



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Operational Procedures For Securities Services

Applicable to:

1. Participants of FAST
2. Participants of RENTAS

REVISION HISTORY

Version No.	Effective Date	Summary of Change
1.0	1 July 2021	Initial creation
1.1	4 January 2022	Glossary, Item 64 Updated definition for 'RENTAS and FAST Development Fund'
1.2	1 August 2022	Guideline IV Supplementary Guideline on Co-existence of RENTAS ISO20022 (MX) and ISO15022 (MT) Added new guideline to furnish MX message information for existing clauses with MT message information
1.3	1 July 2024	<p>Overview of Systems Linkages, Clause 2 Removed internet as one of the options to access FAST and updated SWIFT as one of the options to connect to RENTAS</p> <p>FAST Membership Admission, Clause 3.3.6.4 Security of the Systems, Clause 6.1.1 Added requirement for subscription of secured private communication network for Participant to access FAST</p> <p>Full Disaster and Partial Disaster, Clause 87.5 Added new clause to provide base for activation of contingency terminals in BNM's designated premise</p> <p>Coupon / Interest /Dividend / Profit Payment, Clause 47.6 & 47.8 Early Redemption, Clause 49.4 & 49.6 Partial Redemption, Clause 50.4 & 50.6 Final Redemption, Clause 51.3 & 51.5 Settlement of Maturities for Script Securities, Clause 67.2.2 Guideline IV Supplementary Guideline on Co-existence of RENTAS ISO20022 (MX) and ISO15022 (MT) Incorporated clauses in the Guideline IV into the relevant sections in this document and removed the guideline.</p>

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PART I GENERAL

1 Introduction

- 1.1 Two systems are involved in Debt Securities processing, namely FAST and RENTAS. In addition, eSSDS, which is a part of RENTAS, is used for the computation of corporate actions involving Debt Securities and issuance of retail bonds.
- 1.2 These Operational Procedures apply to all RENTAS Debt Securities approved by the Securities Commission of Malaysia, Debt Securities issued by Bank Negara Malaysia (BNM) and the Government of Malaysia, and other approved Debt Securities or money market instruments which are denominated in Ringgit Malaysia (RM) or any other foreign currency. Securities deposited with Bank Negara Malaysia (BNM) under the Cross-Border Securities Custody Services (CSCS) are excluded from the scope of these Operational Procedures.
- 1.3 These Operational Procedures are intended to equip Participants with an effective operating knowledge of the entire process from origination until the final maturity of Debt Securities. It will cover New Issuances, Allotment, Reopening, Coupon / Interest / Dividend / Profit Payment, Redemption and Settlement of Debt Securities via FAST, eSSDS and RENTAS.
- 1.4 These Operational Procedures shall be read in conjunction with the following documents:
 - 1.4.1 Financial Services Act 2013 (FSA) and Islamic Financial Services Act 2013 (IFSA);
 - 1.4.2 Capital Markets and Services Act 2007;
 - 1.4.3 Securities Commission Act 1993;
 - 1.4.4 Loan (Local) Act 1959;
 - 1.4.5 Treasury Bills (Local) Act 1946;
 - 1.4.6 Government Funding Act 1983;
 - 1.4.7 Participation Rules for Payments and Securities Services;
 - 1.4.8 Operational Procedures for MYR Settlement in the Real Time Electronic Transfer of Funds and Securities System;
 - 1.4.9 Operational Procedures for Foreign Currency Settlement in the Real Time Electronic Transfer of Funds and Securities System;
 - 1.4.10 Central Securities Depository and Paying Agency Rules;
 - 1.4.11 Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework; and

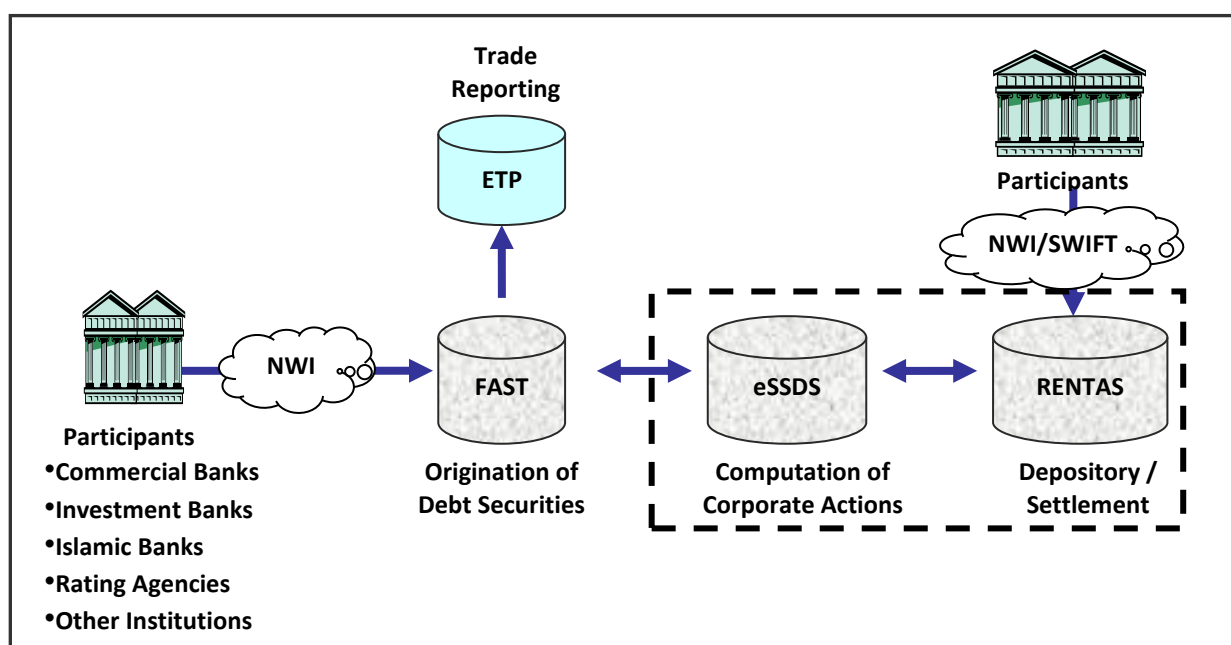
1.4.12 Any other rules issued by relevant authorities.

- 1.5 These Operational Procedures are issued pursuant to the requirements under:
- Section 35 of the Financial Services Act 2013 (FSA); and
 - Section 45 of the Islamic Financial Services Act 2013 (IFSA).

1.6 These Operational Procedures come into effect on 1 July 2024.

2 Overview of Systems Linkages

- 2.1 Debt Securities created in FAST are automatically interfaced to eSSDS and subsequently to RENTAS for Settlement purposes.



3 FAST Membership

- 3.1 This **Clause 3.0** shall be read in accordance with the **Membership** section in the Participation Rules for Payments and Securities Services.

3.2 FAST Membership Criteria

3.2.1 FAST membership is open to entities that meet the following criteria:

- Licensed financial institutions and intermediaries regulated by BNM and/or the Securities Commission Malaysia;

- 3.2.1.2 Qualified institutions who participate in MYR debt securities issuance or money market;
- 3.2.1.3 Qualified foreign licensed financial institutions that bid for or issue foreign currency bonds that are not deposited in RENTAS;
- 3.2.1.4 Qualified institutions who are admitted into FAST to carry out specific specialised functions, such as providing credit ratings and other financial market information;
- 3.2.1.5 Asset managers, investment agencies and institutional investors who participate in FAST to obtain financial information;
- 3.2.1.6 Qualified institutions whose admission will promote the development of the Malaysian financial markets.

3.2.2 The FAST membership shall be categorized based on the criteria set out in **Clause 3.2.1** above and the level of participation which can be either full participation or limited participation.

3.2.3 Full participation is applicable to institutions that are involved in all or any of the essential activities that have direct and primary impacts to securities issuance, depository and settlement.

3.2.4 Limited participation is applicable to institutions that conduct only specialised functions which support the essential activities.

3.2.5 The FAST memberships are classified as below:

Type	Category
FULL PARTICIPATION	
F1	Licensed financial institutions and intermediaries regulated by BNM and/or the Securities Commission Malaysia
F2	Qualified institutions who participate in MYR debt securities issuance or money market
LIMITED PARTICIPATION	
L1	Qualified foreign licensed financial institutions that bid for or issue foreign currency bonds that are not deposited in RENTAS

Type	Category
L2	Qualified institutions who are admitted into FAST to carry out specific specialised functions, such as providing credit ratings and other financial market information
L3	Asset managers, investment agencies and institutional investors who participate FAST to obtain financial information
L4	Qualified institutions whose admission will promote the development of the Malaysian financial markets

3.3 FAST Membership Admission

3.3.1 Potential participants seeking admission to FAST shall fulfil the following requirements:

- 3.3.1.1 Demonstrate financial soundness.
- 3.3.1.2 Have sufficient expertise and resources to operate FAST.
- 3.3.1.3 Possess sufficient risk management and business continuity planning framework and policies.

3.3.2 Documents that have to be submitted for the participation application shall include:

- 3.3.2.1 The latest three (3) years audited financial statements.
- 3.3.2.2 Certificate of incorporation.
- 3.3.2.3 Board resolution approving participation in FAST.
- 3.3.2.4 Memorandum and articles of association.

3.3.3 Potential Participants' application for admission will be considered in accordance with **Clause 4.0** of the Participation Rules for Payments and Securities Services.

3.3.4 Participants may be requested to submit documents on an annual basis to provide evidence that they are in compliance with the requirements outlined in **Clause 3.3.1**.

3.3.5 BNM may waive document submissions for entities that are regulated by BNM under the FSA or IFSA.

3.3.6 Upon approval by BNM, the new Participants shall undertake the following:

- 3.3.6.1 Complete and submit the “Confirmation of Participation” form to BNM as per [Appendix I](#).
- 3.3.6.2 Notify BNM in writing two (2) weeks before the actual implementation date of operations.
- 3.3.6.3 Submit the “External User Access Request Form” in [Appendix VIII](#) to request the creation of two FAST Administrator IDs for two authorized officers of the Participant. These FAST Administrator IDs will be able to create IDs and assign access rights for the new Participants’ officers.
- 3.3.6.4 Subscribe a secured private communication network provided by a third-party provider determined by BNM for the purpose of accessing FAST.

4 Participants Representation

4.1 FAST Focus Group

- 4.1.1 To ensure that Participants are kept updated and consulted regarding securities services matters, BNM conducts formal discussion with the Facility Agents via FAST Focus Group.
- 4.1.2 FAST User Group is held minimum twice annually for BNM and Facility Agents to:
 - 4.1.2.1 Deliberate and agree on changes deemed necessary for FAST for the better conduct of securities services operations;
 - 4.1.2.2 Co-ordinate and implement FAST initiatives on a timely basis;
 - 4.1.2.3 Discuss and provide updates of FAST rules and procedures based on market requirements; and
 - 4.1.2.4 Gather industry feedback and views on business development, operation and governance of unlisted debt securities.
- 4.1.3 Facility Agents as the main FAST users who operate primary securities market operations shall represent their organisations to attend the

FAST Focus Group. Invitation to FAST Focus Group may be extended to other FAST users on adhoc basis subject to requirements.

5 Users of the Systems

5.1 Issuer

5.1.1 Issuers are corporate or sovereign entities that have obtained Securities Commission of Malaysia's approval to raise funds through issuance of Debt Securities.

5.1.2 Issuers shall determine the mode of issuance (Tender or Private Placement) for the Debt Securities and decide on the results of the Tender.

5.2 Facility Agent

5.2.1 Facility Agents (FAs) are licensed investment banks, commercial banks and Islamic banks and other institutions approved by Regulatory Authorities that co-ordinate the issuance of Debt Securities through FAST and manage debt facilities including advising Issuers pertaining to issuance, corporate action, redemption of such Debt Securities.

5.2.2 For Specified RENTAS Securities, the FA is BNM. For Corporate Bonds and Sukuk, only licensed investment banks, commercial banks and Islamic banks and other institutions that are approved by Regulatory Authorities to co-ordinate the issuance of Debt Securities through FAST are eligible to act as FAs.

5.2.3 There could be multiple co-arrangers for a Debt Facility. However, each Debt Facility in FAST can only be maintained by one FA. That FA shall be the party to sign the Securities Lodgement Form as required under Central Securities Depository and Paying Agency Rules (CSDPAR).

5.2.4 The broad roles and responsibilities of FAs are summarised as follows:

5.2.4.1 Ensure that the Securities Lodgement Form as required under CSDPAR has been duly executed by Issuers, Trustee (if applicable) and FAs.

- 5.2.4.2 Ensure the accuracy of Debt Facility and Debt Securities information in FAST at all times and to update on a timely basis should there be any changes to the information.
- 5.2.4.3 Update Coupon rate and Final Redemption Price at least one (1) Business day before the respective Coupon and Final Redemption payment date.
- 5.2.4.4 Not allowed to change or amend critical information pertaining to the Debt Securities (as defined in [Guideline I](#)) once the stock code has been generated. As such, for any changes to this critical information, the FA has to make a written request to BNM, at least two (2) Business days before the corporate action date. BNM reserves the right to decline a request to amend if such changes impact information consistency, accuracy or integrity in RENTAS.
- 5.2.4.5 Submit Global Certificates for New Issuances of Debt Securities and to replace the Global Certificates arising from Partial Redemptions, Re-openings or Maturity Extensions.
- 5.2.4.6 Collect the proceeds for Coupon Payment, as well as for Early, Partial and Final Redemption from Issuers and remit the proceeds to Paying Agent before the cut-off time.
- 5.2.4.7 Key-in the details of Early and Partial Redemption in FAST at least by the time specified in **Clause 7.2.8** and announce Redemptions in FAST accordingly.
- 5.2.4.8 Immediately notify BNM in writing in the event of default, or potential delay in payments, by Issuers in relation to their financial obligations on debt securities and immediately make the necessary announcements in FAST.
- 5.2.4.9 Obtain bondholder information to facilitate administration of the securities.
- 5.2.4.10 Participants must submit completed Bondholder Information Request Form provided in [Appendix X](#) duly signed by at least two authorised signatories to obtain stockholding

information necessary for the administration of securities under the FA's purview. FAs shall ensure that any information obtained is:

- For the specific purpose of administering the securities in their capacity as FAs.
- Safeguarded in accordance with the Financial Services Act 2013 and other applicable laws.

5.2.4.11 To access bondholder information as FAs or arrangers for debt securities issuance, Participants must nominate a minimum of three (3) officers who are authorised to:

- Request information on your organisation's behalf.
- Make changes to your organisation's authorised signatories.
- Request changes to your organisation's access to FAST.

Nomination shall be made by submitting the "Authorised Signatories" form in [Appendix XI](#) to BNM. Participants shall ensure that the list of authorised officers lodged with BNM is kept up to-date.

5.3 Tender Panel Member

5.3.1 Tender Panel Members are eligible investors that bid in the primary issuances of Corporate Bond and/or Sukuk (CBS). Tender Panel Members must honour their Bids if their Bids are within the successful range of the Tender and must agree with the FA on the payment arrangement on the Settlement date.

5.4 Underwriter

5.4.1 Underwriter refers to the eligible institutions which undertake to take up under-subscribed amounts of an Issue when the underwritten yield is lower than the bidding yield, or when the underwritten price is higher than the bidding yield.

5.5 Rating Agency

5.5.1 Rating Agencies are entities which are recognised by the Securities Commission of Malaysia for purposes of assessing and assigning credit ratings for Securities on an independent and objective basis.

5.5.2 In relation to these Operational Procedures, Rating Agencies update rating for Debt Facilities, Debt Securities and organisation in FAST.

5.6 **Principal Dealer**

5.6.1 Principal Dealers and Islamic Principal Dealers, underwrite the issuance of Specified RENTAS Securities that are sold in the primary market on a Tender Basis via FAST.

5.6.2 Principal Dealers are appointed by BNM for a specific period of time. They have to perform certain roles and obligations in relation to Specified RENTAS Securities in the primary and secondary market.

5.6.3 The obligations of Principal Dealers in the secondary market include ensuring sufficient liquidity for the Specified RENTAS Securities by always providing two-way quotes.

5.7 **Indicative Yield-to-Maturity (YTM) Contributors**

5.7.1 All indicative YTM contributors appointed by BNM are required to submit quotations for the Indicative YTM for Specified RENTAS Securities through FAST on a daily basis.

5.7.2 The appointed indicative YTM contributors in **Clause 5.7.1** are also required to submit quotations on a weekly basis (on every 7th, 14th, 21st and end-of-the month) for the Indicative YTM of Corporate Bonds and Sukuk.

5.7.3 All Indicative YTM submissions for both Malaysian Government Securities and Corporate Bonds and Sukuk must be made no later than 4:30pm. This requirement must be strictly observed to enable the publication of the consolidated rate by 5:00pm.

5.7.4 For submission of indicative YTM for Corporate Bonds and Sukuk, if any of the designated submission day falls on a non-Business day, submission must be made on the preceding Business day. In the case

where a public holiday is declared at the eleventh hour, submission must be made on the next Business day.

5.8 **SSDS Participants**

5.8.1 **SSDS Participants consist of:**

5.8.1.1 RENTAS Participants that are permitted to hold Debt Securities for their own accounts only; and

5.8.1.2 RENTAS Participants acting as Authorised Depository Institutions, who are permitted to hold Debt Securities for their own accounts and on behalf of their customers.

5.8.2 **SSDS Participants who are permitted to hold Securities on behalf of customers are required to perform the following obligations:**

5.8.2.1 To maintain separate Segregated Securities Accounts (SSA) in RENTAS for the Participants Securities and for Debt Securities held on behalf of the SSDS Participants' resident and non-resident customers. The requirements and guideline on opening the SSA in RENTAS are stipulated in the **Guideline V** of the Operational Procedures for Malaysian Ringgit Settlement in RENTAS. Upon opening of the SSA in RENTAS, SSDS Participants shall refer to the "RENTAS SSA User Guide in FAST", which is available under the Rules and Guidelines section on the FAST website, for details of set-up and application of SSA in FAST.

5.8.2.2 To maintain the details of every customer's accounts in the SSDS Participants' internal records for Securities holding under the SSA.

5.8.2.3 To employ accounting practices and safekeeping procedures that fully safeguards the customers' Securities from claims from the SSDS Participants' creditors.

5.8.2.4 SSDS Participants are prohibited from using the Debt Securities belonging to their customers for any purpose without prior written approval of the customers.

- 5.8.2.5 SSDS Participants shall grant their customers the right to the return of the relevant quantity of Securities in the event of an insolvency or bankruptcy of the SSDS Participants, so that each customer has enforceable proprietary rights for the return of the relevant quantity of Securities rather than the mere contractual rights of an unsecured creditor.
- 5.8.2.6 To conduct regular reconciliation to ensure correctness of the Securities holding in custody in the SSDS Participants' internal records with the aggregated holdings in RENTAS.
- 5.8.2.7 To issue monthly statements to each customer in respect of their holdings of Debt Securities.
- 5.8.2.8 To pay to the customer Coupon/Interest/Dividend/Profit payment and redemptions proceeds before the MYR Settlement Cut-off for MYR bonds or Foreign Currency Settlement Cut-off for foreign currency bonds on the Business day that proceeds are received from the issuers provided clear and complete instructions have been received from customer.
- 5.8.2.9 Should Coupon Payment be subjected to Withholding Tax, SSDS Participants are required to submit via FAST the details of all non-resident beneficial holders under their custody no later than 1:00pm on Coupon Payment Date.
- 5.8.2.10 SSDS Participants shall ensure that any disclosure of customer information is carried out in accordance with Malaysia law. SSDS Participants hereby authorise BNM to release securities information pertaining to SSDS Participants to Trustees and FAs to facilitate administration of the Securities.
- 5.8.2.11 Notwithstanding **Clause 5.8.2.1**, BNM may direct SSDS Participants to maintain the segregated customer accounts in RENTAS for each beneficial holder of securities.

5.9 Central Securities Depository

- 5.9.1 RENTAS is a CSD set up to ensure the orderly processing of Debt Securities deposited in it. As such, RENTAS provides all the necessary facilities as follows:
- 5.9.1.1 To facilitate efficient depository of Debt Securities.
 - 5.9.1.2 To facilitate the registration of Debt Securities as a result of trade transactions involving the deposited Debt Securities.
 - 5.9.1.3 To ensure the safe custody of Global Certificates and other documents representing the deposited Securities.
 - 5.9.1.4 To establish a proper and efficient system for the verification, inspection, identification and recording of all Debt Securities deposited with the CSD.

6 Security of the Systems

- 6.1 FAST, eSSDS and RENTAS have comprehensive security features to ensure the authenticity, integrity and confidentiality of the information. The security features are summarised as follows:
- 6.1.1 A secure private communication network provided by a third-party provider determined by BNM to access FAST and RENTAS to safeguard against unauthorised access through the use of appropriate security software, hardware and firewall.
 - 6.1.2 The use of Public Key Infrastructure (PKI) to authenticate, digitally sign and encrypt transmission of critical information for tasks as listed in [Guideline I](#).
 - 6.1.3 Audit trails.
 - 6.1.4 System functions that enforce segregation of duties with multiple level of approvals.
- 6.2 Each Participant is required to maintain minimum two (2) FAST Administrators at all times. The FAST Administrators shall manage all user IDs (including FAST Administrators) within their organisation in accordance with the respective Participants' internal IT security policies as well as Bank Negara Malaysia's guidelines and policies. Any appointment of additional FAST Administrators can be executed by the appointed FAST Administrators.
- 6.3 Participants' FAST Administrators shall ensure that access is granted on a need-to basis and access should be reviewed periodically to determine if currently assigned access privileges are appropriate. Participant's FAST

Administrators shall promptly revoke User IDs for officers who have resigned, transferred, or whose job functions no longer require access to FAST (including FAST Administrators).

- 6.4 If a Participant fails to maintain the minimum number of FAST Administrators, the Participant shall promptly make a request to BNM to appoint new FAST Administrators by completing the “External User Access Request Form” in [Appendix VIII](#) to ensure the minimum number of FAST Administrators is achieved.

7 Administrative Cut-Off Times

- 7.1 FAST is a web-based system and accessible on a 24-hour basis. Therefore, there is no system cut-off time for general administrative tasks such as updating information of Debt Facilities, Debt Securities, creating new users, etc.
- 7.2 Notwithstanding **Clause 7.1**, the following deadlines must be observed:

No	Action	Time	Deadline
1	Creation of Debt Facilities and New Issuances in FAST	N/A	For Specified RENTAS Securities: <ul style="list-style-type: none"> • Issued by Gov and BNM <ul style="list-style-type: none"> ○ At least two (2) Business days before the Issue date For Non-Specified RENTAS Securities: <ul style="list-style-type: none"> • At least two (2) Business days before the Issue date
2	Tender Invitations for Specified RENTAS Securities	N/A	For Specified RENTAS Securities: <ul style="list-style-type: none"> • Issued by Gov and BNM <ul style="list-style-type: none"> ○ At least two (2) Business days before the Issue date
3	Tender Invitations for CBS	N/A	At least two (2) Business days before the Securities Issue date

No	Action	Time	Deadline
4	Submission of Bids	11:30am	Tender Closing Date, unless specified otherwise
5	Confirmation of Allotments, either via Tenders or Private Placements	3:00pm	One (1) Business day before the Securities Issue date
6	Tender Abortions and / or Stock Abortions, if any	3:00pm	One (1) Business day before the Securities Issue date
7	Update on the floating / step-up interest rates information and Final Redemption Price	3:00pm	One (1) Business day before Coupon Payment Date and Redemption Date
8	Submission of Early Redemptions or Partial Redemptions	3:00pm	Two (2) Business days before Redemption Date
9	a. Settlement of Allotments by subscribers for MYR and Foreign Currencies Securities On-shore	11:30am	On Securities Issue date
	b. Settlement of Allotments by subscribers for USD Securities via USD CHATS	11:30am	On Securities Issue date
10	a. Settlement of Coupon proceeds for MYR and Foreign Currencies Securities On-shore:		On Coupon Payment Date
	i. From Issuers to FAs	11:00am	
	ii. From FAs to Paying Agent	12:00noon	
	iii. From Paying Agent to securities holders	12:30pm	
	b. Settlement of Coupon proceeds for USD Securities via USD CHATS:		On Coupon Payment Date
	i. From Issuers to FAs	10:00am	
ii. From FAs to Paying Agent	12:00noon		

No	Action	Time	Deadline
	iii. From Paying Agent to securities holders	4:00pm	
11	a. Settlements of Early, Partial and Final Redemptions proceeds for MYR and Foreign Currencies Securities On-shore:		On Early, Partial and Final Redemption Date
	i. From Issuers to FAs	11:00am	
	ii. From FAs to Paying Agent	12:00noon	
	iii. From Paying Agent to securities holders	12:30pm	
	b. Settlements of Early, Partial and Final Redemptions proceeds for USD Securities via USD CHATS:		On Early, Partial and Final Redemption Date
	i. From Issuers to FAs	10:00am	
	ii. From FAs to Paying Agent	12:00noon	
	iii. From Paying Agent to securities holders	4:00pm	
12	Submission of New/Replacement Global Certificate for the following events:		
	a. New Issue	3.00pm	On the Securities Issue Date
	b. New Issue, which requires amendment in Global Certificate under following circumstances: i. Upsize/Downsize ii. Coupon rate or Secondary Notes is based on the weighted	3.00pm	Two (2) Business days after the Securities Issue Date

No	Action	Time	Deadline
	average of successful Bids		
	c. Partial Redemption, Reopening or Extension of Maturity Date	3.00pm	Two (2) Business days after the Event Date

7.3 For issuance of US Dollar (USD) Securities deposited in RENTAS and settled in USD CHATS, the following cut-off times for Settlement shall be observed:

7.3.1 Allotment

7.3.1.1 All successful subscribers are required to settle the USD Allotment proceeds through payments to FA's accounts with the FA's appointed banker in Hong Kong by the time specified in **Clause 7.2.9 (b)** on the Securities Issue date.

7.3.1.2 FAs shall remit the USD Allotment proceeds to Issuers' banker by 4:00pm on the Securities Issue date.

7.3.2 Coupon / Redemption Payment

7.3.2.1 Issuer shall pay Coupon / Redemption proceeds to FA's accounts, in accordance with **Clause 7.2.10 (b)(i)** on Coupon / Redemption payment date.

7.3.2.2 FAs shall remit Coupon / Redemption proceeds into BNM's account at BNM's appointed banker in Hong Kong by the time specified in **Clause 7.2.10 (b)(ii)** for coupon payment and **Clause 7.2.11 (b)(ii)** for redemption payments.

7.3.2.3 BNM shall pay to SSDS Participants' accounts at their appointed bankers in Hong Kong by the time specified in **Clause 7.2.10 (b)(iii)** / **Clause 7.2.11 (b)(iii)** on Coupon / Redemption payment date, subject to receiving the prior payment from FAs.

