

ANNEXURE 1

RULES OF BURSA MALAYSIA SECURITIES CLEARING SDN BHD

**RULE AMENDMENTS IN RELATION TO SECURITIES BORROWING AND LENDING
 (“SBL”) AND ISLAMIC SECURITIES SELLING AND BUYING (“ISSBNT”)**

RULE	EXISTING PROVISIONS	RULE	AMENDED PROVISIONS
Rule 7.6	PURPOSE OF SECURITIES BORROWING	Rule 7.6	No change
	(a) Any Borrower may borrow Eligible Securities only for any one of the following purposes subject to such requirements as may be prescribed by the Clearing House:		(a) No change
	(i) to facilitate the settlement of a regulated short sale in Eligible Securities executed in accordance with the Exchange Rules;		(i) to facilitate the settlement of a r Regulated s Short s Sale in Eligible Securities executed in accordance with the Exchange Rules;
	(ii) to facilitate the settlement of a sale of Eligible Securities where there are no Securities or insufficient Securities in the securities account of the seller as will enable the seller to meet its delivery obligations to the purchaser (in accordance with the Exchange Rules relating to delivery and settlement) as a result of a mistake howsoever made when executing the sale provided always that the mistake was made in good faith and discovered only after the sale has been executed;		(ii) No change

**Amendments to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd
In relation to SBL & ISSBNT**

	<p>(iii) in relation to Eligible Securities that are ETF units or the Constituent Securities (the ETF Units, the Constituent Securities or any one of the Constituent Securities shall hereinafter be collectively referred to as “the ETF Related Securities”), to facilitate the settlement of a sale in the ETF Related Securities where the following requirements are complied with:-</p> <p>(aa) the sale was executed by the Borrower in its capacity as a Market Maker for that particular ETF Related Securities or executed by the Borrower for its client who is a Market Maker for that particular ETF Related Securities; and</p> <p>(bb) the Borrower executed the sale as part of its Permitted Short Selling activities or as part of the Permitted Short Selling activities of the Borrower’s client in accordance with the rules on Permitted Short Selling as contained in the Exchange Rules; or</p>		<p>(iii) in relation to Eligible Securities that are ETF units or the Constituent Securities (the ETF Units, the Constituent Securities or any one of the Constituent Securities shall hereinafter be collectively referred to as “the ETF Related Securities”), to facilitate the settlement of a sale in the ETF Related Securities where the following requirements are complied with:-</p> <p>(aa) the sale was executed by the Borrower in its capacity as a Market Maker for that particular ETF Related Securities or executed by the Borrower for its client who is a Market Maker for that particular ETF Related Securities; and</p> <p>(bb) the Borrower executed the sale as part of its Permitted Short Selling activities or as part of the Permitted Short Selling activities of the Borrower’s client in accordance with the rules on Permitted Short Selling as contained in the Exchange Rules; or</p> <p><u>to facilitate the settlement of a Permitted Short Sale in Eligible Securities executed in accordance with the Exchange Rules; or</u></p>
	<p>(iv) for such other purposes as may be determined by the Clearing House in consultation with the Commission.</p>		<p>(iv) No change</p>

ANNEXURE 1
Amendments to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd
In relation to SBL & ISSBNT

	<p>(b) For the purpose of this sub-rule (a), unless the context otherwise requires -</p> <p>(i) “Constituent Securities” shall have the meaning as is assigned to that expression in the Exchange Rules;</p> <p>(ii) “ETF” means exchange traded fund as defined in the Commission’s Guidelines on Exchange Traded Funds;</p> <p>(iii) “Market Maker” shall have the meaning as is assigned to that expression in the Exchange Rules;</p>		<p>(b) For the purpose of this sub-rule (a), unless the context otherwise requires -</p> <p>(i) “Constituent Securities” shall have the meaning as is assigned to that expression in the Exchange Rules;</p> <p>(ii) “ETF” means exchange traded fund as defined in the Commission’s Guidelines on Exchange Traded Funds;</p> <p>(iii) “Market Maker” shall have the meaning as is assigned to that expression in the Exchange Rules;</p>
	<p>(iv) “Permitted Short Selling” shall have the meaning as is assigned to that expression in the Exchange Rules; and</p> <p>(v) “regulated short sale” shall have the same meaning as is assigned to that expression in the Exchange Rules.</p>		<p>(iv) “Permitted Short Selling” shall have the meaning as is assigned to that expression in the Exchange Rules; and</p> <p>(v) “regulated short sale” shall have the same meaning as is assigned to that expression in the Exchange Rules.</p> <p><u>(iv) “Permitted Short Sale” refers to a short selling of Eligible Securities executed as “Permitted Short Selling” in accordance with shall have the meaning as is assigned to that expression in the Exchange Rules; and</u></p> <p><u>(vii) “Regulated Short Sale” shall have the same meaning as is assigned to that expression in the Exchange Rules.</u></p>
Rule 8.5	PURPOSE OF SECURITIES BORROWING	Rule 8.5	No change
	<p>(a) An Approved SBLNT Borrower may borrow Eligible Securities only for any one of the following purposes subject to such requirements as may be prescribed by the Clearing House:</p>		<p>(a) No change</p>
	<p>(i) to facilitate the settlement of a regulated short sale in Eligible Securities executed in accordance with the Exchange Rules;</p>		<p>(i) to facilitate the settlement of a <u>Regulated Short Sale</u> in Eligible Securities executed in accordance with the Exchange Rules;</p>
	<p>(ii) to facilitate the settlement of a sale of Eligible Securities where there are no Securities or insufficient Securities in the securities account of the seller as will enable the seller to meet its delivery obligations to the purchaser (in</p>		<p>(ii) No change</p>

