all Shariah-compliant securities on the Main and ACE Market of Bursa Malaysia?

A Yes. Investors may open an account and trade with brokers in their home countries that have interbroking relationships with the Malaysian Participating Organisations and the Islamic POs if they want to trade with the Bursa Malaysia-*i* platform.

Q How do I start investing on Bursa Malaysia-*ī*?

- A**
1. Approach an Islamic PO.
 2. Register and activate a CDS and trading account with the Islamic PO.
 3. Trade and invest on Bursa Malaysia-*ī* via one of the 10 Islamic POs.

Q If an investor already has an existing trading account with an Islamic PO, does he/ she need to open a new trading account to trade on Bursa Malaysia-*ī*?

- A** An investor who already has a trading account with an Islamic PO does not need to open a new trading account. The existing trading account with his/ her Islamic PO is sufficient to trade securities on Bursa Malaysia-*ī*.

Q Can an investor/ client of a PO with an Islamic window use a conventional trading account to trade on Bursa Malaysia-*ī*?

- A** An investor who wishes to trade on Bursa Malaysia-*ī* must open a Shariah-compliant trading account. The Shariah-compliant trading account may prescribe the terms and conditions in accordance to Shariah principles vis-à-vis trading activities on Bursa Malaysia-*ī*.

Kindly enquire with your appointed broker i.e. Islamic PO.

Q In the case of an investor/ client of a PO with an Islamic window, can his/ her existing conventional trading account be converted to a Shariah-compliant trading account in order for him/ her to trade on Bursa Malaysia-*ī*?

- A** Kindly enquire with your appointed broker i.e. Islamic PO for the conversion and/ or opening of a new trading account.

- Q** Can I still invest in Shariah-compliant securities even though my broker is not an Islamic PO?
- A** Yes. There is no restriction to investing in Shariah-compliant securities through other conventional POs.
- Q** Can I invest in Shariah-compliant securities through a conventional trading account?
- A** Yes.
- Q** Will I be able to buy Shariah non-compliant securities via Bursa Malaysia-*i*?
- A** The buying of Shariah non-compliant securities is prohibited on Bursa Malaysia-*i*. The buying activities of Islamic POs on Bursa Malaysia-*i* are limited to Shariah-compliant securities only.
- Q** When an investor places an order, will the online trading screen display Shariah-compliant securities only or otherwise?
- A** An online investor will be able to view all securities listed on Bursa Malaysia Securities Berhad, both Shariah-compliant and Shariah non-compliant securities. The Shariah-compliant securities are marked with a symbol (the symbol varies from one PO to another) to differentiate them from Shariah non-compliant securities.

Q If the Shariah-compliant securities which I am holding has been re-classified as Shariah non-compliant following the Shariah review by the Shariah Advisory Council (“SAC”) of Securities Commission Malaysia (“SC”), do I need to dispose of the securities immediately?

A Following the re-classification of the securities upon Shariah review by the SAC of the SC, investors are responsible to undertake an exercise to determine whether the market price of the affected securities exceeds, is equal to or is less than the investment cost.

Kindly refer to Best Practices for Shariah Investing for full guidance.
Reference: <http://www.bursamalaysia.com/market/products-services/>

Q Following the re-classification of the securities upon Shariah review by the SAC of the SC, will I be able to sell Shariah non-compliant securities via Bursa Malaysia-*Ī*?

A Yes. You may request the dealer of the Islamic PO to sell the re-classified Shariah non-compliant securities.

Q As a Shariah investor, where can I channel income that is considered tainted income?

A Shariah investors should bear the responsibility to identify tainted income and are encouraged to channel the tainted income to *Baitulmal* and/ or any approved charitable bodies.

Kindly refer to Best Practices for Shariah Investing for full guidance.
Reference: <http://www.bursamalaysia.com/market/products-services/>

Q Would the Islamic PO be able to facilitate the channeling of tainted income to *Baitulmal* and/ or any approved charitable bodies?

A Kindly enquire with your appointed broker i.e. Islamic PO.

Q Is an investor allowed to execute trading transactions on Bursa Malaysia-*i* using margin financing?

A Yes. An investor is allowed to execute trading transactions on Bursa Malaysia-*i* using margin financing provided by the Islamic PO, whereby the financing structure is Shariah-compliant in nature. However, the investor's eligibility for margin financing is determined by the Islamic PO.

Q What are the collaterals used for margin financing?

A The collaterals for the margin financing are determined by the Islamic PO, of which the collaterals should not contravene Shariah principles.

Q Do Muslim investors need to perform *zakat* distribution for any profits received from the Shariah-compliant trading activities?

A Muslim investors are obligated to perform *zakat* distribution to authorised or designated *zakat* collection centres from any profits derived from the Shariah-compliant trading activities.

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Reference: <http://www.bursamalaysia.com/market/products-services/>

Q Would the Islamic PO be able to facilitate the Muslim investors to distribute *zakat* to authorised or designated *zakat* collection centres?

A Kindly enquire with your appointed broker i.e. Islamic PO.

Invest Shariah via Islamic Participating Organisations:



*List of Islamic participating organisations as at October 2016.
Please refer to the full list of Islamic participating organisations
at www.bursamalaysia.com