- 7.4 BNM may, from time to time, vary any of the above administrative or system cut-off times. Any such variation will be notified to Participants seven (7) Business days before the changes come into effect.

PART II ISSUING PROCEDURES FOR MULTICURRENCY SPECIFIED RENTAS SECURITIES SETTLED ON-SHORE

8 General

- 8.1 This part outlines the procedures for the Issuance of Specified RENTAS Securities issued by Government and BNM through Principal Dealers.
- 8.2 Specified RENTAS Securities issued by the Government and Bank Negara Malaysia (with the exception of BNM Sukuk) are dematerialized and deposited in RENTAS.
- 8.3 BNM Sukuk with global certificates representing the issuance lodged with BNM are immobilised and deposited in RENTAS.
- 8.4 Allotment for Specified RENTAS Securities either through Tender or Private Placement must be completed by 3:00pm, one (1) Business day before the Securities Issue date.
- 8.5 For New Issuances via Tender, the Tender Invitation has to be issued at least two (2) Business days before the Securities Issue date.
- 8.6 Should there be any changes to the Securities Issue date, size, subscribers / SSDS Participants and their respective Allotment amounts, FAs are required to notify BNM by 3:00pm, one (1) Business day before the Securities Issue date.
- 8.7 Any Tender Abortion or Stock Abortion has to be completed by 3:00pm, one (1) Business day before the Securities Issue date.

9 Issuer Creation and Maintenance

- 9.1 If Issuer's information is already in FAST, FAs needs to verify the information and update if necessary. FAs are allowed to change Issuers description, Issuer code and business registration number using the Organisation Maintenance Screen in FAST. However, it is advisable to use the existing Issuer code unless there is an official change in Issuers name.
- 9.2 For new Issuers, FAs have to create Issuers profile under the "Organisation Maintenance" screen in FAST. FAs shall ensure that all the details are accurate, especially Issuers name, business registration number and business sector.

10 Debt Facilities Creation and Maintenance

- 10.1 FAs are responsible for creating Debt Facilities in FAST. FAs shall ensure the accuracy of Debt Facilities information at all times and shall update on a timely basis should there be any changes to Debt Facilities information.
- 10.2 Debt Facilities may be cancelled prior to the maturity date, provided all Debt Securities issued under that Debt Facilities have been fully redeemed without any outstanding balances.

11 New Issuances Creation and Maintenance

- 11.1 New Issuances refers to the registration of new issues of Specified RENTAS Securities. FAs are required to key-in into FAST all the relevant information pertaining to the Specified RENTAS Securities.
- 11.2 Once the New Issuances are approved, FAST will generate a unique Stock Code and International Securities Identification Number (ISIN) for each Debt Securities.
- 11.3 The New Issuances shall be completed at least two (2) Business days before the Securities Issue date.
- 11.4 Should there be a need for the approved New Issuances to be aborted, it must be done in FAST by 3:00pm, one (1) Business day before the Securities Issue date.

12 Re-opening of Debt Securities

- 12.1 Re-opening is defined as an increase in the Issue size of the existing Debt Securities while maintaining the same characteristics of the existing one (i.e. Coupon Payment Date, Coupon rate, maturity date, etc).
- 12.2 Re-opening increases the Issue size of Debt Securities, and thus adding more liquidity in the secondary trading.

- 12.3 The Specified RENTAS Securities can be re-opened at any date before its maturity. There is no limitation on the number of times that the same Specified RENTAS Securities can be re-opened. The creation of Re-opening for Specified RENTAS Securities shall be completed in FAST at least two (2) Business days before the Re-opening date.
- 12.4 Re-opening of existing Specified RENTAS Securities can be conducted via Tender or Private Placement. Allotment either via Tender or Private Placement shall be completed in FAST by 3:00pm, one (1) Business day before the Re-opening date.
- 12.5 The cash proceeds for the Re-opening Allotment will include the accrued interest from the last Coupon Payment Date until the Re-opening date.
- 12.6 For Fixed Rate Specified RENTAS Securities, the Tender Basis for Re-opening can either be on yield or Price.
- 12.7 Should there be a need for the Re-opening to be aborted, it must be done in FAST by 3:00pm, one (1) Business day before the Re-opening date.

13 Mode of Offer

- 13.1 Issuance of Specified RENTAS Securities in FAST (new or Re-opening issues) can be made either via Tender or Private Placement.
- 13.2 Private Placement refers to issuance through bought deal by the primary subscribers, direct placement to several investors, book building by the appointed agent or any other method as agreed by the parties involved.

14 Private Placement Procedure

- 14.1 FAs are required to input the Private Placement Allotment information in FAST. Private Placement Allotment must be completed by 3:00pm, one (1) Business day before the Securities Issue date. Allotment details in FAST are only visible to FAs and the Private Placement subscribers.
- 14.2 Once the Private Placement Allotment has been approved, it cannot be cancelled or amended. If there is an error after the Private Placement Allotment

has been approved, Debt Securities and the corresponding Private Placement Allotment will have to be aborted.

15 Tender Procedure – Tender Invitation

- 15.1 FAs may create a Tender Invitation template by configuring the relevant characteristics of Tender (e.g.: Tender Basis and Proceeds Formula). The template can be re-used for future Tenders and thus minimise any potential error.
- 15.2 For new Tenders, FAs are required to input Tender details such as Tender Opening Date, Closing Date and Time, Tender Basis and Direct Bidders for the Tender. Tender Invitations must be announced at least two (2) Business days before the Securities Issue date.
- 15.3 Any changes to the Tender Invitation must be done before the Tender closing time. FAs shall ensure that all the involved parties are informed of such amendments. Once the Tender Invitation is confirmed, it will be listed in the Forthcoming Tender in FAST where the information is accessible to all FAST Participants as well as the public.
- 15.4 FAs are required to update the latest list of Principal Dealers in Debt Facilities in FAST before approving Tender Invitations, failing which, the omitted Principal Dealer will not be able to participate in the Tender.
- 15.5 The Tender Invitation may be aborted before the Securities Issue date. The aborted Tender Invitation will be announced via FAST.

16 Tender Procedure – Submission of Bids

- 16.1 Principal Dealers shall submit Bids between the Tender Opening Date and the Tender Closing Time. Any Bids submitted after the Tender Closing Time will be rejected by FAST.
- 16.2 As the Submission of Bids can only be done by the Principal Dealers, any other interested investors will have to submit their Bids through the Principal Dealers.

- 16.3 All Bids submitted by Principal Dealers must be in multiples of RM1 million, failing which, the Bids will be rejected by FAST. Authorised officers of the Principal Dealers must approve all the Bids in FAST.
- 16.4 Amendments to the created Bids are allowed anytime before the final approval. Once the Bids are approved, it cannot be amended or cancelled and Principal Dealers have to honour the Bids should it be successful.
- 16.5 The Tender Basis (discount, yield or price) for the various types of Securities are summarised as follows:

Debt Securities	Tender Basis	Requirement
All short term discounted papers	Discount	Bidders are required to observe the Tender Basis and other requirements as shown on the bidding screen in FAST.
All long term and medium term papers	Yield or Price	

- 16.6 Principal Dealers must inform the respective FAs should they encounter problems during Submission of Bids. FAs may submit Bids on behalf of Principal Dealers and the Principal Dealers' customers in the event Principal Dealers have difficulties in submitting Bids on their own. For this purpose, Principal Dealers may submit Bids to FAs via any communication channels that are mutually agreed upon.
- 16.7 Principal Dealers must ensure that their Bids are correctly entered into FAST as Bids that have been accepted and acknowledged by the system are final, irrevocable and cannot be amended or cancelled. Principal Dealers and their clients must honour their Bids if the Bids are successful.

17 Tender Procedure – Bids Monitoring

- 17.1 Bids Monitoring allows FAs to view the total amount of Bids and the total number of Bids that have been submitted by each Principal Dealer. However, the detailed Bids information such as the rate, amount and the actual bidders is not visible to FAs.
- 17.2 This Bids monitoring feature is intended to allow FAs to determine whether Tenders are under or oversubscribed so that FAs are able to advise Issuers accordingly.

18 Tender Procedure – Tender Processing

- 18.1 Tender Processing will sort all Bids received according to the Tender Basis. If the Tender Basis is Price, Bids are ranked in a descending order. If the Tender Basis is Yield or Discount, then Bids are sorted in ascending order. Once the submitted Bids are sorted in the correct order, each Bid will be allotted accordingly until the Issue amount is fully subscribed.
- 18.2 As Allotment of the Tender is on a competitive basis, Allotment is processed in a manner that all Bids within the successful ranges are treated fairly without prejudice to any particular Bids or bidders.
- 18.3 FAs must consult Issuers before confirming the Tender Results. Once the results are confirmed, the results are final, irrevocable and cannot be amended.
- 18.4 Issuers have the discretion to abort the Tender Processing and New Issuances if the bidding rates submitted are not favourable. The Tender must be aborted if there are no Bids submitted and to downsize the Issuance size if the Bids submitted is less than the issue size.
- 18.5 Tender Processing must be approved by 3:00pm, one (1) Business day before the Securities Issue date to enable sufficient time for Allotment details to be interfaced to RENTAS for Settlement on the Securities Issue date. The 3:00pm deadline is also applicable for Tender abortion.

19 Intervention by Issuers or FAs

- 19.1 Upon consultation with Issuers, FAs are allowed to intervene during Tender Processing in these circumstance:
- 19.1.1 Downsizing and upsizing of the total Issue amount. Upsizing of the Issue amount is subject to Facility Limit and the availability of the submitted Bids by the Principal Dealers.
- 19.1.2 For Islamic Debt Securities issued through Tender, FAs may only intervene by decreasing the Issue amount. Upsizing of the Issue amount is not allowed.

- 19.1.3 For Tenders where there are several Bids bearing the same rate at the cut-off Allotment, FAs are required to intervene by changing Allotment amount to Principal Dealers in a fair manner subject to the minimum denomination and in multiples of RM10,000. FAs may consult Issuers on which party the Securities to be allotted to. Once the Tender Processing is confirmed, such decision is final, and Principal Dealers and / or clients must honour their Bids at the cut-off rate.
- 19.2 Issuers may accept or reject Bids during the intervention process. Issuers' decisions are final and they are not obliged to provide any reason whatsoever for the decision made.

20 Tender Result

- 20.1 Once the Tender Processing is completed in FAST, General Results and Own Results will be generated. Each Principal Dealer can only retrieve their Own Results which will indicate whether their submitted Bids are successful or not. General Results are summarised and aggregated results which are made available to the public for market transparency purposes. There is no Participant specific information in the General Results.

21 Secondary Notes Creation

- 21.1 Secondary Notes represent Coupon Payment for Debt Securities. The Secondary Notes are normally required for the following reasons:
- 21.1.1 Coupons are detachable from the principal and are tradable separately.
 - 21.1.2 Issuance of Debt Facilities under Islamic principles which requires the generation of Secondary Notes as evidence of profit or dividend payment regardless whether the profit or dividend are detachable from the Primary Notes or not.
- 21.2 Since Secondary Notes represent Coupon Payment for Debt Securities, the Primary Notes would be treated similar to zero-Coupon Securities. For secondary trading, all the non-detachable Secondary Notes must be transferred from seller to buyer whenever the Primary Notes are traded.

- 21.3 Secondary Notes can only be created after Allotment process for the Primary Notes either through Tender or Private Placement. FAs are required to input the frequency of Secondary Notes per year, total number of Secondary Notes for the whole tenure and Secondary Note Rate. Once completed, each Secondary Notes details will be automatically generated in FAST. The word “SN” will be assigned at the end of each Secondary Notes’ description. The Secondary Notes generation must be completed one (1) Business day before the Issue date as all the Secondary Notes must be interfaced to RENTAS for Allotment on the Issue date.

22 Settlement for Allotment

- 22.1 On the Securities Issue date, an Allotment process occurs in RENTAS where Securities will be credited into the Principal Dealers’ Securities Account (segregated under own and customers’ accounts) while the total Allotment proceeds will be debited from the Principal Dealers’ Settlement Account on a DvP basis. Upon settlement of Allotment process in RENTAS, the FAs shall receive Deliver Against Payment Confirmations (MT547) and the Principal Dealers shall receive Receive Against Payment Confirmations (MT545).
- 22.2 Allotment transactions shall be queued (priority queue) until 11:30am in the event of insufficient funds in the Principal Dealers’ Settlement Account.
- 22.3 Principal Dealers must settle Allotment proceeds by 11:30am on the Securities Issue date, and FAs shall pay the Allotment proceeds to Issuers’ bankers by 2:00pm on the same day.
- 22.4 After successfully crediting and debiting of Principal Dealers’ Securities and Settlement Accounts respectively, confirmation advices (MT545) will be sent to the Principal Dealers through RENTAS.
- 22.5 Principal Dealers shall then construct re-Allotment sale transactions either through Deliver Free of Payment (MT542) or Deliver Against Payment (MT543) to their successful clients and collect the amount due accordingly on the Securities Issue date.

23 Non-Settlement for Allotment

- 23.1 Should Principal Dealers fail to settle their Allotment proceeds by 11:30am on the Securities Issue date, the affected Allotment transactions will be cancelled by BNM upon confirmation from FAs.
- 23.2 FAs shall underwrite the unsettled amount at the Principal Dealers' successful rate and pay the proceeds to Issuers' banker by 2:00pm on the Securities Issue date.
- 23.3 On the next Business day, FAs shall construct re-Allotment transaction (MT542 or MT543) to the affected Principal Dealers with penalty or compensation charges.

24 Coupon / Interest / Dividend / Profit Payment

- 24.1 The word Coupon, interest, dividend and profit shall bear the same meaning (and shall only be referred to as Coupon) and may be represented in the form of Secondary Notes.
- 24.2 Changes to Coupon Payment Dates or Secondary Notes' maturity dates are not allowed except if the payment date or Redemption Date falls on a holiday.
- 24.3 Coupon periods and amounts shall not be adjusted should there be any changes to the payment dates arising from any expected or unexpected holidays.
- 24.4 Computation of Coupon shall be made based on Securities holdings as at opening of payment date and shall be guided by [Guideline II](#). Coupon amount is calculated based on actual holding by each securities account under SSDS Participants. Due to rounding up at each securities account level, the computation may differ from the computation by aggregate amount and may result the total Coupon payable by Issuers differing by a few cents.
- 24.5 Subsequent to **Clause 24.4**, the amount to be received by SSDS Participants for their aggregate Resident and Non-Resident customers may also be affected. SSDS Participants are required to apportion the Coupon amount to their individual Resident and Non-Resident customers based on the actual total Coupon amount received. Should there be any shortage, SSDS Participants

are not responsible for topping up the difference and it would be the responsibility of SSDS Participants to clarify the matter to the affected Securities holders accordingly. For extra Coupon amount, it is the discretion of SSDS Participants to pass the amount to any of their Resident or Non-Resident customers.

- 24.6 On Coupon Payment Date or maturity date of Secondary Notes, the interest amount will be credited into Settlement Account of SSDS Participants by the time specified in **Clause 7.2.10 (a)(iii)**.

25 Early Redemption

- 25.1 FAs shall announce via FAST Early Redemptions of Debt Securities (including Primary and Secondary Notes) in accordance with the provisions of the issuing documents.
- 25.2 FAs must key-in Early Redemption details in FAST at least two (2) Business days before Redemption Date. When entering Early Redemption details in FAST, FAs shall not enter any redemption for securities in Participants' Collateral Account or 'K' Account. For Early Redemptions of Primary Notes, all Secondary Notes under the affected Primary Notes will be early redeemed as well.
- 25.3 Payment of Early Redemption proceeds shall be made based on Securities holdings as at the opening of Early Redemption Date.
- 25.4 On Early Redemption Date, the Securities and Settlement Accounts of SSDS Participants will be debited and credited respectively, on a DvP basis by the time specified in **Clause 7.2.11 (a)(iii)**. The SSDS Participants shall receive Corporate Action Confirmations (MT566).
- 25.5 In the event of insufficient Securities in the Securities holders' accounts, Early Redemption process for that particular holder will be pending until sufficient Securities are available. At MYR Settlement Cut-off time, the queued Early Redemption transactions will automatically be cancelled. This will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Securities balances in their accounts.

26 Partial Redemption

- 26.1 FAs shall announce via FAST Partial Redemptions of Debt Securities (including Primary and Secondary Notes) in accordance with the provisions of the issuing documents.
- 26.2 FAs must key-in Partial Redemption details in FAST at least two (2) Business days before Redemption Date. When entering Partial Redemption details in FAST, FAs shall not enter any redemption for securities in Participants' Collateral Account of 'K' account. For Partial Redemptions of Primary Notes, all the Secondary Notes under the affected Primary Notes will be partially redeemed as well.
- 26.3 Payment of Partial Redemption proceeds shall be made based on Securities holdings as at the opening of Partial Redemption Date.
- 26.4 On Partial Redemption Date, the Securities and Settlement Accounts of SSDS Participants will be debited and credited respectively, on a DvP basis by the time specified in **Clause 7.2.11 (a)(iii)**. The SSDS Participants shall receive Corporate Action Confirmations (MT566).
- 26.5 If the Securities holders' accounts do not have sufficient Securities, Partial Redemption transactions for that particular holder will be queued until sufficient Securities are available. At MYR Settlement Cut-off time, the queued Partial Redemption transactions will automatically be cancelled. This will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Securities balances in their accounts.

27 Final Redemption

- 27.1 Payment of Final Redemption proceeds shall be based on the registered holders of the Securities as at opening of Final Redemption Date.
- 27.2 For Final Redemption of Primary Notes, all the Secondary Notes under the affected Primary Notes will be redeemed as well.
- 27.3 On Final Redemption Date, the Securities and Settlement Accounts of SSDS Participants will be debited and credited respectively, on a DvP basis by the

time specified in **Clause 7.2.11 (a)(iii)**. The SSDS Participants shall receive Corporate Action Confirmations (MT566).

- 27.4 If the Securities holders' accounts do not have sufficient Securities, Final Redemption transactions for that particular holder will be queued until sufficient Securities are available. At MYR Settlement Cut-off time, the queued Final Redemption transactions will automatically be cancelled. This will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Securities balances in their accounts.

PART III ISSUING PROCEDURES FOR MULTICURRENCY NON-SPECIFIED RENTAS SECURITIES SETTLED ON-SHORE

28 General

- 28.1 This part outlines the procedures for the Issuance of Multi Currencies Non-Specified RENTAS Securities, namely CBS issued by corporations.
- 28.2 Non-specified RENTAS Securities, both bearer and registered, are immobilized and deposited in RENTAS, with global certificates representing the issuance lodged with BNM.
- 28.3 Allotment for CBS either through Tender or Private Placement must be completed by 3:00pm, one (1) Business day before the Securities Issue date.
- 28.4 For New Issuances via Tender, the Tender Invitation has to be at least two (2) Business days before the Securities Issue date.
- 28.5 All Non-Specified RENTAS Securities must comply with the terms and conditions set out in Information Memorandum, CSDPAR, Trust Deed and other relevant legal documents binding the Issues.
- 28.6 Issuer, FAs and Trustee (if applicable) must sign the Securities Lodgement Form for each facility as required under CSDPAR and to submit at least five (5) Business days prior to the Securities Issue date. FA is required to submit one (1) Securities Lodgement Form for every facility.
- 28.7 FAs must lodge Global Certificates for every New Issuances of CBS with BNM for safekeeping. Global Certificates for New Issuances in registered form would be registered in the name of BNM. BNM shall keep the Global Certificates until the Securities maturity date and shall not make any amendments or cancellations to the Global Certificates. Global Certificates must contain the Stock Code or International Securities Identification Number (ISIN).
- 28.8 FAs must submit Global Certificates to BNM not later than the time specified in **Clause 7.2.12(a)**. However, FAs are allowed to amend the Global Certificates after the time specified in **Clause 7.2.12(a)** under the following circumstances:
- 28.8.1 Issue amount will be changed (upsized or downsized) and such changes are only known on the Securities Issue date.

- 28.8.2 Coupon rate or Secondary Notes is based on the weighted average of successful Bids that can only be determined on Tender Date (T-1).
- 28.9 FAs shall submit the amended Global Certificates no later than the time specified in **Clause 7.2.12(b)**.
- 28.10 In the event of Partial Redemptions, Re-openings or extensions of maturity, FAs shall replace the affected Global Certificates with amended Global Certificates, reflecting the latest outstanding amount or revised maturity date (whichever applicable), at least by the time specified in **Clause 7.2.12(c)**. After the replacement Global Certificates have been received, BNM will return the old Global Certificates affected by Partial Redemptions, Re-openings or extensions of maturity.
- 28.11 Should there be any changes to the Securities Issue date, size, subscribers or SSDS Participants and their respective Allotment amounts, FAs are required to notify BNM by 3:00pm, one (1) Business day before the Securities Issue date.
- 28.12 Any Tender Abortion or Stock Abortion has to be completed by 3:00pm, one (1) Business day before the Securities Issue date.
- 28.13 For Non-Specified RENTAS Securities Denominated in Foreign Currencies settled on-shore, FAs, Tender Panel Members who are RENTAS Participants and SSDS Participants are required to open and maintain Foreign Currency Settlement Accounts to facilitate Settlement of Securities denominated in foreign currencies. The FAs, SSDS Participants and Paying Agents are required to provide and keep updated their settlement bank information for each currency via the "Organisation Maintenance" screen in FAST.

29 Issuer Creation and Maintenance

- 29.1 If an Issuer's information is already in FAST, FAs need to verify the information and update if necessary. FAs are allowed to change Issuers' description, Issuer code and business registration number using the Organisation Maintenance Screen in FAST. However, it is advisable to use the existing Issuer code unless there is an official change in Issuer's name.

- 29.2 For new Issuers, FAs have to create Issuers' profile under the "Organisation Maintenance" screen in FAST. FAs shall ensure that all the details are accurate, especially Issuers' name, business registration number and business sector.
- 29.3 Rating Agencies shall update Issuers' rating, if any.

30 Debt Facilities Creation and Maintenance

- 30.1 FAs are responsible to create Debt Facilities in FAST according to the terms and conditions as approved by the Securities Commission of Malaysia. The soft copy of the principal terms and conditions in PDF format must be attached together with Debt Facilities.
- 30.2 In the event of multiple FAs appointed in managing Debt Facility, only one (1) FA is allowed to maintain Debt Facilities in FAST. As such, that FA is required to sign and submit the Securities Lodgement Form as required under CSDPAR.
- 30.3 FAs shall input the initial Debt Facilities rating assigned by the Rating Agencies. Rating Agencies shall perform any subsequent updates to the rating.
- 30.4 BNM shall activate Debt Facilities if all information is in order and the Securities Lodgement Form as required under CSDPAR has been signed. Once activated, Debt Facility code will be generated and FAs may proceed with the creation of Debt Securities.
- 30.5 FAs shall ensure the accuracy of Debt Facilities information at all times and shall update on a timely basis should there be any changes to Debt Facilities information.
- 30.6 In addition, FAs are required to update the latest information on the underwriters and their underwriting commitments in Debt Facilities before approving the Tender Invitation to ensure that the correct underwriting information is reflected during Tender Processing.
- 30.7 Debt Facilities may be cancelled prior to the maturity date, provided all Debt Securities issued under that Debt Facilities have been fully redeemed without any outstanding balances.

31 New Issuance Creation and Maintenance

- 31.1 New Issuance refers to the registration of new issues of CBS. FAs are required to key-in into FAST all the relevant information pertaining to the CBS.
- 31.2 Once the New Issuances are approved, FAST will generate a unique Stock Code and International Securities Identification Number (ISIN) for each Debt Securities. However, for New Issuances of combined Commercial Papers / Medium Term Notes, (where the actual issuance can be entirely in the form of Commercial Papers or entirely in the form of Medium Term Notes, or a combination of both, which is only known on the Tender Date), the Stock Code and ISIN will only be generated once Tendering process is confirmed.
- 31.3 The New Issuances shall be completed at least two (2) Business days before the Securities Issue date.
- 31.4 Should there be a need for the approved New Issuances to be aborted, it must be done in FAST by 3:00pm, one (1) Business day before the Securities Issue date.

32 Transferability of Debt Securities

- 32.1 If the transferability status of Debt Securities is “Transferable”, there is no restriction on the subsequent transfer of Debt Securities in RENTAS for the secondary trading activities.
- 32.2 If the transferability status of the Debt Securities is “Non-Transferable”, any subsequent transfer of the Debt Securities after the primary Allotment will be rejected by RENTAS system. For unsettled Allotments of the Non-Transferable Debt Securities on the Issue date, Debt Securities shall be transferred to FAs’ Securities Account.
- 32.3 If the transferability status of the Debt Securities is “Restricted Transferability”:
- 32.3.1 Under “Restricted Transferability”, Debt Securities can only be transferred within the specified SSDS Participants. FAs must inform BNM on the list of authorised holders for BNM to update in RENTAS.

32.3.2 RENTAS shall check the list of the subscribers against the list of the authorised holders before initiating Allotments process. If the subscribers are not authorised holders, RENTAS shall allot Debt Securities into FAs' Securities Accounts.

32.3.3 Subsequent transfers of the 'Restricted Transferability' Debt Securities shall be restricted among the authorised holders only. If one of the parties to the deal is not the authorised holder, RENTAS shall reject the transaction.

33 Re-opening of Debt Securities

33.1 Re-opening is defined as an increase in the Issue size of the existing Debt Securities while maintaining the same characteristics of the existing one (i.e. Coupon Payment Date, Coupon rate, maturity date, etc).

33.2 Re-opening increases the Issue size of Debt Securities, and thus adding more liquidity in the secondary trading.

33.3 CBS can be Re-opened at any date before its maturity. There is no limitation on the number of times that the same CBS can be Re-opened. The creation of Re-opening shall be completed at least (2) Business days before the Re-opening date.

33.4 Re-opening of existing CBS can be conducted either via Tender or Private Placement. Allotment either via Tender or Private Placement shall be completed in FAST by 3:00pm, one (1) Business day before the Re-opening date.

33.5 The cash proceeds for the Re-opening Allotment will include the accrued interest from the last Coupon Payment Date until the Re-opening date.

33.6 For Fixed Rate CBS, the Tender Basis for Re-opening can either be on Yield or Price.

33.7 Should there be a need for the Re-opening to be aborted, it must be done in FAST by 3:00pm, one (1) Business day before the Re-opening date.

34 Mode of Offer

- 34.1 Issuance of CBS in FAST (new or Re-opening issues) can be made either via Tender or Private Placement.
- 34.2 Private Placement refers to issuance through bought deal by the primary subscribers, direct placement to several investors, book building by the appointed agent or any other method as agreed by the parties involved.

