

AMENDMENTS TO THE RULES OF BURSA MALAYSIA DEPOSITORY SDN BHD TO REFLECT THE EXPANSION OF THE CATEGORIES OF WITNESSES FOR ACCOUNT OPENING DOCUMENTS

No	Rule	Existing Rules	Amended Rules
1.	Rule 5.02A	<p>Rule 5.02A Opening of securities accounts:</p> <p>(1) Every authorised depository agent shall require any individual who intends to open a securities account or formalise a securities account that has been opened by the Central Depository under a public offer to be present in person before the authorised depository agent and submit to it, the duly completed prescribed application form together with the relevant supporting documents.</p> <p>(2) Notwithstanding Rule 5.02A(1) and subject to Rule 5.02A(3) an authorised depository agent may decide to waive the requirement under Rule 5.02A(1) for the presence of the individual before the authorised depository agent and instead permit the individual to submit the prescribed form which has been executed by the individual in the presence of any one of the persons stated hereunder and duly verified and attested by the person in the manner provided under the prescribed form-</p> <ul style="list-style-type: none"> (i) dealer's representative; (ii) authorised officer of the authorised depository agent; (iii) Notary Public; or (iv) such other persons as may be approved by the Central Depository from time to time provided that notification of such approval is forwarded to the Commission within three market days from the date of such approval. <p>(3) Where an authorised depository decides to waive the requirement under Rule 5.02A(1) for the individual to be present before the authorised depository agent shall, in the event of any wilful act,</p>	<p>Rule 5.02A Opening of securities accounts:</p> <p>(1) Every authorised depository agent shall require any individual who intends to open a securities account or formalise a securities account that has been opened by the Depository under a public offer to be present in person before the authorised depository agent and submit to it, the duly completed prescribed application form together with the relevant supporting documents.</p> <p>(2) Notwithstanding Rule 5.02A(1) and subject to Rule 5.02A(4) an authorised depository agent may decide to waive the requirement under Rule 5.02A(1) for the presence of the individual before the authorised depository agent and instead permit the individual to submit the prescribed form which has been executed by the individual in the presence of any one of the persons stated hereunder and duly verified and attested by the person in the manner provided under the prescribed form-</p> <ul style="list-style-type: none"> (i) dealer's representative; (ii) authorised officer of the authorised depository agent; (iii) Notary Public; (iv) officer of an exempt dealer, who is authorised by the exempt dealer to perform pass through activities; or (v) such other persons as may be approved by the Depository from time to time provided that notification of such approval is forwarded to the Commission within three market days from the date of such approval. <p>(3) In relation to Rule 5.02A(2), an authorised depository agent shall ensure that it has internal procedures to verify that all account opening documents have been duly and properly witnessed by any one of the persons stated in Rule 5.02A(2).</p>

No	Rule	Existing Rules	Amended Rules
		<p>omission, neglect, fraud or error on the part of any of the persons stipulated under Rule 5.02A(2)(i)-(iv) in performing the verification of documents and particulars of an individual applicant appearing before them in the manner provided under the prescribed form, in respect of such account opening and/or account formalisation-</p> <p>(a) indemnify and hold indemnified the Central Depository for any loss, damage, cost, expense, liability or claim suffered or incurred by the Central Depository, whether directly or otherwise; and</p> <p>(b) be deemed to have committed a breach of the provision of this Rule as if the wilful act, omission, neglect, fraud or error had been committed by the authorised depository agents and be subject to the powers of the Central Depository pursuant to Rule 38.02.</p>	<p>(4) Where an authorised depository agent decides to waive the requirement under Rule 5.02A(1) for the individual to be present before the authorised depository agent, the authorised depository agent shall, in the event of any wilful act, omission, neglect, fraud or error on the part of any of the persons stipulated under Rule 5.02A(2)(i)-(v) in performing the verification of the documents and particulars of an individual applicant appearing before them in the manner provided under the prescribed form, in respect of such account opening and/or account formalisation-</p> <p>(a) indemnify and hold indemnified the Depository for any loss, damage, cost, expense, liability or claim suffered or incurred by the Depository, whether directly or otherwise; and</p> <p>(b) be deemed to have committed a breach of the provision of this Rule as if the wilful act, omission, neglect, fraud or error had been committed by the authorised depository agents and be subject to the powers of the Depository pursuant to Rule 38.02.</p> <p>(5) Definition: Where reference is made to the following terms in Rule 5.02A, it shall be construed respectively as follows:-</p> <p>(i) “pass through activities” means the act of an exempt dealer, of soliciting and accepting orders from its clients to transact in securities and passing such orders to a participating organisation for execution; as referred to in the context of the Guidelines.</p> <p>(ii) “exempt dealer” means Islamic banks and licensed institutions as declared to be exempt dealers under the Securities Industry (Exempt Dealer) Order 1996, of which may be revised from time to time.</p> <p>(iii) “Guidelines” means Guidelines for Exempt Dealers on Pass Through Activities issued jointly by the Securities Commission and Bank Negara Malaysia on 24 April 2003.</p>

