

## PARTICIPATING ORGANISATIONS' CIRCULAR

Date : 17 June 2013	No : R/R 7 of 2013
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### DIRECTIVES ON REGULATED SHORT SELLING – APPROVED SECURITIES

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#### 1. DIRECTIVE

- 1.1 Reference is made to Directive 8.22(5)-001 (Directives on Regulated Short Selling – Approved Securities) in the Participating Organisations' Directives and Guidance issued vide Participating Organisations' Circular No. R/R 4 of 2013 ("Directive").
- 1.2 Changes have been made to the Directive to enable the Exchange to declare securities which are newly admitted to the Official List as Approved Securities, subject to the criteria specified in the Directive.
- 1.3 The amended Directive is set out in **Annexure 1**.
- 1.4 The Directive 8.22(5)-001 issued vide Participating Organisations' Circular No. R/R 4 of 2013 is replaced by this amended Directive.

#### 2. EFFECTIVE DATE

- 2.1 The amended Directive is effective from 17 June 2013.

#### 3. CONTACT PERSONS

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**This Circular is available at**

<http://www.bursamalaysia.com/market/regulation/rules/bursa-malaysia-rules/securities/rules-of-bursa-malaysia-securities>

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**Regulation**

<b>DIRECTIVES ON REGULATED SHORT SELLING - APPROVED SECURITIES</b>	<b>No. 8.22(5)-001</b>
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Relevant to : Rule 8.22(5)  
 Introduced with effect from : 2 May 2013  
 Amended : 17 June 2013 vide R/R 7 of 2013  
 POs' Circular No(s). : N/A  
 Refer also to Directive No(s). : N/A

## 1. Rule 8.22(5)

Rule 8.22(5) states that the Exchange may declare any securities that meet with such criteria as prescribed by the Exchange as Approved Securities. This directive sets out the Exchange's criteria in relation to Approved Securities.

### 1.1 Criteria for Approved Securities

- (1) Subject to paragraph 1.1(2), the criteria for Approved Securities is as follows:
- (a) the securities are for the time being admitted to the Official List;
  - (b) the securities have a daily market capitalisation of RM500,000,000.00 for at least 3 months prior to the declaration date;
  - (c) the securities have at least 50,000,000 units in public float prior to the declaration date; and
  - (d) the volume of trading for the securities on a monthly basis on average is at least 1,000,000 units for 12 months prior to the declaration date.
- (2) Securities which are newly admitted to the Official List may be declared by the Exchange as Approved Securities if the securities:
- (a) have a full market capitalisation amounting to 2% or more of the full capitalisation of the FTSE Bursa Malaysia EMAS Index prior to the declaration date; and
  - (b) are included as a constituent of the FTSE Bursa Malaysia Kuala Lumpur Composite Index prior to the declaration date.
- Such securities are not subject to the criteria in paragraph 1.1(1) for a period of a year from the date such securities are admitted to the Official List.
- (3) For the purpose of this Directive:
- (a) "market capitalisation" means the market value of the securities;
  - (b) "public" has the same meaning assigned to that expression in the Listing Requirements; and
  - (c) "public float" means securities held in the hands of the public shareholders.

[End of Directive]