

PRACTICE NOTE ON PROHIBITION ON TRADING BLOCKS DURING SHARE CONSOLIDATION EXERCISE

SC-PN/1-2020

1st Issued: 28 February 2020

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Effective Date upon 1 st Issuance	2 March 2020
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Introduction

1. This Practice Note is issued pursuant to section 377 of the *Capital Markets and Service Act 2007* and is to be read together with the directive issued by the Securities Commission Malaysia (SC) on 23 August 2019 requiring holders of Capital Markets Services License for Dealing in Securities (CMSL Holders) to cease trading blocks on securities undergoing share consolidation exercises by 31 December 2019 (Directive).
2. The SC is aware that to-date, a number of CMSL Holders have yet to be operationally ready to comply with the Directive. The SC subsequently extended the timeline for compliance up to 1 March 2020.
3. Compliance with the Directive is paramount in order to ensure quality of access for all investors.
4. In order to facilitate CMSL Holders' on-going efforts in ensuring operational readiness, including working with Bursa Malaysia to ensure that risks associated with the removal of the trading blocks are effectively addressed, the SC hereby allows CMSL Holders an extension up to 15 May 2020 to comply with the Directive.
5. Post 15 May 2020, the SC shall review the level of the CMSL Holders' compliance of the requirements of the Directive and this Practice Note.
6. The level of readiness of CMSL Holders to cease trading blocks is stated in **Appendix I**.

Level of readiness of CMSL Holders to cease trading blocks (as of 28 February 2020)

CMSL Holders that are operationally ready to comply with the Directive by 1 March 2020:		CMSL Holders that are not operationally ready to comply with the Directive by 1 March 2020:	
1.	Alliance Investment Bank Bhd	1.	Affin Hwang Investment Bank Berhad
2.	AmInvestment Bank Berhad	2.	Hong Leong Investment Bank Berhad
3.	BIMB Securities Sdn Bhd	3.	Inter-Pacific Securities Sdn Bhd
4.	CGS-CIMB Securities Sdn Bhd	4.	JF Apex Securities Berhad
5.	KAF Equities Sdn Bhd	5.	Mercury Securities Sdn Bhd
6.	Kenanga Investment Bank Berhad	6.	Malacca Securities Sdn Bhd
7.	Maybank Investment Bank Berhad	7.	PM Securities Sdn Bhd
8.	M&A Securities Sdn Bhd	8.	SJ Securities Sdn Bhd
9.	Public Investment Bank Berhad		
10.	Rakuten Trade Sdn Bhd		
11.	RHB Investment Bank Berhad		
12.	TA Securities Holdings Berhad		
13.	UOB Kay Hian Securities (M) Sdn Bhd		

The list above does not include 9 CMSL holders that do not provide online trading services to individual investors.