PART IV	RULES RELATING TO ISSUERS
Chapter 17.0	General Rules

Rule 17.01 Compliance with Rules, etc:

(1) Every issuer of prescribed securities or deposited securities shall comply with these Rules where they purport to apply to them directly or indirectly (whether in this Part IV or otherwise), the Procedures Manual, the provisions of the Act and the Regulations, any directions which may be issued by the Depository from time to time, any undertakings, representations or warranties given to the Depository by the issuer and any terms and conditions agreed upon between the Depository and the issuer. For the purposes of this Rule, an issuer shall include, if applicable, its company registrar, its issuing house or any agent of the issuer.

(2) A trustee of an exchange traded fund shall comply with these Rules where they purport to apply to the trustee directly or indirectly (whether in this Part IV or otherwise), the Procedures Manual, the provisions of the Act and the Regulations and any directions which may be issued by the Depository from time to time. In this connection, a trustee must give the Depository an undertaking in the form of Appendix IV.

Rule 17.01A Indemnity:

Every issuer of prescribed securities or deposited securities and in the case of an exchange traded fund, both the issuer and the trustee shall fully indemnify and hold indemnified the Depository against any loss, damage, liability, cost or expense (including legal costs) suffered or incurred by the Depository, whether directly or indirectly, as a result of any demand, action or proceeding made by any person for, on account of, or in respect of anything done, any statement made or omitted to be done or made, by the Depository in connection with the discharge or performance or purported discharge or performance of any duties or services by the Depository under

these Rules or in the exercise or intended exercise of any power under these Rules, in relation to such issuer, its securities or trustee of an exchange traded fund provided always that such act, statement or omission did not arise as a result of negligence on the part of the Depository.

Rule 17.01B Rectification of error or omission:

(1) **Right to rectify:** Without prejudice to the provision in Rule 17.01A, the Depository shall have the right to do any act or thing to rectify any error or omission made by the Depository in relation to entries made in any securities account pursuant to any corporate action undertaken by an issuer.

(2) **No liability for rectification:** The Depository shall not be liable to any issuer or depositor in respect of any such rectification except such liability as may arise as a result of bad faith of the Depository.

Rule 17.01C Documents required to be provided by foreign corporations:

(1) Prior to the prescription of the securities of an issuer which is a foreign corporation under section 14 of the Act or the deposit of securities of a foreign corporation with the Depository, the foreign corporation must provide to the Depository:

(a) an undertaking in the form of Appendix V or in such other form as the Depository may require; and

(b) any other documents, including legal opinions that the Depository may require.

Rule 17.02 Identity code:

The Depository shall allocate to every issuer (or its company registrar or issuing house) of prescribed securities an identity code.

Rule 17.03 Deleted

Rule 17.04 Deleted

Rule 17.05 Issuer to ensure all information pertaining to corporate actions are correct and accurate:

Every issuer of deposited securities shall be responsible to ensure that all information provided to the Depository in relation to corporate actions under Chapter 21 and Chapter 22 of these Rules, in particular information relating to the debiting or crediting of securities from or into the depositor's securities account are correct, accurate and in accordance with the application form received from the depositor. The Depository shall rely solely on the information provided by the issuer in processing the corporate actions under Chapter 21 and Chapter 22 of these Rules.

Rule 17.06 Compliance with the law, regulations, requirements etc.

The Depository shall deem that the issuer of deposited securities has obtained all the necessary approval(s) from the relevant regulatory authorities to undertake the corporate actions set out under Chapter 21 and Chapter 22 of these Rules and the same are in compliance with all requirements of the laws, regulations, rules, procedures etc. that govern the corporate actions.

Rule 17.07 Application for deposit of unlisted securities:

(1) **Application:** Any issuer of securities which are not listed or proposed to be listed on the official list of the Stock Exchange, who wishes to have such securities deposited with the Depository, shall apply to the Depository by submitting an application in the form prescribed by the Depository.

(2) **No obligation:** The Depository may exercise its discretion and may approve or reject applications for the deposit of securities as referred to in Rule 17.07(1) by any issuer, as it deems fit.

(3) **Approval:** The Depository may also approve such applications for deposit unconditionally or subject to such conditions, as it deems fit.

Rule 17.08 Non-payment of Securities of Unlisted Public Companies ("SUPCO") Fee:

(1) **Depository's right of refusal:** Notwithstanding any provisions in these Rules, the Depository may refuse to act on any instruction of an issuer in handling or processing any corporate action set out in Chapter 20A, Chapter 21 and Chapter 22 or perform any other services requested by the issuer where payment of SUPCO fees as prescribed by the Depository is due and owing to the Depository.

(2) **Issuer to undertake any other action:** Notwithstanding any provisions in these Rules, it shall be the sole responsibility of the issuer to undertake any other action it deems fit in relation to the handling and processing of the corporate action stipulated under Rule 17.08(1) or any other services refused to be performed by the Depository and the Depository shall not be held liable for any loss or damage suffered by any depositor arising from its refusal to act as stipulated under Rule 17.08(1).

Rule 17.09 Undertaking:

An issuer who has been approved to have its unlisted securities deposited with the Depository shall issue or provide an undertaking to the Depository in the form prescribed in Appendix III of these Rules.

Rule 17.10 Termination of central depository services in relation to unlisted securities:

(1) **Termination of services by issuer:** Notwithstanding any of the provisions in these Rules, an issuer of unlisted securities may terminate the central depository services provided by the Depository in relation to the unlisted securities of the issuer at any time with or without assigning any reason or reasons thereto, by giving the Depository not less than thirty (30) days' prior notice in writing of such intention provided that the following conditions have been satisfied, and the effective date of the termination of such services shall be the date of expiry of such notice or the date on which all the following conditions have been fully satisfied, whichever is later –

(a) there are no outstanding fees or charges due and owing by the issuer to the Depository;

(b) there is no pending action to be taken by the Depository in relation to any request for central depository services made by the issuer;

(c) all unlisted securities of the issuer have been withdrawn from the Depository in accordance with these Rules, directions issued or conditions imposed by the Depository; and

(d) fulfillment of any other conditions as may be imposed by the Depository on the issuer.

(2) **Termination of services by Depository:** Notwithstanding any of the provisions in these Rules, the Depository may terminate the central depository services provided by the Depository in relation to the unlisted securities of the issuer at any time with or without assigning any reason or reasons thereto, by giving the issuer of the unlisted securities prior notice in writing of such intention. The termination of such services shall be made subject to the fulfilment of the

conditions provided in Rule 17.10(1)(a)-(d) except as specified by the Depository in its absolute discretion. The effective date of the termination of such services shall be the date of expiry of such notice or such other date as may be determined by the Depository as it deems fit.

(3) **Withdrawal of unlisted securities:** Where the issuer of unlisted securities or the Depository, as the case made be, terminates the central depository services provided by the Depository in relation to the unlisted securities of the issuer under these Rules for any reason whatsoever, the issuer shall notify all depositors of its unlisted securities that the notice to terminate such services has been served and the depositors must effect withdrawal of such unlisted securities from the Depository in accordance with directions issued or conditions imposed by the Depository.

(4) **Effect of Termination of Services:** Upon the termination of the central depository services in relation to the unlisted securities by an issuer of unlisted securities or the Depository, as the case may be, taking effect :-

(a) the Depository shall not be under any duty or obligation, whether or not expressly provided in these Rules, to provide any services or facilities to the issuer in relation to the unlisted securities on or after the effective date of such termination but shall not be precluded from doing so at its absolute discretion; and

(b) such termination shall be without prejudice to any rights or remedies either party may be entitled to and shall not affect any accrued rights or liabilities of either party before the effective date of such termination and the coming into or continuance in force of any provisions in these Rules which are expressly or by implication intended to come into or continue in force on or after the effective date of such termination.

Rule 17.11 eRAPID:

(1) **eRAPID Information:** Any of the following record or information that is to be provided by the Depository to an issuer or offeror (hereinafter referred to as "the Issuer") or by an Issuer to the Depository, as the case may be, shall be transmitted electronically via the eRAPID System unless otherwise permitted or directed by the Depository:

(a) Record of Depositors;

(b) data in relation to corporate actions or public offers for the purpose of debiting or crediting the securities accounts of the relevant depositors;

(c) reports or information as stipulated under these Rules or the Procedures Manual, pursuant to a request made by the Issuer which reports or information are generated by the computer system of the Depository in relation to Rule 17.11(1)(b) or which may be provided by the Depository; and

(d) such other records or information as may be prescribed by the Depository from time to time.

(hereinafter collectively referred to in this Chapter as "the eRAPID Information").

(2) **Request:**

(a) **Form of Request:** An Issuer must ensure that any request made under these Rules that relates to the eRAPID Information (hereinafter referred to as "the Request") is sent electronically via the eRAPID System, unless otherwise permitted or directed by the Depository.

(b) **User identification and password:** An Issuer will be allocated specific user identification and password, in accordance with the Procedures Manual for access to the eRAPID System to such extent or in such manner as may be determined by the Depository.

(c) **Valid Request:** Any Request received by the Depository via the successful usage of the user identification and password allocated to the Issuer shall be deemed to be a valid Request made by such Issuer which may be relied and acted upon by the Depository.

(d) **Approval:** Information relating to the eRAPID Information that is requested by the Issuer will be transmitted by the Depository to the Issuer only upon the relevant approval of the Request by the Depository.

(3) **Information**

(a) **When information deemed received:** Any information transmitted via the eRAPID System shall be deemed received by the recipient as soon as the information is placed on the server of the eRAPID System.

(b) **Other form:** Nothing in this Rule shall preclude the Depository from requiring or allowing the information relating to the eRAPID Information to be provided in any other form, as the Depository, in its absolute discretion, deems fit.