35 Private Placement Procedure

- 35.1 FAs are required to input the Private Placement Allotment information in FAST. Private Placement Allotment must be completed by 3:00pm, one (1) Business day before the Securities Issue date. Allotment details in FAST are only visible to FAs and the Private Placement subscribers.
- 35.2 For issuance via Private Placement, FAs have to choose either:
- 35.2.1 To allot the entire Securities Allotment under its own Securities Account. After Allotment processes are successfully completed, FAs shall construct DvP sales or FOP transfer transactions to all successful SSDS Participants on the Securities Issue date.
 - 35.2.2 To allot Securities belonging to SSDS Participants into the respective SSDS Participants' Securities Account while the remaining Securities that belong to SSDS Participants' customers shall be allotted into FAs' own Securities Account. After Allotment processes are successfully completed, FAs shall construct DvP sales or FOP transfer transactions to the remaining successful subscribers (non-Participants of RENTAS) through their appointed SSDS Participants on the Securities Issue date.
 - 35.2.3 To allot Securities belonging to SSDS Participants and Securities belonging to SSDS Participants' customers into the respective SSDS Participants' Securities Account.
- 35.3 Once the Private Placement Allotment has been approved, it cannot be cancelled or amended. If there is an error after the Private Placement Allotment has been approved, Debt Securities and the corresponding Private Placement Allotment will have to be aborted.

36 Tender Procedure – Tender Invitation

- 36.1 FAs may create a Tender Invitation template by configuring the relevant characteristics of Tender (e.g.: Tender Basis and Proceeds Formula). The template can be re-used for future Tenders and thus minimise any potential error.
- 36.2 For new Tenders, FAs are required to input Tender details such as Tender Opening Date, Closing Date and Time, Tender Basis and Direct Bidders for the Tender. Tender Invitations must be issued at least two (2) Business days before the Securities Issue date.
- 36.3 Any changes to the Tender Invitation must be done before the Tender closing time. FAs shall ensure that all the involved parties are informed of such amendments. Once the Tender Invitation is confirmed, it will be listed in the Forthcoming Tender in FAST where the information is accessible to all FAST Participants as well as public.
- 36.4 FAs are required to update the latest list of Tender Panel Members in Debt Facilities in FAST before approving Tender Invitations, failing which, the omitted Tender Panel Members will not be able to participate in the Tender.
- 36.5 FAs are required to update the latest information on the underwriters and their underwriting commitments in Debt Facilities before approving the Tender Invitation to ensure that the correct underwriting information is reflected during Tender Processing.
- 36.6 The Tender Invitation may be aborted before the Securities Issue date. The aborted Tender Invitation will be announced via FAST.

37 Tender Procedure – Submission of Bids

- 37.1 Tender Panel Members shall submit Bids between the Tender Opening Date and the Tender Closing Time. Any Bids submitted after the Tender Closing Time will be rejected by FAST.
- 37.2 As the Submission of Bids can only be done by the Tender Panel Members, any other interested investors will have to submit their Bids through the Tender Panel Members.

- 37.3 All Bids submitted by Tender Panel Members must be in multiples of RM1 million, failing which, the Bids will be rejected by FAST. Authorised officers of the Tender Panel Members must approve all the Bids in FAST.
- 37.4 Amendments to the created Bids are allowed any time before the final approval. Once the Bids are approved, it cannot be amended or cancelled and Tender Panel Members have to honour the Bids should it be successful.
- 37.5 The Tender Basis (discount, yield or price) for the various type of Debt Securities are summarised as follows:

Debt Securities	Tender Basis	Requirement
All short term discounted papers	Discount	Bidders are required to observe the Tender Basis and other requirements as shown on the bidding screen in FAST.
All long term and medium term papers	Yield or Price	

- 37.6 Tender Panel Members must inform the respective FAs should they encounter problems during Submission of Bids. FAs may submit Bids on behalf of Tender Panel Members and the Tender Panel Members' customers in the event Tender Panel Members have difficulties in submitting Bids on their own. For this purpose Tender Panel Members may submit Bids to FAs via any communication channels that are mutually agreed upon.
- 37.7 Tender Panel Members must ensure that their Bids are correctly entered into FAST as Bids that have been accepted and acknowledged by the system are final, irrevocable and cannot be amended or cancelled. Tender Panel Members and their clients must honour their Bids if the Bids are successful.

38 Tender Procedure – Bids Monitoring

- 38.1 Bids Monitoring allows FAs to view the total amount of Bids and the total number of Bids that have been submitted by each Tender Panel Member. However, the detailed Bids information such as the rate, amount and the actual bidders is not visible to FAs.

- 38.2 This Bids monitoring feature is intended to allow FAs to determine whether Tenders are under or oversubscribed so that FAs are able to advise Issuers accordingly.

39 Tender Procedure – Tender Processing

- 39.1 Tender Processing will sort all Bids received according to the Tender Basis. If the Tender Basis is Price, Bids are ranked in a descending order. If the Tender Basis is Yield or Discount, then Bids are sorted in ascending order. Once the submitted Bids are sorted in the correct order, each Bid will be allotted accordingly until the Issue amount is fully subscribed.
- 39.2 As Allotment of the Tender is on a competitive basis, Allotment is processed in a manner that all Bids within the successful ranges are treated fairly without prejudice to any particular Bids or bidders.
- 39.3 FAs must consult Issuers before confirming the Tender Results. Once the results are confirmed, the results are final, irrevocable and cannot be amended.
- 39.4 Issuers have the discretion to abort the Tender Processing and New Issuances if the bidding rates submitted are not favourable. If an issuance is not underwritten, the Tender must be aborted if there are no Bids submitted and to downsize the Issuance size if the Bids submitted is insufficient.
- 39.5 Tender Processing must be approved by 3:00pm, one (1) Business day before the Securities Issue date to enable sufficient time for Allotment details to be interfaced to RENTAS for Settlement on the Securities Issue date. The 3:00pm deadline is also applicable for Tender abortion. The samples of Bidding Reports can be viewed in [Appendix III](#).

40 Tender Procedure – Tender Processing with Underwriting Facility

- 40.1 For an underwritten Issue, FAST requires FAs to enter underwritten Yield or Price and the underwriters' commitment amount before the Tenders are processed. There are two (2) types of underwritten rates:

40.1.1 Single underwritten rate

- 40.1.1.1 All underwriters will underwrite the Issue using one (1) common rate.

40.1.1.2 All underwriters provide commitments to subscribe to the underwritten amount at a single underwritten Yield or price, subject to their available commitments.

40.1.2 **Multiple underwritten rates**

40.1.2.1 All underwriters will underwrite the Issue at their own individual underwritten Yield or Price.

40.1.2.2 FAST requires that FAs to enter the cut-off-underwritten rate. This cut-off-underwritten rate will serve as an indicator for underwriters to underwrite.

40.1.2.3 However, the proceeds that the underwriters must pay will be calculated based on their own respective underwritten Yield or Price and subject to their available commitment amounts.

40.2 FAs shall ensure that all Tender Panel Members and Underwriters fully understand the underwriting process. Such arrangements must be clearly stipulated in Debt Facilities or subscription agreements among all the parties involved. Similarly, it is the responsibilities of FAs to brief Issuers on the expected results and the expected proceeds based on the underwriting mechanism.

40.3 FAST will calculate Allotment proceeds by comparing the bidding Yield or Price with the underwritten Yield or Price. If the underwritten Yield is lower or underwritten Price is higher than the Bids submitted by Tender Panel Members, the Debt Securities will be allotted to Underwriters subject to the availability of commitment amounts.

41 Intervention by Issuers or FAs

41.1 Upon consultation with Issuers, FAs are allowed to intervene during Tender Processing in these circumstances:

41.1.1 Downsizing and upsizing of the total Issue amount. Upsizing of the Issue amount is subject to Facility Limit and the availability of the submitted Bids by Tender Panel Members.

- 41.1.2 For Islamic Debt Securities issued through Tender, FAs may only intervene by decreasing the Issue amount. Upsizing of the Issue amount is not allowed.
- 41.1.3 For issuances of combination Commercial Paper / Medium Term Note under the Islamic or Conventional principle, FAs are allowed to change the Issue amount of each individual Commercial Paper or Medium Term Note, provided that the total of the Commercial Papers and Medium Term Notes is equal to the total Issue amount.
- 41.1.4 For non-underwritten Tenders, if the Bids received are less than the Issue amount, the Issue size will have to be downsized.
- 41.1.5 In the event that no Bids are received after Tender Closing Time, FAs must abort the Tenders and New Issuances.
- 41.1.6 For Tenders where there are several Bids bearing the same rate at the cut-off Allotment, FAs are required to intervene by changing Allotment amount to Tender Panel Members in a fair manner subject to the minimum denomination and in multiples of RM1 million. A similar procedure is also applicable for Underwriters of the same underwritten rate. FAs may consult Issuers on which party for Allotment at the intervention is to be allotted to. Once the Tender Processing is confirmed, such decision is final, and Tender Panel Members and their clients must honour the Bids at the cut-off rate.
- 41.2 Issuers may accept or reject Bids during the intervention process. Issuers' decisions are final and they are not obliged to provide any reason whatsoever for the decision made.

42 Tender Result

- 42.1 Once the Tender Processing is completed in FAST, General Results and Own Results will be generated. Each Tender Panel Member and Underwriter can only retrieve their Own Results which will indicate whether their submitted Bids are successful or not. General Results are summarised and aggregated results which are made available to the public for market transparency. There is no Participant specific information in the General Information.

43 Secondary Notes Creation

- 43.1 Secondary Notes represent Coupon Payment for Debt Securities. The Secondary Notes are normally required for the following reasons:
- 43.1.1 The Coupons are detachable from the principal and are tradable separately.
 - 43.1.2 The Issuance of Debt Facilities under Islamic principle, which requires the generation of Secondary Notes as evidence of profit or dividend payment regardless whether the profit or dividend are detachable from the Primary Notes or not.
- 43.2 Since Secondary Notes represent Coupon Payment for Debt Securities, the Primary Notes would be treated similar to zero-Coupon Securities. For secondary trading, all the non-detachable Secondary Notes must be transferred from seller to buyer whenever the Primary Notes are traded.
- 43.3 Secondary Notes can only be created after Allotment process for the Primary Notes either through Tender or Private Placement have been completed. FAs are required to input the frequency of Secondary Notes per year, total number of Secondary Notes for the whole tenure and Secondary Note Rate. Once completed, each Secondary Notes details will be automatically generated in FAST. The word "SN" will be assigned at the end of each Secondary Notes' description. The Secondary Notes generation must be completed one (1) Business day before the Securities Issue date as all the Secondary Notes must be interfaced to RENTAS for Allotment on the Issue date.

44 Settlement for Allotment

- 44.1 On the Securities Issue date, an Allotment process occurs in RENTAS where Debt Securities will be credited into the subscribers' Securities Account (segregated under own and customers' accounts) while the total Allotment proceeds will be debited from the subscribers' Settlement Account on a DvP basis.
- 44.2 If the subscribers are not Participants of RENTAS, their allotted Securities as well as their customers' allotted Securities will be credited into FAs' Securities Account. FAs shall transfer the Debt Securities to SSDS Participants, appointed by the subscribers after Settlements have been made.

- 44.3 For subscribers who are Participants of RENTAS, Allotment transactions shall be queued until 11:30am in the event of insufficient funds in subscribers' Settlement Account.
- 44.4 Subscribers must settle Allotment proceeds by 11:30am on the Securities Issue date and FAs shall pay Allotment proceeds to Issuer's bankers by 2:00pm on the same day.
- 44.5 After successfully crediting and debiting of subscribers' Securities and Settlement Accounts respectively, confirmation advices will be sent to the subscribers through RENTAS.
- 44.6 Re-Allotment transactions for Debt Securities may be settled on a DvP basis or FOP basis in RENTAS. Prior to Settlement, RENTAS will match the buyer's instruction with seller's instructions.
- 44.7 For DvP Settlement, the Tender Panel Member shall initiate a Deliver versus Payment (MT543) instruction while the SSDS Participant appointed by the subscriber will initiate a Receive versus Payment (MT541). Once RENTAS successfully matches the MT543 against the MT541 instructions, the Debt Securities will be credited to the SSDS Participant's Securities Account, while the Allotment proceeds will be debited from the SSDS Participant's Settlement Account and credited to the Tender Panel Member's Settlement Account.
- 44.8 For FOP Settlement, the Tender Panel Member shall initiate a Deliver Free of Payment (MT542) instruction while the SSDS Participant appointed by the subscriber will initiate a Receive Free of Payment (MT540). Once RENTAS successfully matches the MT542 against the MT540 instructions, the Debt Securities will be credited to the SSDS Participants' Securities Account.
- 44.9 For script Debt Securities that are created in FAST but not deposited in RENTAS such as Commercial Paper and Commercial Paper / Medium Term Note, Settlements between FAs and the subscribers can be made in any mode of payments as agreed by the parties involved. Such Settlement procedure is not covered under these Operational Procedures.

45 Non-Settlement of Allotment with Underwriting Facility

45.1 Defaults in Allotment Settlements for underwritten CBS on the Securities Issue date are guided by the following:

45.1.1 In the event that the subscribers fail to pay Allotment proceeds by 11:30am on the Securities Issue date, Allotment transactions shall be deemed as delayed and compensation are to be applied accordingly.

45.1.2 The pending Allotment transactions shall be cancelled by BNM at 11:30am after receiving advice from FAs.

45.1.3 Once the queues have been cancelled, FAs shall construct sales or transfer advices on the unsettled allotted Debt Securities to the underwriters at their underwritten cost.

45.1.4 The underwriters' commitments shall be extended until Settlement by the subscribers on the Securities Issue date. This extended commitment of the underwriters must be documented in the Subscription Agreement, Underwriting Agreement and Tender Panel Members Agreement.

45.1.5 The underwriters shall settle Allotment proceeds no later than 1:30pm and FAs shall pay the proceeds to Issuers' banker by 2:00pm on the Securities Issue date.

45.1.6 Any shortfall of the proceeds received by Issuers arising from non-Settlement by subscribers or underwriters, the compensation charges shall be dealt directly between Issuers, FAs and subscribers or underwriters in accordance to the provisions of the Trust Deed and Subscription Agreement.

45.1.7 The Issue amount may be downsized should there be any unsettled Securities Allotment, subject to mutual agreement between the parties involved.

46 Non-Settlement of Allotment without Underwriting Facility

46.1 Default in Settlements of allotted CBS which are not underwritten are guided by the following:

46.1.1 If the subscribers fail to settle Allotment proceeds by 11:30am on the Securities Issue date, Allotment transactions shall continue to be in queue until 1:30pm on the Securities Issue date.

46.1.2 If the subscribers settle Allotment proceeds after 11:30am but before 1:30pm on the Securities Issue date, Allotment transaction is deemed as delayed and Issuers may seek compensation from the subscribers accordingly.

46.1.3 If the subscribers fail to settle Allotment proceeds by 1:30pm on the Securities Issue date, the pending priority queues shall be cancelled by BNM after receiving advice from FAs.

46.1.4 FAs shall pay the actual proceeds received from the subscribers to Issuers' banker by 2:00pm on the Securities Issue date.

46.1.5 Any shortfall in the proceeds received by Issuers arising from non-Settlements by subscribers, compensation charges shall be dealt directly between Issuers, FAs and subscribers in accordance with the provisions of the Trust Deed and Subscription Agreement.

46.1.6 The Issue amount may be downsized should there be any unsettled Securities Allotments, subject to mutual agreement between Issuers and FAs.

47 Coupon / Interest / Dividend / Profit Payment

47.1 The word Coupon, interest, dividend and profit shall bear the same meaning (and shall only be referred to as Coupon) and may be represented in the form of Secondary Notes.

47.2 The FAs are required to inform BNM in writing, at least two (2) Business days before Coupon Payment Dates or Secondary Notes' maturity dates, if they wish to change the Coupon Payment Dates or Secondary Notes' maturity dates.

- 47.3 Coupon periods and amounts may be adjusted should there be any changes to the payment dates arising from the expected or unexpected holidays.
- 47.4 Computation of Coupon shall be made based on Debt Securities holdings as at opening of payment date and shall be guided by [Guideline II](#). The Coupon amount is calculated based on actual holding by each securities account under SSDS Participants. Due to rounding up at each securities account level, the computation may differ from the computation by aggregate amount and may result the total Coupon payable by Issuers differing by a few cents.
- 47.5 Subsequent to **Clause 47.4**, the amount to be received by SSDS Participants for their aggregate Resident and Non-Resident customers may also be affected. SSDS Participants are required to apportion the Coupon amount to their individual Resident and Non-Resident customers based on the actual total Coupon amount received. Should there be any shortage, SSDS Participants are not responsible to top-up the difference and it would be the responsibility of SSDS Participants to clarify the matter to the affected Debt Securities holders accordingly. For extra Coupon amount, it is the discretion of SSDS Participants to pass the amount to any of their Resident or Non-Resident customers.
- 47.6 On Coupon Payment Date, RENTAS shall send camt.998.001.03 (Debit Notifications) to FAs on the actual amount of Coupon proceeds to be paid to Paying Agent.
- 47.7 Issuers shall make arrangements to remit Coupon proceeds to FAs no later than the time specified in **Clause 7.2.10(a)(i)** on Coupon Payment Date.
- 47.8 Upon receiving Coupon proceeds from Issuers, FAs shall remit Coupon proceeds to Paying Agent via General Financial Institution Transfer (pacs.009.001.08) no later than the time specified in **Clause 7.2.10(a)(ii)** on Coupon Payment Date.
- 47.9 Upon receiving Coupon proceeds from FAs, Paying Agent shall execute Coupon Payment process by crediting Settlement Accounts of SSDS Participants of the Debt Securities holders, no later than the time specified in **Clause 7.2.10 (a)(iii)**. The SSDS Participants shall receive Corporate Action Confirmation (MT566).

- 47.10 If Paying Agent does not receive Coupon proceeds by the time specified in **Clause 7.2.10(a)(ii)** on Coupon Payment Date and has been notified accordingly about defaults by FAs, Debt Securities shall be suspended and Paying Agent shall not be making any Coupon Payment. FAs shall immediately notify BNM and make an announcement through FAST regarding the failure of Issuers to remit Coupon proceeds on the same day.
- 47.11 If Coupon proceeds are received after the time specified in **Clause 7.2.10 (a)(ii)** on Coupon Payment Date, Paying Agent shall immediately make the necessary payment to the respective SSDS Participants. Coupon Payments are deemed as delayed and the Debt Securities holders may seek compensation from FAs or Issuers accordingly. A standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0).
- 47.12 FAs are required to inform in writing, one (1) Business day before Coupon Payment Date, if they wish to pay Coupon proceeds directly to SSDS Participants. Once the payments have been successfully made, FAs are required to inform Paying Agent in writing, no later than 5:00pm on Coupon Payment Date.

48 Withholding Tax

48.1 Convertible Loan Stocks

- 48.1.1 Currently, payments of Coupon to Non-Resident Securities holders for Loan Stocks are subjected to withholding tax. The current applicable rate is 15% (or such other prevailing rate as imposed by the tax authorities) from the gross Coupon to be received by the Non-Resident Securities holders.
- 48.1.2 After receiving Coupon proceeds from Issuers or FAs, Paying Agent shall withhold the applicable Withholding Tax rate from the gross Coupon Payment belonging to all Non-Resident Securities holders. The remaining Coupon amount will be credited into Non-Resident Securities holders account through their SSDS Participants' Settlement Accounts.
- 48.1.3 SSDS Participants of the Non-Resident Securities holders are required to submit the details of the holders including their holdings and tax exemption status (if any) to Paying Agent via Withholding Tax

Declaration Form per [Appendix XIII](#) herein, before 1:00pm on Coupon Payment Date. If no submission is received by 1:00pm, the Non-Resident Securities holders will be subjected to withholding tax.

- 48.1.4 SSDS Participants must fax or email the tax exemption letter for Non-Resident Securities holders, if any, to Paying Agent (fast@bnm.gov.my) by 1:00pm on Coupon Payment Date.
 - 48.1.5 For Non-Resident Securities holders with tax exempted status, the amount of Coupon which is withheld earlier by Paying Agent will be credited into their account through their SSDS Participants on Coupon Payment Date.
 - 48.1.6 For the remaining withholding tax, Paying Agent will transfer the amount to the Inland Revenue Board within the stipulated deadline imposed by Inland Revenue Board.
 - 48.1.7 FAs shall ensure that Loan Stock issuance is correctly indicated in FAST. FAs shall indemnify BNM for any penalties imposed by the tax authorities arising from the FAs' incorrect entry of information.
 - 48.1.8 FAs that have elected to pay Coupon proceeds for Loan Stocks directly to SSDS participants in accordance with **Clause 47.12** shall be responsible for remitting withholding taxes to the tax authorities and submitting all relevant tax forms and declarations to the tax authorities. FAs shall indemnify BNM for any penalties imposed by the tax authorities arising from the FAs failure to remit withholding taxes or file declarations.
- 48.2 For (i) Corporate Bonds and Sukuk denominated in Ringgit Malaysia; and (ii) Corporate Sukuk originating from Malaysia in any currency other than Ringgit Malaysia, that are held by non-resident investors within the same group as the Issuer other than convertible Loan Stock
- 48.2.1 After receiving Coupon proceeds from Issuers or FAs, Paying Agent shall credit the gross Coupon proceeds into Non-Resident Securities holders account through their SSDS Participants' Settlement Accounts.

- 48.2.2 The responsibility to comply with withholding tax requirements falls on the Issuer. However, FAs shall ensure that Issuers are aware of the withholding tax declaration and submission requirements.
- 48.2.3 FAs and the SSDS Participants shall, on a timely basis, furnish securities holding information requested by the Issuers, so as to enable the Issuers discharge their responsibility under **Clause 48.2.2**.
- 48.2.4 The Issuer may opt to appoint the Paying Agent to pay the tax payments on behalf of the Issuer in relation to **Clause 48.2.2**. The Issuer shall ensure submission of Withholding Tax Declaration Form (per stated in [Appendix XII](#)) and payment of withholding tax sum to the FAs by no later than 5:00pm on the ninth (9th) Business day after Coupon Payment Date.
- 48.2.5 Arising from **Clause 48.2.4**, FAs shall by no later than 5:00pm on the tenth (10th) Business day after Coupon Payment Date, fax or email to the Paying Agent (fast@bnm.gov.my), a completed Withholding Tax Declaration Form (per stated in [Appendix XII](#)).
- 48.2.6 Based on information submitted to the Paying Agent via **Clause 48.2.5**, the Paying Agent shall deduct an equivalent withholding tax payment sum from FAs' account, by no later than 5:00pm on the eleventh (11th) Business day after Coupon Payment Date.
- 48.2.7 Issuers/FAs that have elected to pay Coupon proceeds directly to SSDS participants in accordance with **Clause 47.12** shall be responsible for remitting withholding taxes to the tax authorities and submitting all relevant tax forms and declarations to the tax authorities. Issuers/FAs shall indemnify BNM for any penalties imposed by the tax authorities arising from the Issuers'/FAs' failure to remit withholding taxes or file declarations.
- 48.3 As Resident Securities holders are not subject to withholding tax, the entire Coupon will be credited into their SSDS Participants' Settlement Accounts.

49 Early Redemption

- 49.1 FAs shall announce via FAST Early Redemptions of Debt Securities (including Primary and Secondary Notes) in accordance with the provisions of the issuing documents.
- 49.2 FAs must key-in Early Redemption details in FAST at least two (2) Business days before Redemption Date. For Early Redemption of Primary Note, all the Secondary Notes under the affected Primary Notes will be early redeemed as well.
- 49.3 Payment of Early Redemption proceeds shall be made based on Debt Securities holdings as at the opening of Early Redemption Date.
- 49.4 In the morning of Early Redemption Date, RENTAS shall send camt.998.001.03 (Debit Notifications) to FAs on the actual amount of Redemption proceeds (principal plus accrued interest) to be paid to Paying Agent.
- 49.5 Issuers shall make arrangements to remit Early Redemption proceeds to FAs no later than the time specified in **Clause 7.2.11(a)(i)** Early Redemption Date.
- 49.6 Upon receiving of Early Redemption proceeds from Issuers, FAs shall remit Early Redemption proceeds to Paying Agent via General Financial Institution Transfers (pacs.009.001.08) no later than the time specified in **Clause 7.2.11(a)(ii)** on Early Redemption Date.
- 49.7 Paying Agent shall execute Early Redemption Settlement on a DvP basis by the time specified in **Clause 7.2.11(a)(iii)** on Early Redemption Date, provided Early Redemption proceeds have been received from FAs and redeemed Debt Securities are available in SSDS Participants' Securities Accounts. SSDS Participants shall receive Corporate Action Confirmations (MT566).
- 49.8 In the event of insufficient Debt Securities in the Debt Securities holders' accounts, Early Redemption for that particular holder will be pending until sufficient Debt Securities are available. At MYR Settlement Cut-off time, the queued Early Redemption transactions will automatically be cancelled. This will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Debt Securities balances in their accounts.
- 49.9 If Early Redemption proceeds are received after the time specified in **Clause 7.2.11(a)(ii)** on Early Redemption Date, Paying Agent shall immediately make

payment to the respective SSDS Participants. The transactions are deemed as delayed and Debt Securities holders may seek compensation from FAs or Issuers accordingly. A standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0), on Fees for Debt Securities deposited in RENTAS.

- 49.10 FAs shall pay Early Redemption proceeds directly to Debt Securities holders if the Early Redemption proceeds are received after Early Redemption Date. FAs shall inform Paying Agent accordingly no later than one (1) Business day after such payments have been made.
- 49.11 Compensation arising from the delayed or failed payment of Early Redemption Proceeds shall be settled by FAs or Issuers and Securities holders in accordance with the provisions of the Trust Deed.
- 49.12 Upon completion of Early Redemption process, FAs shall collect the Global Certificates within fourteen (14) Business days after the Early Redemption Date. BNM will send a reminder notice to the FAs within fourteen (14) Business days of the Early Redemption Date. In the event FAs fail to collect the Global Certificates fourteen (14) Business days after the Early Redemption Date, BNM may deliver the Global Certificates via couriers to the FAs at their risk. The cost of the courier fees would be billed to the affected FAs.
- 49.13 If Paying Agent fails to receive Early Redemption proceeds by the time specified in **Clause 7.2.11(a)(ii)** on Early Redemption Date and has been notified accordingly about defaults by FAs, Debt Securities shall be suspended and Paying Agent shall not make any Early Redemption payment. FAs shall immediately notify BNM and make an announcement through FAST on the failure of Issuers to remit Early Redemption proceeds.
- 49.14 FAs are required to inform BNM in writing one (1) Business day before Early Redemption Date, if FAs wishes to pay Early Redemption proceeds directly to SSDS Participants. Once the payments have been successfully made, FAs are required to inform BNM accordingly by 5:00pm on Early Redemption Date.
- 49.15 For Early Redemption of script Debt Securities created in FAST but not deposited in RENTAS, FAs must update Early Redemption information under the "Stock Maintenance" screen in FAST at least one (1) Business day before the effective Early Redemption Date.

