

SECURITIES COMMISSION ACT 1993

SECURITIES COMMISSION (NON-APPLICATION OF THE DEFINITION OF DEBENTURE) ORDER 2001

IN exercise of the powers conferred by paragraph (f) in the definition of “debenture” under subsection 2(1) of the Securities Commission Act 1993 [*Act 498*], the Minister, on the recommendation of the Commission, makes the following order:

Citation and commencement

1. (1) This order may be cited as the **Securities Commission (Non-Application of the Definition of Debenture) Order 2001**.

(2) This Order shall be deemed to have come into operation on 1 July 2001.

Non-application of the definition of “debenture” for Negotiable Certificates of Deposit

2. For the purposes of Part IV of the Act, the definition of debenture shall not apply to Negotiable Certificates of Deposit (“NCDs”) where the following conditions are fulfilled:

- (a) the proceeds raised by the issuance of NCDs are utilised only for purposes that are specified in the Commission’s Guidelines for Private Debt Securities;
- (b) the issuance of NCDs are by eligible licensed institutions that are in compliance with the Central Bank of Malaysia’s Guidelines on NCDs; and
- (c) the maximum tenor of NCDs do not exceed five years.

Made 19 July 2001.

[PP(S) 0.361 Jld. III/(25); PN(PU²)523/II]

On behalf and in the name of the Minister of Finance,

CHAN KONG CHOY
Deputy Minister of Finance