(4) **Liability:** Without limiting the generality of any of the provisions of these Rules, the Depository shall not be liable for the inadvertent disclosure of, or corruption or erasure of, data transmitted or received or stored in the eRAPID System. The Depository shall not be liable for, including but not limited to, losses or damages of

any and every nature, resulting from the loss of data, inability to access the internet or inability to transmit, receive or access information unless such losses or damages resulted from the Depository acting in bad faith or negligently.

(5) **Indemnity:** The Issuer shall fully indemnify and hold indemnified the Depository against any loss, damage, liability, cost or expense (including legal costs) suffered or incurred by the Depository, whether directly or indirectly, as a result of the Depository acting in reliance of a Request made via the successful usage of the user identification and password allocated to the Issuer provided always that the loss, damage, liability, cost or expense did not result from bad faith or negligence on the part of the Depository.

Chapter 18.0 Deposit of Physical Scrips, Verification and Registration

Rule 18.01 Prescription of security by the Stock Exchange:

Where, pursuant to section 14 of the Act, the Stock Exchange is to prescribe a security listed or proposed to be listed on its official list, the Stock Exchange shall, prior to prescribing such security, notify the Commission with respect to-

(a) the ability of the issuer or its company registrar of such security, as the case may be, to handle the prescription exercise; and

(b) the length of the proposed transitional period required in order to achieve satisfactory results for such prescription exercise.

Rule 18.02 Duty to notify members (or debenture/ interest holders) on conversion as a prescribed security:

Where a security listed or proposed to be listed for quotation on the official list of the Stock Exchange has been prescribed by the Stock Exchange as a prescribed security, the Depository shall notify the respective issuer of this matter at least one month prior to the deposit date whereupon the issuer or its company registrar, as the case may be, shall in furtherance thereof serve written notice within seven market days from the deposit date to all its registered members (or debenture/interest holders) that –

(a) such security has, from the deposit date, become a prescribed security;

(b) no registered member (or debenture/interest holder) shall, from the deposit date, receive any written notice as the transferor in the event that a scrip with his name as the registered owner, together with the relevant instrument of transfer, has been lodged with the Depository to become a deposited security to be credited into a transferee's securities account; and

(c) in the event that the member (or debenture/ interest holder) whose scrip has been deposited with the Depository without his knowledge or consent he may lodge a complaint to the Depository.

Rule 18.03 Verification of scrips and transfer into the name of the Depository or its nominee company:

(1) An issuer or its company registrar, as the case may be shall, within seven (7) market days (or such longer period as may be allowed in writing by the Depository) upon receipt of the appropriate documents from the Depository pursuant to Rule 6.05(4) ascertain and notify the Depository whether the security underlying the scrip lodged is capable of being transferred into the name of the Depository or its nominee company.

(2) An issuer shall refuse to register such transfer if-

(a) it ascertains that the scrip is not a genuine scrip or is a scrip that was reported lost or destroyed;

(b) in relation to any such security, it discovers that –

(i) there has been duplication in the issuance of the scrip representing that security; or

(ii) such scrip is a scrip issued in excess of the issued capital of the issuer;

(c) it has been served with an order of court of competent jurisdiction prohibiting any dealings in respect of such security underlying such scrip; or

(d) an order under regulation 8 of the Essential (Protection of Depositors) Regulations 1986 made by the Central Bank and published in the Gazette prevents the person who deposited the scrip from dealing with any of his monies, properties or assets.

(3) Where the registration of such transfer has not been refused pursuant to Rule 18.03(2), the issuer or its company registrar shall complete and deliver the appropriate certificate duly registered in the name of the Bursa Malaysia Depository Nominees Sdn. Bhd. and the Depository shall then be authorised to credit the securities by book entry as "free securities" in the respective securities accounts of the depositors.

(4) Where the registration of such transfer has been refused pursuant to Rule 18.03(2), the issuer or its company registrar, as the case may be, shall prepare a List of Rejected Deposits to indicate all the rejected transfers and serve notice of such rejection on the Depository as well as the transferor with the reasons for such rejection.

(5) The List of Rejected Deposits shall be delivered to the Depository in the manner prescribed by the Depository, within seven (7) market days (or such longer period as may be allowed in writing by the Depository) after the lodgement of such scrips by the Depository. Thereafter, the issuer or its company registrar shall return the scrips and the relevant instruments of transfers to the Depository unless the same are required for the purposes of conducting any investigation by the relevant authorities. Upon being notified of such rejection, the Depository shall debit such securities from the securities accounts of the respective depositors.

Rule 18.04 Notification of late delivery to the Depository:

Where an issuer or its company registrar, as the case may be, is of the opinion that it is unable to ascertain and deliver the appropriate certificate registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd. within seven market days it shall submit a request for an extension of time at least forty-eight hours before the expected deadline in writing addressed to the Depository and provided that the former has exercised all due diligence and the requested extension is reasonable depending on the circumstances, the Depository shall do the necessary to grant such a request.

Rule 18.05 Notification and record of bad scrips:

The issuer or its company registrar, as the case may be, shall compile a record of all scrips which have been-

(a) reported lost, missing, stolen or forged;

(b) duplicated in excess of the issued share capital of the issuer; and

promptly inform the Depository as and when the events or changes arise through out the transitional period.

Rule 18.06 Deleted

Rule 18.07 Arrangement for delivery:

Where there is delivery of a scrip or document to be made in accordance with any rule under this chapter by an issuer or its company registrar, as the case may be, arrangements may be made to utilise the Depository's courier service whereupon such issuer or its company registrar, as the case may be, shall ensure that the scrip or document shall be made available for collection at its business office during its official business hours. Unless such arrangements have been made with the Depository it shall be the responsibility of the issuer or its company registrar to ensure that the scrip or document is delivered to the Depository and on time.

Rule 18.08 Transmission of securities to be deposited with the Depository:

(1) **Types of transmissions to be facilitated**: The Depository may prescribe circumstances in which the Depository will facilitate a transmission of securities to be deposited with the Depository.

(2) **Procedures:** The Depository may prescribe the procedures applicable to a transmission of securities to be effected under this rule.

(3) **Issuer to comply with procedures:** The issuer must comply with the procedures applicable to a transmission of securities as may be prescribed by the Depository.

Rule 18.09 Deposited securities being held by a third party:

(1) The Depository is empowered to enter into arrangements with another person, including a depository to hold the legal title or possession of the physical scrips underlying the deposited securities or to hold the rights and liabilities to such securities on behalf of the Depository, as bare trustee for the depositors.

(2) In relation to the Depository entering into such arrangements as are contemplated in Rule 18.09(1), the relevant provisions in these Rules apply with such modifications as may be prescribed by the Depository.

Chapter 19.0 Withdrawals of Deposited Securities

Rule 19.01 Prohibitions:

An issuer is prohibited from withdrawing deposited securities from the Depository except in the following circumstances -

(a) to facilitate cancellation of the issuer's own securities purchased in a share buy-back;

(b) to facilitate conversion of non-equity securities;

(c) to facilitate company restructuring process;

(d) to facilitate rectification of error;

(e) to facilitate redemption or partial redemption of the non-equity securities or any other action by the issuer that results in a cancellation of the non-equity securities;

(f) to facilitate the restructuring of the non-equity securities arising from a declaration of an event of default in respect of the non-equity securities;

(g) where a body corporate has been removed from the official list of a stock exchange;

(h) where such securities are unlisted securities;

(i) to facilitate a transmission of securities out from the Depository as contemplated under Rules 19.03 and 28.07

(j) in relation to a Special Purpose Acquisition Company ("SPAC") as defined under the Commission's Equity Guidelines, to facilitate the SPAC's compliance with the Commission's Equity Guidelines or the Listing Requirements of the Stock Exchange; or

(k) in any other circumstance determined by the Depository from time to time, after consultation with the Commission.

Rule 19.02 Processing of withdrawal of securities:

All requests for withdrawal of securities pursuant to Rule 19.01 shall be made and processed in accordance with these Rules and directions issued by the Depository.

Rule 19.03 Transmission of securities out from the Depository:

(1) **Types of transmissions to be facilitated:** The Depository may prescribe circumstances in which the Depository will facilitate a transmission of securities out from the Depository.

(2) **Procedures:** The Depository may prescribe the procedures applicable to a transmission of securities to be effected under this rule.

(3) **Issue to comply with procedures:** The issuer must comply with the procedures applicable to a transmission of securities as may be prescribed by the Depository.

Chapter 20.0 Public Offer

Rule 20.01 Section 37 of the Act:

This chapter shall apply to all securities proposed to be listed for quotation on the official list of the Stock Exchange which have been prescribed by the Stock Exchange under section 37 of the Act to be deposited with the Depository (in this chapter hereinafter referred to as "the said securities").

Rule 20.02 Procedures for handling of applications for the said securities:

(1) **Applications:** Any application made by a person for any of the said securities shall be made in the form or manner prescribed by the issuer. The issuer or offeror must ensure that the person's securities account number has been correctly submitted by the applicant.

(1A) **Deleted**

(2) **Wrong securities account number:** An issuer or offeror must reject any application if the securities account number has been wrongly submitted pursuant to Rule 20.02(1).

Rule 20.03 No physical securities:

Any request made by any applicant for any of the said securities to be delivered in the form of scrips shall be rejected by the issuer or offeror, as the case may be.

Rule 20.03A Deleted

Rule 20.04 Depository to process Allotment List:

(1) **Issuer to deliver:**

The issuer or offeror, upon the completion of balloting of applications for the said securities, shall provide a record to the Depository containing, inter alia, information pertaining to the successful allottees referred to in Rule 20.06 (hereinafter in this chapter referred to as "the Allotment List").

