

CHAPTER 11 COMMISSION AND OTHER FEES AND CHARGES

PART A DEFINITIONS

11.01 Definitions

In this Chapter, unless the context otherwise requires:

- Contract Value
- (a) The total value of securities of the same counter a Client purchases or sells in a Market Day; or
 - (b) if the Client instructs for the transaction described in paragraph (a) above to be reflected in more than one contract, the value of securities for each contract.

The value of securities is determined with reference to the price at which the securities were purchased or sold.

- Intraday Trade
- The buying and subsequent selling (whether or not of the entire amount bought) of securities of the same counter within the same Market Day.

- Retail Trade
- Trades or transactions other than trades or transactions by or on behalf of:
- (a) life insurance companies;
 - (b) general insurance companies;
 - (c) superannuation or employees provident funds;
 - (d) banks, including investment banks which are not also Participating Organisations and co-operative banks established or licensed to operate in Malaysia under the laws of Malaysia or elsewhere under the laws of the jurisdiction concerned;
 - (e) a wholly-owned subsidiary of the institutions under paragraph (d) above;
 - (f) *[Deleted]*;
 - (g) asset management companies and unit trust management companies;
 - (h) trust companies or institutions;
 - (i) co-operatives established under statute;
 - (j) central, state or local government-owned or linked funds;
 - (k) members or member companies of recognised stock exchanges;
 - (l) securities dealers who are not members of such recognised stock exchanges but who are authorised to carry out the

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business of dealing in securities by the relevant authorities in jurisdictions of the recognised stock exchange; and

- (m) any other institutions or types of companies as determined from time to time by the Exchange.

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PART B COMMISSION

11.02 Rates

- (1) A Participating Organisation must charge the Participating Organisation's Client, commission for every buy and sell trade executed for the Client on the stock market of the Exchange, at the rate set out in Schedule 6.
- (2) If a Participating Organisation acts for both the seller and the buyer in a transaction, the Participating Organisation must charge both the seller and the buyer commission at the rate set out in Schedule 6.
- (3) A Participating Organisation must not share any commission it receives in connection with a trade executed for a Client with any person except its Dealer's Representatives, Trading Representatives, Marketing Representatives or such other persons as permitted under the Guidelines for Marketing Representatives.
- (3A) A Dealer's Representative must not share any commission the Dealer's Representative receives in connection with a trade executed by a Client with any person except the Dealer's Representative's Participating Organisation or any of the Participating Organisation's Dealer's Representatives, Trading Representatives, Marketing Representatives or such other persons as permitted under the Guidelines for Marketing Representatives.
- (3B) A Participating Organisation and its Dealer's Representatives must not give any rebate on the commission that results in the Client paying less than the minimum commission set out in Schedule 6.
- (4) A Participating Organisation must charge commission on trades executed for Clients in the Recognised Stock Exchanges at the rates stated in Schedule 6 or the rates applied by the Recognised Stock Exchanges whichever is higher.
- (5) A Participating Organisation is permitted to give discounts on the commission payable in this Rule 11.02 to their employees, Dealer's Representatives and Trading Representatives, provided that, the amount of commission after the discount is not less than the minimum commission set out in Schedule 6.

11.03 Net contracts prohibited

A Participating Organisation must not set off a Client's buy Contract against the same Client's sell Contract or vice versa for the purpose of calculating the Contract Value set out in Schedule 6.

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PART C OTHER FEES AND CHARGES

11.04 Levy by Commission

- (1) In this Rule 11.04, a “Transaction” means a purchase or sale of:
 - (a) securities recorded on the Exchange; or
 - (b) securities notified to the Exchange in accordance with these Rules.

- (2) Pursuant to the Securities Commission (Levy on Securities Transactions) Order 1995, every selling Participating Organisation and buying Participating Organisation must pay to the Exchange, for the account of the Commission, a levy on a Transaction as stipulated in Schedule 7.

- (3) For the avoidance of doubt, the requirement in Rule 11.04(2) does not apply to an ISSBNT transaction.

11.05 Clearing fees

A Participating Organisation must pay to the Clearing House, clearing fees as the Clearing House determines.

[End of Chapter]