50 Partial Redemption

- 50.1 FAs shall announce via FAST Partial Redemptions of Debt Securities (including Primary and Secondary Notes) in accordance with the provisions of the issuing documents.
- 50.2 FAs must key-in Partial Redemption details in FAST at least two (2) Business days before Redemption Date. For Partial Redemptions of Primary Notes, all the Secondary Notes under the affected Primary Notes will be partially redeemed as well.
- 50.3 Payment of Partial Redemption proceeds shall be made based on Debt Securities holdings as at the opening of Partial Redemption Date.
- 50.4 In the morning of Partial Redemption Date, RENTAS shall send camt.998.001.03 (Debit Notifications) to FAs on the actual amount of Redemption proceeds (principal plus accrued interest) to be paid to Paying Agent.
- 50.5 Issuers shall make arrangements to remit Partial Redemption proceeds to FAs no later than the time specified in **Clause 7.2.11(a)(i)** on Partial Redemption Date.
- 50.6 Upon receiving of Partial Redemption proceeds from Issuers, FAs shall remit Partial Redemption proceeds to Paying Agent via General Financial Institution Transfers (pacs.009.001.08) no later than the time specified in **Clause 7.2.11(a)(ii)** on Partial Redemption Date.
- 50.7 Paying Agent shall execute Partial Redemption Settlements on a DvP basis by the time specified in **Clause 7.2.11(a)(iii)** on Partial Redemption Date, provided Partial Redemption proceeds have been received from FAs and redeemed Debt Securities are available in SSDS Participants' Securities Accounts. The SSDS Participants shall receive Corporate Action Confirmations (MT566).
- 50.8 In the event of insufficient Debt Securities in the Securities holders' accounts, Partial Redemption process for that particular holder will be pending until sufficient Debt Securities are available. At MYR Settlement Cut-off time, the queued Partial Redemption transactions will automatically be cancelled. This

will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Debt Securities balances in their accounts.

- 50.9 If Partial Redemption proceeds are received after the time specified in Clause 7.2.11(a)(ii) on Partial Redemption Date, Paying Agent shall immediately make payments to the respective SSDS Participants. The transactions are deemed as delayed and Debt Securities holders may seek compensation from FAs or Issuers accordingly. A standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0).
- 50.10 FAs shall pay Partial Redemption proceeds directly to Debt Securities holders if the Partial Redemption proceeds are received after Partial Redemption Date. FAs shall inform Paying Agent accordingly no later than one (1) Business day after such payments have been made.
- 50.11 Compensation arising from the delayed or failed payments of Partial Redemption Proceeds shall be settled by FAs or Issuers and the Debt Securities holders in accordance with the provisions of the Trust Deed.
- 50.12 Upon completion of Partial Redemption process, FAs shall replace the affected Global Certificates deposited with BNM with new Global Certificates to reflect the new outstanding Issue amount, no later by the time specified in **Clause 7.2.12(c)**.
- 50.13 If Paying Agent fails to receive Partial Redemption proceeds by the time specified in **Clause 7.2.11(a)(ii)** on Partial Redemption Date and had been notified accordingly by FAs, Debt Securities shall be suspended and Paying Agent shall not make any Partial Redemption payment. FAs shall immediately notify BNM and make an announcement through FAST on the failure of Issuers to remit Partial Redemption proceeds.
- 50.14 FAs are required to inform BNM in writing, one (1) Business day before Partial Redemption Date, if FAs wishes to pay Partial Redemption proceeds directly to SSDS Participants. Once the payments have been successfully made, FAs are required to inform BNM accordingly by 5:00pm on Partial Redemption Date.
- 50.15 For Partial Redemption of script Debt Securities created in FAST but not deposited in RENTAS, FAs must update Partial Redemption information under

the “Stock Maintenance” screen in FAST at least one (1) Business day before the effective Partial Redemption Date.

51 Final Redemption

- 51.1 Payment of Final Redemption proceeds shall be based on the registered holders of the Debt Securities as at opening of Final Redemption Date.
- 51.2 For Final Redemption of Primary Notes, all the Secondary Notes under the affected Primary Notes will be redeemed as well.
- 51.3 In the morning of Final Redemption Date, RENTAS shall send camt.998.001.03 (Debit Notifications) to FAs on the actual amount of Redemption proceeds (principal plus accrued interest) to be paid to Paying Agent.
- 51.4 Issuers shall make the arrangements to remit Final Redemption proceeds to FAs no later than the time specified in **Clause 7.2.11 (a)(i)** on Final Redemption Date.
- 51.5 Upon receiving Final Redemption proceeds from Issuers, FAs shall remit Final Redemption proceeds to Paying Agent no later than the time specified in **Clause 7.2.11(a)(ii)** on Final Redemption Date. For revolving Debt Securities (i.e. Commercial Papers), FAs shall remit Redemption proceeds to Paying Agent via General Financial Institution Transfers (pacs.009.001.08) no later than 2:30pm on Final Redemption Date after receiving Allotment proceeds from the Issuances of new Debt Securities.
- 51.6 Subject to the receipt of Final Redemption proceeds from FAs and the availability of Debt Securities in the Debt Securities holders’ Securities Accounts, Paying Agent shall execute Final Redemption process by the time specified in **Clause 7.2.11(a)(iii)**. For revolving Securities, Paying Agent will execute Final Redemption process by 3:00pm. SSDS Participants shall receive Corporate Action Confirmations (MT566).
- 51.7 In the event of insufficient Debt Securities in the Debt Securities holders’ accounts, Final Redemption process for that particular holder will be pending until sufficient Debt Securities are available. At MYR Settlement Cut-off time, the queued Final Redemption transactions will automatically be cancelled. This

will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Debt Securities balances in their accounts.

- 51.8 If Final Redemption proceeds are received after the time specified in **Clause 7.2.11(a)(ii)** and 2:30pm for revolving Debt Securities, Paying Agent shall immediately make payment to the respective SSDS Participants. The transactions are deemed as delayed and Debt Securities holders may seek compensation from FAs or Issuers accordingly. A standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0).
- 51.9 If Final Redemption proceeds are received from Issuers after Final Redemption Date, FAs shall make the necessary arrangements to pay Final Redemption proceeds directly to Debt Securities holders. FAs shall inform Paying Agent accordingly no later than one (1) Business day after such payments have been made.
- 51.10 Compensation arising from the delayed or failed payment of Final Redemption Proceeds shall be settled by FAs, Issuers and Debt Securities holders in accordance with the provisions of the Trust Deed.
- 51.11 Upon completion of Final Redemption process, FAs shall collect the Global Certificates within fourteen (14) Business days after the Final Redemption Date. BNM will send a reminder notice to the FAs within fourteen (14) Business days of the Final Redemption Date. In the event, FAs fail to collect their Global Certificates fourteen (14) Business days after Final Redemption Date, BNM may deliver the Global Certificates via couriers to the FAs at their risk. The cost of the courier fees would be billed to the affected FA.
- 51.12 If Paying Agent does not receive Final Redemption proceeds by the time specified in **Clause 7.2.11(a)(ii)** on Final Redemption Date and had been notified accordingly by FAs, Debt Securities shall be suspended and Paying Agent shall not be making any Final Redemption payment. FAs shall immediately notify BNM and make announcements through FAST on the failure by Issuers to remit Final Redemption proceeds.
- 51.13 FAs are required to inform Paying Agent in writing, one (1) Business day before Final Redemption Date, if FAs wishes to pay Final Redemption proceeds directly to SSDS Participants. Once the payments have been successfully

made, FAs are required to inform Paying Agent accordingly by 5:00pm on Final Redemption Date.

51.14 For Final Redemption of script Debt Securities created in FAST but not deposited in RENTAS, FAST will automatically update the status as redeemed on the maturity date.

PART IV ISSUING PROCEDURES FOR SPECIFIED AND NON-SPECIFIED RENTAS SECURITIES DENOMINATED IN USD WITH USD SETTLEMENT VIA USD CHATS

52 General

- 52.1 This part outlines the procedures for the Issuances of USD Specified and Non-Specified RENTAS Securities using USD CHATS settlement service.
- 52.2 The procedures are similar to the Issuance Procedures for Non-Specified RENTAS Securities denominated in MYR and Foreign Currencies Settled On-shore as per **Clauses 28 to 43** except for Settlements of Allotment, Coupon and Redemption which are settled in USD via USD CHATS in Hong Kong.
- 52.3 The Settlement of USD denominated Debt Securities for Allotment and Redemption will be made on Delivery versus Payment (DvP) basis and thus minimizes Settlement risk.
- 52.4 FAs, SSDS Participants and Paying Agent are required to open USD cash accounts with any Direct Participants of USD CHATS in Hong Kong in order for Allotment and Redemption process to be settled on a DvP basis. The USD banker's information is required to be updated in the "Organisation Maintenance" screen in FAST by the respective FAST Administrator of FAs, SSDS Participants and Paying Agent.

53 Settlement for Allotment

- 53.1 Settlements for Tender Allotment have to be done on DvP basis. As for Private Placement, it can be done either on DvP basis or FOP basis.
- 53.2 On the Debt Securities Issue date, RENTAS allots Debt Securities to the successful SSDS Participants according to Allotment results in FAST. The Securities Allotment in RENTAS shall be queued, and at the same time, the Debt Securities matching advice is transmitted to the Cross Currencies Payment Matching Processing (CCPMP) for matching purposes.
- 53.3 Successful SSDS Participants must send MT202 correspondent banking payment instructions in accordance with the format specified in [Appendix IV](#) to their USD bankers in Hong Kong for Settlement of Allotments.

- 53.4 Once SSDS Participants' USD bankers in Hong Kong received the MT202 correspondent banking payment instructions, the bankers will then transmit payment instructions to the Hong Kong USD CHATS for the payment to FAs' designated bankers. The payment shall be queued and at the same time, the payment matching advice is transmitted to CCPMP for matching purposes.
- 53.5 Once USD payment and Securities delivery are matched in CCPMP, the Debt Securities will be credited into the SSDS Participants' Securities account in RENTAS, and at the same time, the USD proceeds will be transferred from the SSDS Participants' account to FAs' designated banker in Hong Kong simultaneously on a DvP basis. FAs will then remit the USD proceeds to Issuers' account before 4:00pm on the Issue date. Upon completion, the FAs shall receive Deliver Without Payment Confirmation (MT546)/ Deliver Against Payment Confirmation (MT547) while the SSDS Participants shall receive Receive Without Payment Confirmation (MT544)/Receive Against Payment Confirmation (MT545).
- 53.6 SSDS Participants shall then construct re-Allotment sale transactions to the successful subscribers (their customers) and collect the amount due from their customers accordingly on the Securities Issue date. Settlement between SSDS Participants and their customer is based on mutual agreement between both parties and can be in USD or any other currencies.
- 53.7 If FAs are also the subscriber of the Debt Securities, the Debt Securities will be automatically credited into FAs' Securities account in RENTAS.
- 53.8 For successful Tender Allotment (example: three successful Bids where each Bid has different amount and bid rate), the MT202 correspondent banking Settlement instructions must be sent out individually for each successful Bid instead of combining the Settlement into a single payment. The proceeds and nominal amount of individual Bid are the criteria for the DvP matching, and the transaction will not match if the USD proceeds Settlement is combined under a single payment.
- 53.9 In addition, the MT202 has to be initiated using SSDS Participants' SWIFT Bank Identification Code (BIC) and cannot be originated from a third party because the sender SWIFT BIC is one of the matching criteria.

54 Coupon / Interest / Dividend / Profit Payment

- 54.1 The word coupon, interest, dividend and profit shall bear the same meaning (and shall only be referred to as coupon) and may be represented in the form of Secondary Notes.
- 54.2 The FAs are required to inform BNM in writing, at least two (2) Business days before Coupon Payment Dates or Secondary Notes' maturity dates, if they wish to change the Coupon Payment Dates or Secondary Notes' maturity dates.
- 54.3 Coupon periods and amounts may be adjusted should there be any changes to the payment dates arising from the expected or unexpected holidays.
- 54.4 Computation of coupon shall be made based on Debt Securities holdings as at opening of payment date and shall be guided by [Guideline II](#). The coupon amount is calculated based on actual holding by each securities account under SSDS Participants. Due to rounding up at each securities account level, the computation may differ from the computation by aggregate amount and may result the total coupon payable by the Issuer differing by a few cents.
- 54.5 Subsequent to **Clause 54.4**, the amount to be received by SSDS Participants for their aggregate Resident and Non-Resident customers may also be affected. SSDS Participants are required to apportion the coupon amount to their individual Resident and Non-Resident customers based on the actual total coupon amount received. Should there be any shortage, the SSDS Participants are not responsible to top-up the difference and it would be the responsibility of the SSDS Participants to clarify the matter to the affected Securities holders accordingly. For extra coupon amount, it is the discretion of the SSDS Participants to pass the amount to any of their Resident or Non-Resident customers.
- 54.6 Issuers shall make arrangements to remit Coupon proceeds to FAs no later than the time specified in **Clause 7.2.10 (b)(i)** on Coupon Payment Date.
- 54.7 On Coupon Payment Date, BNM shall advise FAs via e-mail or telephone on the actual Coupon amount to be paid.
- 54.8 Provided that Coupon proceeds have been received from Issuers, FAs shall remit Coupon proceeds to BNM's USD designated account in Hong Kong no later than the time specified in **Clause 7.2.10 (b)(ii)** on Coupon Payment Date.

The MT202 payment instruction from FAs to their bankers must conform to the format as per [Appendix V](#).

- 54.9 Upon receipt of the entire Coupon proceeds from FAs, BNM shall execute Coupon Payment process by sending credit payment instruction via MT202 to its banker in Hong Kong to credit the amounts into SSDS Participants' Settlement Accounts in Hong Kong. SSDS Participants should receive Coupon Payments before the time specified in **Clause 7.2.10 (b)(iii)** on Coupon Payment Date.
- 54.10 If BNM does not receive Coupon proceeds by the time specified in **Clause 7.2.10 (b)(ii)** on Coupon Payment Date and has been notified accordingly about defaults by FAs, the Debt Securities shall be suspended and BNM shall not be making any Coupon Payment. FAs shall immediately notify BNM and make announcements through FAST regarding the failure of Issuers to remit Coupon proceeds.
- 54.11 If the coupon proceeds are received after the time specified in **Clause 7.2.10(b)(ii)** on the Coupon Payment Date, Paying Agent shall immediately make the necessary payment to the respective SSDS Participants. The Coupon Payments are deemed as delayed and the Debt Securities holders may seek compensation from FAs or Issuers accordingly. A standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0).
- 54.12 FAs are required to inform BNM in writing, one (1) Business day before Coupon Payment Date, if FAs wishes to pay Coupon proceeds directly to SSDS Participants. Once the payments have been successfully made, FAs are required to inform BNM in writing, no later than 5:00pm on Coupon Payment Date.

55 Early Redemption

- 55.1 FAs shall announce via FAST Early Redemptions of Debt Securities (including Primary and Secondary Notes) in accordance with the provisions of the issuing documents.
- 55.2 FAs must key-in the details of Early Redemption in FAST at least two (2) Business days before Redemption Date. When entering Early Redemption details in FAST, FAs shall not enter any redemption for Debt Securities in

Participants' Collateral Account or 'K' Account. For Early Redemption of Primary Notes, all the Secondary Notes under the affected Primary Notes will be redeemed early as well.

- 55.3 Payment of Early Redemption proceeds shall be made based on Debt Securities holdings as at the opening of Early Redemption Date.
- 55.4 Issuers shall make arrangements to remit Early Redemption proceeds to FAs no later than the time specified in **Clause 7.2.11 (b)(i)** on Early Redemption Date.
- 55.5 On Early Redemption Date, BNM shall advise FAs via e-mail or telephone on the actual amount of Redemption proceeds (principal plus accrued interest) to be paid to Paying Agent.
- 55.6 Provided that Early Redemption proceeds have been received from Issuers, FAs shall remit Early Redemption proceeds to BNM's USD designated account in Hong Kong no later than by the time specified in **Clause 7.2.11(b)(ii)** on Early Redemption Date. The MT202 payment instructions from FAs to their banker must conform to the format as specified in [Appendix VI](#).
- 55.7 Upon receipt of the entire Early Redemption proceeds from FAs, BNM shall execute Early Redemption Payment process by sending credit payment instruction via MT202 to its banker in Hong Kong to credit the amounts into SSSDS Participants' Settlement Account in Hong Kong. SSSDS Participants should receive payment before 4.00pm on Early Redemption Date.
- 55.8 In the event of insufficient Debt Securities in the Securities holders' accounts, Early Redemption process for that particular holder will be pending until sufficient Debt Securities are available. At PvP Settlement Cut-off time, the queued Early Redemption transactions will automatically be cancelled. This will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Debt Securities balances in their accounts.
- 55.9 If Early Redemption proceeds are received after the time specified in **Clause 7.2.11(b)(ii)** on Early Redemption Date, Paying Agent shall immediately make payment to the respective SSSDS Participants. The transactions are deemed as delayed and the Debt Securities holders may seek compensation from FAs or

Issuer accordingly. In addition, a standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0).

- 55.10 FAs shall pay Early Redemption proceeds directly to Debt Securities holders if Early Redemption proceeds are received after Early Redemption Date. FAs shall inform Paying Agent accordingly no later than one (1) Business day after such payments have been made.
- 55.11 Compensation arising from the delayed or failed payment of Early Redemption Proceeds shall be settled by FAs or Issuers and Debt Securities holders in accordance with the provisions of the Trust Deed.
- 55.12 Upon completion of Early Redemption process, FAs shall collect the Global Certificates within fourteen (14) Business days after the Early Redemption Date. BNM will send a reminder notice to the FAs within fourteen (14) Business days of the Early Redemption Date. In the event FAs fail to collect the Global Certificates fourteen (14) Business days after the Early Redemption Date, BNM may deliver the Global Certificates via courier to the FAs at their risk. The cost of the courier fees would be billed to the affected FAs.
- 55.13 If Paying Agent fails to receive Early Redemption proceeds by the time specified in **Clause 7.2.11(b)(ii)** on Early Redemption Date and had been notified accordingly by FAs, the Debt Securities shall be suspended and Paying Agent shall not make any Early Redemption payment. FAs shall immediately notify BNM and make announcements through FAST regarding the failure of Issuers to remit Early Redemption proceeds.
- 55.14 FAs are required to inform BNM in writing one (1) Business day before Early Redemption Date, if FAs wishes to pay Early Redemption proceeds directly to the SSDS Participants. Once the payments have been successfully made, FAs are required to inform BNM accordingly by 5:00pm on Early Redemption Date.

56 Partial Redemption

- 56.1 FAs shall announce via FAST Partial Redemptions of Debt Securities (including Primary and Secondary Notes) in accordance with the provisions of the issuing documents.
- 56.2 FAs must key-in Partial Redemption details in FAST at least two (2) Business days before Partial Redemption Date. When entering Partial Redemption

details in FAST, FAs shall not enter any redemption for securities in Participants' Collateral Account or 'K' account. For Partial Redemption of Primary Notes, all the Secondary Notes under the affected Primary Note will be partially redeemed as well.

- 56.3 Payment of Partial Redemption proceeds shall be made based on Debt Securities holdings as at the opening of Partial Redemption Date.
- 56.4 Issuers shall make arrangements to remit Partial Redemption proceeds to FAs no later than the time specified in **Clause 7.2.11 (b)(i)** on Partial Redemption Date.
- 56.5 On Partial Redemption Date, BNM shall advise FAs via e-mail or telephone on the actual amount of Redemption proceeds (principal plus accrued interest) to be paid to Paying Agent.
- 56.6 Provided that Partial Redemption proceeds have been received from Issuers, FAs shall remit Partial Redemption proceeds to BNM's USD designated account in Hong Kong no later than the time specified in **Clause 7.2.11(b)(ii)** on Partial Redemption Date. The MT202 payment instructions from FAs to their banker must conform to the format as specified in [Appendix VI](#).
- 56.7 Upon receipt of the entire Partial Redemption proceeds from FAs, BNM shall execute Redemption payment process by sending credit payment instruction via MT202 to its banker in Hong Kong to credit the amounts into SSDS Participants' Settlement Account in Hong Kong. SSDS Participants should receive payments before the time specified in **Clause 7.2.11(b)(iii)** on Partial Redemption Date.
- 56.8 In the event of insufficient Securities in the Securities holders' accounts, Partial Redemption process for that particular holder will be pending until sufficient Securities are available. At PvP Settlement Cut-off time, the queued Partial Redemption transactions will automatically be cancelled. This will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Securities balances in their accounts.
- 56.9 If Partial Redemption proceeds are received after the time specified in **Clause 7.2.11(b)(ii)** on Partial Redemption Date, Paying Agent shall immediately make payment to the respective SSDS Participants. The transactions are deemed as

delayed and the Securities holders may seek compensation from FAs or Issuer accordingly. In addition, a standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0).

- 56.10 FAs shall pay Partial Redemption proceeds directly to Securities holders if Partial Redemption proceeds are received after Partial Redemption Date. FAs shall inform Paying Agent accordingly no later than one (1) Business day after such payments have been made.
- 56.11 Compensation arising from the delayed or failed payment of Partial Redemption Proceeds shall be settled by FAs or Issuers and Securities holders in accordance with the provisions of the Trust Deed.
- 56.12 Upon completion of Partial Redemption process, FAs shall replace the affected Global Certificates deposited with BNM with new Global Certificates to reflect the new outstanding Issue amount, no later by the time specified in **Clause 7.2.12(c)**.
- 56.13 If Paying Agent fails to receive Partial Redemption proceeds by the time specified in **Clause 7.2.11(b)(ii)** on Partial Redemption Date and had been notified accordingly by FAs, the Debt Securities shall be suspended and Paying Agent shall not make any Partial Redemption payment. FAs shall immediately notify BNM and make announcements through FAST regarding the failure of Issuers to remit Partial Redemption proceeds.
- 56.14 FAs are required to inform BNM in writing, one (1) Business day before Partial Redemption Date, if FAs wishes to pay Partial Redemption proceeds directly to SSDS Participants. Once the payments have been successfully made, FAs are required to inform BNM in writing, no later than 5:00pm on Partial Redemption Date.

57 Final Redemption

- 57.1 Payment of Final Redemption proceeds shall be based on the registered holders of the Debt Securities as at opening of Final Redemption Date.
- 57.2 For Final Redemption of Primary Notes, all the Secondary Notes under the affected Primary Notes will be redeemed as well.

- 57.3 Issuers shall make arrangements to remit Final Redemption proceeds to FAs no later than the time specified in **Clause 7.2.11 (b)(i)** on Final Redemption Date.
- 57.4 On Final Redemption Date, BNM shall advise FAs via e-mail or telephone on the actual amount of Redemption proceeds (principal plus accrued interest) to be paid to Paying Agent.
- 57.5 Provided that Final Redemption proceeds have been received from Issuers, FAs shall remit Final Redemption proceeds to BNM's USD designated account in Hong Kong no later than the time specified in **Clause 7.2.11(b)(ii)** on Final Redemption Date. The MT202 payment instructions from FAs to their banker must conform to the format as specified in [Appendix VI](#).
- 57.6 Upon receipt of the entire Final Redemption proceeds from FAs, BNM shall execute Redemption process by sending credit payment instruction via MT202 to its banker in Hong Kong to credit the amounts into SSDS Participants' Settlement Account in Hong Kong. SSDS Participants should receive payments before the time specified in **Clause 7.2.11(b)(iii)** on Final Redemption Date.
- 57.7 In the event of insufficient Debt Securities in the Securities holders' accounts, Final Redemption for that particular holder will be pending until sufficient Debt Securities are available. At PvP Settlement Cut-off time, the queued Final Redemption transactions will automatically be cancelled. This will not prevent the other holders' Securities and Settlement Accounts from being debited and credited accordingly should they have sufficient Securities balances in their accounts.
- 57.8 If Final Redemption proceeds are received after the time specified in **Clause 7.2.11(b)(ii)** on Final Redemption Date, Paying Agent shall immediately make payment to the respective SSDS Participants. The transactions are deemed as delayed and the Debt Securities holders may seek compensation from FAs or Issuer accordingly. In addition, a standard late payment fee will be levied accordingly by BNM as stipulated in [Appendix II](#) (A.7.0).
- 57.9 Compensation arising from the delayed or failed payment of Final Redemption Proceeds shall be settled by FAs or Issuers and Debt Securities holders in accordance with the provisions of the Trust Deed.

- 57.10 Upon completion of Final Redemption process, FAs shall collect the Global Certificates within fourteen (14) Business days after the Final Redemption Date. BNM will send a reminder notice to the FAs within fourteen (14) Business days of the Final Redemption Date. In the event FAs fail to collect the Global Certificates fourteen (14) Business days after the Final Redemption Date, BNM may deliver the Global Certificates via courier to the FAs at their risk. The cost of the courier fees would be billed to the affected FAs.
- 57.11 If Paying Agent fails to receive Final Redemption proceeds by the time specified in **Clause 7.2.11(b)(ii)** on Final Redemption Date and had been notified accordingly by FAs, the Debt Securities shall be suspended and Paying Agent shall not make any Final Redemption payment. FAs shall immediately notify BNM and make announcements through FAST regarding the failure of Issuers to remit Final Redemption proceeds.
- 57.12 FAs are required to inform BNM in writing, one (1) Business day before Final Redemption Date, if FAs wishes to pay Final Redemption proceeds directly to SSDS Participants. Once the payments have been successfully made, FAs are required to inform BNM in writing, no later than 5:00pm on Final Redemption Date.

PART V TRADING PRINCIPLES AND PROCEDURES FOR SECONDARY MARKET SECURITIES DENOMINATED IN MYR AND FOREIGN CURRENCIES

58 General Rules

- 58.1 Trading of RENTAS Securities shall be governed by the fundamental principles with respect to the sanctity of oral contracts, the confidentiality of privileged information, and the need for integrity and mutual trust on the part of all parties trading in the Malaysian Securities market.
- 58.2 The fundamental principles are summarised below:
- 58.2.1 Oral contracts are presumed to be valid and binding immediately, although they are subject to subsequent authenticated confirmation under the procedures of RENTAS. Similarly, deals done through electronic and other equipment shall be valid and binding immediately.
- 58.2.2 Information on deals transacted through dealers or brokers, or on the nature of enquiries about possible deals, cannot be divulged to any party, other than such information as may be derived by others from those transactions to which they are themselves counterparties.
- 58.2.3 These Operational Procedures shall be applicable to all Securities deposited in RENTAS whether it is denominated in MYR or other foreign currency.
- 58.3 Unless otherwise mutually agreed by both buyer and seller, Settlement in RENTAS shall be on Deliver versus Payment (DvP) basis. The DvP Settlement procedure will be executed automatically on the value date once both seller and buyer initiate securities messages and the messages are matched in RENTAS.
- 58.4 Unless specified and qualified:
- 58.4.1 Normal or standard value date is over spot.
- 58.4.2 Standard market lot is RM5 million or USD1 million for Specified RENTAS Securities.
- 58.4.3 For other Non-Specified RENTAS Securities, the standard market lot is RM1 million and USD1 million respectively.
- 58.5 The minimum trading denomination for retail transaction shall be RM1,000 and in multiples of RM1,000. There is no minimum trading denomination for foreign currencies.