(2) **Depository to process:** The Depository shall within three market days upon receipt of the Allotment List pursuant to Rule 20.04(1), verify the Allotment List and notify the issuer or offeror of the results thereof.

Rule 20.05 Verification by the computer system:

For the purposes of verification pursuant to Rule 20.04(2), the Depository shall provide the issuer or offeror information which include, *inter alia* -

(a) a list of applicants, whose applications have been rejected by the computer system by reason that their securities account numbers do not tally with their respective national registration identity card or in the case of companies, their respective certificates of incorporation numbers.

(b) **Deleted**

(c) **Deleted**

Rule 20.06 Allotment List:

The issuer or offeror must, for the purpose of allotment of deposited securities pursuant to this chapter, ensure that the Allotment List provided to the Depository contains, *inter alia*-

(a) their names, race, nationality, national registration identity card numbers (or in the case of companies, the company registration numbers);

(b) the number of shares allotted to each of them; and

(c) their securities account numbers.

Rule 20.07 Finalisation of successful applicants:

(1) Upon completion of the verification of the Allotment List pursuant to Rule 20.05, the issuer or offeror must provide to the Depository a final record of the successful allottees together with the scripts (in such denomination as may be specified by the Depository) duly registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd.

(2) For the purposes of Rule 20.07, the final record submitted to the Depository shall be deemed to be the final record of successful allottees where information pertaining to the successful allottees referred to in Rule 20.06 are not rejected by the computer system pursuant to Rule 20.05.

Rule 20.08 Deleted

Rule 20.09 Book entries:

Upon receipt of the recording and scrips, the Depository shall, after consultation with the Stock Exchange, credit the securities accounts of the successful applicants with the number of shares allotted or allocated to them respectively prior to the listing of the said securities.

Rule 20.10 Notice:

(1) **Notice:** The issuer or offeror must send to each successful applicant, a notice confirming that he has been successful in his application and that his securities account has been credited with the number of shares allotted to him.

(1A) The notice must be sent to the applicant using the contact details as provided by the Depository.

(2) Deleted

Rule 20.11 Construction:

Reference to “issuer” or “offeror” in this chapter shall be deemed to include a reference to the issuing house or agent of such issuer or offeror and in the case of an exchange traded fund, reference to “issuer” under Rules 20.03A, 20.04, 20.05, 20.06 and 20.07 in this Chapter shall mean the trustee of the exchange traded fund.

Chapter 20A.0 Non-equity Securities

Rule 20A.01 Application of this chapter:

This chapter applies to every issuer of non-equity security whose non-equity securities are deposited with the Depository.

Rule 20A.02 Compliance with section 38 of the Act:

Every issuer in relation to any prescribed security who issues securities enumerated in Rule 20A.01 shall do all such acts and things as may be necessary in order to comply with section 38 of the Act.

Rule 20A.03 Exercise of rights upon given notice:

The issuer shall not be under any obligation to accept an application for the exercise of rights which is in relation to deposited non-equity securities which are or have not been designated as “free securities”.

Rule 20A.04 Procedure for handling of application for exercise of rights prior to the maturity of non-equity securities:

(1) **Application for exercise of rights:** Any application made by a depositor for the exercise of rights prior to the maturity of the deposited non-equity securities shall be made in the form prescribed by the issuer (hereinafter in this chapter referred to as “the application form”), accompanied by such other supporting documentary evidence as may be required by the issuer. It shall be the responsibility of the issuer to ensure that such form shall include the particulars and statements as may be required by the Depository from time to time under the Procedures Manual.

(2) **Inclusion of other terms:** Except as may be permitted by law, no issuer shall include any term or condition into the application form which may exclude, exempt, disclaim, reduce, limit or waive any loss, damage or liability on the part of the issuer in respect of the handling of the exercise of rights or the rejection thereof.

(3) **No physical securities and crediting in third parties' names:** Where the exercise of rights in relation to deposited non-equity securities involves the issuance of new securities by the issuer, the issuer shall reject any request by a depositor for-

(a) the new securities to be delivered in the form of scrips; or

(b) the new securities to be credited into a securities account other than one of those from which the securities are to be debited for the exercise of rights by the depositor.

Rule 20A.05 Procedure for handling exercise of rights prior to the maturity of non-equity securities:

(1) **Application of this Rule:** This Rule applies to the exercise of rights prior to the maturity of the non-equity security.

(2) **Issuer to send information for debiting:** The issuer, upon receiving the application for the exercise of rights from the depositor, shall send or cause to be sent to the Depository information pertaining to, inter alia, the names of the depositors, their national registration identity card numbers or passport numbers (or in the case of companies, the company numbers, etc), their securities account numbers and the quantity of deposited non-equity securities involved in the exercise of rights by each depositor (hereinafter in this chapter referred to as "the Debit List"), on the days determined from time to time by the Depository in the Procedures Manual.

(3) **Depository to process Debit List:** The Depository shall, upon receipt of the Debit List, and after verification, debit the securities accounts of the depositors with the number of deposited non-equity securities involved in the exercise of rights in accordance with the Debit List, and issue the appropriate certificates representing such securities to the issuer.

(4) **Splitting:** Where in connection with the cancellation of certificates of the deposited non-equity securities set out in the Debit List, the original certificates of non-equity securities delivered by the Depository were split into smaller denominations, the issuer shall register the remaining certificates underlying such non-equity securities which do not form part of the Debit List in the name of the Depository or that of its nominee company and such certificates shall be delivered or caused to be delivered by the issuer to the Depository in such manner prescribed by the Depository.

(5) **Issuer to send information for crediting:** Where the exercise of rights involves the issuance of new securities by the issuer, the issuer shall, upon receipt of the certificates pursuant to Rule 20A.05(3), send or cause to be sent to the Depository information pertaining to, inter alia, the names of the depositors, their national registration identity card numbers or passport numbers (or in the case of companies, the company numbers, etc), their securities account numbers and the quantity of new securities allotted to each depositor pursuant to the exercise of rights (hereinafter in this chapter referred to as "the Credit List"), together with the appropriate share certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd.

(6) **Depository to process Credit List:** The Depository shall, upon receipt of the Credit List and the share certificates pursuant to Rule 20A.05(5) and after verification, credit the securities accounts of the depositors with the number of new securities specified therein prior to the listing of the new securities.

(7) **Rejections:**

(a) In the event any of the exercise of rights as contained in the Debit List or Credit List is rejected by the Depository after the verification process, the issuer shall immediately verify the discrepancy which is the source of the rejection by the Depository, to determine whether to reject the application.

(b) Every issuer shall be held liable for any rejections made by them in respect of any exercise of rights where such rejections were result of any omission, neglect, error, fraud or failure to comply with these Rules on the part of the issuer.

(8) **Notices:** Every issuer shall send to each depositor a notice or notices informing him of the debiting of deposited non-equity securities or the crediting of new securities from or into the depositor's securities account.

Rule 20A.06 Redemption or conversion of non-equity securities or any other action resulting in a cancellation of the non-equity securities prior to maturity:

(1) **Redemption or any other action resulting in a cancellation of the non-equity securities before maturity:**

(a) In the event of a redemption or any other action by the issuer resulting in a cancellation of part or all of the deposited non-equity securities prior to the maturity of such securities, the issuer shall instruct the Depository to debit all deposited non-equity securities and in that respect the procedures set out in Rules 20A.08(1) to 20A.08(6) shall apply *mutatis mutandis*, as if the redemption is made upon maturity.

(b) Where a reference is made to the "maturity date" in any of the Rules as mentioned in Rule 20A.06(1)(a), it shall be construed as a reference to the date to be fixed by the issuer for the redemption or the action by the issuer that results in a cancellation of the non-equity securities before maturity.

(2) **Partial redemption:** Where the issuer redeems or where the action by the issuer that results in a cancellation of the non-equity securities affects only part of the deposited non-equity securities, in addition to the applicability of Rules 20A.08 (1) to 20A.08(6), Rules 20A.08(7) to 20A.08(8) shall apply mutatis mutandis, as if the portion of the deposited non-equity securities not to be redeemed or cancelled were the new securities mentioned therein.

(3) **Compulsory conversion before maturity:**

(a) Where the issuer determines to compulsorily convert part or all of the deposited non-equity securities prior to the maturity of such securities, Rule 20A.08 shall apply mutatis mutandis, as if the conversion is made upon maturity.

(b) Where a reference is made to the "maturity date" in any of the Rules as mentioned in Rule 20A.06(3)(a), it shall be construed as a reference to the date to be fixed by the issuer for the conversion before maturity.

Rule 20A.07 Cancellation of non-equity securities:

Where the issuer wishes to cancel any deposited non-equity securities prior to the maturity of such securities by virtue of having acquired the same in accordance with the provisions of the trust deed or deed poll constituting the non-equity securities, the procedures set out in Rules 20A.05(2) to 20A.05(4) shall apply mutatis mutandis except that there shall not be any requirement for the submission of any application form.

Rule 20A.08 Procedures upon maturity of non-equity securities:

(1) **Application of Rule:** This Rule applies upon the maturity of any non-equity securities.

(1A) **Application for exercise of rights:** Any application made by a depositor for the exercise of rights upon maturity of the deposited non-equity securities shall be made in the form prescribed by the issuer (hereinafter in this chapter referred to as "the application form") accompanied by such other supporting documentary evidence as may be required by the issuer. It shall be the responsibility of the issuer to ensure that such forms shall include the particulars and statements as may be required by the Depository from time to time under the Procedures Manual.

