

**PARTICIPATING ORGANISATIONS' CIRCULAR**

**Date: 5 March 2024**

**No: R/R 2 of 2024**

**CONSEQUENTIAL AMENDMENTS TO THE RULES OF BURSA MALAYSIA SECURITIES BERHAD (“BMS RULES”) IN RELATION TO THE DEFINITION OF SOPHISTICATED INVESTOR (“AMENDMENTS”)**

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**1. BACKGROUND**

- 1.1 Pursuant to the Capital Markets and Services (Amendment of Schedules 5, 6 and 7) Order 2024 [P.U. (A) 41]] (“**Order**”) which came into effect on 5 February 2024, the classification of sophisticated investor referred to in Part I of Schedule 6 and Part I of Schedule 7 of the Capital Markets and Services Act 2007 (“**CMSA**”) was removed and replaced with a reference to such persons as determined by the Securities Commission Malaysia (“**SC**”) in any guidelines issued under section 377 of the CMSA.
- 1.2 Subsequently, the SC issued the Guidelines on Categories of Sophisticated Investors on 5 February 2024 (“**SI Guidelines**”) which sets out the categories of sophisticated investors for purposes of securities law.
- 1.3 Copies of the Order and SI Guidelines are available at the SC’s website at:  
<https://www.sc.com.my/>.

**2. CONSEQUENTIAL AMENDMENTS TO THE BMS RULES**

- 2.1 Pursuant to the Order and SI Guidelines, the definition of “Sophisticated Investor” in the BMS Rules has been amended by substituting the reference to Part I of Schedule 6 and Part I of Schedule 7 of the CMSA with a reference to the SI Guidelines.
- 2.2 The detailed amendments to the BMS Rules are attached as **Annexure 1**.

**3. FREQUENTLY ASKED QUESTIONS (“FAQS”)**

- 3.1 Appendix A of the FAQs for the BMS Rules in relation to the introduction of the LEAP Market has been amended to refer to the SI Guidelines and can be accessed at the following link:  
[https://www.bursamalaysia.com/regulation/faqs\\_relating\\_to\\_bursa\\_malaysia\\_rules](https://www.bursamalaysia.com/regulation/faqs_relating_to_bursa_malaysia_rules).

**4. EFFECTIVE DATE**

- 4.1 The Amendments will take effect on **5 March 2024**.

## 5. CONTACT PERSONS

5.1 In the event of any queries in relation to the above matter, kindly contact us at the following:

Name	Contact Details
<b>Regulatory Policy &amp; Advisory</b> (Rules and Directives)	<a href="mailto:rpa@bursamalaysia.com">rpa@bursamalaysia.com</a>

**This Circular is available at:**

[https://www.bursamalaysia.com/regulation/securities/rules\\_of\\_bursa\\_malaysia\\_securities](https://www.bursamalaysia.com/regulation/securities/rules_of_bursa_malaysia_securities)

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**Regulation**

**CONSEQUENTIAL AMENDMENTS TO THE BMS RULES  
in relation to the definition of sophisticated investor**

**CONSEQUENTIAL AMENDMENTS TO THE RULES OF BURSA MALAYSIA SECURITIES BERHAD (“BMS RULES”)  
IN RELATION TO THE DEFINITION OF SOPHISTICATED INVESTOR**

	EXISTING PROVISION		AMENDED PROVISION
<b>Rule 1.01</b>	<p><b>Definition</b></p> <p>Sophisticated Investor A person who falls within any one of the categories of investors set out in Part I, Schedule 6 or 7 of the Capital Markets and Services Act.</p>	<b>Rule 1.01</b>	<p><b>Definition</b></p> <p>Sophisticated Investor A person who <del>falls within any one of the categories of investors set out in Part I, Schedule 6 or 7 of the Capital Markets and Services Act</del> is specified as a sophisticated investor in the Commission’s Guidelines on Categories of Sophisticated Investors.</p>

[End]