

BURSA MALAYSIA SECURITIES BERHAD (635998 W)

PARTICIPATING ORGANISATIONS' CIRCULAR

Date : 25 March 2005

No: R/R 3 of 2005

AMENDMENTS TO RULE 503.3(3)(b)(i) OF THE RULES OF BURSA MALAYSIA SECURITIES BERHAD PERTAINING TO SHARING OF EMPLOYEES WHO ARE COMMON TO THE UNIVERSAL BROKER AND THE LICENSED FUTURES COMPANY FOR THE PURPOSE OF CARRYING OUT THE BACK OFFICE SYSTEM AND OPERATIONS IN RELATION TO THE CONDUCT OF FUTURES BROKING BUSINESS AT THE UNIVERSAL BROKER'S PRINCIPAL OFFICE AND/OR ANY OF ITS BRANCH OFFICE(S)

Please be informed that pursuant to Section 9(7) of the Securities Industry Act 1983, Rule 503.3(3)(b)(i) of the Rules of Bursa Malaysia Securities Berhad has been amended as set out in **ANNEXURE 1** appended herewith (the "said Amendments") to allow for sharing of employees who are common to the Universal Broker and the licensed futures company for the purpose of carrying out the back office system and operations in relation to the conduct of futures broking business at the Universal Broker's principal office and/or any of its branch office(s).

Kindly be advised that the said Amendments take effect from the date hereof.

All rules, directives or circulars in force which make references to or contain provisions relating to the above matters shall have effect from the date hereof as if such reference or provisions relate to the amended provisions aforesaid.

Please be informed that the said Amendments are available on Bursa Malaysia's website at : <http://www.bursamalaysia.com>, specifically under the headings "About Us"/ "The Organisation"/ "Business Rules".

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Existing Rules		Proposed Amendments	
503.3(3)(b)	<p>the futures broking business permitted to be conducted at the Universal Broker's principal office and/or any of its branch office(s) shall be segregated from the other activities of the Universal Broker, which measures shall include without limitation the following –</p> <p>(i) there shall be no sharing of employees who are common to the Universal Broker and the licensed futures company for any purpose whatsoever;</p> <p>(ii) the back office system and operations in relation to the conduct of futures broking business at the Universal Broker's principal office and/or any of its branch office(s) shall at all times remain under the auspices and purview of the licensed futures company;</p> <p>(iii) maintenance of Chinese Walls and firewalls to prevent the flow of information between the licensed futures company's Local Members and futures broker's representatives and the Universal Broker's Dealer's Representatives and in respect hereof, include without limitation:</p> <p>(aa) the trading facilities pertaining to futures broking business shall be physically segregated from the ATS of the Universal Broker; and</p> <p>(bb) the establishment and implementation of policies and procedures governing restricted access to the trading facilities pertaining to futures broking business and the ATS;</p>	503.3(3)(b)	<p>the futures broking business permitted to be conducted at the Universal Broker's principal office and/or any of its branch office(s) shall be segregated from the other activities of the Universal Broker, which measures shall include without limitation the following –</p> <p>(i) there shall be no sharing of employees who are common to the Universal Broker and the licensed futures company for any purpose except for the purpose of carrying out the back office system and operations in relation to the conduct of futures broking business at the Universal Broker's principal office and/or any of its branch office(s);</p> <p>(ii) the back office system and operations in relation to the conduct of futures broking business at the Universal Broker's principal office and/or any of its branch office(s) shall at all times remain under the auspices and purview of the licensed futures company;</p> <p>(iii) maintenance of Chinese Walls and firewalls to prevent the flow of information between the licensed futures company's Local Members and futures broker's representatives and the Universal Broker's Dealer's Representatives and in respect hereof, include without limitation:</p> <p>(aa) the trading facilities pertaining to futures broking business shall be physically segregated from the ATS of the Universal Broker; and</p>

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Existing Rules		Proposed Amendments	
			(bb) the establishment and implementation of policies and procedures governing restricted access to the trading facilities pertaining to futures broking business and the ATS;