

**Issuance of Statements of Account for Inactive Accounts**

**Frequently Asked Questions (FAQs)**

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**1. What is an inactive account?**

A securities account is termed an inactive account by the Depository where:

- (i) there are shares in the account;
- (ii) there has not been any transactions, in that, debit or credit entries for at least 36 months from the date of last entry made; and
- (iii) no suspension has been placed on the securities account on the expiry of the 36 months mentioned above.

**2. What is the effect of the Depository designating a securities account as inactive?**

Once your securities account has been designated as inactive, you may continue to perform all types of CDS transactions which are available to depositors as stated under Rule 25.04(2) of the Rules of Bursa Depository that does not require debit entries to be effected in your securities account. Examples of such transactions are updating your securities account or inquiring into the status of your account. If you wish to perform any transaction which requires debit entries to be effected by the Depository in your inactive account or if you wish to trade the securities in your inactive account, you will need to first reactivate your account.

**3. Are there any debit entries allowed to be made in my inactive account?**

The Depository may effect debit entries in an inactive account arising from the following transactions:

- (i) where the depositor's shares are being compulsorily acquired under section 222 of the Capital Markets and Services Act 2007 pursuant to a take-over offer; and
- (ii) in the case of a conversion of non-equity securities into equity securities or a share consolidation exercise.

**4. Currently, how often are statements of account issued for inactive accounts?**

For inactive accounts, statements of account are generated and sent on a half yearly basis during the month of June and December of every year.

**5. How will I be affected by these rule changes?**

If your account has been designated as an inactive account, effective from 2011, instead of receiving your statement of account on a half yearly basis, you will be receiving your statement of account on a yearly basis during the month of December.

In addition to the yearly statement of account referred to above, where there is a debit or credit entry in your inactive account by the Depository for example, arising from inward transfers, corporate actions, IPO or conversion of non-equity securities, a statement of account will be issued in the month following such debit or credit entry.

6. **Does a depositor have the option to request for a statement of account for inactive accounts earlier than the yearly statement?**

Yes, a depositor can request for a statement of account at any time through his Authorised Depository Agent where his inactive account is maintained.

7. **Who can the depositors call should they have further queries on these changes to the manner of issuing statements of account for inactive accounts?**

For further queries on this matter, depositors may call their Authorised Depository Agent or Bursa Malaysia Depository's Account Management Section at 03-20347000.

[End of FAQs]