58.6 Rate or Price Quotation

58.6.1 Discount instruments are traded on a yield per annum basis, which is expressed as a rate of discount specified to two (2) decimal places.

58.6.2 Coupon bearing instruments (including zero Coupon instruments) are traded on a price basis specified to two (2) decimal places, unless or otherwise, agreed by both parties but are settled on a price plus accrued interest basis.

58.7 Business day

58.7.1 A Business day is defined as any day from Monday to Friday but excluding any day, which is a public holiday or bank holiday in Kuala Lumpur. For Settlement in USD currency via USD CHATS in Hong Kong, the Business day shall exclude a public holiday in Kuala Lumpur as well as in Hong Kong.

58.8 Unexpected holiday

58.8.1 When a public holiday or bank holiday falls on a day that was originally expected to be a Business day, or when a holiday is declared at the eleventh hour:

58.8.1.1 The Settlement date for traded Securities in the secondary market shall be deemed to fall on the next Business day immediately following the unexpected holiday.

58.8.1.2 For payment of Coupon and Redemption proceeds, please refer to [Part IX](#) on Holiday Convention.

58.9 Ex-Trading

58.9.1 There is no ex-trading or zero ex-days for scripless MYR and Foreign Currency Debt Securities. RENTAS will pay Coupon based on registered Securities holdings as at the opening of Coupon Payment Date, net of withholding tax, if applicable.

58.10 Securities Account Structure

58.10.1 Own Account

58.10.2 Collateral Account or 'K' Account

58.10.3 Customers Account

58.10.3.1 Resident Customers Account

58.10.3.2 Non-Resident Customers Account

58.11 Trading of Treasury bills and BNM papers shall be on the basis of bands. The bands are categorised based on the remaining maturity days of the short-term Securities as follows:

Band	Remaining Maturity (Days)
Band 1	Up to 21
Band 2	22 to 43
Band 3	44 to 67
Band 4	68 to 91
Band 5	92 to 131
Band 6	132 to 171
Band 7	172 to 211
Band 8	212 to 261
Band 9	262 to 311
Band 10	312 to 365

59 Types of Trades

59.1 RENTAS is able to facilitate the following type of trades:

- 59.1.1 Same day value
- 59.1.2 Tomorrow value (value tom)
- 59.1.3 Standard value (value spot)
- 59.1.4 Forward value of up to 365 days

60 Transaction Initiation and Settlement Deadlines for Securities

60.1 In a SSDS sale transaction, the buyer shall initiate a Receive versus Payment (MT541) while the seller initiates a Deliver versus Payment (MT543). DVP Settlement will take place when these two messages are matched, the buyer has sufficient cash balances to pay the seller, and the seller has sufficient securities to deliver to the buyer.

60.2 The transaction initiation and settlement deadlines are as follows:

Value Date	Transaction Initiation Deadlines	Settlement Deadlines
Same day value	By 4pm on Transaction Day (T)	by 5pm on T

Value Date	Transaction Initiation Deadlines	Settlement Deadlines
Value Tomorrow	By 11am on T+1	By 3pm on T+1
Value Spot	By 11am on T+1	By 3pm on T+2
Forward value	By 11am on T+1	By 3pm on T+N

Exemption on transaction initiation and settlement deadlines for Participants whose clients are (i) Non-residents who are subject to FEA and AMLA requirements, or (ii) Corporates

- 60.3 For trades that are transacted indirectly with non-interbank institution through another RENTAS Participant, once the trade is matched and completed in RENTAS, the affected RENTAS Participant shall send securities completion advice, to their customers via fax, letter, or e-mail not later than the next Business day.
- 60.4 If the trades are transacted directly with non-interbank institution, RENTAS Participant, which may be either a Securities seller or buyer, shall send securities completion advice to the non-interbank institution via fax, letter, or e-mail not later than the next Business day.
- 60.5 After the MYR Settlement Cut-off time, the transactions shall be deemed as delayed and / or failed trade and compensations are to be applied accordingly.
- 60.6 Participants are required to observe the following deadlines to ensure timely and orderly settlement of Securities Linked Settlement for MGS Futures Contract:

Value Date	Transaction Initiation Deadlines	Settlement Deadlines
Value Spot	By 10 am on T+2	By 11 am on T+2

61 Managing Unmatched Transactions

- 61.1 RENTAS will issue an Allegement (MT578) to the counterparty of the SSDS Participant that initiated an unmatched instruction, under the following circumstances:

- 61.1.1 If a selling SSDS Participant transmits a MT543 instruction but RENTAS cannot locate a matching MT541 instruction from their counterparty (buyer), RENTAS will issue an Allegement to the buyer.
- 61.1.2 If a selling SSDS Participant transmits a MT542 instructions but RENTAS cannot locate a matching MT540 instructions from their counterparty (buyer), RENTAS will issue an Allegement to the buyer.
- 61.1.3 If a buying SSDS Participant transmits a MT541 instructions but RENTAS cannot locate a matching MT543 instructions from their counterparty (seller), RENTAS will issue an Allegement to the seller.
- 61.1.4 If a buying SSDS Participant transmits a MT540 instructions but RENTAS cannot locate a matching MT542 instructions from their counterparty (seller), RENTAS will issue an Allegement to the seller.
- 61.2 All SSDS Participants shall continuously monitor Allegements received and promptly act on the Allegements. On receipt of an Allegement, the SSDS Participant shall check the contents of the Allegement. If the contents are in order, the SSDS Participant may convert the Allegement message into a corresponding Settlement instruction for transmission to RENTAS.
- 61.3 When a transaction remains unmatched at the MYR Settlement Cut-off time of the Settlement Date, the transaction will be automatically cancelled by RENTAS and Settlement Status and Processing Advice (MT548) will be sent to the original message sender of the transaction.

62 Amendment and Cancellation

- 62.1 When a transaction is unmatched because of error, omission or disagreement, both parties shall immediately investigate and resolve the matter. Upon reaching a mutually acceptable resolution, the party in fault (either seller or buyer or both) shall re-issue new securities messages based on **Clause 61.0**.
- 62.2 When an error or omission is discovered after the transaction has been matched but not yet completed, such transaction can only be cancelled with the mutual agreement of both buyer and seller.

62.3 Future dated transactions may also be cancelled with the mutual agreement of both buyer and seller.

62.4 The mode of cancellation in RENTAS is as follows:

62.4.1 For forward value transactions, the seller shall initiate the Deliver Against Payment message with Cancellation Function (MT543 CANC) for DvP transactions or Deliver Free of Payment message with Cancellation Function (MT542 CANC) for FoP transactions before the value date. On the other hand, the buyer shall initiate the Receive Against Payment with Cancellation Function (MT541 CANC) for DvP transactions or Receive Free of Payment with Cancellation Function (MT540 CANC) before the value date. The cancellation request must be matched before RENTAS cancels the original securities transaction. The submission of the messages from both parties shall be done on the same day.

62.4.2 For transactions that are pending for payment or pending due to insufficient securities on the value date, same procedures as stated in **Clause 62.4.1** shall apply.

62.4.3 For transactions that are pending matching, either on value date or forward date, the party who has transmitted the securities messages shall submit the cancellation request.

63 “When Issued” Trading

63.1 “When Issued” Securities may be traded from the day of official announcement of the Issue up to, but excluding the Issue date of the Securities. The value date of all “When Issued” trades must be on, or after the Issue date.

63.2 When the Issuance of the Securities is cancelled or aborted by Issuers, all “When Issued” deals are deemed null and void.

63.3 For issuance of new Securities via Tender “When Issued is traded on the yield basis regardless of new or reopened issue, up to three (3) decimal places.”

- 63.4 The seller may initiate Deliver Free of Payment message (MT542) for the “When Issued” deal via RENTAS, immediately, but not later than 6:00pm on the transaction day.
- 63.5 The buyer may, on the other hand, initiate Receive Free of Payment message (MT540) for the “When Issued” deal via RENTAS, immediately, but not later than 6:00pm on the transaction day.
- 63.6 On the Securities Issue date, , in order to complete the “When Issued” deal, the seller shall initiate Deliver versus Payment (MT543) for DvP transactions or Deliver Free of Payment (MT542) for FoP transactions via RENTAS while the buyer shall re-initiate Receive versus Payment (MT541) for DvP transactions or Receive Free of Payment (MT540) for FoP transactions via RENTAS.

64 Settlement Principles

- 64.1 Under RENTAS system, unless otherwise agreed by the parties concerned, Settlement of a Securities transaction denominated in MYR, USD and any other currency as announced by BNM from time to time will be done on a DvP basis.
- 64.2 In circumstances where the seller transfers the Securities before receiving funds (non-DvP basis), the seller will incur a Settlement risk if the buyer does not make the respective cash leg payment. On the other hand, if the buyer makes the payment first before receiving the Securities, the buyer will incur Settlement risk if the seller does not transfer the Securities. Therefore, for transactions which do not use the DvP system, the mode of Settlement shall be agreed mutually between the sellers and buyers and any claims for non-delivery or late delivery will have to be settled by the parties concerned outside RENTAS system.
- 64.3 On the value date or Settlement date, RENTAS system will first check if the seller has the specific Securities in their Securities Account and if this is affirmed, the system will then continue with Settlement provided that the buyer has sufficient funds in their Settlement Account to pay the proceeds. Therefore, in Settlement processing for a Securities transaction, the trade may fail to settle due to either of the following reasons:

- 64.3.1 The seller does not have the specific Securities in their Securities Account and hence, the system will not be able to initiate Settlement process.
- 64.3.2 The buyer does not have sufficient balance in their Settlement Account, or is unable to obtain sufficient intraday credits to pay for the purchase of the Securities.
- 64.4 The pending transactions will be queued until Settlement is completed following the availability of Securities and cash balances. The transactions will be cancelled if it is still not settled by the end of MYR Settlement Cut-off time. A cancellation report will be generated by RENTAS together with the reason for the non-Settlement.

65 Repurchase Agreement (Repo)

- 65.1 A Repurchase Agreement is a transaction in which a seller agrees to sell Securities at an agreed price and also agrees to buy back the same Securities from the buyer at a fixed price on a forward date.
- 65.2 Repo seller shall initiate Deliver versus Payment (MT543) while repo buyer shall initiate Receive versus Payment (MT541) via RENTAS.
- 65.3 Securities transacted under repo will be delivered from the repo seller's Securities Account into repo buyer's Securities Account in RENTAS against payment of repo proceeds from the repo buyer's Settlement Account to the repo seller's Settlement Account on a DvP basis.
- 65.4 The sale price shall be based on the prevailing market value of the Securities, and shall include the accrued interest unless otherwise agreed between the repo buyer and repo seller. The calculation of repo cost is done on the basis of 365 days per year for MYR Securities and 360 days for USD Securities.
- 65.5 Where Coupon Payment is to be received by the repo buyer on a Coupon Payment Date, this Coupon amount shall be reflected in the calculation of the contract sum for the seller's repurchase of the Securities under repo.
- 65.6 To safeguard the seller or the buyer against non-performance of obligations by the other party, the following shall be the market practice:

- 65.6.1 The buyer shall have the right to call for margin from the seller when the aggregate market value on any Business day falls below Final amount to be received by the buyer at the repo maturity date.
- 65.6.2 The seller shall have the right to call for margin from the buyer when the aggregate market value on any Business day rises above Final amount to be received by the buyer at maturity of the repo.
- 65.7 Margin shall be in the form of cash, RENTAS Securities and other money market instruments. Cash and Securities provided as margin must be transferred back automatically on the repo maturity date.
- 65.8 Securities under repo may be substituted with another type of RENTAS Securities provided that the substitution is mutually agreed by both repo buyer and repo seller.

66 Settlement of Suspended Debt Securities

- 66.1 The status of Securities transactions in RENTAS involving suspended Debt Securities will depend on which stage of Settlements that transactions are, and when the suspension occurred.

Value	Deal Concluded	Deal Status	Settlement Confirmation	Settlement Position	Transaction Status
Same day	Before suspension	Valid	Done	Pending, due to insufficient cash in Buyer's account	RENTAS will process the transaction when cash is available
Same day	Before suspension	Valid	Done	Pending, due to insufficient Securities in Seller's account	RENTAS will cancel the transaction

Value	Deal Concluded	Deal Status	Settlement Confirmation	Settlement Position	Transaction Status
Same day	Before suspension	Valid	No, Seller or Buyer yet to initiate securities messages	n/a	RENTAS will reject the securities messages created after the suspension.
Standard/ Forward	Before suspension	Valid	No, Seller or Buyer yet to initiate securities messages	n/a	RENTAS will reject the securities messages after the suspension.
Standard/ Forward	Before suspension	Valid	Done	n/a	RENTAS will cancel the transaction
Same day/ Standard/ Forward	After suspension	Valid	Done	n/a	RENTAS will cancel the transaction

66.2 If both the buyer and seller wish to trade on the suspended Debt Securities, both buyer and seller can only initiate the securities messages after the suspension on Debt Securities has been uplifted.

67 Settlement of Maturities for Script Securities

67.1 Banker's Acceptance and Islamic Accepted Bills

Upon maturity, the face value of the Banker's Acceptance or Islamic Accepted Bills can be redeemed in two (2) ways:

67.1.1 The Banker's Acceptance or Islamic Accepted Bills can be presented to the accepting bank for payment via PayNet's Sistem Penjelasan Informasi Cek Kebangsaan Secara Elektronik (eSPICK).

67.1.2 The Banker's Acceptance or Islamic Accepted Bills can be presented to the accepting bank over-the-counter one (1) day before the maturity date for payment via RENTAS system. Under such circumstances, the accepting bank will pay the proceeds by 11:00am on maturity date. However, if the Banker's Acceptance or Islamic Accepted Bills are presented for payment to the accepting bank on maturity date or after, the 11:00am cut-off time shall not apply. The accepting bank shall pay the proceeds by 5:30pm on the day of presentation of the Banker's Acceptance or Islamic Accepted Bills.

67.2 Negotiable Instrument of Deposit or Islamic Negotiable Instrument

Upon maturity, the Negotiable Instrument of Deposit or Islamic Negotiable Instrument can be redeemed in two (2) ways:

67.2.1 The Negotiable Instrument of Deposit or Islamic Negotiable Instrument can be presented to Issuers over-the-counter one (1) day before the maturity date for payment. Under such circumstances, Issuers will pay the proceeds by 11:00am on maturity date. However, if the Negotiable Instrument of Deposit or Islamic Negotiable Instrument is presented for payment to Issuers on maturity date or after, the 11.00am cut-off time shall not apply. Issuers shall pay the proceeds by 5.30pm on the day of presentation of the Negotiable Instrument of Deposit or Islamic Negotiable Instrument.

67.2.2 If the Negotiable Instrument of Deposit or Islamic Negotiable Instrument is kept with the issuer, a camt.998.001.03 (Debit Notification) must be sent to the issuer one (1) day before the maturity date. The issuer will pay the proceeds by 11:00am on maturity date. If the camt.998.001.03 (Debit Notification) is sent to the issuer on maturity date or after, the proceeds shall be settled by 5:30pm on the day of receiving the camt.998.001.03 (Debit Notification).

PART VI SETTLEMENT PRINCIPLES AND PROCEDURES FOR COMPENSATION OF DELAYED OR FAILED SETTLEMENT OF SECURITIES TRANSACTION AND PROCEDURES FOR BUY-IN OR SELL-OUT ARISING FROM UNSETTLED TRANSACTIONS

68 Delayed or Failed Settlement

- 68.1 A Delayed Settlement is deemed to have occurred if Settlement is executed on the value date but after the official settlement cut-off time for the relevant trade e.g. 11:00am for value tomorrow and forward trades.
- 68.2 A Failed Settlement is deemed to have occurred if Settlement is not executed by the closing of the MYR Settlement Cut-off time on the value date.
- 68.3 A party which did not receive a delivery of Securities as contracted has the right to buy Securities from the market, or do a reverse repo, to cover a short position and charge the defaulting party costs equivalent to the amount paid as well as damages paid to third parties that may have suffered.
- 68.4 For further details on compensation on Settlement principles and procedures for compensation of delayed or failed Settlement of Securities transaction and procedures for buy-in sell-out arising from unsettled transaction, Participants shall be guided by [Guideline III](#).
- 68.5 **Clauses 68.1 to 68.4** herein shall not be applicable to the failed settlements of Securities Linked Settlement (SLS) transactions for MGS Futures Contract.
- 68.6 A Failed Settlement of SLS transactions for MGS Futures Contract is deemed to have occurred if settlement is not executed by 11.00 am on the value date.
- 68.7 All failed settlement of SLS transactions for MGS Futures Contract shall be referred to Bursa Malaysia Derivatives Clearing Bhd.

69 Dispute Resolution

- 69.1 This **Clause 69.0** shall be read in accordance with the **Dispute Management** section in the Participation Rules for Payments and Securities Services.

- 69.2 For disputes that cannot be resolved amicably between RENTAS Participants, it may be referred to and finally resolved by arbitration in Malaysia by an arbitrator to be agreed upon between Participants or, failing agreement within fourteen (14) days after Participant has given to the other a written request to agree to the appointment of an arbitrator, a person to be nominated by the Director of the Asian International Arbitration Centre (Malaysia) (“AIAC”) at the request of the other party. The arbitration shall be in accordance with the Arbitration Act 2005 and the Rules of Arbitration of the AIAC for the time being in force which rules are deemed to be incorporated by reference into this clause.
- 69.3 Participants’ performance of obligations under the Participation Rules for Payments and Securities Services shall neither cease during any arbitration proceedings nor shall Participants be released from any obligations hereunder by the institution of any arbitration proceedings.
- 69.4 The arbitration award, which may include an award for specific performance, injunctive relief or other equitable relief, shall be final and binding on the parties and judgment upon the award entered in arbitration may be entered in any court of competent jurisdiction.
- 69.5 Securities transactions may also take place between RENTAS Participants and their customers who are not RENTAS Participants. These Operational Procedures, however, shall not be used to resolve any dispute between RENTAS Participants and their customers. RENTAS Participants should endeavour to settle such disputes amicably with their customers. If such disputes cannot be settled between the parties, then each party may independently seek legal recourse to resolve the matter

PART VII ISSUING PROCEDURE FOR MONEY MARKET TENDER

70 General

70.1 This part will outline the procedures for the conduct and participation in BNM's Money Market Tender via FAST.

71 Tender Procedure

71.1 The Tender Procedure for BNM Money Market Tender under FAST is as follows:

71.1.1 Tender Invitation

71.1.1.1 BNM may conduct Money Market Tenders at any point of time within the Business day. BNM will invite for Tenders either on the same day as the Tender is conducted or up to seven (7) days in advance. If the Tender is invited on the same day, BNM will allow sufficient time for Submission of Bids, as announced in FAST.

71.1.1.2 Participation in the Money Market Tenders is only open to all approved interbank institutions, whether they are FAST Participants or non-FAST Participants.

71.1.2 Submission of Bids

71.1.2.1 All FAST Participants that are approved interbank institutions are deemed to be Direct Bidders for Money Market Tenders.

71.1.2.2 Non-FAST Participants who are approved interbank institutions may submit their Bids through Direct Bidders who are Principal Dealers. Principal Dealers may submit Bids on behalf of non-FAST Participants as customer Bids where the name of the individual customers must be specified.

- 71.1.2.3 Direct Bidders, who are not Principal Dealers, may only submit their own Bids and are not allowed to submit Bids on behalf of Non-FAST Participants.
- 71.1.2.4 All Bids submitted by Direct Bidders and their customers shall be in multiples of RM1 million with a minimum value of RM5 million. FAST will reject Bids which do not comply with these requirements.
- 71.1.2.5 For Tenders where the Tender Basis is interest rate or profit sharing ratio, Direct Bidders shall submit Bids in two (2) decimal places only.
- 71.1.2.6 Direct Bidders must submit their Bids before the stipulated Tender Closing Time.
- 71.1.2.7 Tender Basis for Money Market Tenders under FAST are as follows:

Tender	Mode of Tender	Mode of Offer	Tender Basis
Conventional borrowing	Competitive	Tender only	Interest rate
Conventional borrowing	Non-competitive (Fixed Rate)	Tender only	Amount
Conventional lending	Competitive	Tender only	Interest rate
Conventional lending	Non-competitive (Fixed Rate)	Tender only	Amount
Islamic acceptance	Competitive	Tender only	Profit-sharing ratio
Islamic acceptance	Non-competitive (Fixed Rate)	Tender only	Amount
Islamic investment	Competitive	Tender only	Profit-sharing ratio
Islamic investment	Non-competitive (Fixed Rate)	Tender only	Amount

71.1.2.8 The General Result of the Money Market Tender will be displayed in three (3) decimal places of the interest rate and profit-sharing ratio.

71.1.2.9 Bids submitted and accepted in FAST are final and irrevocable. Bidders must honour their Bids if their Bids are within the successful range.

71.1.3 Tender Processing

71.1.3.1 Tender Processing refers to the process of sorting the Bids submitted by Direct Bidders and Indirect Bidders. This sorting is carried out in the order of the interest rate for Conventional Money Market Tender or Profit-Sharing Ratio for Mudharabah Money Market Tender, followed by the names of Direct Bidders and the Bids amounts.

71.1.3.2 For competitive Tenders, Bids displayed in the Bidding Report will be sorted either in ascending order of interest or profit-sharing ratio for Conventional borrowing and Islamic acceptance Tenders, or in descending order of interest rate or profit-sharing ratio for Conventional lending and Islamic investment Tenders until the amounts on Tender are fully taken up.

71.1.3.3 Allotment for Money Market Tender to the successful Bidders in FAST will be in multiples of RM1 million. The cut-off Allotment amount for Money Market Tender through Principal Dealer's network will be in the multiples of RM100,000 and FAST will automatically allocate the amount among the successful bidders.

71.1.4 Intervention by issuers or FA

71.1.4.1 BNM as FA is allowed to perform intervention during the Tender Processing as follows:

- i. Downsizing and upsizing of the total Issue amount individually or in combination. Upsizing of the Issue amount is subject to the availability of Bids.
- ii. Changing the Maximum Allotment Limit to each bidder. The Maximum Allotment Limit is the maximum

successful amount allotted to a single Bidder within the Tender.

iii. Manually setting Allotment amount to individual Bidders.

71.1.4.2 BNM has the right to implement other types of intervention and such intervention may not be stated in these Operational Procedures.

71.1.4.3 BNM also has the right to abort the Money Market Tender.

71.1.5 Tender Result

71.1.5.1 Once Tender Processing is confirmed, FAST will generate the General Results and Own Results. The Tender Results are accessible immediately by FAST Participants.

71.1.5.2 Tender Results are also broadcasted to the information providers.

71.1.5.3 General Results are accessible to all FAST Participants and the public while Own Results are accessible only to Direct Bidders.

71.1.5.4 Non-FAST Participants are to confirm their results manually with the Direct Bidder(s) that they have submitted their Bids through.

72 Settlement

72.1 For all successfully allotted amounts in FAST, BNM will auto debit Settlement account of Direct Bidders through RENTAS.

PART VIII ISSUING PROCEDURES FOR REPO OR SBBA TENDER

A. PROCEDURES FOR BANK NEGARA MALAYSIA'S REPO TRANSACTIONS

73 General

73.1 This part outlines the procedures for the conduct and participation in BNM's Repo Transactions via FAST. Repo Transactions may be implemented via either of these two modes of offer:

73.1.1 Tender; or

73.1.2 Bilateral transactions with individual counter-parties.

74 Collateral Eligibility, Margin System and Collateral Valuation

74.1 Collateral Eligibility

74.1.1 FAST will automatically determine the eligibility of collateral for repo and reverse repo transactions based on the following:

74.1.1.1 Eligible collaterals specified by BNM.

74.1.1.2 Negative collaterals list as specified by BNM.

74.1.1.3 Acceptable Securities rating as specified by BNM.

74.1.1.4 Any additional criteria specified by BNM from time to time.

74.2 Margin System

74.2.1 A list of margin values will be maintained in FAST. These margin values will be used in determining the net price at which the collateral will be valued. The margin values are determined by:

74.2.1.1 Chosen margin method.

74.2.1.2 Type of Securities instrument.

74.2.1.3 Tenure to maturity.

74.2.1.4 Coupon rate.

74.2.1.5 Assigned credit rating (for corporate Securities only).

74.3 Collateral Valuation

74.3.1 FAST will automatically value any eligible collateral for repo or reverse repo transactions based on the following:

74.3.1.1 Latest Indicative Yield-To-Maturity for Government Securities and CBS.

- 74.3.1.2 Previous day traded prices of individual Securities from ETP.
 - 74.3.1.3 Margin settings specified by BNM.
 - 74.3.1.4 Yield curve and Securities price updates entered by BNM.
 - 74.3.1.5 Any other additional criteria specified by BNM from time to time.
- 74.3.2 Collaterals are valued based on the net present value of the future cash inflow by using discounted cash flow formula.
- 74.3.3 For collaterals traded in the ETP, the previous day's traded price may be used as the market price.
- 74.3.4 A margin shall be applied on the market price to arrive at a net price. The net price is used to value the collateral in FAST.
- 74.3.5 The indicative market prices of Malaysian Government Securities (MGS) are published in FAST for reference.
- 74.3.6 The above collateral pricing and eligibility criteria shall be applicable for both repo and reverse repo transactions in FAST, whether via Tender or bilateral transactions.

75 Repo and Reverse Repo Tender Procedure

75.1 The Tender Procedure for BNM repo and reverse repo under FAST is as follows:

75.1.1 Tender Invitation

75.1.1.1 BNM will conduct Repo Tenders at any point of time within the Business day. BNM will invite for Tenders either on the same day as the Tender is conducted or up to seven (7) days in advance. If the Tender is invited on the same day, BNM will allow what is deemed as sufficient time between invitation and closing time for Submission of Bids.

75.1.1.2 Value date for Settlement of Repo Tenders are as follows:

- i. Same-day value.
- ii. Tomorrow value (value tom).

- iii. Standard value (value spot).
- iv. Forward value.

75.1.1.3 Participations in the Repo Tenders are only open to all invited approved interbank institutions that are FAST Participants and have executed Global Master Repo Agreement with BNM.

75.1.2 **Submission of Bids**

75.1.2.1 Non-FAST Participants who are approved interbank institutions may submit their Bids through Direct Bidders who are Principal Dealers. Principal Dealers may submit Bids on behalf of non-FAST Participants as customer Bids where the name of the individual customers must be specified.

75.1.2.2 Direct Bidders, who are not Principal Dealers, may only submit their own Bids and are not allowed to submit Bids on behalf of non-FAST Participants.

