

SECURITIES INDUSTRY ACT 1983

SECURITIES INDUSTRY (EXEMPT DEALER) ORDER 1997

Act 280. In exercise of the powers conferred by paragraph (d) in the definition of "exempt dealer" in subsection 2(1) of the Securities Industry Act 1983, the Minister, in consideration of the fact that—

- P.U. (A) 338/97.
- (a) the main business carried on by a futures broker or clearing house is a business other than dealing in securities; and
 - (b) it has been declared pursuant to the Securities Industry (Dealing in Securities) Declaration 1997 that such dealing in securities by the futures broker and a clearing house in the manner specified in the Declaration are ways of dealing in securities for the purpose of subparagraph (d)(iv) in the definition of "exempt dealer" of the Act,

makes the following order:

Citation.

1. This order may be cited as the **Securities Industry (Exempt Dealer) Order 1997**.

Futures brokers and clearing houses declared exempt dealers.

2. (1) All futures brokers are declared to be exempt dealers but only for the purposes of dealing in securities which—

- (a) relates to a securities which is also a futures contract;
- (b) is the direct consequence of trading in a futures contract;
- (c) is in connection with the delivery of a security, within a class of securities which is the subject of a class of futures contracts, pursuant to—
 - (i) in the case of an eligible exchange-traded option, the exercise of the option; or
 - (ii) in the case of an eligible delivery agreement, the agreement itself; or
- (d) is in connection with the transfer of securities as collateral or security, or in realisation of any collateral or security, for obligations under a futures contract.

(2) All clearing houses are declared to be exempt dealers but only for the purposes of dealing in securities in the manner specified in paragraph 2(a) of the Securities Industry (Dealing in Securities) Declaration 1997. *P.U. (A) 338/97.*

3. In this Order, the expressions "clearing house", "eligible delivery agreement", "eligible exchange-traded option", "futures broker" and "futures contract" shall have the meanings respectively assigned to them in the Futures Industry Act 1993. *Interpretation.*
Act 499.

Made 19 August 1997.

[S (8.02) 443/8-2 Jld. 13; PN. (PU²) 135/IV.]

ANWAR IBRAHIM,
Minister of Finance