ANNEXURE 1
Amendments to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd
In relation to SBL & ISSBNT

	accordance with the Exchange Rules relating to delivery and settlement) (“potential failed trade”) as a result of a mistake howsoever made when executing the sale provided always that the mistake was made in good faith and discovered only after the sale has been executed;		
	(iii) in relation to Eligible Securities that are ETF units or the Constituent Securities (the ETF Units, the Constituent Securities or any one of the Constituent Securities shall hereinafter be collectively referred to as “the ETF Related Securities”), to facilitate the settlement of a sale in the ETF Related Securities where the following requirements are complied with:		(iii) in relation to Eligible Securities that are ETF units or the Constituent Securities (the ETF Units, the Constituent Securities or any one of the Constituent Securities shall hereinafter be collectively referred to as “the ETF Related Securities”), to facilitate the settlement of a sale in the ETF Related Securities where the following requirements are complied with:
	(aa) the sale was executed by the Approved SBLNT Borrower in its capacity as a Market Maker for that particular ETF Related Securities or executed by the Approved SBLNT Borrower for its client who is a Market Maker for that particular ETF Related Securities; and (bb) the Approved SBLNT Borrower executed the sale as part of its Permitted Short Selling activities or as part of the Permitted Short Selling activities of the Approved SBLNT Borrower’s client in accordance with the rules on Permitted Short Selling as contained in the Exchange Rules;		(aa) the sale was executed by the Approved SBLNT Borrower in its capacity as a Market Maker for that particular ETF Related Securities or executed by the Approved SBLNT Borrower for its client who is a Market Maker for that particular ETF Related Securities; and (bb) the Approved SBLNT Borrower executed the sale as part of its Permitted Short Selling activities or as part of the Permitted Short Selling activities of the Approved SBLNT Borrower’s client in accordance with the rules on Permitted Short Selling as contained in the Exchange Rules; <u>to facilitate the settlement of a Permitted Short Sale in Eligible Securities executed in accordance with the Exchange Rules; or</u>
	(iv) to onward lend the Loaned Securities provided that the participants in the onward lending transaction comply with these Rules and the Clearing House’s requirements		(iv) No change

ANNEXURE 1
Amendments to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd
In relation to SBL & ISSBNT

	in relation to Bursa SBL Transaction or SBL Negotiated Transactions (as applicable), including being approved as a Lender or Lending Participant or an Approved SBLNT Lender (as applicable); or		
	(v) for such other purposes as may be determined by the Clearing House in consultation with the Commission.		(v) No change
	(b) Where the Loaned Securities are borrowed to facilitate the settlement of a potential failed trade as provided in Rule 8.5(a)(ii) above, the Approved SBLNT Borrower must return such Loaned Securities within the time prescribed by the Clearing House.		(b) No change
	(c) For the purpose of this sub-rule (a), unless the context otherwise requires - (i) “Constituent Securities” shall have the meaning as is assigned to that expression in the Exchange Rules; (ii) “ETF” means exchange traded fund as defined in the Commission’s Guidelines on Exchange Traded Funds;		(c) For the purpose of this sub-rule (a), unless the context otherwise requires - (i) “Constituent Securities” shall have the meaning as is assigned to that expression in the Exchange Rules; (ii) “ETF” means exchange traded fund as defined in the Commission’s Guidelines on Exchange Traded Funds;
	(iii) “Market Maker” shall have the meaning as is assigned to that expression in the Exchange Rules; (iv) “Permitted Short Selling” shall have the meaning as is assigned to that expression in the Exchange Rules; and (v) “regulated short sale” shall have the same meaning as is assigned to that expression in the Exchange Rules.		(iii) “Market Maker” shall have the meaning as is assigned to that expression in the Exchange Rules; (iv) <u>“Permitted Short Sale” refers to a short selling of Eligible Securities executed as “Permitted Short Selling” in accordance with</u> shall have the meaning as is assigned to that expression in the Exchange Rules; and (vii) <u>“Regulated Short Sale”</u> shall have the same meaning as is assigned to that expression in the Exchange Rules.