75.1.2.3 For reverse repo Tenders, the exact Bids amount shall be the calculated sum of first-leg proceeds of the pledged collateral(s), which in turn depend on the calculated value of the collateral(s) pledged in addition to its accrued interest, if any.

75.1.2.4 All Bids submitted for Repo Transactions by Direct Bidders for their own and on behalf of their customers must comply with the following requirements:

- i. For repo transactions, bidders must bid minimum cash value of RM1 million and in multiples of RM1 million for first-leg proceeds.
- ii. For reverse repo transactions, bidders may pledge either single or multiple collateral to each individual bid. The minimum bid amount for each individual bid is RM1 million of cash amount in terms of first-leg proceeds.
- iii. Each reverse repo bid may consist of up to ten (10) pledged collaterals. However, the nominal amount of each collateral must be a minimum of RM100,000 and in multiples of RM100,000.

iv. Multiple pledged Securities within each bid must be at the same bid rate.

75.1.2.5 BNM may reject submitted Bids which do not comply with the above requirements.

75.1.2.6 Direct Bidders are to submit Bids containing repo rates of up to two (2) decimal places only.

75.1.2.7 All Bids either from Direct Bidders or Indirect Bidders must be submitted via FAST before the Tender Closing Time.

75.1.2.8 The possible combinations of repo type, Mode of Offer and Tender Basis for Repo Tenders under FAST are as follows:

Repo Type	Mode of Tender	Mode of Offer	Tender Basis
Reverse repo	Competitive	Tender	Repo rate
Reverse repo	Non-competitive (Fixed Rate)	Tender	Bid amount
Repo	Competitive	Tender	Repo rate
Repo	Non-competitive (Fixed Rate)	Tender	Bid amount

Note: Repo rates within the system will be displayed in two (2) decimal places.

75.1.2.9 The Bids submit in FAST after the final approval processes are final and irrevocable. Bidders must honour their Bids if their Bids are within the successful range and are accepted for successful Allotment.

75.1.2.10 If Direct Bidders encounter system difficulties during submission of Bids, Direct Bidders should immediately check with BNM on the status of the submitted Bids. Once the status is determined, Direct Bidder may re-submit the Bids if necessary. This is to avoid duplication of submitted Bids.

75.1.3 Tender Processing

- 75.1.3.1 Tender Processing is the sorting of the submitted Bids for Allotment purposes. Bids are ordered by repo rate, followed by its applied margin (which proxies the riskiness of the pledged collateral), then by the bid amount.
- 75.1.3.2 For competitive repo Tenders, Bids displayed in the Bidding Report will be sorted in ascending order of repo rate for repurchase (repo), or in descending order of repo rate for reverse repurchase (reverse repo) until the amount on Tender is fully allotted.
- 75.1.3.3 Allotment for both repo and reverse repo Tender to the successful bidders will be in the multiples of RM100,000. Allotment at cut-off will also be in multiples of RM100,000.
- 75.1.3.4 The total proceeds of Allotment will be determined by the price of pledged collateral and its accrued interest. FAST will automatically allocate among the successful bidders of the targeted amount set in the Tender Invitation.

75.1.4 Intervention by Issuers or FAs

BNM as FAs are allowed to intervene during the Tender Processing as follows:

- 75.1.4.1 Downsizing and upsizing of the total Issue amount individually or in combination. For reverse repo Tenders, upsizing of the Issue amount is subject to the availabilities of Bids submitted by the bidders. For repo Tenders, upsizing of the Issue amount is also subject to the availability of additional pledged collaterals by BNM.
- 75.1.4.2 Changing the Maximum Allotment Limit to each bidder. The Maximum Allotment Limit is the maximum successful amount allotted to a single Bidder within the Tender.
- 75.1.4.3 Targeting the range of successful repo rates by changing the Issue size, changing the Maximum Allotment Limit or a combination of both methods.

75.1.4.4 Manually assign the Allotment amount to individual Bidders.

75.1.4.5 BNM has the right to implement other types of intervention and such intervention may not be stated presently in these Operational Procedures.

75.1.4.6 BNM also has the right to abort the Repo Tender(s) if deemed necessary.

75.1.5 **Tender Result**

75.1.5.1 Once Tender Processing is confirmed, FAST will generate the General Results and Own Results. The Tender Results are accessible immediately by FAST Participants.

75.1.5.2 Tender Results are also broadcasted to the information providers.

75.1.5.3 General Results are accessible to all FAST Participants and the public while Own Results are accessible only to Direct Bidders.

75.1.5.4 Non-FAST Participants are to confirm their results manually with the Direct Bidder(s) that they have submitted their Bids through.

75.1.6 **Settlement**

75.1.6.1 Settlement of all successfully allotted Securities amount by FAST Participants shall be done directly between BNM and individual bidders through RENTAS' Sell-Buyback Repo functionality.

75.1.6.2 Each successfully allotted Securities shall be settled individually, using separate repo transactions in RENTAS. For example, a successful bid consisting of multiple repo collateral would necessitate multiple individual repo transactions in RENTAS. In addition, if Securities are allotted at multiple repo rates (i.e. they are pledged as collateral in multiple successful Bids), their Settlement would also involve separate repo transactions in RENTAS.

75.1.7 Settlement Failure

75.1.7.1 Settlement failures and early termination are addressed in the Master Repo Agreement (GMRA) between BNM and its repo counterparties. If a GMRA has been executed, the GMRA will supersede the Guidelines for Compensation of Delayed or failed Settlements ([Guideline III](#)) contain in this Operational Procedures.

76 Bilateral Repo and Reverse Repo Procedure

76.1 Bilateral repo and reverse repo are Repo Transactions done directly between BNM and a FAST Participant or a selected group of FAST Participants at any point in time within the Business day (including conditions set out under BNM's *Guidelines on Standing Facility*).

76.2 The procedures for bilateral repo and reverse repo transactions under FAST are as follows:

76.2.1 Initiation of Bilateral Repo Transaction

76.2.1.1 Bilateral Repo Transactions in FAST are initiated by BNM either directly or through the Institutional Securities Custodian Program (ISCAP). BNM will specify the respective counterparty in FAST upon initiation of the bilateral Repo Transactions.

76.2.1.2 The terms of any bilateral repo or reverse repo transactions between BNM and Participants are agreed upon in advance via telephone, ISCAP or other form of communications.

76.2.1.3 Repo rates in FAST will be displayed in two (2) decimal places.

76.2.1.4 The possible combinations of repo type, Mode of Offer and Tender Basis for bilateral Repo Transactions under FAST are as follows:

Repo Type	Mode of Tender	Mode of Offer	Action
Reverse repo	Non-competitive (Fixed Rate)	Bilateral	Pledge collateral
Repo	Non-competitive (Fixed Rate)	Bilateral	Confirmation only

76.2.2 Response to Bilateral Repo Transaction

76.2.2.1 BNM shall allow reasonable time for its bilateral repo counterparties to confirm the transaction initiated by BNM in FAST. Bilateral reverse repo counterparties are required to pledge collateral in FAST as agreed in advance with BNM upon initiation of the transactions in FAST.

76.2.2.2 The minimum transaction amounts and multiples for bilateral Repo Transactions are subjected to **Clause 75.1.2.4**.

76.2.2.3 Bilateral reverse repo transactions may also be initiated in the provision of liquidity to counterparties in accordance with BNM's *Guidelines on Standing Facility*. In such instances, the following shall apply:

- i. Minimum bilateral reverse repo amount of RM100,000 of cash amount in terms of first-leg proceeds.
- ii. Counterparty may pledge either single or multiple (up to ten) collaterals in each bilateral transaction. The value of each collateral that is pledged in the bilateral transaction must be a minimum of RM10,000 and in multiples of RM10,000.

76.2.3 Settlement

76.2.3.1 Settlement of all successfully allotted Securities amount by FAST Participants shall be done directly between BNM and individual bidders through RENTAS' Sell-Buyback Repo functionality.

76.2.3.2 Each successfully allotted Securities shall be settled individually, using separate repo transactions in RENTAS. For example, a successful bid consisting of multiple repo collateral would necessitate multiple individual repo

transactions in RENTAS. In addition, if a Securities is allotted at multiple repo rates (i.e. they are pledged as collateral in multiple successful Bids), their Settlement would also involve separate repo transactions in RENTAS.

76.2.4 Settlement Failure

76.2.4.1 Settlement failures and early termination are addressed in the Master Repo Agreement (GMRA) between BNM and its repo counterparties. If a GMRA has been executed, the GMRA will supersede the Guidelines for Compensation of Delayed or Failed Settlements of Securities Transactions (**Guideline III**) contained in these Operational Procedures.

B. PROCEDURES FOR BANK NEGARA MALAYSIA'S SELL AND BUY-BACK AGREEMENT (SBBA) TRANSACTIONS

77 General

77.1 This part outlines the procedures for the conduct and participation of FAST Participants in BNM's SBBA Transactions via FAST. SBBA transactions may be implemented via either of these two (2) modes of offer:

77.1.1 Tender; or

77.1.2 Bilateral transactions with individual counterparties.

78 Assets Eligibility, Margin System and Assets Valuation

78.1 Assets Eligibility

78.1.1 FAST will automatically determine assets eligible for SBBA and reverse SBBA transactions using the following information:

78.1.1.1 Assets eligibility rules as entered by BNM.

78.1.1.2 Assets negative list as entered by BNM.

78.1.1.3 Global settings and ratings mapping as entered by BNM.

78.1.1.4 Any other additional settings and information added into the system from time to time.

78.2 Margin System

78.2.1 A list of margin values will be maintained by BNM in FAST. These margin values will be used as an indicative value of the assets' net price. Different margin values are set according to:

- 78.2.1.1 Chosen margin method.
- 78.2.1.2 Assets backed to the Securities issuance.
- 78.2.1.3 Tenure to maturity.
- 78.2.1.4 Profit rate.
- 78.2.1.5 Assigned credit rating (for corporate Securities only).

78.2.2 BNM may, at its discretion, apply a lower margin, expressed as a percentage of the default margin setting, for Securities to SBBA transactions below a specified tenure. Such settings are set in the margin exception feature of FAST global settings.

78.3 Assets Valuation

78.3.1 FAST will automatically value any eligible pledged assets for SBBA or reverse SBBA transactions within the system using the following information:

- 78.3.1.1 Latest Indicative Yield-to-Maturity for BNM and Malaysian Government Securities.
- 78.3.1.2 Previous day historical prices of individual Securities from ETP.
- 78.3.1.3 Margin settings entered by BNM.
- 78.3.1.4 Yield curves and assets prices updates entered by BNM.
- 78.3.1.5 Global setting and ratings mapping entered by BNM.
- 78.3.1.6 Any other additional settings and information added into the system from time to time.

78.3.2 Any assets pledged are initially valued using its remaining tenure to maturity against the appropriate reference yield curve or any possible valuation methods. The process of linear interpolation or any other methods as specified by BNM from time to time is used to calculate a market price for the assets.

78.3.3 Ratings mapping setting is also entered by BNM to determine:

- 78.3.3.1 Eligibility of assets pledged.
- 78.3.3.2 Appropriate reference yield curve used to value CBS.
- 78.3.3.3 Appropriate margin value applicable to CBS.

- 78.3.4 For Securities traded in ETP the market value shall be updated with either the previous day's closing price, highest price or lowest price traded, depending on BNM's current settings.
- 78.3.5 A margin shall be applied as an indicative value of the net price of the assets.
- 78.3.6 FAST Participants may propose changes to the valuation of any eligible assets for BNM's consideration. If the proposed valuations are agreed upon by BNM, such valuation may be manually updated into FAST to take effect for subsequent SBBA transactions thereafter.
- 78.3.7 FAST Participants are allowed to view the current list of calculated market prices in the system, the table of margin values, the yield curves used in asset pricing and the Global Settings of the system.
- 78.3.8 The above mentioned asset pricing and eligibility rules shall apply equally to all SBBA and reverse SBBA transactions within FAST, whether via Tender or bilateral transactions.

79 SBBA and Reverse SBBA Tender Procedure

79.1 The Tender Procedure for BNM SBBA and Reverse SBBA Tender under FAST is as follows:

79.1.1 Tender Invitation

79.1.1.1 BNM may conduct SBBA Tenders at any point of time within the Business day. BNM may invite for Tenders either on the same day as the Tender is conducted or up to seven (7) days in advance. In the case where the Tender is invited on the same day, BNM will allow what is deemed as sufficient time between invitation and deadline for Submission of Bids.

79.1.1.2 Value date for Settlement of SBBA Tenders can be for:

- i. Same-day value
- ii. Tomorrow value (value tom)
- iii. Standard value (value spot)

iv. Forward value

79.1.1.3 Participation in the SBBA Tenders is only open to all approved Islamic interbank institutions, whether they are FAST Participants or non-FAST Participants.

79.1.2 Submission of Bids

79.1.2.1 All FAST Participants who are Approved Islamic interbank institutions are allowed to participate as Direct Bidders in FAST.

79.1.2.2 Non-FAST Participants who are approved interbank institutions may submit their Bids in FAST through Direct Bidders who are Principal Dealers. Principal Dealers may submit Bids on behalf of non-FAST Participants as customer Bids where the name of the individual customers must be specified.

79.1.2.3 For reverse SBBA Tenders, the exact Bids amount shall be the calculated sum of first-leg proceeds of the pledged assets, which in turn depend on the calculated value of the assets transacted in addition to its accrued profit, if any.

79.1.2.4 All Bids submitted by Direct Bidders and their customers for SBBA transactions must comply with the following requirements:

- i. For SBBA transactions, bidders must bid minimum cash value of RM1 million and in multiples of RM1 million for the first-leg proceeds.
- ii. For reverse SBBA transactions, bidders may transact either single or multiple pledged assets to individual Bids. The minimum bid amount for SBBA Tender is RM1 million in terms of first-leg proceeds.
- iii. Each reverse SBBA bid may consist of up to ten (10) pledged assets and each asset must be a minimum of RM100,000 and in multiples of RM100,000 in terms of nominal amount.
- iv. Multiple pledged assets within single bid must be at the same SBBA rate.

- 79.1.2.5 BNM may reject submitted Bids, which do not comply with the abovementioned requirements.
- 79.1.2.6 Direct Bidders are to submit Bids containing SBBA rates of up to two (2) decimal places only.
- 79.1.2.7 All Bids either from Direct Bidders or Indirect Bidders must be submitted to BNM via FAST before the Tender Closing Time as specified by BNM.
- 79.1.2.8 The possible combinations of SBBA type, Mode of Offer and Tender Basis for SBBA Tenders under FAST are as follows:

SBBA Type	Mode of Tender	Mode of Offer	Tender Basis
SBBA	Competitive	Tender	SBBA rate
SBBA	Non-competitive	Tender	Amount
Reverse SBBA	Competitive	Tender	SBBA rate
Reverse SBBA	Non-competitive	Tender	Amount

- 79.1.2.9 SBBA rates within the system will be displayed in two (2) decimal places.
- 79.1.2.10 Bids submitted and accepted in FAST are final and irrevocable. Bidders must honour their Bids if their Bids are within the successful range and accepted for successful Allotment.
- 79.1.2.11 Should bidders encounter system difficulties during Submission of Bids, bidders should immediately check with BNM the status of submission before re-sending Bids to avoid duplication of submission.

79.1.3 Tender Processing

- 79.1.3.1 Tender Processing is where the sorting of the received Bids submitted by Direct Bidders and Indirect Bidders is carried out for acceptance. Bids are ordered by the SBBA rate, followed by its applied valuation (which proxies the risk of the transacted Securities), then by the bid amount.
- 79.1.3.2 For the competitive SBBA Tender process, Bids displayed in the Bidding Report will be sorted in ascending order of SBBA rate for SBBA or in descending order of SBBA rate for Reverse SBBA until the amount on Tender is fully taken up.
- 79.1.3.3 Allotment for both SBBA and reverse SBBA Tender to the successful bidders Tendered through FAST will be in multiples of RM100,000 of the nominal amount. Allotment at cut-off will be in multiples of RM100,000 of the nominal amount.
- 79.1.3.4 The total proceeds at Allotment will be determined by the price of transacted pledged assets in the successful Bids and its accrued profit. FAST will automatically allocate among the successful bidders to arrive at the targeted amount set at the "Tender Invitation" screen and any intervention as set by BNM as FAs.

79.1.4 Intervention by Issuers or FAs

- 79.1.4.1 Under FAST, BNM as FAs is allowed to intervene during the Tender Processing as follows:
- i. Downsizing and upsizing of the total Issue amount individually or in combination. For reverse SBBA Tender, upsizing of the Issue amount is subject to the availability of Bids by the Bidders. For SBBA Tenders, upsizing of the Issue amount is also subject to the availability of additional transacted assets by BNM.
 - ii. Changing the Maximum Allotment Limit to each bidder. The Maximum Allotment Limit is the maximum

successful amount allotted to a single Bidder within the Tender.

- iii. Targeting the range of successful SBBA rates by changing the Issue size, changing the Maximum Allotment Limit or a combination of both methods.
- iv. Manually set Allotment amount to individual Bidders.
- v. To abort any bid if deemed necessary.
- vi. BNM has the right to implement other types of intervention and such intervention may not be stated presently in these Operational Procedures.
- vii. BNM also has the right to abort the SBBA Tender(s) if deemed necessary.

79.1.5 Tender Result

- 79.1.5.1 Once Tender Processing is confirmed, FAST will generate the General Results and Individual Results. The on-line Tender Results are accessible without any downloading procedure.
- 79.1.5.2 The Tender Results are broadcasted through FAST and Islamic Interbank Money Market Website (<http://iimm.bnm.gov.my/>).
- 79.1.5.3 General Results are accessible to all FAST Participants. Direct Bidders may retrieve their Own Results and results for Indirect Bidders who submitted Bids through them. These Indirect Bidders will also be able to view their individual results via FAST.
- 79.1.5.4 For successful Bids, Direct Bidders shall print via FAST the Sales & Purchase Agreement for their own Bids and for their customers' Bids.

80 Bilateral SBBA and Reverse SBBA Procedure

80.1 Bilateral SBBA and reverse SBBA transactions are SBBA transactions done directly between BNM and FAST Participant or a selected group of FAST Participants. The procedures for bilateral SBBA and reverse SBBA transactions under FAST are as follows:

80.1.1 Initiation of Bilateral SBBA

80.1.1.1 Bilateral SBBA transactions in FAST are initiated by BNM. BNM will specify the respective counterparties in FAST upon initiation of the bilateral SBBA transactions.

80.1.1.2 The terms of any bilateral SBBA and reverse SBBA transaction between Participants and BNM are agreed upon in advance via telephone or other forms of communication or system.

80.1.1.3 SBBA rates in FAST will be displayed in two (2) decimal places.

80.1.1.4 The possible combinations of SBBA type, Mode of Offer and Tender Basis for Bilateral SBBA transactions under FAST are as follows:

SBBA Type	Mode of Tender	Mode of Offer	Action
SBBA	Non-competitive (Fixed Rate)	Bilateral	Confirmation only
Reverse SBBA	Non-competitive (Fixed Rate)	Bilateral	Assets pledged

80.1.2 Response to Bilateral SBBA and Reverse SBBA

80.1.2.1 BNM shall allow reasonable time for its bilateral SBBA counterparties to respond to any bilateral SBBA or reverse SBBA transactions. Bilateral reverse SBBA counterparties are required to pledge assets in FAST as agreed in advance with BNM upon initiation of the transactions in FAST.

- 80.1.2.2 The minimum transaction amounts and multiples for Bilateral SBBA transactions are subjected to **Clause 79.1.2.4**.

81 Settlement

- 81.1 Settlement of all successfully allotted amounts by both FAST and Non-FAST Participants shall be done directly between BNM and individual Bidders through RENTAS' Sell-Buyback SBBA functionality.
- 81.2 Each successfully allotted pledged asset shall be settled individually, using separate SBBA transactions in RENTAS. For example, a successful bid consisting of multiple SBBA pledged assets would necessitate multiple individual SBBA transactions in RENTAS. In addition, if an asset is allotted at multiple SBBA rates (i.e. transacted as pledged assets in multiple successful Bids), their Settlement would also involve separate SBBA transactions in RENTAS.

82 Settlement Failure

- 82.1 The process of Settlement failures is addressed in detail as follows:

82.1.1 First Leg Settlement Failure

- 82.1.1.1 This refers to the non-Settlement of the SBBA 1st leg transaction due to either:

- i. Lack of asset by SBBA seller; or
- ii. Lack of funds by SBBA buyer; or
- iii. Any other events that result in non-settlement of the transaction.

- 82.1.1.2 If Settlement failure is due to lack of funds by the SBBA buyer, the seller has the right to claim compensation from the SBBA buyer. The compensation charges will be calculated based on the successful profit rate, being the opportunity cost incurred by the SBBA seller had he invested the funds in the market, which would generate the same return as the profit rate. The amount shall be computed as follows:

$$\text{Compensation for 1st Leg Settlement Failure} = \frac{\text{Profit Rate}}{100} \times \frac{K}{365} \times \text{1st Leg Proceeds}$$

Where K = no of days between date of non-Settlement and the payment date of compensation amount (equal to one day if the amount is paid on the same date as the non-Settlement date)

If the non-Settlement of the SBBA 1st leg transaction occurs due to the lack of asset by SBBA seller, the SBBA buyer shall have the right to claim based on replacement cost' which may be expressed as a lump-sum compensation amount.

82.1.1.3 The effects of non-Settlement of the 1st leg transaction is as follows:

- i. A non-settled transaction will be deemed to have been cancelled, as there is no delayed Settlement.
- ii. The outstanding position of any failed SBBA transaction will be removed from RENTAS.
- iii. Settlement of compensation amount is done outside RENTAS.

82.1.2 Second Leg Settlement Failure

82.1.2.1 On maturity date of the 2nd leg transaction, the SBBA buyer has the right to decide whether to sell back the asset to the SBBA seller. If the SBBA buyer decides not to sell back the asset, there will be no 2nd leg Settlement and the 1st leg transaction will constitute as an outright sale. The failed 2nd leg transaction will be removed from RENTAS. However, the SBBA seller will have the right to claim compensation from the SBBA buyer based on the "replacement" cost.

82.1.2.2 If the SBBA buyer decides to sell back the asset on maturity date, but Settlement failed due to the SBBA seller's lack of funds, the SBBA buyer will have the right to claim compensation from the SBBA seller. The compensation

amount will be calculated based on the successful profit rate the SBBA buyer will get from the trading as follows:

Compensation for 2 nd Leg Settlement Failure	=	$\frac{\text{Profit Rate}}{100}$	x	$\frac{K}{365}$	x	2 nd Leg Proceeds
Where K = no of days between date of non-Settlement and the payment date of compensation amount (equal to one day if the amount is paid on the same date as the non-Settlement date)						

82.1.2.3 The effects of non-Settlement of the 2nd leg transaction is as follows:

For SBBA buyer who decides not to sell back the asset:

- i. 2nd leg transaction is cancelled.
- ii. 1st leg transaction is therefore treated as an outright sale.
- iii. SBBA seller has the right to claim compensation from the SBBA buyer, if the SBBA seller incurred losses (replacement cost).

For SBBA seller if the SBBA buyer decides to sell backs the asset:

- i. SBBA buyer can claim compensation based on the opportunity cost calculated based on the loss of income as stipulated in **Clause 82.1.2.2**.
- ii. A non-settled transaction will be deemed as a delayed Settlement.
- iii. The outstanding position of any failed 2nd leg transaction will be removed from RENTAS.
- iv. Settlement of the delayed 2nd leg transaction and any compensation amount is done outside the system.

82.2 Participants may view their own list of non-settled transactions within the system by choosing the "Settlement Failure Menu Option" in FAST.

PART IX HOLIDAY CONVENTION

83 Business Day

- 83.1 The definition of Business day is as defined in **Clause 58.7**.
- 83.2 In relation to Debt Securities operation and processing, the following dates must fall on Business days:
- 83.2.1 Tender Opening Date.
 - 83.2.2 Tender Closing Date.
 - 83.2.3 Issue Date.
 - 83.2.4 Coupon Payment Date.
 - 83.2.5 Maturity Date of Debt Securities.
 - 83.2.6 Early and Partial Redemption Date.
 - 83.2.7 Maturity Date of Debt Facilities.
- 83.3 The maturity date for long term Debt Securities (defined as Securities issued with maturity more than one year) shall be the anniversary of the date of Issue.

84 Tender Closing Date and Issue Date

- 84.1 When Tender Closing Date falls on Unexpected Holiday, the Tender Closing Date shall fall on the next Business day. Under these circumstances, the Tender Closing Date may fall on the same day as the Issue date and the following deadlines are applicable for Allotment of Specified RENTAS Securities to the Principal Dealers on Issue date:

Activities	Time
Tender Closing Time	10:30am
Announcement of Tender Results	11:30am
Allotment via Tender or Private Placement by FAs	12:30pm
Initiation Settlements of Allotment proceeds in RENTAS	2:30pm
Settlements of Allotment proceeds by Principal Dealers	3:30pm
Re-allotment advice to subscribers	3:30pm
Payment of Allotment proceeds to Issuers' banker	4:30pm

84.1.1 In the event the Principal Dealers fail to settle by 3:30pm, Allotment transaction will be manually cancelled by BNM.

84.1.2 FAs shall underwrite the unsettled allotted Debt Securities, and on the next Business day, FAs shall construct re-Allotment advices to the affected Principal Dealers with penalty or compensation charges.

84.2 For Non-Specified RENTAS Securities which are underwritten, when Tender Closing Date falls on Unexpected Holiday, the Tender Closing Date shall fall on the next Business day. Under these circumstances, the cut-off time for Allotment of Debt Securities to the subscribers on Tender Closing Date or Issue Date are as follows:

Activities	Time
Tender Closing Time	10:30am
Announcement of Tender Results and Allotment via Tender or Private Placement by FAs	12:30pm
Initiation Settlements of Allotment proceeds in RENTAS	2:30pm
Settlements of Allotment proceeds by SSDS Participants	3:30pm
Re-allotment advice to subscribers	3:30pm
Payment of Allotment proceeds to Issuers' banker	4:30pm

84.2.1 In the event the subscribers fail to settle by 3:30pm, the pending Allotment transaction will be manually cancelled by BNM.

84.2.2 Once the queues have been cancelled, FAs shall construct DvP sale or transfer advices for the unsettled allotted Debt Securities to the underwriters at their underwritten cost.

84.2.3 The underwriters shall settle Allotment proceeds by 4:30pm. FAs shall pay the proceeds to Issuers' banker by 5:00pm.

84.2.4 For revolving Debt Securities (i.e. scripless Commercial Papers) on the rollover date, FAs shall remit Redemption proceeds to Paying Agent by 5:00pm on Redemption Date, after receiving Allotment proceeds for the new Debt Securities.

84.2.5 Subject to the receipt of Redemption proceeds from FAs and the availability of Securities in the holders' Securities Accounts, Paying Agent shall execute Redemption process of maturing Debt Securities by 5:00pm on the rollover date.