(2) **Notification:** Every issuer, in relation to maturity of any prescribed non-equity security shall, immediately upon making an announcement in accordance with the requirements of the Stock Exchange relating to the maturity of such non-equity securities, extend a copy of such announcement to the Depository.

(3) **Request for Record of Depositors:** Every issuer shall request for a Record of Depositors within such time frame prescribed by the Depository prior to the date of the Record of Depositors which date shall be prescribed by the Depository (hereinafter in this chapter referred to as "the ROD Date").

(4) **Record of Depositors:** Within three clear market days after the ROD Date, the Depository shall issue the relevant Record of Depositors as at the ROD Date to the issuer.

(5) **Return of scrips:** The Depository shall, on the instructions of the issuer, debit all the securities accounts of the depositors appearing in the Record of Depositors on the day after the maturity date and deliver or cause to be delivered to the issuer the appropriate certificates representing the entire non-equity securities issued by the issuer which have been deposited with the Depository as at the ROD Date.

(5A) **No withdrawals and deposits:** In relation to the maturity of a non-equity security, the Depository may not accept any withdrawals and deposits in respect of the said non-equity security, for such period of time prescribed by the Depository.

(5B) **No transfers:** In relation to the maturity of a non-equity security, the Depository may not accept any transfer of securities in such circumstances prescribed by the Depository from time to time.

(6) **Qualification:** Subject to the Foreign Ownership Regulations, no depositor shall be entitled to the exercise of any rights in respect of non-equity security standing to the credit of his securities account unless-

(a) the scrip representing such deposited non-equity security has been deposited within such time frame prescribed by the Depository, and the issuer or its company registrar, as the case may be, has confirmed that the security is capable of being registered into the name of the Depository or its nominee company in accordance with Rule 18.03;

(b) such deposited non-equity security is not withdrawn from the Depository within such time frame prescribed by the Depository;

(c) such deposited non-equity security has been bought on the stock market of the Stock Exchange before trading on such non-equity security is suspended by the Stock Exchange in relation to the maturity of the same; or

(d) the transfer of such deposited security into the depositor's securities account had been entered into the computer system by such time prescribed by the Depository from time to time.

(7) **Issuer to send information for crediting:** Where there is issuance of new securities upon the maturity of the deposited non-equity security, the issuer shall, upon receipt of the certificates pursuant to Rule 20A.08(5), send or cause to be sent to the Depository information pertaining to, inter alia, the names of the depositors, their national registration identity card numbers or passport numbers (or in the case of companies, the company numbers, etc), their securities account numbers and the quantity of new securities allotted to each depositor (hereinafter in this chapter referred to as "the Allottees' List"), together with the appropriate share certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd

(8) **Depository to process Credit List:** The Depository shall, upon receipt of the Allottees' List and the share certificates pursuant to Rule 20A.08(7), and after verification, credit the securities accounts of the depositors with the number of new securities specified therein prior to the listing of the new securities.

Rule 20A.09 Payment in cash:

(1) Any payment in cash which may be due to the depositor in connection with the deposited non-equity securities shall be the responsibility of the issuer.

(2) An issuer of deposited non-equity securities must instruct the Depository on the manner in which the cash payments received by the Depository under Rule 31A.06(2) on behalf of depositors, are to be made to the depositors.

Rule 20A.09A Issuer to ensure information is correct and accurate:

The Depository shall in handling the exercise of rights for non-equity securities rely solely on the information provided by the issuer in particular when debiting the non-equity securities or

crediting the securities from or into the depositor's securities account. As such it shall be the responsibility of the issuer to ensure that the information contained in the Debit List, Credit List and the Allottees' List is correct, accurate and is in accordance with the application form received from the depositor.

Rule 20A.09B Procedures for handling creation of new exchange traded fund units:

(1) **Application of this Rule:** This Rule applies to the creation of new exchange traded fund units by an issuer.

(2) **Trustee to send information and certificate for crediting:** The trustee of an exchange traded fund, upon receiving the request for the creation of new exchange traded fund units from the issuer, shall send or cause to be sent to the Depository information containing, *inter alia*, the names of the depositors, their national registration identity card numbers or passport numbers (or in the case of companies, the company numbers, etc), their securities account numbers and the quantity of new exchange traded fund units created by the issuer (herein after in this chapter referred to as "ETF Credit List"), together with the appropriate certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd.

(3) **Entries:** The Depository shall, upon receipt of the ETF Credit List and the certificates pursuant to Rule 20A.09B(2) and after verification, credit the respective securities accounts of the depositors with the number of new exchange traded fund units specified therein in the manner determined from time to time in the directions issued by the Depository.

(4) **Notices:** Every issuer shall send to each depositor a notice or notices informing him of the crediting of new exchange traded fund units into the depositor's securities account.

Rule 20A.09C Procedures for handling redemption of exchange traded fund units

(1) **Application of this Rule:** This Rule applies to the redemption of exchange traded fund units by an issuer.

(2) **Trustee to send information for debiting:** The trustee of an exchange traded fund, upon receiving the request for the redemption of exchange traded fund units from the issuer, shall send or cause to be sent to the Depository information containing, *inter alia*, the names of the depositors, their national registration identity card numbers or passport numbers (or in the case of companies, the company numbers, etc), their securities account numbers and the quantity of deposited exchange traded fund units redeemed by the issuer (herein after in this chapter referred to as "ETF Debit List").

(3) **Entries:** The Depository shall, upon receipt of the ETF Debit List and after verification, debit the respective securities accounts of the depositors with the number of redeemed exchange traded fund units in accordance with the ETF Debit List and deliver the appropriate certificates representing such securities to the trustee, in the manner determined from time to time in the directions issued by the Depository.

(4) **Notices:** Every issuer shall send to each depositor a notice or notices informing him of the debiting of the redeemed exchange traded fund units from the depositor's securities account.

Rule 20A.09D Trustee to ensure information is accurate and complete:

The Depository shall rely solely on the information provided by the trustee of an exchange traded fund, when crediting or debiting the exchange traded fund units into or from the depositor's securities account, pursuant to a creation or redemption of exchange traded fund units. As such, it shall be

the responsibility of the trustee of an exchange traded fund to ensure that the information contained in the ETF Credit List and the ETF Debit List is accurate, complete and all conditions, if any, which are required to be met in relation to the creation or redemption of the exchange traded funds, have been met.

Rule 20A.10 Indemnity:

Every issuer and in the case of an exchange traded fund, both the issuer and the trustee, shall fully indemnify and hold indemnified the Depository against any loss, damage liability, cost or expense (including legal costs) suffered or incurred by the Depository as a result of any demands, actions and proceedings made by any depositor in respect of or arising from the debiting or crediting of securities from or into such depositor's account, by the Depository in reliance of the Credit List, Debit List, Allottees' List, ETF Debit List, ETF Credit List respectively or any instruction by the issuer or trustee of an exchange traded fund to debit or credit the securities accounts of the depositor given by the issuer or trustee of an exchange traded fund provided always that the demand, action or proceeding did not arise as a result of negligence on the part of the Depository in providing inaccurate or incomplete information in the Record of Depositors under Rule 20A.08(4).

Rule 20A.11 Construction:

(1) **"Issuer":** Reference to "issuer" in this chapter shall be deemed to include a reference to the company registrar of such issuer.

(2) **"Verification":** In this chapter the expression "Verification", in relation to an act by the Depository, means the process whereby the information stored in the computer system of the Depository in the manner and to extent determined under the Procedures Manual.

Chapter 21.0 Bonus Issue, Rights Issue and other Rights or Options

Rule 21.01 Application of this chapter:

(1) **Application:** This chapter applies to every issuer or offeror who, in relation to any deposited security –

(a) makes a bonus issue, or issues securities pursuant to a rights issue;

(b) issues securities pursuant to an exercise of any right or option to acquire securities in the share capital of the issuer;

(c) makes an offer for sale of securities; or

(d) pays any form of cash distributions or other cash payments.

(2) **Compliance with section 38 of the Act:** Every issuer in relation to any prescribed security who issues securities enumerated in Rule 21.01 shall do all such acts and things as may be necessary in order to comply with section 38 of the Act unless such issuer is exempted by virtue of an exemption order made under section 62A of the Act.

Rule 21.01A No physical securities and crediting in third parties' names:

Where the issuance of new securities by the issuer pursuant to Rule 21.01 is in relation to deposited securities, the issuer shall reject any requests by a depositor for -

(a) the new securities to be delivered in the form of scrip; or

(b) the new securities to be credited into a securities account other than one of those from which the securities are to be debited for the exercise of rights by the depositor.

Rule 21.02 No rights or bonus upon given notice:

Where notice has been given by the Depository to an issuer pursuant to Rule 18.02 to prescribe a security, the issuer shall not fix any date for the closing of books in respect of the making of dividends or a rights issue or bonus issue or any other rights or options for such security whereby such date shall fall during the period commencing from the deposit date and ending on the ninth market day after the prescribed date.

Rule 21.03 Entitlement for depositors:

(1) **Qualification for entitlement:** Subject to the Foreign Ownership Regulations, no depositor shall be entitled to any dividends or rights issues or bonus issues or any other rights or options by virtue of any deposited security standing to the credit of his securities account unless-

(a) the scrip representing such deposited security has been "deposited cum entitlement" with the Depository or its authorised depository agent and the issuer or its company registrar, as the case may be, has confirmed that the security is capable of being registered into the name of the Depository or its nominee company in accordance with Rule18.03;

(b) Deleted

(c) such deposited security has been "bought cum entitlement" on the stock market of the Stock Exchange; or

(d) such deposited security has been "transferred cum entitlement" into his securities account.

