

EXPLANATORY NOTES ON APPROVED REASONS FOR TRANSFER

1. **SUMMARY OF APPROVED REASONS FOR TRANSFER**

Category A: No Change in Beneficial Ownership (“NCBO”)

Reason Code	Reason	Remarks
A	- Not Applicable -	a) This category of transfer would not result in change in Beneficial Owner. b) No prior approval from Bursa Depository is required to execute the transfer of securities. c) Refer to page 3 – 12 for details

Category B: Change in Beneficial Ownership

Reason Code	Reason	Remarks
B1	Take-Over Offer	a) This category of transfer would result in change in Beneficial Owner. b) No prior approval from Bursa Depository is required to execute the transfer of securities. c) Refer to page 13 - 17 for details
B2	Family Member	
B3	Transfer involving Government Authorities	
B4	Pledge or Charge	
B5	Reasons with prior approval of Bursa Depository	a) This category of transfer would result in change in BO. b) Prior written approval from Bursa Depository is required before the transfers of securities are executed. c) Refer to page 18 to 26 for details

2. **DIRECTIONS**

The following directions shall apply in the reading of the Approved Reasons for Transfer (“ART”).

2.1 **PRINCIPLES**

- 2.1.1 The ART is a direction issued by Bursa Depository Sdn. Bhd (“**Bursa Depository**”) as defined under section 9 of the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”).
- 2.1.2 The examples cited in the ART are not intended to restrict or limit the interpretation or the application of the ART.
- 2.1.3 The enumeration of the supporting documents requested to be submitted in the ART does not in any way restrict Bursa Depository powers in requesting for further documents in circumstances it deems fit.
- 2.1.4 Where the clarification given for a particular ‘Reason Code’ in the ART relates to a specific Act of Parliament (law made by the Parliament of Malaysia), the words and expressions used therein shall bear the meaning as defined in that Act (unless otherwise specified).
- 2.1.5 All questions relating to the interpretation and construction of the ART shall be referred to and decided by Bursa Depository.

2.2 **DEFINITIONS OF WORDS AND EXPRESSIONS**

2.2.1 In this ART unless the context otherwise requires-

“exempt authorised nominee” means an authorised nominee that is exempted by an order of the Minister under section 62A of the SICDA from the provisions of subsection 25A (1) of the SICDA.

“contract note” means a contract for the sale or purchase transactions of securities entered into on a stock market of a stock exchange.

2.2.2 The following words and expressions shall have the meaning assigned to them respectively under section 2(1) of the SICDA:

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|------------------------------|----------------------|
| “authorised nominee” | “securities account” |
| “beneficial owner” | “securities” |
| “depositor” | “stock exchange” |
| “issuer” | “stock market” |
| “participating organisation” | |

2.3 **ABBREVIATIONS**

ADA	Authorised Depository Agent	Exempt AN	Exempt Authorised Nominee
ADM	Authorised Direct Member	Bursa Depository	Bursa Malaysia Depository Sdn. Bhd.
AN	Authorised Nominee	SC	Securities Commission
BO	Beneficial Owner	CMSA	Capital Market and Services Act 2007
CA	Companies Act 2016		