84.3 For Non-Specified RENTAS Securities which are not underwritten, when Tender Closing Date falls on Unexpected Holiday, the Tender Closing Date shall fall on the next Business day. Under these circumstances, the deadlines for Allotment of Debt Securities to subscribers on Tender Closing Date or Issue Date are as follows:

Activities	Time
Tender Closing Time	10:30am
Announcement of Tender Results and Allotment via Tender or Private Placement by FAs	12:30pm
Initiation Settlements of Allotment proceeds in RENTAS	2:30pm
Settlements of Allotment proceeds by SSDS Participants	3:30pm
Re-allotment advice to subscribers	3:30pm
Payment of Allotment proceeds to Issuers' banker	4:30pm

84.3.1 If the subscribers fail to settle by 3:30pm, the pending Allotment transaction shall continue to queue until 4:30pm.

84.3.2 Payment by subscribers after 3:30pm but before 4:30pm shall be deemed as delayed trade and compensation will be imposed accordingly.

84.3.3 In the event the subscribers fail to settle Allotment proceeds by 4:30pm, the pending transaction will be manually cancelled by BNM.

84.3.4 For revolving Debt Securities (i.e. scripless Commercial Papers) on the rollover date, FAs shall remit Redemption proceeds to Paying Agent no later than 5:00pm on Redemption Date, after receiving the proceeds Allotment for the new Debt Securities.

84.3.5 Subject to the receipt of Redemption proceeds from FAs and the availability of Debt Securities in the holders' Securities Accounts,

Paying Agent shall execute Redemption process of maturing Securities by 5:00pm on the rollover date.

84.4 If the Issue date falls on an Unexpected Holiday:

84.4.1 Settlement for the Tender or Private Placement will be postponed to the next Business day without any adjustment to the proceeds.

84.4.2 Allotment for the Debt Securities shall be the next Business day with the Issue date and maturity date remain unchanged.

84.5 If both Tender Closing Date and Issue date falls on Unexpected Holidays:

84.5.1 Both the Tender Closing Date and Issue Date shall fall on the next Business day with tenure and the calculation of proceeds adjusted accordingly.

85 Coupon / Interest / Dividend Profit Payment Date and Redemption Date

85.1 Islamic or Conventional Specified RENTAS Securities

Coupon Payment Date and Redemption Date shall be guided by the following Clauses in the event that the original Coupon Payment Date or Redemption Date falls on holidays:

85.1.1 For an Expected Holiday, Coupon proceeds shall be paid on the next Business day regardless of whether the next Business day crosses into the next month.

85.1.2 Redemption proceeds (including the last Coupon Payment Date or Secondary Note maturity date) shall be paid on the next Business day.

85.1.3 For an unexpected holiday, the payment of Coupon (including Secondary Notes maturity dates) and Redemption proceeds shall be the next Business day.

85.1.4 The Coupon period shall be based on the fixed Coupon Payment Dates, unadjusted for expected or unexpected holiday. Hence the Coupon proceeds will not be adjusted for any holiday.

85.2 Conventional Corporate Bonds

Coupon Payment Date and Redemption Date shall be guided by the following Clauses in the event that the original Coupon Payment Date or Redemption Date falls on holidays:

85.2.1 For an expected holiday:

85.2.1.1 Coupon proceeds (including Secondary Note maturity date) shall be paid on the next Business day if the latter falls within the same month. If the next Business day falls into the next month, Coupon Payment Date (including Secondary Notes maturity date) shall be the preceding Business day in the current month.

85.2.1.2 For Redemption (including the last Coupon Payment Date / including Secondary Notes maturity date), the proceeds shall be paid on the preceding Business day.

85.2.2 For an unexpected holiday:

85.2.2.1 Coupon Payment Date (including Secondary Notes maturity date) and Redemption Date shall be the next Business day, irrespective of whether or not it falls into the next month.

85.2.2.2 For any adjustment of payment date, Coupon proceeds shall be adjusted accordingly.

85.2.3 For Foreign Currency Conventional Corporate Bonds:

In the event that a Coupon Payment Date or Redemption Date falls on a holiday, whether expected or unexpected, the coupon or redemption proceeds calculated up to the Coupon Payment Date or Redemption Date, would by default be made on the next Business day. Notwithstanding the above, Issuers or FAs may opt for different holiday conventions, and such conventions shall be disclosed in the relevant offering documents for the Debt Securities.

85.3 Sukuk

The dividend date and / or Redemption Date shall be guided by the following Clauses in the event that the original dividend date or Redemption Date falls on holidays:

85.3.1 For an expected holiday:

85.3.1.1 Coupon Payment Date (including Secondary Notes maturity date) shall be the next Business day, if the latter falls within the same month. If the next Business day falls into the next month, the dividend payment date (including Secondary Notes maturity date) shall be the preceding Business day in the current month.

85.3.1.2 For Redemption (including the last dividend date / including Secondary Notes maturity date), if it falls on an expected holiday, the proceeds shall be paid on the preceding Business day.

85.3.2 For an unexpected holiday:

85.3.2.1 Coupon Payment Date and Redemption Date shall be the next Business day, irrespective of whether or not it falls into the next month.

85.3.2.2 For any adjustment of payment date, the dividend shall be adjusted accordingly according to the terms and conditions of the issuances.

85.3.3 For Foreign Currency Sukuk:

In the event that a Coupon Payment Date or Redemption Date falls on a holiday, whether expected or unexpected, the coupon or redemption proceeds calculated up to the Coupon Payment Date or Redemption Date, would by default be made on the next Business day. Notwithstanding the above, Issuers or FAs may opt for different holiday conventions, and such conventions shall be disclosed in the relevant offering documents for the Debt Securities.

PART X MANUAL BACK-UP PROCEDURES

86 General

- 86.1 Manual back-up system is required in the event of any failure that affects the ability of Participants to connect to FAST.
- 86.2 Manual back-up would only be initiated in situations of a full disaster or partial disaster. However, BNM reserves the right not to provide manual back-up services to any Participant if such Participant fails to comply with the requirements specified in this Operational Procedures.

87 Full Disaster and Partial Disaster

- 87.1 BNM will declare a full disaster in the following situations:
- 87.1.1 When there is a failure or breakdown at FAST; or
 - 87.1.2 Where, in the opinion of BNM, the circumstances warrant activation of manual back-up.
- 87.2 Under these circumstances, BNM will inform Participants of the situation and further actions to be taken.
- 87.3 A partial disaster situation could happen under three (3) scenarios:
- 87.3.1 When manual back-up is required by FAs in the event that FAST is down at FAs' premises.
 - 87.3.2 When manual back-up is required by Indirect Bidders, in the event that FAST is down at Indirect Bidders' premises.
 - 87.3.3 When manual back-up is required by Direct Bidders, in the event that FAST is down at Direct Bidders' premise.
- 87.4 The affected FAs must inform BNM should the partial disaster occur, while the affected Direct and Indirect Bidders must inform the FAs.
- 87.5 In the event a Participant has exhausted all means to access FAST, the Participant may request to activate the FAST contingency terminals at BNM's

designated premise as the last resort. BNM reserves the right to grant or reject the request.

88 Manual Back-up Procedure for FAs

- 88.1 All FAs are advised to establish back-up procedures to process Tenders and create Private Placement Allotment. The procedures for manual back-up Tender by FAs are not covered under these Operational Procedures as these fall under the purview of FAs.
- 88.2 If FAs are unable to connect to FAST, FAs shall inform Direct Bidders of the situation and advise them on the back-up action plan.

89 Manual Back-up Procedure for Direct Bidder and Indirect Bidder

- 89.1 Manual Back-up is required for Direct Bidders if Direct Bidders cannot access FAST. Under such circumstances, the affected Direct Bidders can submit Bids to FAs who will enter the Bids into FAST on the Direct Bidders' behalf.
- 89.2 In the event that Indirect Bidders cannot access FAST, the affected Indirect Bidders must inform their respective Direct Bidders accordingly and submit Bids to Direct Bidders who will enter the Bids into FAST on the Indirect Bidders' behalf.
- 89.3 Bidders may use the manual Tender form in [Appendix VII](#) to submit their Bids. For Money Market Tenders, the manual Tender forms will be distributed by BNM.
- 89.4 If Direct Bidders encounter problems that prevent Bids submission at the eleventh hour on the Tender Closing Date, Direct Bidders are allowed to submit their Bids by facsimile to FAs using the printed copy of Bids creation from FAST, duly signed by the authorised signatories. The Bids are regarded as valid Bids and must be received no later than 12:00 noon on the Tender Closing Date. Direct Bidders are required to inform FAs on their intention to activate this manual method of submission before the cut-off time of 11:30am.
- 89.5 For Specified RENTAS Securities and Money Market Tenders tendered through Principal Dealer's network, the authorised signatories must be the authorised

approver of FAST transactions i.e. the approving officers who hold i-VEST smart cards.

- 89.6 For Money Market Tenders, the facsimile copy of the manual Tender form must be authenticated by the Direct Bidder's authorised signatories and has to be submitted to FAs no later than 5:00pm on Tender Closing Date.

90 Manual Back-up Procedures for Money Market Tender and Repo Tender

- 90.1 FAST Participants will resort to the following manual back-up procedures if BNM declares that FAST is unavailable for Money Market Tender:

90.1.1 For Conventional Money Market Tender and Repo Tender:

- 90.1.1.1 BNM will inform Tender Participants through information providers (e.g. Bloomberg or Reuters) that Money Market Tenders will be conducted either via facsimile, e-mail or telephone.
- 90.1.1.2 Non-Principal Dealers are to submit their Bids manually to Principal Dealers.
- 90.1.1.3 Principal Dealers shall consolidate these Bids with their own Bids and submit manually either via facsimile, e-mail or telephone to BNM.
- 90.1.1.4 BNM will process the Tenders manually and transmit the general results to the information providers.
- 90.1.1.5 Principal Dealers are to confirm the individual Tender Results either via facsimile, e-mail or telephone with BNM.
- 90.1.1.6 Non-Principal Dealers are to confirm their individual Tender Result manually either via facsimile, e-mail or telephone with their Principal Dealers or BNM.

90.1.2 For Islamic Money Market Tender and SBBA Tender:

- 90.1.2.1 BNM will inform Tender Participants through information providers (e.g. Bloomberg, Reuters) that Money Market

Tenders will be conducted either via facsimile, e-mail or telephone.

90.1.2.2 Both Principal Dealers and Non-Principal Dealers should submit their Bids manually either via facsimile, e-mail or via telephone to BNM.

90.1.2.3 BNM will process the Tenders manually and transmit the general results via information providers.

90.1.2.4 Both Principal Dealers and non-Principal Dealers are to confirm the individual Tender Results either via facsimile, e-mail or telephone with BNM.

90.2 In cases where problems accessing FAST is localised to only individual FAST Participants or to a small group of FAST Participants, these affected Participants are to follow the following manual back-up procedures:

90.2.1 For Conventional Money Market Tender and Repo Tender:

90.2.1.1 Affected FAST Participants who are non-Principal Dealers are to submit manually to a Principal Dealer, who will enter the Bids into FAST on their behalf.

90.2.1.2 Affected FAST Participants who are Principal Dealers are to submit manually to BNM their own Bids or seek assistance from other Principal Dealers to enter the Bids into FAST on their behalf.

90.2.2 For Islamic Money Market Tender and SBBA Tender:

90.2.2.1 Affected FAST Participants, whether or not they are Principal Dealers, are to submit manually to other Principal Dealers, who will enter the Bids into FAST on their behalf.

PART XI INCIDENT REPORT

91 General

- 91.1 FAST Participants who fail to provide or update accurate information that affect Settlement processing of Allotments, Coupons and Redemptions are required to submit an Incident Report to BNM via email within seven (7) calendar days from the incident date. The incident report template is available in [Appendix XIV](#).

GUIDELINES

Guideline I List of Critical Information in FAST

- 1.0 Change in the critical information listed in 3.0 below is subject to the discretion and approval from BNM. BNM reserves the right to reject the request if the change affects information consistency, accuracy or integrity in RENTAS. The request is subject to the fees specified in [Appendix II A 3.0](#).
- 2.0 Facility Agents shall submit the FAST / eSSDS – Parameter Update Form as per [Appendix IX](#) by giving at least two (2) Business days before the corporate action date.
- 3.0 The list of critical information is as follows:
 - 3.1 Debt Facilities Information
 - 3.1.1 Facility Agent
 - 3.1.2 Facility Limit
 - 3.1.3 Lead Arranger
 - 3.1.4 Suspended Facility
 - 3.1.5 Maturity Date
 - 3.1.6 Bullet/Revolving
 - 3.2 Debt Securities Information
 - 3.2.1 Inherit from Instrument
 - 3.2.2 Issue Date
 - 3.2.3 Issue Amount
 - 3.2.4 Maturity Date
 - 3.2.5 Outstanding Amount
 - 3.2.6 Qualify for Intraday Credit - Eligible for Repo
 - 3.2.7 Qualify for Intraday Credit - Net Price
 - 3.2.8 Qualify for Intraday Credit
 - 3.2.9 Revised Issue Date
 - 3.2.10 Stock Short Name
 - 3.2.11 Stock Status
 - 3.2.12 Suspension Date
 - 3.2.13 Withholding Tax
 - 3.2.14 Optional Maturity Date
 - 3.2.15 Payment Account
 - 3.2.16 Payment Activation

- 3.2.17 Primary Stock Code
- 3.2.18 Requotation Date
- 3.2.19 RENTAS Interest Payment Category
- 3.2.20 Rounding Rule
- 3.2.21 S/N Ratio %
- 3.2.22 Stock Category
- 3.2.23 Stock Classification
- 3.2.24 REPO - Allow movement of suspended Securities
- 3.2.25 REPO - Qualify for Repo (Collateral)
- 3.2.26 REPO / SBBA proceeds formula
- 3.2.27 SBL - Allow movement of suspended Securities
- 3.2.28 SBL - Qualify for SBL (Collateral)
- 3.2.29 SBL - Qualify for SBL (Loan)
- 3.2.30 Bullet/Revolving Indicator

Guideline II Calculation of Interest, Accrued Interest and Redemption Proceeds

1. Coupon Bearing Specified RENTAS Securities

1.1 The proceeds formula for Coupon bearing Specified RENTAS Securities is as follows:

$$\begin{aligned} \text{Proceeds} &= \text{Principal} + \text{Accrued Interest} \\ &= \left(\frac{FV \times P}{100} \right) + FV \left(\frac{c}{n} \times \frac{t}{E} \right) \end{aligned}$$

Where,

FV	=	face value or nominal amount of bonds
P	=	price of bonds per RM100
c	=	Coupon rate per cent per annum (5 decimal places)
n	=	frequency of Coupon Payment per annum
t	=	number of days from the last Coupon Payment Date to the Settlement / next Coupon Payment Date
E	=	number of days in the Coupon period in which Settlement takes place

1.2 The calculation of interest and accrued interest is as follows:

$$\text{Interest} = FV \left(\frac{c}{n} \times \frac{t}{E} \right)$$

Where,

FV	=	face value or nominal amount of bonds
c	=	Coupon rate in per cent per annum (5 decimal places)
n	=	frequency of Coupon Payment per annum
t	=	number of days from the last Coupon Payment Date to the Settlement / next Coupon Payment Date
E	=	number of days in the Coupon period in which Settlement takes place

1.3 The calculation of price (calendar-to-calendar) is as follows:

$$\begin{aligned}
 \text{Price (P)} &= \left\{ \begin{array}{l} \text{Discounted Value} \\ \text{of Redemption} \\ \text{Value At Maturity} \end{array} \right\} + \left\{ \begin{array}{l} \text{Discounted Value} \\ \text{of Stream of} \\ \text{Interest Payments} \end{array} \right\} \\
 &= \left\{ \frac{RV}{\left[1 + \frac{r}{200}\right]^{N-1+T/E}} \right\} + \left\{ \sum_{K=1}^N \frac{C/2}{\left[1 + \frac{r}{200}\right]^{K-1+T/E}} \right\}
 \end{aligned}$$

Where,

FV	=	Face value
RV	=	Redemption value (= FV, if Redemption is at par)
C	=	Coupon rate
r	=	market yield for a similar maturity period
N	=	Number of semi-annual interest payments between the value date and maturity date
T	=	Number of days from the value date to the next interest payment date.
E	=	Number of days in the Coupon period in which Settlement takes place

The above formula on proceeds of Tender is currently being used for new issues of MGS / profit-based GII. The Coupon / return rate is fixed based upon the weighted average of successful rate of Tender.

2. Discounted Specified and Non-Specified RENTAS Securities

2.1 The proceeds formula for discounted Specified and Non-Specified RENTAS Securities are as follows:

$$\text{Proceeds} = FV \left(1 - \frac{r \times T_m}{36500} \right)$$

Where,

FV	=	face value
r	=	annual rate of discount (or yield)
T _m	=	number of days to maturity

3. Coupon Bearing Non-Specified RENTAS Securities

3.1 The formula for Coupon bearing scripless Non-Specified RENTAS Securities shall be guided by formula below.

- 3.2 The proceeds formula for Coupon bearing Non-Specified RENTAS Securities is as follows:

$$\begin{aligned} \text{Proceeds} &= \text{Principal} + \text{Accrued Interest} \\ &= \left(\frac{FV \times P}{100} \right) + FV \left(c \times \frac{t}{365} \right) \end{aligned}$$

Where,

- FV = face value or nominal amount of bonds
P = price of bonds per RM100
t = number of days from the last Coupon Payment Date to the Settlement / next Coupon Payment Date
c = Coupon rate in per cent per annum (5 decimal places)

- 3.3 The calculation of interest and accrued interest is as follows:

$$\text{Interest} = FV \left(c \times \frac{t}{365} \right)$$

Where,

- FV = face value or nominal amount of bonds
t = number of days from the last Coupon Payment Date to the Settlement / next Coupon Payment Date
c = Coupon rate in per cent per annum (5 decimal places)

- 3.4 The proceeds formula for Non-Specified RENTAS Securities, where the Coupons are detachable, is as follows:

$$\text{Proceeds} = FV \times \frac{P}{100}$$

Where,

- FV = face value or nominal amount of bonds
P = price of bonds per RM100

4. Fixed Rate Formula (Irregular) for Long Term Non-Specified RENTAS Securities

- 4.1 The formula for Non-Specified RENTAS Securities with irregular Coupon Payment Date, is as follows:

$$\begin{aligned}
\text{Price (P)} &= \left\{ \begin{array}{l} \text{Discounted Value} \\ \text{of Redemption} \\ \text{Value At Maturity} \end{array} \right\} + \left\{ \begin{array}{l} \text{Discounted Value} \\ \text{of Stream of Coupon} \\ \text{Payments, except} \\ \text{the First Payment} \end{array} \right\} \\
&+ \left\{ \begin{array}{l} \text{Discounted Value} \\ \text{of First} \\ \text{Coupon Payment} \end{array} \right\} \\
&= \left\{ \frac{RV}{\left[1 + \frac{r}{200}\right]^{N-1+T/E}} \right\} + \left\{ \sum_{K=2}^N \frac{C/2}{\left[1 + \frac{r}{200}\right]^{K-1+T/E}} \right\} \\
&+ \left\{ \frac{FV \left[\frac{c}{200} \times \frac{DIF}{E} \right]}{\left[1 + \frac{r}{200}\right]^{T/E}} \right\}
\end{aligned}$$

Where,

FV	=	Face Value
RV	=	Redemption value (=FV, if Redemption is at par)
C	=	Coupon rate
r	=	market yield for similar maturity period as Securities
N	=	Number of semi-annual interest payments between the value date and maturity date
E	=	Number of days in the assumed first normal interest period of 6 months
T	=	Number of days from the value date to the next interest payment date
DIF	=	Number of days from the issue date to the first interest payment date, which can be less than or more than the normal first interest payment period of 6 months

This formula is applicable for calculation of proceeds for new issues of Cagamas Fixed Rate Bonds, Corporate bonds and Medium Term Note, which are issued not on calendar-to-calendar basis. Similarly, the Coupon is fixed based upon the weighted average of successful rate of Tender.

5. Short Term Coupon Bearing Notes

5.1 The proceeds formula for short term Coupon bearing Non-Specified RENTAS Securities is as follows:

$$\text{Price (P)} = \frac{RV}{\left[1 + \frac{r}{100(n)}\right]^{N-1+T/E}} + \sum_{K=1}^N \frac{C/n}{\left[1 + \frac{r}{100(n)}\right]^{N-1+T/E}}$$

Where,

- RV = Ringgit price per RM100 face value
 C = Coupon rate (weighted average)
 r = market yield for a similar maturity period
 N = Number of interest payments between the value date and maturity date
 E = Number of days in Coupon period in which Settlement takes place (tenor)
 T = Number of days between the value date to the next interest payment date
 n = Number of interest payment in a year

6. Zero Coupon Non-Specified RENTAS Securities

6.1 The proceeds formula for zero Coupon Non-Specified RENTAS Securities is as follows:

$$\text{Proceeds} = FV \times \frac{P}{100}$$

Where,

- FV = face value or nominal amount of bonds
 P = price of bonds per RM100

6.2 The price formula for zero Coupon Non-Specified RENTAS Securities is as follows:

$$P = \frac{NV}{\left(1 + \frac{r}{200}\right)^{N-1+T/E}}$$

Where,

- P = Price
 NV = the Nominal Value
 r = the applicable rate at which the offer was accepted (expressed to three decimal places)
 N = number of semi-annual interest payments between the value date and the maturity date

- T = Number of days from the value date to the next semi annual Coupon Payment Date
- E = Number of days in the assumed first normal interest period of 6 months

7. Sukuk

7.1 The formula for scripless Islamic Non-Specified RENTAS Securities issues shall be guided by the formula below.

7.2 The proceeds formula for dividend bearing Islamic Non-Specified RENTAS Securities, where the Secondary Notes are created, is as follows:

$$\text{Proceeds} = FV \times \frac{P}{100}$$

Where,

FV = face value or nominal amount of bonds

P = price of bonds per RM100

7.3 The proceeds formula for dividend bearing Islamic Non-Specified RENTAS Securities, where the Secondary Notes are not created, is as follows:

$$\begin{aligned} \text{Proceeds} &= \text{Principal} + \text{Accrued Dividend} \\ &= \left(\frac{FV \times P}{100} \right) + FV \left(c \times \frac{t}{365} \right) \end{aligned}$$

Where,

FV = face value or nominal amount of bonds

P = price of bonds per RM100

c = dividend rate per cent per annum (5 decimal places)

t = number of days from the last dividend date to the Settlement date

7.4 The formula for the calculation of the dividend / accrued dividend, where the Secondary Notes are not created, is as follows:

$$\text{Dividend} = FV \left(c \times \frac{t}{365} \right)$$

Where,

FV = face value or nominal amount of bonds

c = dividend rate in per cent per annum (5 decimal places)

t = number of days from the last dividend date to the Settlement / next dividend date

8. Treatment of Leap Year

8.1 In a leap year, t would still be calculated from the last Coupon / dividend date to the next Coupon / dividend payment date.

$$\text{Coupon / Dividend} = FV \left(c \times \frac{t}{365} \right)$$

Where,

FV = face value or nominal amount of Securities

t = number of days from the last Coupon / dividend date to the next Coupon / dividend payment date

c = Coupon rate in per cent per annum (5 decimal places)

Example

Nominal amount of Securities	5 million
Coupon / Dividend rate	8% p.a.
Coupon / Dividend frequency	Semi-annual
Coupon / Dividend payments dates	02 June and 02 December

(i) Leap Year

First semi-annual Coupon / dividend in 2000

t_1 = number of days from last Coupon / dividend date to next Coupon / dividend date
(2nd December 1999 – 2nd June 2000)
= 183 days

$$\begin{aligned} \text{Coupon / Dividend} &= RM5,000,000 \left(0.08 \times \frac{183}{365} \right) \\ &= RM200,547.95 \end{aligned}$$

Second semi-annual Coupon / dividend in 2000

t_2 = number of days from last Coupon / dividend date to next Coupon / dividend date
(2nd Jun 2000 – 2nd Dec 2000)
= 183 days

$$\begin{aligned} \text{Coupon / Dividend} &= RM5,000,000 \left(0.08 \times \frac{183}{365} \right) \\ &= RM200,547.95 \end{aligned}$$

Total Coupon / dividend payable in 2000 = RM401,095.90 (366 days)

(ii) Non Leap Year

First semi-annual Coupon / dividend in 2001:

$$\begin{aligned}
 t_3 &= \text{number of days from last Coupon / dividend} \\
 &\quad \text{date to next Coupon / dividend date} \\
 &\quad (2^{\text{nd}} \text{ December 2000} - 4^{\text{th}} \text{ June 2001}) \\
 &= 184 \text{ days (note: } 2^{\text{nd}} \text{ June 2001 is a Saturday)} \\
 \text{Coupon / Dividend} &= RM5,000,000 \left(0.08 \times \frac{184}{365} \right) \\
 &= RM201,643.84
 \end{aligned}$$

Second semi-annual Coupon in 2001:

$$\begin{aligned}
 t_4 &= \text{number of days from last Coupon / dividend} \\
 &\quad \text{date to next Coupon / dividend date} \\
 &\quad (4^{\text{th}} \text{ Jun 2001} - 2^{\text{nd}} \text{ Dec 2001}) \\
 &= 181 \text{ days} \\
 \text{Coupon / Dividend} &= RM5,000,000 \left(0.08 \times \frac{181}{365} \right) \\
 &= RM198,356.16
 \end{aligned}$$

Total Coupon / dividend payable in 2001 = RM400,000.00 (365 days)

Note: 366 days of interest is payable in a leap year, compared to 365 days in non-leap year.

Guideline III Compensation of Delayed or Failed Settlements of MYR and Foreign Currency Securities Transactions

1. Rules to Determine the Party Responsible for Causing the Delayed or Failed Settlement

- 1.1 In DvP Settlement, it is possible that either Buyer or Seller may delay settlement or cause a settlement failure.
- 1.2 The pending DvP Securities transactions, either due to insufficient Securities balances in the seller's Securities Account or insufficient cash balances in the buyer's Settlement Account will be automatically cancelled at MYR Settlement Cut-off times. RENTAS will generate a failed settlement report together with the reason for the failed Settlement which is either due to insufficient securities or cash. This would be the main basis to determine the responsible party that caused the settlement failure.

2. Notice of Delayed or Failed Settlement

2.1 Delayed Settlement

- 2.1.1. The seller shall give notice to the buyer by the following cut-off time if funds are not received from the buyer for Settlement of the transaction at or before Settlement cut-off time.

Types of Trade	Cut-Off Times on Value Date
MYR and foreign currency Standard / Forward Trades	By 11.00am
Foreign currency Same Day Trades	By 5.00pm
MYR Same Day Trades	By 5.00pm

Exemption for Participants whose clients are (i) Non-residents who are subject to FEA and AMLA requirements or (ii) Corporates

- 2.1.2. The buyer shall give notice to the seller by the following cut-off time if the Securities are not received from the seller for Settlement of the transaction at or before Settlement cut-off time.

