

BURSA MALAYSIA SECURITIES BERHAD

Date : 19 December 2011

R/R No.: 11 of 2011

AMENDMENTS TO THE RULES OF BURSA MALAYSIA SECURITIES BERHAD (“RULES OF BURSA SECURITIES”) TO SYNCHRONISE THE TIMING FOR BOOK ENTRY DELIVERY OF SECURITIES AND PAYMENT OF FUNDS

A) INTRODUCTION

Bursa Malaysia Securities Bhd (“Exchange”) has made amendments to the Rules of Bursa Securities to synchronise the timing for the book entry delivery of securities with the payment of funds by changing the timing for book entry delivery of securities from 9.00am to 10.00am on T+3. The change in timing is applicable for both Ready Basis Contracts and Immediate Basis Contracts.

Securities transfers may be effected from 10.00am onwards, except where the transfers relate to Designated Securities. All other clearing and settlement processes remain status-quo including the buying-in process.

B) AMENDMENTS TO THE RULES OF BURSA SECURITIES

The salient amendments to the Rules of Bursa Securities are as follows:

- (a) Parts 1A and 1B of Schedule 2A and Schedules 2A-1 and 2A-2 have been amended to reflect the changes in the timing of book entry delivery of securities from 9.00am to 10.00am; and
- (b) the timing of the transfer of securities (as stated in Schedule 2A-1) to be executed to ensure there are sufficient securities in a selling client’s CDS Account to facilitate delivery by the selling client, has been amended from 3pm to 4pm to reflect the current practice.

The amendments to the Rules of Bursa Securities are set out in **Annexure 1**.

C) EFFECTIVE DATE

The above amendments to the Rules of Bursa Securities are effective from **27 December 2011 (“Effective Date”)**.

All rules, directives, circulars in force which make reference or contain provisions relating to the above matters shall have effect from the said Effective Date as if such reference or provisions relate to the amendments made herein.

D) CONTACT PERSONS

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This Circular is available at

http://www.bursamalaysia.com/website/bm/regulation/rules/bursa_rules/bm_securities.html

REGULATION

AMENDMENTS TO THE RULES OF BURSA SECURITIES TO SYNCHRONISE THE BOOK ENTRY DELIVERY OF SECURITIES AND PAYMENT OF FUNDS

EXISTING PROVISIONS		AMENDED PROVISIONS
Schedule 2A Part 1.A	<p>PART 1 SCHEDULED DELIVERY TIME</p> <p>A. READY BASIS CONTRACT</p> <p>1. The Scheduled Delivery Time for Ready Basis Contract shall be as follows –</p> <p>(a) where a transfer of securities, as provided in the Depository Rules, is to be executed to ensure there are sufficient securities in a selling client’s CDS account to facilitate delivery by the selling client, by the second (2nd) market day following the contract date and within such time(s) in relation to lodgement of transfers as may be prescribed by Depository;</p> <p>(b) in respect of delivery to the buying client, not later than 9.00 a.m. by the third (3rd) market day following the contract date.</p>	<p>PART 1 SCHEDULED DELIVERY TIME</p> <p>A. READY BASIS CONTRACT</p> <p>1. The Scheduled Delivery Time for Ready Basis Contract shall be as follows –</p> <p>(a) where a transfer of securities, as provided in the Depository Rules, is to be executed to ensure there are sufficient securities in a selling client’s CDS account to facilitate delivery by the selling client, by the second (2nd) market day following the contract date and within such time(s) in relation to lodgement of transfers as may be prescribed by Depository;</p> <p>(b) in respect of delivery to the buying client, not later than 910.00 a.m. by the third (3rd) market day following the contract date.</p>

