

## PARTICIPATING ORGANISATIONS' CIRCULAR

Date : 2 October 2018

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### AMENDMENTS TO THE RULES OF BURSA MALAYSIA SECURITIES BERHAD ("RULES OF BURSA SECURITIES") CONSEQUENTIAL TO THE REMUNERATION ARRANGEMENTS ALLOWED UNDER THE MARKETING REPRESENTATIVE FRAMEWORK BY THE SECURITIES COMMISSION MALAYSIA ("SC")

#### 1. INTRODUCTION

- 1.1 Bursa Malaysia Securities Berhad (the "**Exchange**") has amended the Rules of Bursa Securities consequential to the remuneration arrangements allowed by the SC under its Marketing Representative framework. It was clarified by the SC on 1 August 2018<sup>1</sup> that a principal which is a Capital Markets Services Licence ("**CMSL**") holder may enter into an agreement with a financial institution or another CMSL holder to engage its employees as the principal's Marketing Representatives.
- 1.2 The key amendments are detailed in paragraph 2 below.

#### 2. RULE AMENDMENTS

- 2.1 The key amendments to the Rules of Bursa Securities are as follows:
- (a) defining "Guidelines for Marketing Representatives" in the Rules of Bursa Securities. For avoidance of doubt, "Guidelines for Marketing Representatives" includes the frequently asked questions issued by SC pursuant to the said guidelines; and
  - (b) allowing a Participating Organisation and a Dealer's Representative to share commission received in connection with a trade executed for a Client with such persons, as permitted under the Guidelines for Marketing Representatives.
- 2.2 The detailed amendments to the Rules of Bursa Securities are set out in **Annexure 1**.

#### 3. EFFECTIVE DATE

The amendments to the Rules of Bursa Securities as set out in paragraph 2 take effect on **2 October 2018**.

<sup>1</sup> FAQ 8 of the SC's Frequently Asked Questions on Trading Representative and Marketing Representative as revised on 1 August 2018.

#### 4. CONTACT PERSON

In the event of any queries in relation to this circular, please contact the following persons:

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**Regulation**