(2) **Interpretation:** For the purposes of these Rules, a security is -

(a) "deposited cum entitlement" if the scrip in respect thereof was deposited within such time frame prescribed by the Depository;

(b) Deleted

(c) "bought cum entitlement" if the date for delivery by way of book-entry process in respect of such security bought is on or before the books closing date;

(d) "transferred cum entitlement" if the transfer into a depositor's account is entered into the computer system by such time prescribed by Depository from time to time.

(3) **Fractional entitlement:** For the purposes of allotting or allocating any deposited securities pursuant to this chapter (hereinafter such securities shall be referred to as "the allotted securities") fractional entitlement shall be determined by the issuer in accordance with such procedures as may be stated in the relevant prospectus, if any.

Rule 21.04 Notification and request for Record of Depositors:

(1) **ROD Request:** Every issuer of deposited security who intends to make any distribution of any dividends or rights issue or bonus issue or any other rights or options to its shareholders shall request, within such time frame prescribed by the Depository for an entire Record of Depositors as at the proposed books closing date for such entitlement, except in relation to the corporate actions undertaken under SPEEDS as stated below:

(a) a Specified Bonus Issue under Rule 21.11A;

(b) the crediting of Provisional Letters of Allotment or Provisional Letters of Offer under Rules 21.11B and 21.11C respectively; or

(c) such other corporate action as prescribed under Rule 21.11A.

(2) **Notification:** Every issuer of prescribed security in addition to the requirement under Rule 21.04(1) shall immediately upon making an announcement in accordance with the Listing Requirements of the Stock Exchange extend a copy of such announcement to the Depository.

Rule 21.05 Depositors Entitlement List:

(1) Pursuant to Rule 21.04, a Record of Depositors shall be issued by the Depository to the issuer for the purposes of any distributions of dividends, or rights issues or bonus issues or any other rights or options as at the books closing date specified by such issuer.

(2) The issuer shall prepare a Depositors Entitlement List and such list may exclude any depositor whose name may appear in the Record of Depositors having a deposited security which is in suspense, pursuant to Section 41 of the Act.

Rule 21.06 Provisional Letters of Allotment:

(1) This Rule shall apply to the rights issues only.

(2) Any draft provisional letter of allotment shall contain a statement that-

(a) the principal security underlying the rights issue is a deposited security;

(b) where such provisional letter of allotment has been issued to any person who is entitled to the rights issue by virtue of the relevant deposited security held by that person, the acceptance of the rights shares by the depositor shall mean that such person consents to receive such rights by way of crediting directly into his securities account; and

(c) where such provisional letter of allotment has been issued to any person who is entitled to the rights issue by virtue of the relevant deposited securities held by that person, any person who intends to purchase such rights as a renouncee shall have to state his securities account number whereupon such rights shall be credited directly into his securities account.

Rule 21.06A Provisional Letters of Offer:

(1) This Rule shall apply to an offer for sale only.

(2) Any draft provisional letter of offer shall contain a statement that-

(a) the security offered for sale is a deposited security;

(b) where such provisional letter of offer has been issued to any depositor who is entitled to such offer by virtue of the relevant deposited security held by that person the acceptance of the offer for sale by the person shall mean that the person consents to receive such offer as a deposited security credited directly into his securities account; and

(c) where such provisional letter of offer has been issued to any person who is entitled to such offer by virtue of the relevant deposited security which is standing to the credit of his securities account, any person who intends to accept such offer as a renouncee shall have to state his securities account number whereupon such securities shall be credited directly as a deposited security into his securities account.

Rule 21.07 List of allottees:

(1) Subject to any exemptions made pursuant to any securities laws, an issuer or offeror shall, upon issuing or the making of an offer for sale by an offeror of any securities pursuant to Rule 21.01, provide to the Depository a list specifying the names of the allottees or entitled persons, their national registration identity card numbers or passport numbers (or in the case of companies, company registration number, etc), their securities account numbers and the quantity of securities allotted to them, respectively (hereinafter referred to as "List of Allottees") together with the appropriate certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd. In respect of bonus issues, unless otherwise instructed directly by a depositor to the contrary, the issuer shall, where the depositor has more than one securities account, allocate such securities into the depositor's securities accounts in such proportion as may be determined on the Record of Depositors.

(2) In the case of an exchange traded fund, the trustee shall be responsible to provide to the Depository, the List of Allottees as referred to in sub-Rule (1) above, together with the requisite certificates.

Rule 21.08 Entries:

The Depository shall, upon receipt of the List of Allottees and the shares certificates pursuant to Rule 21.07, credit the respective securities accounts with the allotted securities specified therein prior to the listing of the securities pursuant to a rights or bonus issue or an offer for sale where the allotted securities are prescribed securities or within the time frame specified in the directions issued by the Depository where the allotted securities are unlisted securities.

Rule 21.09 Indemnity:

Every issuer and in the case of an exchange traded fund, both the issuer and the trustee shall fully indemnify and hold indemnified the Depository from all demands, actions and proceedings made by any depositor for any loss suffered by such depositor in respect of or arising from any error in the List of Allottees provided always that such error did not arise as a result of negligence on the part of the Depository in providing inaccurate or incomplete information in the Record of Depositors under Rule 21.04

Rule 21.10 Cash Distributions:

(1) An issuer who is required under the Stock Exchange's Listing Requirements to pay all cash distributions to its securities holders by directly crediting payments into the securities holders' bank accounts as provided to the Depository from time to time must request for the bank account information of its securities holders from the Depository.

(2) Any other issuer may request for such bank account information to directly credit cash distributions into the securities holders' bank accounts.

(3) The requests for the bank account information referred to above must be in the manner prescribed by the Depository.

Rule 21.10A Other Cash Payments:

(1) **Bank Account Information**: An issuer intending to make cash payments other than cash distributions to securities holders may, subject to Rule 21.10A(2), request for the bank account information of the securities holders from the Depository in the manner prescribed by the Depository.

(2) **Issuer to obtain depositors' consent:** Before making the request referred to in Rule 21.10A(1), the issuer must have obtained the relevant depositors' irrevocable consent to:

(a) the receipt of the relevant cash payments via direct credit into the depositor's bank account; and

(b) the disclosure by Depository, the issuer or their respective agents to any person, of the depositor's bank account information or such other information, as may be necessary or expedient to facilitate the payment of the relevant cash payments via direct credit into the depositor's bank account or for any other purpose in connection with the payment of the cash payments via direct credit into the depositor's bank account.

(3) **Depositors' consent:** The Depository may require the issuer to satisfy the Depository that the issuer has obtained the consent referred to in Rule 21.10A(2). If the issuer fails to satisfy the Depository that the relevant consents have been obtained, the Depository reserves the right not to provide the bank account information to the issuer.

Rule 21.10B General Rules on Bank Account Information

(1) **Bank account information does not form part of the Record of Depositors:** For the avoidance of doubt, the bank account information provided under Rules 21.10 and 21.10A will not form part of the Record of Depositors.

(2) **Purpose of bank account information:** The issuer must take all reasonable measures to ensure that the bank account information is used solely for the purpose of or in connection with paying cash distributions or other cash payments.

(3) **Issuer unable to credit:** If the issuer is unable to credit a depositor's entitlement into the depositor's bank account based on the bank account information received from the Depository, the issuer must immediately notify the Depository of this in the manner prescribed by the Depository.

(4) **Indemnity:** The issuer must fully indemnify the Depository for any loss, damage, liability or cost incurred by the Depository as a result of or in connection with:

(a) the unauthorised access, alteration, disclosure, dissemination or misuse of the bank account information by the issuer or any of the issuer's agents, servants, service providers, sub-contractors; or

(b) the issuer's breach of Rule 21.10A(2).

(5) Deleted

Rule 21.10C "Issuer" to include offeror in a take-over:

Reference to "issuer" in Rules 21.10A and 21.10B includes a reference to an offeror who makes a take-over offer for the acquisition of deposited securities.

Rule 21.11 Renouncee, etc to open securities account:

An issuer or offeror shall not allot or allocate any allotted securities pursuant to a rights issue or an offer for sale, respectively, in relation to deposited security to -

(a) a renouncee of any rights or options; and

(b) an applicant of excess securities arising from the rights or options,

unless such person has a securities account and the securities are credited into such securities account.

Rule 21.11A Specified Bonus Issue:

(1) **SPEEDS processing:** A Specified Bonus Issue will be processed by the Depository under SPEEDS. The Depository may accept any other corporate action involving a bonus issue for processing under SPEEDS, subject to consultation with the Stock Exchange, where required. Where a corporate action is accepted by the Depository for processing under SPEEDS, the provisions of this Rule will apply with necessary modifications.

(2) **Notification:** The issuer shall notify the Depository of the information pertaining to the Specified Bonus Issue, including particulars of a designated account to be used for crediting of fractional entitlements arising from the Specified Bonus Issue, if any, in the form prescribed by the Depository and within such time frame prescribed by the Depository, for the purpose of making the appropriate entries in the securities accounts of the respective allottees.

(3) **Certificates:** The issuer shall deliver to the Depository, within such time frame prescribed by the Depository, the appropriate certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd. for the securities to be allotted under the Specified Bonus Issue.

(4) **Entries:** The Depository shall, upon receipt of the issuer's notification and certificates, credit the respective securities accounts with the allotted securities in accordance with the said notification.

(5) **Fractional entitlements:** The fractional entitlements arising from the Specified Bonus Issue, if any, shall be credited into the designated securities account provided by the issuer.

(6) **Notices:** The issuer shall send to each allottee a notice of allotment informing the allottee of the crediting of the allotted securities.

(7) **Consequential securities:** Any issue of non-equity securities including any fractional non-equity securities arising from adjustments due to the Specified Bonus Issue shall be handled in the same manner as provided in this rule and concurrently with the Specified Bonus Issue.

