

BURSA MALAYSIA SECURITIES CLEARING SDN BHD

Date: 25 May 2018

No: SBL 3/2018

AMENDMENTS TO THE: -

1. **SECURITIES BORROWING AND LENDING – NEGOTIATED TRANSACTION (SBLNT) OPERATIONAL GUIDELINES FOR LENDERS AND BORROWERS**
2. **SBL CIRCULAR**

CONSEQUENTIAL TO THE GOODS AND SERVICES TAX (RATE OF TAX) (AMENDMENT) ORDER 2018 (“GST AMENDMENT ORDER”)
1. BACKGROUND

Pursuant to the GST Amendment Order, the Goods and Services Tax rate has been amended from 6% to 0%. The GST Amendment Order comes into operation on 1 June 2018.

2. AMENDMENTS TO SBLNT OPERATIONAL GUIDELINES FOR LENDERS AND BORROWERS AND SBL CIRCULAR

In this connection, the following SBLNT Operational Guidelines For Lenders and Borrowers and relevant SBL Circular have been amended to replace the words “6% GST” with “GST at the prevailing rate”:

(a) SBLNT OPERATIONAL GUIDELINES FOR LENDERS AND BORROWERS

Section 6 on ‘Intermediary fee’ of the SBLNT Operational Guidelines For Lenders and Borrowers.

“**Annexure 1**” provides the detail of the update made to the SBLNT Operational Guidelines For Lenders and Borrowers and the relevant amendment is denoted with track changes.

(b) SBL CIRCULAR

SBL Circular No. SBL 2/2015 dated 16 March 2015 is deemed to have been amended.

No	SBL Circular	Remark
1.	SBL 2/2015 dated 16 March 2015	SBLNT – Intermediary Fee

3. EFFECTIVE DATE

This circular supersedes paragraph 2 of the SBL Circular No. SBL 2/2015 dated 16 March 2015.

The amendments to the SBLNT Operational Guidelines For Lenders and Borrowers and SBL Circular shall take effect from 1 June 2018 (“**Effective Date**”).

4. CONTACT PERSONS

In the event of any queries in relation to the amendments of the Operational Procedures, kindly contact the following persons:

Name	Contact
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Securities Clearing and Settlement

“ANNEXURE 1”

**SECURITIES BORROWING AND LENDING – NEGOTIATED TRANSACTION (SBLNT)
OPERATIONAL GUIDELINES FOR LENDERS AND BORROWERS**



SECURITIES CLEARING & SETTLEMENT

**BURSA SECURITIES BORROWING AND
LENDING - NEGOTIATED TRANSACTION
("SBLNT")**

**OPERATIONAL GUIDELINES
FOR
LENDERS & BORROWERS**

(BMSC/CD/SBL/008)

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6.1 Intermediary Fee

- 6.1.1 Bursa will charge an **Intermediary Fee** for the services provided. This fee is computed by the SBLNT system. The fee structure is of 2 types as the following:
- a. 0.02% (2 basis point) per annum of the outstanding loan (based on the daily closing price of the securities transacted) with a minimum of RM100 levied on both Borrowing Representative and Lending Representative;

or

 - b. 0.04% (4 basis point) per annum of the outstanding loan (based on the daily closing price of the securities transacted) with a minimum of RM200 on Borrowing Representative only.

Note:

- *6.1.1(a) is on shared arrangement between the Lending Representative and Borrowing Representative where else 6.1.1(b) is non-shared i.e. the entire intermediary fee is borne by the Borrowing Representative.*
- *Bursa has obtained an approval to display prices exclusive of the Goods and Services Tax ("GST") under subsection 9(7) of the Goods and Services Tax Act 2014. Accordingly, each fee, charge or amount payable to Bursa Clearing (S) set out above does not include GST i.e. price payable is exclusive of GST.*
- *GST at the prevailing rate is payable on all fees, charges or amounts payable (unless otherwise specified by Bursa in accordance with the Goods and Services Tax Act 2014), and will be billed in the tax invoices issued in relation to such fees, charges or amounts payable.*
- *Lending Representative and Borrowing Representative are required to pay Bursa Clearing (S) the Intermediary Fee together with the GST on every 3rd business day of the month by 10 a.m.*

