

## SCHEDULE 5

[Subsection 212(8)]

*Proposals not requiring approval, authorization or recognition*

Categories of transactions not subject to the requirements of subsections 212(2), (3), (4) and (6) and paragraph 212(5) (a).

### Part 1

#### Proposal under Lodge and Launch Framework

1. Making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase —
  - (a) unlisted capital market products as may be specified by the Commission to persons specified in Part I of Schedule 6 or Part I of Schedule 7; or
  - (b) debentures or sukuk exclusively to persons outside Malaysia,

provided that the making available of, offering for subscription or purchase of, or issuance of an invitation to subscribe for or purchase such unlisted capital market products complies with the requirements of the guidelines issued by the Commission in relation to the Lodge and Launch Framework.

*[Subs. P.U.(A) 22/2018]*

## Part 2

### A. Securities

#### General

2. Any proposal, scheme, transaction, arrangement or activity, or issuance of securities, or offer for subscription or purchase of securities, or issuance of an invitation to subscribe for or purchase securities, in relation to—
- (a) the listing or quotation of securities issued or guaranteed by the Federal Government or Bank Negara on a stock market of the stock exchange;
  - (b) the listing or quotation of securities issued or guaranteed by the Corporation as defined in the International Islamic Liquidity Management Corporation Act 2011 [Act 721];
  - (c) the listing of and quotation for structured warrants on a stock market of the stock exchange, provided that the issuer of the structured warrants complies with eligibility requirements specified by the Commission;
  - (d) an acquisition or disposal of asset which results in a significant change in the business direction or policy of a corporation whose shares are listed on the alternative market of the stock exchange except where such acquisition or disposal is carried out in conjunction with paragraph 212(2)(b);

*[Am. P.U.(A) 22/2018]*

- (e) a disposal of asset which results in a significant change in the business direction or policy of a corporation whose shares are listed on the main market of the stock exchange that is not part of any other proposal that requires approval from the Commission; or

*[Am. P.U.(A) 22/2018]*

- (f) the listing and quotation of securities of a corporation on a stock market of the stock exchange as a result of a restructuring exercise involving a transfer of the listing status of a corporation to the first-mentioned corporation except where it forms part of a proposal involving an acquisition of asset under paragraph 212(2)(d) or a proposal under

subsection 212(3).

*[Am. P.U.(A) 22/2018]*

3. Any proposal, scheme, transaction, arrangement or activity, or issuance of securities, or offer for subscription or purchase of securities, or issuance of an invitation to subscribe for or purchase securities, where a corporation whose shares are listed on the stock exchange distributes securities that it holds in another corporation or a unit trust scheme to its own members.
4. Making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase—
  - (a) securities issued or guaranteed by the Federal Government or Bank Negara;
  - (b) securities issued or guaranteed by any State Government;
  - (c) securities issued or guaranteed by the Corporation as defined in the International Islamic Liquidity Management Corporation Act 2011;
  - (d) securities of a company to existing members of the company within the meaning of section 270 of the Companies Act 1965;
  - (e) securities of any entity established or registered under the laws applicable in Labuan—
    - (i) exclusively to persons in Labuan or outside Malaysia; or
    - (ii) to another entity established or registered under the laws applicable in Labuan.
5. Invitation or offering to underwrite or subunderwrite securities pursuant to an underwriting agreement in relation to the listing and quotation of securities on a stock market of the stock exchange.
6. Issuance or allotment of securities to an underwriter or subunderwriter pursuant to an underwriting agreement in relation to the listing and quotation of securities on a stock

market of the stock exchange.