(8) **Non-application:** The provisions in Rules 21.05, 21.07(1) and 21.08 do not apply to Specified Bonus Issue.

Rule 21.11B SPEEDS Processing for Provisional Letter of Allotment

(1) **Application**: The provisional letter of allotment for renounceable rights issues will be processed by the Depository under SPEEDS.

(2) **Notification:** The issuer shall notify the Depository of the information pertaining to the provisional letter of allotment for renounceable rights issues in the form prescribed by the Depository and within such time frame prescribed by the Depository, for the purpose of making appropriate entries in the securities accounts of the respective allottees. The issuer shall also notify the Depository on the treatment for fractional entitlements arising from the provisional letter of allotment for renounceable rights issues, if any.

(3) **Certificates:** The issuer shall deliver to the Depository, within such time frame prescribed by the Depository, the appropriate certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd. for the provisional letter of allotment for renounceable rights issues to be allotted.

(4) **Entries:** The Depository shall, upon receipt of the issuer's notification and certificates, credit the respective securities accounts with the allotted provisional letter of allotment for renounceable rights issues in accordance with the said notification.

(5) **Fractional entitlements:** The Depository shall act in accordance with the issuer's instructions under Rule 21.11B(2) above in relation to the fractional entitlements, if any.

(6) **Non-application:** The provisions in Rules 21.05, 21.07(1) and 21.08 do not apply to provisional letters of allotment for renounceable rights issues processed under this Rule.

Rule 21.11C SPEEDS Processing for Provisional Letter of Offer

(1) **Application**: The provisional letters of offer for a renounceable offer for sale of deposited securities will be processed by the Depository under SPEEDS.

(2) **Notification:** The issuer shall notify the Depository of the information pertaining to the provisional letter of offer for renounceable offer for sale of deposited securities in the form prescribed by the Depository and within such time frame prescribed by the Depository, for the purpose of making appropriate entries in the securities accounts of the respective allottees. The issuer shall also notify the Depository on the treatment for fractional entitlements, if any, arising from the provisional letter of offer for renounceable offer for sale of deposited securities, if any.

(3) **Certificates:** The issuer shall deliver to the Depository, within such time frame prescribed by the Depository, the appropriate certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd. for the provisional letters of offer for renounceable offer for sale of deposited securities to be allotted.

(4) **Entries:** The Depository shall, upon receipt of the issuer's notification and certificates, credit the respective securities accounts with the allotted provisional letters of offer for renounceable offer for sale of deposited securities in accordance with the said notification.

(5) **Fractional entitlements:** The Depository shall act in accordance with the issuer's instructions under Rule 21.11C(2) above in relation to the fractional entitlements, if any.

(6) **Non-application:** The provisions in Rules 21.05, 21.07(1) and 21.08 do not apply to provisional letters of offer for renounceable offer for sale of deposited securities processed under this Rule.

Rule 21.12 Deleted

Rule 21.13 Construction:

(1) **"Issuer":**

Reference to "issuer" in this chapter shall be deemed to include a reference to the company registrar or the agent of such issuer.

(2) **"Offeror" and "Entitled persons":**

In this chapter the expressions "offeror" and "entitled persons" shall have the same meaning as is assigned to them respectively under subsection 38(3) of the Act.

Chapter 22.0 Subdivision of Shares, Share Consolidation and Capital Restructuring

Rule 22.01 Application of this chapter:

This chapter applies to every issuer of any deposited security who -

(a) conducts a capital restructuring exercise which affects the issued share capital of the issuing company;

(b) conducts a share consolidation exercise; or

(c) exercises a reorganisation in the total amount of shares within the issued share capital of the issuing company or units of an exchange traded fund (referred to in these Rules as "subdivision of shares").

Rule 22.02 No subdivision of shares, share consolidation or capital restructuring upon given notice:

Where notice has been given by the Depository to an issuer pursuant to Rule 18.02 to prescribe a security, the issuer shall not fix any date for the closing of books for the purpose of conducting a subdivision of shares, share consolidation or capital restructuring exercise for such security whereby such date shall fall within the period commencing from the deposit date and ending on the ninth market day after the prescribed date**.**

Rule 22.03 Scope of exercise:

(1) **Coverage of exercise:** Subject to the Foreign Ownership Regulations, no depositor, by virtue of his deposited securities standing to the credit of his securities account, shall be affected by a subdivision of shares, share consolidation or capital restructuring exercise under this chapter unless-

(a) the scrip representing such security has been deposited within such time frame prescribed by the Depository and the issuer or its company registrar, as the case may be, has confirmed that the security is capable of being registered into the name of the Depository or its nominee company in accordance with Rule 18.03;

(b) Deleted

(c) the date for delivery by book-entry process of the deposited security which was bought on the stock market of the Stock Exchange is on or before the books closing date;

(d) Deleted

(e) the transfer of such deposited security into the depositor's security account had been entered into the computer system by such time prescribed by the Depository from time to time.

(2) **Fractional entitlement:** For the purposes of allotting or allocating any deposited securities pursuant to this chapter (hereinafter such securities shall be referred to as "the allotted securities") fractional entitlement, if any, shall be determined by the issuer in accordance with such procedures as may be stated in the relevant prospectus or announcements.

Rule 22.03A Notification and request for Record of Depositors:

(1) **ROD Request:** Every issuer of deposited security who intends to undertake any of the corporate actions under Rule 22.01 shall request, within such time frame prescribed by the Depository for an entire Record of Depositors as at the proposed books closing date, except in relation to the corporate actions undertaken under SPEEDS as stated below:

(a) a Specified Subdivision or Specified Consolidation under Rule 22.06A; or

(b) a Specified Capital Restructuring under Rule 22.06B.

(2) **Notification:** Every issuer of prescribed security in addition to the requirement under Rule 22.03A(1) shall immediately upon making an announcement in accordance with the Listing Requirements of the Stock Exchange extend a copy of such announcement to the Depository.

Rule 22.04 Record of Depositors and return of scrips:

Within three clear market days after the books closing date, the Depository shall issue the relevant Record of Depositors as at the books closing date together with the appropriate certificates representing the deposited securities portion of the issued share capital of the issuer provided that the request for the Record of Depositors is received by the Depository within such time frame prescribed by the Depository.

Rule 22.05 List of Allottees:

(1) An issuer shall, upon finalisation of the capital restructuring, share consolidation or subdivision of shares exercise, prepare and deliver to the Depository a list specifying the names of the allottees, their national registration identity card numbers, passport numbers (in the case of non-residents) or company or business registration numbers (in the case of companies or businesses), their securities account numbers and the quantity of deposited securities allotted to their securities account respectively (hereinafter referred to as “List of Allottees”) together with the appropriate shares certificates, if any, (in such denominations as may be specified by the Depository) registered in the name of the Depository or its nominee company. Unless otherwise instructed directly by a depositor, the issuer shall, where the depositor has more than one securities account, allocate the allotted securities in such proportion as determined from the Record of Depositors.

(2) In the case of an exchange traded fund, the trustee shall be responsible to provide to the Depository, the List of Allottees as referred to in sub-Rule (1) above, together with the requisite certificates.

Rule 22.06 Entries:

The Depository shall, upon receipt of the List of Allottees and the shares certificate, credit or debit, as the case may be, the respective securities accounts specified therein provided however in relation to prescribed security the receipt thereof is at least four market days before the day of listing on the stock market

Rule 22.06A Specified Subdivision or Specified Consolidation:

(1) **SPEEDS processing:** A Specified Subdivision or Specified Consolidation will be processed by the Depository under SPEEDS.

(2) **Notification:** The issuer shall notify the Depository of the information pertaining to the Specified Subdivision or Specified Consolidation, including particulars of a designated account to be used for crediting of fractional entitlements arising from the Specified Subdivision or Specified Consolidation, if any, in the form prescribed by the Depository and within such time frame prescribed by the Depository, for the purpose of making the appropriate entries in the securities accounts of the respective depositors.

(3) **Certificates:** The issuer shall deliver to the Depository, within such time frame prescribed by the Depository, the appropriate certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd. for the securities to be credited under the Specified Subdivision or Specified Consolidation.

(4) **Entries:** The Depository shall, upon receipt of the issuer's notification and certificates, debit the respective securities accounts with the relevant securities and credit the respective securities accounts with the subdivided or consolidated securities, as the case may be, in accordance with the said notification and return the appropriate share certificates to the issuer.

(5) **Fractional entitlements:** The fractional shares arising from the Specified Subdivision or Specified Consolidation, if any, shall be credited into the designated securities account provided by the issuer.

(6) **Notices:** The issuer shall send to each depositor a notice informing the depositor of the crediting of the relevant securities.

(7) **Consequential securities:** Any issue of non-equity securities including any fractional non-equity securities arising from adjustments due to the Specified Subdivision or Specified Consolidation shall be handled in the same manner as provided in this rule and concurrently with the Specified Subdivision or Specified Consolidation.

(8) **Non-application:** The provisions in Rules 22.04, 22.05(1) and 22.06 do not apply to Specified Subdivision or Specified Consolidation.

Rule 22.06B Specified Capital Restructuring

(1) **SPEEDS processing:** Capital restructuring involving share cancellation and the reduction in the number of shares held by each shareholder of an issuer will be processed by the Depository under SPEEDS (referred to in these Rules as "the Specified Capital Restructuring").

(2) **Notification:** The issuer shall notify the Depository of the information pertaining to the Specified Capital Restructuring including particulars of a designated account to be used for crediting of fractional entitlements arising from the Specified Capital Restructuring, if any, in the form prescribed by the Depository and within such time frame prescribed by the Depository, for the purpose of making appropriate entries in the securities accounts of the respective shareholders.

