

PARTICIPATING ORGANISATIONS' CIRCULAR

Date: 3 January 2023

No : R/R 1 of 2023

AMENDMENTS TO THE RULES AND DIRECTIVES OF BURSA MALAYSIA SECURITIES BERHAD (“BMS RULES AND BMS DIRECTIVES”) TO FACILITATE THE EXCHANGE’S OPERATIONS ON A SURPRISE HOLIDAY (“AMENDMENTS”)

1.0 INTRODUCTION

1.1 Bursa Malaysia Securities Berhad (“**the Exchange**”) has amended the BMS Rules and BMS Directives to facilitate the Exchange’s operations on a surprise holiday and to reflect other consequential changes.

2.0 BACKGROUND & OBJECTIVES

2.1 As part of our ongoing efforts to promote the Exchange as an attractive venue for trading in securities, we strive to maintain transparency, certainty and reliability in our regulatory approach as well as operations in the marketplace.

2.2 Having encountered a few instances of surprise holidays in Kuala Lumpur which were unscheduled or unanticipated in recent times, we wish to assure participants that unexpected closure of the Exchange due to surprise holidays will be mitigated through the Amendments to facilitate the Exchange’s operations on a surprise holiday.

2.3 The Amendments are aimed at providing clarity and certainty to the capital market and mitigating any potential market risk that participants may face due to a surprise holiday.

2.4 The Amendments have been approved by the Securities Commission Malaysia, key details of which are summarized in paragraph 3 below.

3.0 AMENDMENTS TO THE BMS RULES AND BMS DIRECTIVES

3.1 The salient amendments made to the BMS Rules are set out below:

- (a) making clear that “Market Day” under the BMS Rules may include a surprise holiday, and clarifying the ambit of surprise holiday to mean “*a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year*”;
- (b) clarifying that if the Exchange decides to open for trading in securities on a surprise holiday, a Participating Organisation, its Registered Persons and any other person to whom the BMS Rules and BMS Directives are directed, must comply with and give effect to these Rules and Directives on such day; and
- (c) streamlining the provisions on the reporting of Direct Business Transaction to align with the Amendments to facilitate operations on a Market Day.

3.2 The salient amendments made to the BMS Directives were consequential amendments made to the Participating Organisations' Directive on Liquidity Risk Management Framework (No. 13.32-001) as follows:

- (a) editorial amendments for consistency on the usage of the term "Market Day"; and
- (b) amendments to clarify the reporting day for a Participating Organisation to submit the liquidity reporting forms or a report on stress testing respectively.

3.3 The detailed amendments to the BMS Rules and BMS Directives are set out in **Annexure 1 and Annexure 2** respectively.

4.0 FREQUENTLY ASKED QUESTIONS ("FAQS")

4.1 A set of FAQs in relation to the Amendments can be accessed at the following link: https://www.bursamalaysia.com/regulation/fags_relating_to_bursa_malaysia_rules

5.0 EFFECTIVE DATE

5.1 The amendments to the BMS Rules and BMS Directives will take effect from **10 January 2023**.

6.0 CONTACT PERSON

6.1 In the event of any queries in relation to the above matter, kindly contact us at the following:

	Contact Details
Securities, Derivatives & Bond Trading Operations	sbt@bursamalaysia.com
Regulatory Policy & Advisory (Rule Amendments and Directives)	rpa@bursamalaysia.com

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Regulation