ANNEXURE 1
Amendments to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd
In relation to SBL & ISSBNT

Rule 9.5	PURPOSES OF ISLAMIC SECURITIES SELLING AND BUYING	Rule 9.5	No change
	(a) An Approved User may buy ISSBNT Eligible Securities only for any one of the following purposes:		(a) No change
	(i) to settle a Regulated Short Sale in ISSBNT Eligible Securities;		(i) No change
	(ii) to settle a sale of ISSBNT Eligible Securities where there are no Securities or insufficient Securities in the securities account of the seller as will enable the seller to meet its delivery obligations to the purchaser (“potential failed trade”) as a result of a mistake howsoever made when executing the sale provided always that the mistake was made in good faith and discovered only after the sale has been executed;		(ii) No change
	(iii) in relation to ISSBNT Eligible Securities that are ETF units or the Constituent Securities (the ETF Units, the Constituent Securities or any one of the Constituent Securities shall hereinafter be collectively referred to as “the ETF Related Securities”), to settle a sale in the ETF Related Securities where the following requirements are complied with: (aa) the sale was executed by the Approved User in its capacity as Market Maker for that particular ETF Related Securities or executed by the Approved User for its client who is a Market Maker for that particular ETF Related Securities; and		(iii) in relation to ISSBNT Eligible Securities that are ETF units or the Constituent Securities (the ETF Units, the Constituent Securities or any one of the Constituent Securities shall hereinafter be collectively referred to as “the ETF Related Securities”), to settle a sale in the ETF Related Securities where the following requirements are complied with: (aa) the sale was executed by the Approved User in its capacity as Market Maker for that particular ETF Related Securities or executed by the Approved User for its client who is a Market Maker for that particular ETF Related Securities; and
	(bb) the Approved User executed the sale as part of its Permitted Short Selling activities or as part of the Permitted Short Selling activities of the Approved User’s client;		(bb) the Approved User executed the sale as part of its Permitted Short Selling activities or as part of the Permitted Short Selling activities of the Approved User’s client;

ANNEXURE 1
Amendments to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd
In relation to SBL & ISSBNT

			<u>to settle a Permitted Short Sale in Eligible Securities executed in accordance with the Exchange Rules; or</u>
	(iii) to perform an SBLNT or another ISSBNT, provided that the participants in such transactions comply with these Rules; or		(iii) No change
	(iv) for such other purposes as may be determined by the Clearing House in consultation with the Commission.		(iv) No change
	(b) Where the ISSBNT Securities are bought to settle a potential failed trade as provided in Rule 9.5(a)(ii), the Approved User must execute Leg 2 of the ISSBNT within the time prescribed by the Clearing House.		(b) No change
	(c) For the purpose of sub-rule (a), unless the context otherwise requires - (i) “Constituent Securities” shall have the meaning as is assigned to that expression in the Exchange Rules;		(c) For the purpose of sub-rule (a), unless the context otherwise requires - (i) “Constituent Securities” shall have the meaning as is assigned to that expression in the Exchange Rules;
	(ii) “ETF” means exchange traded fund as defined in the Commission’s Guidelines on Exchange Traded Funds; (iii) “Market Maker” shall have the meaning as is assigned to that expression in the Exchange Rules; (iv) “Permitted Short Selling” shall have the meaning as is assigned to that expression in the Exchange Rules; and		(ii) “ETF” means exchange traded fund as defined in the Commission’s Guidelines on Exchange Traded Funds; (iii) “Market Maker” shall have the meaning as is assigned to that expression in the Exchange Rules; (iv) <u>“Permitted Short Sale” refers to a short selling of Eligible Securities executed as “Permitted Short Selling” in accordance with</u> shall have the meaning as is assigned to that expression in the Exchange Rules; and

ANNEXURE 1
Amendments to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd
In relation to SBL & ISSBNT

	(v) "Regulated Short Sale" shall have the same meaning as is assigned to that expression in the Exchange Rules.		(v ii) "Regulated Short Sale" shall have the same meaning as is assigned to that expression in the Exchange Rules.
--	---	--	--

[End of Rule Amendments]