(3) **Certificates:** The issuer shall deliver to the Depository, within such time frame prescribed by the Depository, the appropriate certificates (in such denominations as may be specified by the Depository) registered in the name of Bursa Malaysia Depository Nominees Sdn. Bhd. for the purpose of making appropriate entries in the securities accounts of the respective shareholders.

(4) **Entries:** The Depository shall, upon receipt of the issuer's notification and certificates, debit the respective securities account with the relevant securities and credit the respective securities accounts with the respective securities in accordance with the said notification and return the appropriate share certificates to the issuer.

(5) **Fractional entitlements:** Where there are fractional entitlements arising from the Specified Capital Restructuring, the issuer may request the Depository to credit such fractional entitlements to a designated account provided by the issuer.

(6) **Notices:** The issuer shall send to each depositor a notice informing the depositor of the crediting of the relevant securities.

(7) **Consequential securities:** Any issue of non-equity securities including any fractional non-equity securities arising from adjustments due to the Specified Subdivision or Specified Consolidation shall be handled in the same manner as provided in this rule and concurrently with the Specified Subdivision or Specified Consolidation.

(8) **Non-application:** The provisions in Rules 22.04, 22.05(1) and 22.06 do not apply to the Specified Capital Restructuring.

Rule 22.07 Construction:

Reference to "issuer" in this chapter shall be deemed to include a reference to the company registrar or the issuing house of such issuer.

Chapter 23.0 Jumbo Certificates

Rule 23.01 Definition:

In this chapter, "jumbo certificate", in relation to a deposited security, means a certificate comprising not less than fifty thousand units of securities of an issuer which is registered in the name of the Depository or its nominee company, as nominee for depositors.

Rule 23.02 Issuance:

The Depository may, from time to time, upon lodging with an issuer scrips representing deposited securities issued by the issuer together with relevant instruments of transfers duly executed by the depositors and the Depository or certificated as the case may be in accordance with the provisions of subsection 18(7) of the Act, require the issuer to issue jumbo certificates.

Rule 23.03 Denomination:

The denominations of any jumbo certificate to be issued by an issuer pursuant to Rule 23.02 shall be subject to such direction as may be given by the Depository.

Rule 23.04 Completion and delivery of certificates:

(1) **Period:** Subject to Rule 18.03, where the Depository requires an issuer to issue jumbo certificates, the issuer shall complete and deliver such certificates within seven market days after the scrips and instruments of transfers in respect thereof have been lodged with the issuer or its company registrar.

(2) **Extension:** Notwithstanding Rule 23.04(1), the Depository may extend the period for completion and delivery by an issuer of the jumbo certificates provided that the issuer has informed the Depository of its inability to do so not less than two market days before expiry of the period and the reasons given in respect thereof are acceptable to the Depository.

Rule 23.05 Rejections:

Where an issuer refuses registration of any instrument of transfer in respect of any scrip lodged with it on any of the grounds stated in Rule 18.03, the issuer shall immediately serve on the transferor and the Depository a written notice in accordance with Rule 18.03(5).

Rule 23.06 Splitting and consolidation:

(1) **Requirement:** The Depository may, from time to time, require an issuer to -

(a) split a jumbo certificate, or any other certificate of a lesser denomination, into smaller denominations;

(b) consolidate any certificate kept by it, including jumbo certificates issued pursuant to this chapter, into larger denominations.

(2) **Interpretation:** In this Rule the expression “splitting” and “consolidation” shall be construed as a reference only in respect to reducing or enlarging respectively such denominations of jumbo certificates as may be required by the Depository.

Chapter 23A.0 Bearer Securities

Rule 23A.01 Deposit of bearer securities:

Bearer securities may be deposited with the Depository in the manner and in such denominations as may be prescribed by the Depository.

Rule 23A.02 Modification of provisions:

In relation to bearer securities deposited or to be deposited with the Depository, the relevant provisions in these Rules apply with such modifications as may be prescribed by the Depository.

Chapter 24.0 Record of Depositors

Rule 24.01 Request:

(1) **Security for Payment**: An issuer of any deposited security must:

(a) provide a security for payment of fees for a Record of Depositors (hereinafter in this chapter referred to as "security for payment") in the manner prescribed by the Depository; and

(b) ensure the security for payment is maintained in the manner prescribed by the Depository as long as its deposited securities are deposited with the Depository.

(2) **Request for Record of Depositors**:

(a) An issuer of any deposited security may request the Depository to issue a Record of Depositors:

(i) as at the date of the request; or

(ii) such other date which is not earlier than one year from the date of the request,

provided a security for payment has been provided and maintained in Rule 24.01(1).

(b) Every request for Record of Depositors must be made in the manner prescribed by the Depository, and will be subject to the fees prescribed by the Depository for a Record of Depositors (hereinafter in this chapter referred to as "the ROD Fees").

(3) **Utilisation of Security for Payment for Settlement of ROD Fees**: The Depository may utilise the security for payment for the settlement of ROD Fees where the payment of ROD Fees has not been made pursuant to Rule 24.01(2)(b).

Rule 24.01A Deleted

Rule 24.01B Rejection of ROD Request:

The Depository reserves the right to reject any request made pursuant to Rule 24.01(1) where the request for a Record of Depositors is not made in accordance with Rule 24.01(2)

Rule 24.02 Books closing date:

(1) **Announcement of Book Closure:** Where an issuer intends to request for a Record of Depositors for the purposes of -

(a) Deleted

(b) Deleted

(c) a dividend (including bonuses, if any);

(d) a rights issue;

(e) an issuance of bonds, debentures, loan stock, unsecured notes or other loan arrangements;

(f) payment of interest, if any;

(g) a subdivision of shares exercise;

(h) a capital restructuring exercise;

(i) a share consolidation exercise; or

(j) a corporate exercise other than the above stated,

the issuer shall notify the Depository within such time frame prescribed by the Depository of the date of the Record of Depositors to enable the Depository to prepare the appropriate Record of Depositors.

(2) Deleted

Rule 24.03 Deleted

Rule 24.04 Deposits pending:

(1) Where a request for a Record of Depositors has been made pursuant to this chapter, the Depository shall, for the purposes of enabling the issuer to complete the verification of scrips lodged up to the books closing date, promptly deliver a "Pending Deposits Report" to the issuer.

(2) It shall be the responsibility of the issuer to process any deposit pending verification and to inform the Depository of the results of such verification in order to enable the Depository to provide an accurate updated version of the Record of Depositors, if necessary.

Rule 24.05 Retention of copy of Record of Depositors:

(1) **Retention of copy:** For the purposes of preventing any disputes or discrepancies in data content or loss of information by the process of corruption, contamination or falsification of any data contained in a Record of Depositors, the Depository shall, for every copy of a Record of Depositors issued out to an issuer, maintain a copy of the Record of Depositors in the computer system at the offices of the Depository for a period of seven years from the date of issuance to an issuer for record purposes.

(2) Deleted

Chapter 24A.0 Foreign Ownership

Rule 24A.01 Application of this chapter

This chapter applies in relation to restricted shares only.

Rule 24A.02 Classification of issuer:

(1) **Representation by issuer:** The Depository shall classify an issuer as being imposed with the prescribed limit based solely on the representation as to the existence of the prescribed limit made by the issuer to the Depository.

(2) **Suspension of restricted shares:** In reliance of the representation made by an issuer pursuant to Rule 24A.02(1), the Depository shall place restricted shares issued by such issuer and standing to the credit of the securities account of a foreign depositor as being in suspense in accordance with the Foreign Ownership Regulations.

(3) **Disclaimer of liability:** The representation made by the issuer to the Depository pursuant to Rule 24A.02(1) shall be deemed as true and correct by the Depository without having to enquire beyond the said representation and the Depository shall not be liable for any loss, damage, cost, expense, liability or claim that may be suffered or incurred by the issuer as a result of the classification made by the Depository in reliance of the said representation.

(4) **Indemnity by issuer:** The issuer shall fully indemnify and hold indemnified the Depository from all demands, actions and proceedings made by any person against the Depository for any loss, damage, cost, expense, liability or claim suffered or incurred by such person in respect of or arising from the classification made on the issuer by the Depository in reliance of the said representation.

Rule 24A.03 Foreign Limitation Summary Report:

(1) **Request:** Every issuer who, in relation to the restricted shares, needs to determine whether the prescribed limit has been reached, may request the Depository to issue a Foreign Limitation Summary Report as at the date of request or such other date as may be specified by it in such request, but in any event not being a date earlier than ninety days from the date of such request.

(2) **Notification of request:** The issuer shall ensure that the request is received by the Depository at least one market day prior to the date of request unless as otherwise provided in the Procedures Manual.

(3) **Issuance of Foreign Limitation Summary Report:** The Foreign Limitation Summary Report shall be issued by the Depository within three market days from the date of request.

(4) **Contents:** A Foreign Limitation Summary Report shall contain-

(a) total number of securities accounts;

(b) total quantity of shares deposited with the Depository;

(c) total number of securities accounts held by foreign depositors;

(d) total quantity of shares held by foreign depositors;

(e) percentage of shares held by foreign depositors as against total quantity of shares listed on the official list of the Stock Exchange;

all in relation to the issuer who requested for the report as at the date requested by the issuer in accordance with Rule 24A.03(1).

Rule 24A.04 Foreign Shares Transaction Report:

(1) **Request:** Every issuer who, in relation to restricted shares, needs to ascertain which are the foreign depositors who have restricted shares standing to the credit of their securities accounts at a particular time, for the express purpose of determining whether the foreigners are entitled to the rights and obligations may request the Depository to issue a Foreign Shares Transaction Report for a period to be specified by the issuer which in any event shall not be a period earlier than ninety days from the date of the request.