## **Shares**

7. Any proposal, scheme, transaction, arrangement or activity, or issuance of shares, or offer for subscription or purchase of shares, or issuance of an invitation to subscribe for or purchase, shares, in relation to the listing or quotation of shares of a corporation on an alternative market of the stock exchange.
8. Making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase—
  - (a) shares of a private company;
  - (b) shares of a public company whose shares are not listed on the stock exchange and is not seeking for its shares to be listed on the main market of the stock exchange;
  - (c) shares of a foreign corporation whose shares are listed on an exchange outside Malaysia pursuant to—
    - (i) an employee share or employee share option scheme;
    - (ii) a bonus issue;
    - (iii) a distribution of shares in lieu of dividends;
    - (iv) a rights issue;
    - (v) the exercise of a warrant, option or transferable subscription right, conversion of a convertible note or preference share, or the exchange of an exchangeable note;
    - (vi) an entitlement in respect of a warrant, option or right without consideration;
    - (vii) a subdivision or consolidation of shares; or

- (viii) any other corporate exercise as may be specified by the Commission;
  - (d) shares held by a foreign corporation whose shares are listed on an exchange outside Malaysia pursuant to a distribution of shares in lieu of dividends;
  - (e) shares pursuant to a take-over offer of a foreign corporation;
  - (f) shares of a foreign corporation whose shares are not listed on the stock exchange or an exchange outside Malaysia pursuant to—
    - (i) an employee share or employee share option scheme;
    - (ii) a bonus issue;
    - (iii) a distribution of shares in lieu of dividends; or
    - (iv) a non-renounceable rights issue;
  - (g) shares that are not listed on the stock exchange or an exchange outside Malaysia to their existing shareholders or any other person as may be specified by the Commission in any guideline issued under section 377; and
  - (h) shares of a corporation whose shares are listed on the alternative market of the stock exchange other than a proposal falling under paragraph 212(2)(b).
9. In relation to subsection 212(4), any proposal to make available, offer for subscription or purchase of, or issue an invitation to subscribe for or purchase, outside Malaysia, shares of a public company or a corporation whose shares are listed on the stock exchange, other than a proposal to list its shares on an exchange outside Malaysia through—
- (a) an initial public offering; or
  - (b) a cross-listing of such shares, whether directly or indirectly.
10. Making available, offering for subscription or purchase of, or issuing an invitation to

subscribe for or purchase, shares, except shares in a closed-end fund, that are listed or approved for listing and quotation on an exchange outside Malaysia, to—

- (a) a closed-end fund approved by the Commission;
- (b) a holder of a Capital Markets Services Licence;
- (c) a person who acquires shares, as principal, for a consideration of not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise;
- (d) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceeds three million ringgit or its equivalent in foreign currencies, excluding the value of the primary residence of the individual;
- (e) an individual who has a gross annual income exceeding three hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months;
- (f) an individual who, jointly with his or her spouse, has a gross annual income exceeding four hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months;
- (g) a corporation with total net assets exceeding ten million ringgit or its equivalent in foreign currencies based on the last audited accounts;
- (h) a partnership with total net assets exceeding ten million ringgit or its equivalent in foreign currencies;
- (i) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010 [Act 704];
- (j) an Islamic bank licensee or takaful licensee as defined in the Labuan Islamic Financial Services and Securities Act 2010 [Act 705]; or
- (k) any other person as may be specified by the Commission,

provided that such exchange is specified by the Commission and the distribution of such shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities.

11. In respect of a corporation whose shares are listed on the main market of the stock exchange, making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase, shares pursuant to—

(a) the exercise of a warrant, option or transferable subscription right, conversion of a convertible note or preference share, or the exchange of an exchangeable note;

(b) an entitlement in respect of a warrant, option or right without consideration;

(c) a subdivision or consolidation of shares;

(d) an employee share or employee share option scheme;

(e) a bonus issue;

(f) a rights issue;

(g) a private placement exercise;

(h) a distribution in lieu of dividends;

(i) an acquisition of asset that does not result in a significant change in the business direction or policy of that corporation; or

*[Am. P.U.(A) 22/2018]*

(j) any other corporate exercise under the rules of the stock exchange as may be specified by the Commission,

except where it forms part of a proposal involving an acquisition of asset under paragraph 212(2)(d) or a proposal under subsection 212(3).

