

SECURITIES INDUSTRY (CENTRAL DEPOSITORIES) ACT 1991

SECURITIES INDUSTRY (CENTRAL DEPOSITORIES) (EXEMPTION) ORDER 2003

In exercise of the powers conferred by section 62A of the Securities Industry (Central Depositories) Act 1991 [Act 453], the Minister makes the following order:

Citation and commencement

1. This order may be cited as the **Securities Industry (Central Depositories) (Exemption) Order 2003**.

Exempt authorised nominee

2. The Minister exempts the authorised nominee as specified in the Schedule from the provisions of subsection 25A(1) of the Act.

3. The exemption given to the authorised nominee as specified in paragraph 1 of the Schedule—

(a) is only in relation to the provision of share collateral by clearing members to the clearing house approved under section 6B of the Futures Industry Act 1993 [Act 499] for the purpose of maintenance of margins as required by the clearing house; and

(b) is subject to such terms and conditions as may be specified by the clearing house.

SCHEDULE

(Paragraph 2)

EXEMPT AUTHORISED NOMINEE

1. A clearing house approved under section 6B of the Futures Industry Act 1993 or a nominee company appointed by the clearing house that is either—
 - (a) a wholly-owned subsidiary of a holder of a dealer's licence under subsection 12(1) of the Securities Industry Act 1983 [*Act 280*]; or
 - (b) a wholly-owned subsidiary of a licensed financial institution as defined by the Banking and Financial Institutions Act 1989 [*Act 372*]:

Provided that separate securities accounts for each clearing member are maintained by the clearing house or the nominee company.

2. A holder of a dealer's licence under subsection 12(1) of the Securities Industry Act 1983 in relation to such holder utilizing a clearing account as defined in the rules of Kuala Lumpur Stock Exchange or a wholly-owned subsidiary of a holder of dealer's licence under subsection 12(1) of the Securities Industry Act 1983 that is a nominee company, for the purpose of purchase or sale of listed deposited securities underlying an American Depository Receipt or Global Depository Receipt programme, upon such terms and subject to such conditions as may be specified by the central depository or the Kuala Lumpur Stock Exchange.

Made 11 September 2003
[S(8.02)443-17; PN(PU²)562/II]

DATO' DR. JAMALUDIN BIN MOHD JARJIS
Second Minister of Finance