(2) **Contents:** A Foreign Shares Transaction Report shall contain details of credit transactions during a period specified by the issuer, which make up the credit balance of the respective foreign depositors who have restricted shares standing to the credit of their securities account at the date of the Record of Depositors.

(3) **Interpretation:** For the purposes of this chapter "transactions" means-

(a) deposit of scrips representing restricted shares into the securities account of the foreign depositor;

(b) transfer of restricted shares into the securities account of the foreign depositor;

(c) purchase of restricted shares on the Stock Exchange by the foreign depositor; and

(d) allotment of restricted shares to the foreign depositor pursuant to a conversion of debt securities or the exercise of any right or option as provided under section 38 of the Act.

(4) **Time of transactions:** The time and dates of the transactions which will be reflected in the Foreign Shares Transaction Report shall be the respective time and dates that-

(a) the deposit or transfer is entered into the computer system by the authorised depository agent; or

(b) the trade is contracted on the Stock Exchange; or

(c) the allotment of restricted shares pursuant to a conversion of debt securities or exercise of right or option is processed by the Depository which in the Foreign Shares Transaction Report shall in all circumstances be reflected as the first transaction for the day of the said processing;

as the case may be.

(5) Deleted

Rule 24A.05 Determination of entitlement to rights and obligations:

(1) **Compliance with Regulation 6 of Foreign Ownership Regulations:** Every issuer shall do all such acts and things as may be necessary in order to comply with Regulation 6 of the Foreign Ownership Regulations.

(2) **Transfer:** Every issuer of restricted shares shall ensure that instruments of transfers lodged with it by foreigners in respect of restricted shares (hereinafter in this chapter referred to as "the Transfer") shall be stamped with the time and date of receipt of the Transfer by the issuer.

(3) **Foreign Entitlement List:** Every issuer shall prepare a Foreign Entitlement List in accordance with sub-Regulations 6(9) of the Foreign Ownership Regulations after determination of the foreign depositors entitled to rights and obligations.

(4) **Indemnity by issuer:** The issuer shall fully indemnify and hold indemnified the Depository from all demands, actions and proceedings made by any depositor for any loss, damage, cost, expense, liability or claim suffered or incurred by any depositor in respect of or arising from the Foreign Entitlement List made pursuant to Rule 24A.05(3).

Rule 24A.06 Deleted

Rule 24A.07 Cross transfers:

(1) **Application of this Rule:** This Rule applies to every issuer of local shares and foreign shares separately quoted on the Official List of the Stock Exchange only.

(2) **Regulation 9 of the Foreign Ownership Regulations:** No cross transfers shall be allowed by the issuer unless Regulation 9 of the Foreign Ownership Regulation is complied with (such cross transfers in this chapter shall hereinafter be referred to as “the cross transfers”) and the local shares intended for cross transfers are designated as “free securities” at the time of verification by the Depository pursuant to Rule 24A.07(6).

(3) **Applications for cross transfers:** Any application for cross transfers made by a foreign depositor shall be made in the form prescribed by the issuer.

(4) **Time stamp for applications:** The issuer shall ensure that the time and date of receipt of the application by the issuer for cross transfers is stamped on the application.

(5) **Information:** Upon determination of a list of foreign depositors who are entitled to cross transfers, the issuer shall send or cause to be sent to the Depository information pertaining to, inter alia, the names of the foreign depositors entitled to cross transfers, their passport numbers or Certificate of Incorporation numbers, as the case may be, their securities account numbers and the quantity of local shares transferred (hereinafter in this chapter referred to as "the cross transfer list").

(6) **Credit of foreign shares:** The local shares which are intended for cross transfer shall, after verification of the cross transfers list received by the Depository pursuant to Rule 24A.07(5), be redesignated to the credit of the foreign depositor's securities account as foreign shares. All cross transfers which are rejected by the Depository after verification by the computer system shall be reported to the issuer.

(7) **Delivery to the issuer:** Upon confirmation of the cross transfers pursuant to Rule 24A.07(6), the Depository shall deliver or cause to be delivered to the issuer certificates of local shares for the quantity confirmed for the cross transfers (in this chapter hereinafter referred to as "the Withdrawn Certificates").

(8) **Delivery to Depository:** Upon receipt of the documents from the Depository pursuant to Rule 24A.07(7), the issuer shall complete and deliver to the Depository certificates of foreign shares in the same number as the Withdrawn Certificates duly registered in the name of the Depository or that of its nominee company.

(9) **Splitting:** Where in connection with the issuance of the certificates of foreign shares under this chapter, the original certificates of local shares delivered by the Depository were split into smaller denominations, the issuer shall register the remaining certificates underlying such local shares not withdrawn from the Depository in the name of the Depository or that of its nominee company and such certificates shall be delivered or caused to be delivered by the issuer to the Depository.

(10) **Indemnity:** Every issuer shall fully indemnify and hold indemnified the Depository from all demands, actions and proceedings made by any foreign depositor for any loss, damage, cost, expense, liability or claim suffered or incurred by such foreign depositor in respect of or arising from any error in the cross transfer list provided always that such error did not arise as a result of negligence on the part of the Depository in providing inaccurate or incomplete information in the Record of Depositors.

(11) **Notice:** Every issuer shall send to each successful foreign depositor a notice confirming that he has been successful in his application for cross transfers and advise him that the foreign shares applied for have been credited into his securities account by the Depository. Any cross transfers rejected by the Depository and reported to the issuer shall be notified to the foreign depositor by the issuer.

Rule 24A.08 Conversion of shares:

(1) **Application of this Rule:** This Rule applies to every issuer of restricted shares which are not separately quoted on the Official List of the Stock Exchange (hereinafter in this chapter referred to as "singly quoted restricted shares").

(2) **Conversion of shares:** Where the approval from the relevant authorities have been obtained and subject to compliance with these Rules, every issuer of singly quoted restricted shares may undergo a conversion of shares provided that the singly quoted restricted shares intended for the conversion of shares are designated as "free securities" at the time of verification by the Depository pursuant to Rule 24A.08(9).

(3) **Suspension of trading:** To facilitate the conversion of shares, the Stock Exchange may in accordance with the Rules of the Stock Exchange suspend trading of the singly quoted restricted share for a period to be determined by the Stock Exchange after consultation with the Depository (the last day of suspension shall hereinafter in this chapter be referred to as "the Conversion Date").

(4) **No corporate action upon given notice:** An issuer who intends to undergo a conversion of shares pursuant to Rule 24A.08(2) shall not fix any date for the closing of books for the purposes of any corporate action for a period of eighteen (18) market days prior to the date fixed by the issuer for the determination of the entitlement to rights and obligations to foreign depositors (hereinafter in this chapter referred to as "Effective Date") until the Conversion Date.

(5) **No deposits:** For the purpose of the conversion of shares, the Depository may not accept any deposits in respect of the singly quoted restricted shares for such period of time prescribed by the Depository.

(6) **No transfers:** For the purpose of the conversion of shares, the Depository may not accept any transfer of securities in such circumstances prescribed by the Depository from time to time.

(7) **Determination of entitlement to rights and obligations by issuer:** The issuer of singly quoted restricted shares shall determine the foreign depositors who are entitled to rights and obligations as at the Effective Date in accordance with the Foreign Ownership Regulations.

(8) **Information:** The issuer shall send or cause to be sent to the Depository information pertaining to, inter alia, the names of the foreign depositors entitled to rights and obligations, their passport numbers or Certificates of Incorporation numbers, as the case may be, their securities account numbers and the quantity of foreign shares they are entitled to (hereinafter in this chapter referred to as "the Conversion List").

(9) **Credit of foreign shares:** The singly quoted restricted shares which are to be converted into foreign shares in the conversion of shares shall, after verification of the Conversion List received by the Depository pursuant to Rule 24A.08(8), be redesignated to the credit of the foreign depositor's securities account as foreign shares.

(10) **Delivery to the issuer:** Upon confirmation of the conversion of shares pursuant to Rule 24A.08(9), the Depository shall deliver or cause to be delivered to the issuer certificates of singly quoted restricted shares for the quantity confirmed to be converted to foreign shares (in this chapter hereinafter referred to as "the Withdrawn Certificates").

(11) **Delivery to Depository:** Upon receipt of the documents from the Depository pursuant to Rule 24A.08(10), the issuer shall complete and deliver to the Depository certificates of foreign shares in the same number as the Withdrawn Certificates duly registered in the name of the Depository or that of its nominee company. The issuer shall comply with Rule 24A.07(9) in dealing with the original certificates of singly quoted restricted shares delivered by the Depository to the issuer.

(12) **Lifting of suspension and prohibition:** Upon completion of the conversion of shares, the Stock Exchange shall uplift the suspension on trading of the separately quoted local and foreign shares on the day after the Conversion Date, and the Depository shall permit deposits, withdrawals and transfers to be conducted in respect of the same on the same day.

(13) **Indemnity:** Every issuer shall fully indemnify and hold indemnified the Depository from all demands, actions and proceedings made by any foreign depositor for any loss, damage, cost, expense, liability or claim suffered or incurred by such foreign depositor in respect of or arising from any error in the Conversion List provided always that such error did not arise as a result of negligence on the part of the Depository in providing inaccurate or incomplete information in the Record of Depositors.

(14) **Notices:** Every issuer shall -

(a) send to each foreign depositor whose singly quoted restricted shares have been successfully converted to foreign shares, a notice advising him that the said foreign shares have been credited into his securities account; and

(b) give notice to the public by advertisement in the newspapers on the Conversion Date of the completion of the conversion of shares.