AMENDMENTS TO THE RULES OF BURSA SECURITIES TO SYNCHRONISE THE BOOK ENTRY DELIVERY OF SECURITIES AND PAYMENT OF FUNDS

EXISTING PROVISIONS		AMENDED PROVISIONS
<p>Schedule 2A Part 1.B</p>	<p>B. IMMEDIATE BASIS CONTRACT</p> <p>1. The Scheduled Delivery Time for Immediate Basis Contract shall be as follows –</p> <p>(a) where a transfer of securities, as provided in the Depository Rules, is to be executed to ensure there are sufficient securities in a selling client's CDS account to facilitate delivery by the selling client, by the first (1st) market day following the contract date and within such time(s) in relating to lodgement of transfers as may be prescribed by Depository;</p> <p>(b) in respect of delivery to the buying client, not later than 9.00 a.m. by the second (2nd) market day following the contract date. The Scheduled Delivery Time as specified above is illustrated in the table under Schedule 2A-1. The provisions herein shall be read in conjunction with –</p> <p>(i) in respect of Paragraph A(1)(a) and Paragraph B(1)(a), the Depository Rules relating to accepted deposits and free securities as may from time to time be prescribed therein; and</p> <p>(ii) in respect of Paragraph A(1)(b) and Paragraph B(1)(b), the Depository Rules relating to the delivery of securities by way of book entry as may from time to time be prescribed therein.</p>	<p>B. IMMEDIATE BASIS CONTRACT</p> <p>1. The Scheduled Delivery Time for Immediate Basis Contract shall be as follows –</p> <p>(a) where a transfer of securities, as provided in the Depository Rules, is to be executed to ensure there are sufficient securities in a selling client's CDS account to facilitate delivery by the selling client, by the first (1st) market day following the contract date and within such time(s) in relating to lodgement of transfers as may be prescribed by Depository;</p> <p>(b) in respect of delivery to the buying client, not later than 910.00 a.m. by the second (2nd) market day following the contract date. The Scheduled Delivery Time as specified above is illustrated in the table under Schedule 2A-1. The provisions herein shall be read in conjunction with –</p> <p>(i) in respect of Paragraph A(1)(a) and Paragraph B(1)(a), the Depository Rules relating to accepted deposits and free securities as may from time to time be prescribed therein; and</p> <p>(ii) in respect of Paragraph A(1)(b) and Paragraph B(1)(b), the Depository Rules relating to the delivery of securities by way of book entry as may from time to time be prescribed therein.</p>

AMENDMENTS TO THE RULES OF BURSA SECURITIES TO SYNCHRONISE THE BOOK ENTRY DELIVERY OF SECURITIES AND PAYMENT OF FUNDS
Table 1: Schedule 2A-1 READY BASIS CONTRACT

SCHEDULED DELIVERY TIME						
	EVENTS	T*	T+1	T+2	T+3	T+4
1	Date of Contracts					
2	Delivery of Securities					
2.1	Transfer of Securities		(By such time(s) as may be prescribed by Depository)			
			(Not later than By 34.00 p.m.)			
2.2	Book Entry Delivery				(Not later than 9 10.00 a.m.)	
2.3	Automatic Buying-In				(Between 8.30 a.m. to 12.30p.m. -2.00p.m. to 5.00p.m.)	
T* : Transaction Date PO : Participating Organisation Clearing House : Bursa Malaysia Securities Clearing Sdn Bhd						

AMENDMENTS TO THE RULES OF BURSA SECURITIES TO SYNCHRONISE THE BOOK ENTRY DELIVERY OF SECURITIES AND PAYMENT OF FUNDS
Table 2: Schedule 2A-2 IMMEDIATE BASIS CONTRACT

SCHEDULED DELIVERY TIME					
	EVENTS	T*	T+1	T+2	T+3
1	Date of Contracts				
2	Securities Settlement During prescribed period				
2.1	Transfer of Securities	(By such time(s) as may be prescribed by Depository)			
2.2	Book Entry Delivery			(Not later than 9<u>10</u>.00 a.m.)	
2.3	Automatic Buying-In			(Between 8.30 a.m. to 12.30p.m. -2.00p.m. to 5.00p.m.)	
T* : Transaction Date PO : Participating Organisation Clearing House : Bursa Malaysia Securities Clearing Sdn Bhd					

[End of Rule Amendments]