

SECURITIES INDUSTRY ACT 1983

SECURITIES INDUSTRY (DEALING IN SECURITIES) DECLARATION 1996

IN exercise of the powers conferred by subparagraph (e)(iv) in the definition of "exempt dealer" in subsection 2(1) of the Securities Industry Act 1983, the Minister makes the following declaration: Act 280.

1. This declaration may be cited as the **Securities Industry (Dealing in Securities) Declaration 1996** and shall be deemed to have come into force on 1 March 1993. Citation and commencement.
2. The dealing in securities carried on by Islamic banks or licensed institutions by way of one or more of the activities specified in column (2) of the Schedule is declared as a way of dealing in securities for the purpose of subparagraph (e)(iv) in the definition of "exempt dealer" of the Act. Declaration of dealing in securities.

Interpretation.

3. (1) The expressions "licensed banks", "licensed discount houses", "licensed finance companies", "licensed institutions" and "licensed merchant banks" shall have the meanings assigned thereto under the Banking and Financial Institutions Act 1989.

Act 372.

Act 276.

(2) The expression "Islamic banks" shall have the meaning assigned thereto under the Islamic Banking Act 1983.

Provisions on
licensed
institutions.

4. (1) Notwithstanding paragraph 2, the activities specified in column (2) of the Schedule shall, in respect of securities listed in any stock exchange, be carried on only by the category of institutions specified in column (3) of the Schedule unless otherwise permitted in writing by the Minister from time to time.

(2) Nothing in this paragraph restricts, limits or prohibits any licensed institution from dealing in securities by way of one or more of the activities specified in column (2) of the Schedule in respect of securities which are not listed in any stock exchange.

Revocation.
P.U. (A) 149/
1993.

5. P.U. (A) 149/1993 is revoked with effect from 1 March 1993.

SCHEDULE

(1) <i>Items</i>	(2) <i>Activities</i>	(3) <i>Category of Institutions</i>
1.	Quoting two way prices for, and dealing in— (a) debentures, stocks or bonds of the Federal Government, any State Government or statutory body; or (b) corporate debentures of other instruments which are not listed for trading in any stock exchange in the money market.	Islamic banks and all licensed institutions.
2.	Arranging for the sale or purchase of securities issued by, belonging to or on behalf of, customers through the holders of a dealer's licence.	Islamic banks, licensed banks, licensed finance companies and licensed merchant banks.
3.	Arranging for the sale or purchase of securities issued by, belonging to or on behalf of customers.	Islamic banks, licensed banks, licensed finance companies, licensed merchant banks and licensed discount houses.
4.	Underwriting of securities and placement out of such underwritten securities whether through the holder of a dealer's licence or otherwise.	Islamic banks, licensed banks and licensed merchant banks.

(1) <i>Items</i>	(2) <i>Activities</i>	(3) <i>Category of Institutions</i>
5.	Private placement of primary issues of securities on behalf of customers.	Licensed merchant banks.
6.	Issuing any document which is or is deemed to be a prospectus within the meaning assigned thereto under the Companies Act 1965.	Islamic banks, licensed banks, licensed finance companies and licensed merchant banks.
7.	Making submissions on behalf of customers to relevant authorities or persons in respect of issues of securities for cash or other consideration.	Licensed merchant banks.
8.	Issuance or promulgation of analyses or reports concerning securities or corporations issuing such securities.	Islamic banks and all licensed institutions.
9.	Arranging or offering for the sale or purchase as agent for any person, any interests in unit trust schemes.	Islamic banks, licensed banks and licensed finance companies.
10.	Acting or offering to act as portfolio managers for customers or as investment or co-investment managers of country funds, trust funds, venture capital funds, unit trust funds, or other funds including— (a) the provision of investment advice; and (b) the acquisition or disposal through dealers of securities, in relation to such activity.	Licensed merchant banks.
11.	Acting or offering to act as agent for any issuing house in relation to the issue or listing of any securities.	Islamic banks, licensed banks, licensed finance companies and licensed merchant banks.
12.	Lending or borrowing of securities for their own account or for their customers in respect of securities pursuant to the Securities Lending and Borrowing Agreement.	Islamic banks, licensed banks, licensed finance companies and licensed merchant banks.

Made 11 January 1996.

[PP(R) 0.43/Jld. 1 (27); PN. (PU²) 135/111.]

ANWAR IBRAHIM,
Minister of Finance