

**MEMORANDUM
FOR INFORMATION**

Ref No : 0045 of 2020/PO
Date : 26 November 2020

To : Executive Director/ Head of Dealing
Executive Director/ Head of Operations

From : The Secretariat, ASCM
No. of pages : As per attachment

By Email

RE : Issuance of the Amendments to the BMS Rules and Directives and BMSC Rules pursuant to the Expansion of the Market Making Framework

Dear Members,

Kindly be informed that Bursa has issued amendments to the Rules and Directives of Bursa Malaysia Securities Bhd ("BMS Rules and Directives") pursuant to the Expansion of the Market Making framework ("Expansion of Market Making Amendments") on 24 November 2020.

The amendments seek to ensure efficiency in market making, by according market makers with greater flexibility to quote prices and respond to market demands. It is also crucial for market makers to manage risk by hedging their exposure to price volatility in the underlying securities.

In this connection, amendments were also made to the Rules of Bursa Malaysia Securities Clearing Sdn Bhd ("BMSC Rules") in relation to the purpose of Securities Borrowing and Lending ("SBL") and Islamic Securities Selling and Buying ("ISSBNT") to facilitate the expansion of securities for the Permitted Short Selling framework.

The amendments to the BMS Rules and Directives and BMSC Rules will take effect from 7 December 2020.

Further to the above, please find attached the POs Circular No. R/R 13 of 2020 and Clearing Participants Circular No. G21/2020 for your reference.

The POs Circular is also available on Bursa Malaysia's website at:

https://www.bursamalaysia.com/regulation/securities/rules_of_bursa_malaysia_securities

Thank you

Yours sincerely,



Lim Boon Hang
Executive Director, ASCM Secretariat