*[Am. P.U.(A) 22/2018]*

### **Unit trust schemes and prescribed investment schemes**

12. Making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase, units in a unit trust scheme or prescribed investment scheme by a personal representative, liquidator, receiver or trustee in bankruptcy or liquidation, as the case may be, in the normal course of realization of assets.
13. Any proposal, scheme, transaction, arrangement or activity, or issuance of, or offer for subscription or purchase of, or issuance of an invitation to subscribe for or purchase, units in a unit trust scheme or prescribed investment scheme in relation to —
  - (a) an acquisition of asset which results in a significant change in the business direction or policy of a unit trust scheme or prescribed investment scheme that is listed on the main market of the stock exchange other than a business trust; or
  - (b) a disposal of asset which results in a significant change in the business direction of policy of a unit trust scheme or prescribed investment scheme that is listed on the main market of the stock exchange except in the case of a business trust where the disposal of asset by the business trust forms part of any other proposal that requires approval from the Commission.

*[Subs. P.U.(A) 22/2018]*

14. In respect of a unit trust scheme or prescribed investment scheme that is listed on the main market of the stock exchange, making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase, units pursuant to —
  - (a) a subdivision of units;
  - (b) a bonus issue;

- (c) a rights issue;
- (d) a private placement exercise;
- (e) a distribution of income in units in lieu of cash;
- (f) an acquisition of asset that does not result in a significant change in the business direction or policy of that unit trust scheme or prescribed investment scheme; or
- (g) any other corporate exercise under the rules of the stock exchange as may be specified by the Commission,

except in the case of a business trust where it forms part of a proposal involving an acquisition of asset under paragraph 212(2)(d).

*[Subs. P.U.(A) 22/2018]*

14A. Making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase —

- (a) units of a foreign unit trust scheme or foreign prescribed investment scheme that is listed on an exchange outside Malaysia pursuant to —
  - (i) a subdivision of units;
  - (ii) a bonus issue;
  - (iii) a rights issue;
  - (iv) a distribution of income in unites in lieu of cash; or
  - (v) any other corporate exercise as may be specified by the Commission;
- (b) units held by a foreign unit trust scheme or foreign prescribed investment scheme that is listed on an exchange outside Malaysia pursuant to a distribution of income in units in lieu of cash;

- (c) units pursuant to a take-over offer of a foreign unit trust scheme or foreign prescribed investment scheme; or
- (d) units of a foreign unit trust scheme of foreign prescribed investment scheme that is not listed on the stock exchange or an exchange outside Malaysia pursuant to —
  - (i) a bonus issue;
  - (ii) a distribution of income in units in lieu of cash; or
  - (iii) a non-renounceable rights issue.

*[Ins. P.U.(A) 22/2018]*

### **Debentures and sukuk**

- 15. Making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase, debentures or sukuk by a corporation to its related corporation where such debentures or sukuk include a term that prohibits the transfer of such debentures or sukuk, as the case may be, to any other person.
- 16. In the case of a public company where its debentures or sukuk have been approved by the Commission, a proposal for the listing of the debenture or sukuk on an exchange outside Malaysia.
- 17. Any proposal, scheme, transaction, arrangement or activity, or issuance of shares, or offer for subscription or purchase of shares, or issuance of an invitation to subscribe for or purchase shares, in relation to an acquisition or disposal of asset which results in a significant change in the business direction or policy of a corporation where only its debentures or sukuk are listed on a stock market of the stock exchange.
- 18. All secondary transactions of debentures or sukuk.

### **B. Derivatives**

- 19. Making available, offering for subscription or purchase of, or issuing an invitation to

subscribe for or purchase—

- (a) derivatives issued or guaranteed by the Federal Government or Bank Negara;
- (b) derivatives issued or guaranteed by any State Government;
- (c) derivatives issued or guaranteed by the Corporation as defined in the International Islamic Liquidity Management Corporation Act 2011;
- (d) derivatives of any entity established or registered under the laws applicable in Labuan—
  - (i) exclusively to persons in Labuan or outside Malaysia; or
  - (ii) to another entity established or registered under the laws applicable in Labuan.

20. Making available, offering for subscription or purchase of, or issuing an invitation to subscribe for or purchase, or dealing in, over-the-counter derivatives where—

- (a) the over-the-counter derivative is proposed to be made available, offered for subscription or purchase to;
- (b) an invitation to subscribe for or purchase the over-the-counter derivative is made to; or
- (c) the dealing in the over-the-counter derivative involves,

a person specified in Part I of Schedule 6 or 7.

*[Subs. P.U.(A) 119/2015]*