Types of Trade	Cut-Off Times on Value Date
MYR and foreign currency Standard / Forward Trades	By 11.00am
Foreign currency Same Day Trades	By 5.00pm
MYR Same Day Trades	By 5.00pm

Exemption for Participants whose clients are (i) Non-residents who are subject to FEA and AMLA requirements or (ii) Corporates

2.2 Failed Settlement:

2.2.1. The seller shall give notice to the buyer by 9:30am on the next Business day following the value date if funds are still not received from the buyer for Settlement of the transaction at the close of the Business day on value date.

2.2.2. The buyer shall give notice to the seller by 9:30am on the next Business day following the value date if the Securities are still not received from the seller for Settlement of the transaction at the close of the Business day on value date.

2.2.3. Such notice shall be made by way of telephone or any other means of communication and confirmed in writing by the seller or buyer institutions.

3. Delay or Failure Caused by Buyer of Securities

3.1 If the buyer has caused the delay or failure to settle the Securities transaction, the seller shall have the right to claim for compensation from the buyer on the amount due.

3.2 If Settlement was delayed but completed on the value date, the calculation of compensation shall be as follows:

For MYR transactions

$$\text{Compensation Amount} : \frac{\text{Amount of Payment} \times \text{Compensation Rate} \times \text{Day}}{365}$$

Where,

Amount = Amount due for the Settlement of the transaction.

Compensation Rate = Overnight Policy Rate as published by BNM.

For Foreign Currency transactions

$$\text{Compensation Amount} : \frac{\text{Amount of Payment} \times \text{Compensation Rate} \times \text{Day}}{360}$$

Where,

Amount = Amount due for the Settlement of the transaction.

Compensation Rate = i. For CNY payment, the compensation rate is the average of each days's overnight rate of the Shanghai Interbank Offered Rate (SHIBOR) as published by the National Interbank Funding Center in Shanghai.

ii. For USD payment, the compensation rate is the average of each day's Federal Funds rate as published by the Federal Reserve Bank of New York. The daily Federal Funds rate for any day on which a published rate is not available shall be deemed to be the same as the immediately preceding published rate.

iii. For other currencies, the compensation rate will be determined as and when new currencies are added in RENTAS.

Day = Delay will be deemed as one day for compensation calculation.

- 3.3 If Settlement failed to settle on the value date, the seller will have to hold the Securities until Settlement is completed. The seller should therefore lay claim compensation to the accrued interest / profit / coupon / dividend if it is a Coupon bearing Securities or to recalculate the proceeds if this was a zero Coupon bond / discounted / Islamic Securities to reflect the additional holding period. In this case the calculation of interest / profit / coupon / dividend compensation shall be as follows:

For Coupon / dividend bearing bonds

$$\begin{aligned} \text{Coupon / Compensation} \\ \text{Amount} \end{aligned} &= \frac{\text{Amount of Payment} \times \text{Compensation Rate} \times \text{Day}}{365} \\ &\quad \text{PLUS Accrued Interest / dividend for Day(s)} \end{aligned}$$

For zero Coupon bonds / discounted / Islamic Securities

$$\begin{aligned} \text{Coupon / Compensation} \\ \text{Amount} \end{aligned} &= \frac{\text{Amount of Payment} \times \text{Compensation Rate} \times \text{Day}}{365} \\ &\quad \text{PLUS difference in price, with compensation rate} \\ &\quad \text{or YTM constant but adjusting for tenor} \end{aligned}$$

Where

Amount of payment and compensation rate are as defined in **Clause 3.2**.

Day (s) = Period for which the transaction remains outstanding until final Settlement or until the Securities are disposed under a sell-out situation.

4. Delay or Failure Caused by Seller of Securities

- 4.1 If the seller has caused the delay or failure to settle the Securities transaction, the buyer shall have the right to claim from the seller, compensation on the amount due.
- 4.2 If Settlement was delayed but completed on the value date, the calculation of the compensation shall be in accordance to the formula stated in **Clause 3.2**.

- 4.3 If Settlement failed to settle on the value date, the seller who is at fault will not be able to lay claim to the accrued Coupon or in the case of a zero Coupon bond / discounted / Islamic Securities, the price change due to the shorter tenure. The proceeds will therefore remain as per the transaction and the calculation of the compensation shall be as follows:-

For MYR transactions

$$\text{Compensation Amount} = \frac{\text{Amount of Payment} \times \text{Compensation Rate} \times \text{Day}}{365}$$

For Foreign Currency transactions

$$\text{Compensation Amount} = \frac{\text{Amount of Payment} \times \text{Compensation Rate} \times \text{Day}}{360}$$

Where,

Amount of payment and compensation rate are as defined in **Clause 3.2**

Day = Period for which the transaction remains outstanding until final settlement or until the Securities are purchased under a buy-in situation.

5. Rules for Buy-in and Calculation of Compensation for a Failed Settlement

- 5.1 If after due notice has given pursuant to **Clauses 2.1.2** and **2.2.2**, the delivery of the Securities is not made within one (1) Business day following the value date, the buyer shall have the right to execute the buy-in.
- 5.2 The buyer will immediately advise the seller of the price at which the buy-in was executed. This advice shall be made via the telephone or any other means of communication and confirmed in writing by the buyer's institution.
- 5.3 The buyer shall be entitled to claim compensation from the seller for the money difference if the original contract price is lower than the buy-in price. Since the accrued interest/profit component is included in the compensation for delayed or failed Settlement, it shall not be double counted in this computation.
- 5.4 The buyer shall issue written notice of claim to the seller not later than seven (7) Business days after the execution of the buy-in.

6. Rules for Sell-out and Calculation of Compensation for a Failed Settlement

- 6.1 If after due notice has been given pursuant to **Clauses 2.1.1** and **2.2.1**, the delivery of funds is not made within one (1) Business day following the value date, the seller has the right to execute the sell-out.
- 6.2 The seller will immediately advise the buyer of the price at which the sell-out was executed. This advice shall be made via the telephone or any other means of communication and confirmed in writing by the seller's institution.
- 6.3 The seller shall be entitled to claim compensation from the buyer for the money difference if the original contract price is higher than the sell-out price. The accrued interest/profit will belong to the seller for holding the Securities and will not be counted in this computation.
- 6.4 The seller shall issue written notice of claim to the buyer not later than seven (7) Business days after the execution of the sell-out.

APPENDICES

Forms provided in the appendices serve as guidance templates and may be subjected to update or changes.

BNM shall update FAST Participants on the latest version of forms available from time to time.

Appendix II Fees and Charges

A. Securities Services Fees

No.	Description	Amount (MYR)
1.0	Annual FAST membership fee	10,000.00
2.0	Transactions charges:	
	a. Per bid submitted	4.00
	b. Per tender processing	200.00
	c. Per private placement	300.00
	d. Per tender invitation	100.00
	e. Per creation of each primary note	100.00
	f. Per creation of each secondary note	50.00
3.0	Every request for amendment of Facility / Debt Securities information	200.00 per data field
4.0	Failure to provide or update accurate information that affect Settlement processing of Allotments, Coupons and Redemptions by 3:00pm, one (1) business day before Settlement date*	2,000.00 per stock
5.0	Cancellation Fee for Aborted New Stock Issue	100.00
6.0	Redemption Fee (Early or Partial Redemption)	100.00
7.0	Late Payment for:	
	a. Interest / Dividend / Coupon / Profit*	5,000.00 per stock
	b. Final Redemption / Early Full and Partial Redemption*	5,000.00 per stock
8.0	Onsite Consultancy Fee**	Minimum of RM600 per visit and RM300/hour beyond first 2 hours
9.0	General Non-Compliance Penalty	Up to 5,000.00

*Penalties channelled to the RENTAS and FAST Development Fund

**Includes training and other relevant support and services.

B. Depository Fees and Safekeeping Fee

1.0 One-time depository fee for new issuance:

No.	Sliding Scale	Rate
1.	First RM500 mil (or equivalent in foreign currencies)	0.3bp
2.	Next RM2.5bil (or equivalent in foreign currencies)	0.1bp
3.	Remaining balance	0.05bp

NOTE: For all Foreign Currency Securities, one-time depository fee for new issuance is currently waived.

2.0 Annual Depository Fee:

No.	Description	Amount (MYR)
1.	For each outstanding Primary Note (including stocks with suspended status) and chargeable on the anniversary dates	1,000.00
2.	For each revolving Debt Facilities of Commercial Papers or combination of Commercial Paper/Medium Term Note, both conventional and Islamic with outstanding stock or stocks (including stocks with suspended status) and chargeable on the anniversary of the first issuance date.	1,000.00

3.0 Monthly safekeeping fee (Charged to SSDS Participants based on monthly average holdings):

No.	Sliding Scale	Rate (per annum)
1.	First RM10bil (or equivalent in foreign currencies)	0.05bp
2.	Next RM10bil (or equivalent in foreign currencies)	0.03bp
3.	Remaining balance	0.005bp

Appendix III Samples of Bidding Reports

a) Allotment for Short-term Discounted Paper (e.g.: Conventional CP)

Opening of Bids		Issuer :
Date	Time	Facility :
		Stock Description :
		Stock Code :
		Issue Size : 100,000,000
		Issue Date : 18/12/2009
		Maturity Date : 19/05/2010
		Cut-off Underwritten Rate :

Arrays of Tenders				Analysis of Tender		
Yield %	Price (RM)	Bidder	Amount Bid (RM)	Amount Rejected (RM)	For Acceptance	
					Amount (RM)	Purchase Price/ Proceeds (RM)
7.235	0.000000	TPM A	25,000,000	0	25,000,000	24,554,006.85
7.259	0.000000	TPM B	6,000,000	0	6,000,000	5,892,606.58
7.268	0.000000	TPM C	5,000,000	0	5,000,000	4,910,394.52
7.298	0.000000	TPM D	10,000,000	0	10,000,000	9,820,049.32
7.325	0.000000	TPM E	20,000,000	0	20,000,000	19,638,767.12
7.326	0.000000	TPM A	10,000,000	0	10,000,000	9,819,358.90
7.369	0.000000	TPM B	15,000,000	0	15,000,000	14,727,447.95
7.398	0.000000	TPM C	12,000,000	3,000,000	9,000,000	8,835,825.21
Sub-Total			103,000,000	3,000,000	100,000,000	98,198,456.45
Total			103,000,000	3,000,000	100,000,000	98,198,456.45

Range of Successful Bids		
Level	Yield (% p.a.)	Price (RM)
Highest	7.398	0.000000
Lowest	7.235	0.000000
Average	7.306	0.000000

Notes:

1. Tender basis for Conventional CP is on yield.
2. Bids will be sorted by yield in ascending order to three decimal places.

b) Allotment for Single Underwritten Rate (e.g. Islamic CP)

Opening of Bids		Issuer	:
Date	Time	Facility	:
		Stock Description	:
		Stock Code	:
		Issue Size	: 100,000,000
		Issue Date	: 28/06/2010
		Maturity Date	: 29/09/2010
		Cut-off Underwritten Rate	: 99.252525

Arrays of Tenders				Analysis of Tender		
Yield %	Price (RM)	Bidder	Amount Bid (RM)	Amount Rejected (RM)	For Acceptance	
					Amount (RM)	Purchase Price/ Proceeds (RM)
2.500	99.36	BIDDER A	10,000,000	0	10,000,000	9,936,301.37
2.600	99.34	BIDDER B	30,000,000	0	30,000,000	29,801,260.27
2.700	99.31	BIDDER A	25,000,000	0	25,000,000	24,828,013.70
2.800	99.29	BIDDER B	10,000,000	0	10,000,000	9,928,657.53
2.900	99.26	BIDDER C	10,000,000	0	10,000,000	9,926,109.59
3.000	99.24	BIDDER B	35,000,000	35,000,000	0.00	0.00
Sub-Total			120,000,000	35,000,000	85,000,000	84,420,342.46
Total			120,000,000	35,000,000	85,000,000	84,420,342.46

Range of Successful Bids			
Level	Yield (% p.a.)	Effective Yield (%)	Price (RM)
Average	2.676	2.695	99.32
Lowest	2.500	2.516	99.26
Highest	2.900	2.922	99.36

Notes:

The shortfall is RM15 million and will be subscribed by the Underwriters at a single underwritten rate of 2.900%.

BIDDING REPORT

Opening of Bids		Issuer	:
Date	Time	Facility	:
		Stock Description	:
		Stock Code	:
		Issue Size	: 100,000,000
		Issue Date	: 28/06/2010
		Maturity Date	: 29/09/2010

Arrays of Underwriters				Analysis of Tender		
Yield %	Price (RM)	Bidder	Present Available Commitment (RM)	Previous Available Commitment (RM)	For Acceptance	
					Amount (RM)	Purchase Price/ Proceeds(RM)
2.900	99.26	U/W A	207,000,000	250,000,000	8,000,000	7,940,887.67
2.900	99.26	U/W B	203,000,000	250,000,000	7,000,000	6,948,276.71
Total			410,000,000	500,000,000	15,000,000	14,889,164.38

U/W = Underwriter

Notes :

1. In the above scenario, Underwriter A & B are also the Bidder for the Issue and their commitment as underwriters will be deducted from their Allotment as successful Bidder if they submitted the Bids under their own account. Bids submitted under customer account will not be computed in the calculation of available commitment for underwriters.

2. The shortfall of RM15 million will be apportioned as follows:

Under-writers	Available Commitment('000,000)		Allotment (RM'000,000)	Rounded Allotment (RM million)	Purchase Price (RM)
	Original	Remaining			
U/W A	250	250 - 35 = 215	215/425 x 15 = 7.6	8	7,940,887.67
U/W B	250	250 - 40 = 210	210/425 x 15 = 7.4	7	6,948,276.71
Total	500	425	15	15	14,889,164.38

All Underwriters will subscribe at a common underwritten rate of 2.900%.

c) Allotment for Multiple Underwritten Rate (e.g: Conventional CP)

Opening of Bids		Issuer	:
Date	Time	Facility	:
		Stock Description	:
		Stock Code	:
		Issue Size	: 25,000,000
		Issue Date	: 05/03/2010
		Maturity Date	: 07/04/2010
		Cut-off Underwritten Rate	: 8.050

Arrays of Tenders				Analysis of Tender		
Yield %	Price (RM)	Bidder	Amount Bid (RM)	Amount Rejected (RM)	For Acceptance	
					Amount (RM)	Purchase Price/ Proceeds (RM)
7.495	0.000000	TPM A	5,000,000	0	5,000,000	4,966,118.49
7.650	0.000000	TPM B	5,000,000	0	5,000,000	4,965,417.81
7.880	0.000000	TPM C	2,000,000	0	2,000,000	1,985,751.23
7.960	0.000000	TPM A	2,000,000	0	2,000,000	1,985,606.58
8.100	0.000000	TPM B	2,000,000	2,000,000	0	0.00
8.105	0.000000	TPM B	4,000,000	4,000,000	0	0.00
8.115	0.000000	TPM A	4,000,000	4,000,000	0	0.00
Sub-Total			24,000,000	10,000,000	14,000,000	13,902,894.11
Total			24,000,000	10,000,000	14,000,000	13,902,894.11

Range of Successful Bids		
Level	Yield (% p.a.)	Price (RM)
Highest	7.960	0.000000
Lowest	7.495	0.000000
Average	7.672	0.000000

Notes:

The shortfall is RM11 million and will be subscribed by the Underwriters at their own individual underwritten rate. The cut-off-underwritten rate of 8.050% will only serve as an indicator for underwriters to underwrite.

CONT'D.....

Opening of Bids		Issuer	:
Date	Time	Facility	:
27/03/199	11:30:0	Stock Description	:
7	0	Stock Code	:
		Issue Size	: 20,000,000
		Issue Date	:
		Maturity Date	:

Array of Underwriters				Analysis of Tender		
Yield %	Price (RM)	Bidder	Present Available Commitment (RM)	Previous Available Commitment (RM)	For Acceptance	
					Amount (RM)	Purchase Price/ Proceeds (RM)
8.005	0.000000	U/W A	93,000,000	100,000,000	6,000,000	5,956,575.62
8.100	0.000000	U/W B	45,000,000	50,000,000	2,000,000	1,985,353.42
8.110	0.000000	U/W C	48,000,000	50,000,000	3,000,000	2,978,003.01
Total			186,000,000	200,000,000	11,000,000	10,919,933.05

U/W = Underwriter

Notes:

1. In the above scenario, Underwriters A & B are also the Bidder for the Issue. Their commitment as underwriters will be deducted from their Allotment as successful Bidder provided that they submitted Bids under their own accounts. Successful Bids submitted under customer account will not be computed in the calculation of available commitment for underwriters.

2. The shortfall of RM1 million will be apportioned as follows:

Under-writers	Available Commitment ('000,000)		Allotment (RM'000,000)	Rounded Allotment (RM million)	Purchase Price/ Proceeds
	Original	Remaining			
U/W A	100	100 - 7 = 93	$93/186 \times 1 = 5.5$	6	5,956,575.62
U/W B	50	50 - 5 = 45	$45/186 \times 1 = 2.3$	2	1,985,353.42
U/W C	50	50 - 2 = 48	$48/186 \times 1 = 2.8$	3	2,978,003.01
Total	500	186	11	11	10,919,933.05

3. The proceeds calculated for underwriters will be based on their own underwritten rates.

d) i) Allotment of Long term Fixed Rate papers (calendar to calendar)
(Coupon is based on the weighted average successful Bids)

BIDDING REPORT

Opening of Bids		Issuer	:
Date	Time	Facility	:
		Stock Description	:
		Stock Code	:
		Issue Size	: 300,000,000
		Issue Date	: 12/05/2010
		Maturity Date	: 12/11/2010

Arrays of Tenders				Analysis of Tender		
Yield %	Price (RM)	Bidder	Amount Bid (RM)	Amount Rejected (RM)	For Acceptance	
					Amount (RM)	Purchase Price/ Proceeds (RM)
8.356	100.003000	TPM A	50,000,000	0	50,000,000	50,001,500.00
8.356	100.003000	TPM B	50,000,000	0	50,000,000	50,001,500.00
8.357	100.001000	TPM C	36,000,000	0	36,000,000	36,000,360.00
8.358	100.000000	TPM D	56,000,000	0	56,000,000	56,000,000.00
8.359	99.999000	TPM A	55,000,000	0	55,000,000	54,999,450.00
8.360	99.997000	TPM B	63,000,000	36,000,000	27,000,000	26,999,190.00
8.360	99.997000	TPM A	63,000,000	37,000,000	26,000,000	25,999,220.00
8.370	99.983000	TPM B	25,000,000	25,000,000	0	0.00
Sub-Total			398,000,000	98,000,000	300,000,000	300,001,220.00
Total			398,000,000	98,000,000	300,000,000	300,001,220.00

Range of Successful Bids		
Level	Yield (% p.a.)	Price (RM)
Highest	8.360	99.997000
Lowest	8.356	100.003000
Average	8.358	100.000000

ii) Allotment of Simple Interest-Bearing Papers

BIDDING REPORT

Opening of Bids		Issuer :
Date	Time	Facility :
		Stock Description :
		Stock Code :
		Issue Size : 100,000,000
		Issue Date : 28/03/2010
		Maturity Date : 28/03/2012
		Cut-off Underwritten Rate :

Arrays of Tenders				Analysis of Tender		
Yield %	Price (RM)	Bidder	Amount Bid (RM)	Amount Rejected (RM)	For Acceptance	
					Amount (RM)	Purchase Price/ Proceeds (RM)
9.256	0.000000	TPM A	12,000,000	0	12,000,000	12,000,000.00
9.365	0.000000	TPM B	23,000,000	0	23,000,000	23,000,000.00
9.654	0.000000	TPM C	14,000,000	0	14,000,000	14,000,000.00
9.654	0.000000	TPM D	20,000,000	0	20,000,000	20,000,000.00
9.658	0.000000	TPM E	23,000,000	0	23,000,000	23,000,000.00
9.687	0.000000	TPM A	19,000,000	11,000,000	8,000,000	8,000,000.00
9.756	0.000000	TPM B	25,000,000	25,000,000	0	0.00
9.756	0.000000	TPM C	20,000,000	20,000,000	0	0.00
Sub-Total			156,000,000	56,000,000	100,000,000	100,000,000.00
Total			156,000,000	56,000,000	100,000,000	100,000,000.00

Range of Successful Bids		
Level	Yield (% p.a.)	Price (RM)
Highest	9.687	0.000000
Lowest	9.256	0.000000
Average	9.543	0.000000

Appendix IV Sample of SWIFT Payment for Allotment Settlement

Payment from SSDS Participants to Facility Agent (FA)

ADI	: CIBBMYKL	FA	: OSKIMYKL
ADI Banker	: CHASHKHHXXX (Acc: 5555555555)	FA's Banker	: CITIHKHXXX (Acc: 6666666666)

MT202 Message (Allotment)	Length	Clarification
{1:F01CIBBMYKLXXXXXXXXXX} {2:I202CHASHKHHXXXXXXXXXX} 4:		{1:ADI's SWIFT BIC in KL}{2:ADI Banker's SWIFT BIC in Hong Kong}
:20: [TRANSACTION REF NO]	16	
:21: [CUSTOMER REF NO]	16	
:32A: 100517USD20000000,00	6,3,15	YYMMDDCCC999999999999,99 (Value Date / Currency Code / Amount)
:53B:/5555555555		ADI's account number with its Banker in Hong Kong (Account to be debited)
:57A: CITIHKHXXX	11	Facility Agent's Banker BIC in Hong Kong
:58A:/6666666666		Facility Agent's account number with its Banker in Hong Kong (Account to be credited). If account number is not known, just replace with Banker SWIFT BIC in KL)
OSKIMYKLXXX	11	Facility Agent's BIC in KL
:72:/SPRO/08		CCPMP Routing Code
/OCMT/MYR2500000,00/		Nominal Allotment amount of USD Securities in RENTAS (MYR has to be keyed-in although it is USD Securities)
/CCOR/OSKIMYKLXXX/CIBBMYKLXXX	11,11	USD Securities Sender in RENTAS (FA) / USD Securities Receiver in RENTAS (ADI)
/TRN/ALLU1/XF100145		Transaction code and Stock Code

Appendix V Sample of SWIFT Payment for Coupon Payment

Payment from Facility Agent (FA) to BNM

FA: OSKIMYKL

FA: CITIHKHXXXX

(Acc: 1111111111)

BNM's Banker: CHASHKHHXXX

(Acc: 2222222222)

MT202 Message (Coupon Payment)	Length	Clarification
{1:F01OSKIMYKLXXX00000 00000} {2:I202CITIHKHXXXXXX}{4:		{1:Facility Agent's SWIFT BIC in KL}{2:Facility Agent Banker's SWIFT BIC in HK}
:20:SWIT100517000205	16	
:21:ITSW100517000075	16	
:32A:100517USD84931,51	6,3,15	YMMDDCCC999999999999,99 (Value Date / Currency Code / Amount)
:53B:/1111111111		Facility Agent's account number with its Banker in Hong Kong (Account to be debited)
:57A:CHASHKHHXXX	11	BNM's Banker SWIFT BIC in Hong Kong
:58D:/2222222222		BNM's account number with its Banker in Hong Kong (Account to be credited)
BANK NEGARA MALAYSIA		BNM's Full name
:72:/BNF/COUPON PAYMENT FOR		Payment Information
//STOCK XE090155		Stock Code

Appendix VI Sample of SWIFT Payment for Early/ Partial/ Final Redemption Payment

Payment from Facility Agent to BNM

FA: OSKIMYKL

FA: CITIHKHXXXX

(Acc: 1111111111)

BNM's Banker: CHASHKHHXXX

(Acc: 2222222222)

MT202 Message (Redemption)	Length	Clarification
{1:F01OSKIMYKLXXX000000000000} {2:I202CITIHKHXXXXXX}{4:		{1:Facility Agent's SWIFT BIC in KL}{2:Facility Agent Banker's SWIFT BIC in HK}
:20:SWIT100517000205	16	
:21:ITSW100517000075	16	
:32A:100517USD100000000,00	6,3,15	YYMMDDCCC999999999999,99 (Value Date / Currency Code / Amount)
:53B:/1111111111		Facility Agent's account number with its Banker in Hong Kong (Account to be debited)
:57A:CHASHKHHXXX	11	BNM's Banker SWIFT BIC in Hong Kong
:58D:/2222222222		BNM's account number with its Banker in Hong Kong (Account to be credited)
BANK NEGARA MALAYSIA		BNM's full name
:72:/BNF/REDEMPTION PAYMENT FOR		Payment Information
//STOCK XF090156		Stock Code

Appendix VII Manual Tender Form

(Please use the institution's letter head)

To : _____

Date:

Manual Tender Form

Issuer :
 Stock Code : Stock Description :
 Issue Amount : Tenor :
 Issue Date : Maturity Date :

Org. ID	Status (O/R/N)	Customer ID	Yield (%)	Price	Bid Amount (RM'000)
			Total		

(Authorised Signatories)
(Affix Company Seal or Stamp)

Appendix VIII External User Access Request Form (USER ID)

Note: 1. All fields are compulsory

2. Please write legibly & ☒ where applicable

3. Date format: dd/mm/yyyy

Section 1 (to be completed by Requestor-External User)	
Name:	
Employee No:	
Identity Card No.:	
Designation/Department:	
Bank / Organisation Name:	
Bank / Organisation Address:	
	City: _____ Postcode: _____
	State: _____ Country: _____
Contact No. :	Email Address: _____
Status:	<input type="checkbox"/> Permanent <input type="checkbox"/> Temporary, From (Date): _____ To: _____
System/Application:	
<input type="checkbox"/> RENTAS Swift <input type="checkbox"/> RENTAS iLINK <input type="checkbox"/> RENTAS Portal <input type="checkbox"/> FAST <input type="checkbox"/> eSSDS	
Environment:	
<input type="checkbox"/> SIT <input type="checkbox"/> UAT <input type="checkbox"/> Production	
Request to:	
<input type="checkbox"/> Create ID <input type="checkbox"/> Delete/Revoke ID* <input type="checkbox"/> Suspend/Disable ID* <input type="checkbox"/> Activate/Enable/Unlock ID* <input type="checkbox"/> Reset Password* <input type="checkbox"/> Modify ID* <input type="checkbox"/> Task Assignment* <input type="checkbox"/> Token Registration*	
Subject Key Identifier (SKI) No : _____	
*please specify User ID: _____ *modify ID, specify the new profile: _____	
Reason for request:	
Signature:	Date:
Approval (by Bank's Authorized Signatories)	
Request:	<input type="checkbox"/> Approved <input type="checkbox"/> Not Approved (<i>Please indicate in remarks column below</i>) Remarks: _____
Name:	
Designation/Department:	
Contact No.:	Email Address: _____
Signature:	Date: _____

Section 2 (to be completed by BNM)

Part A – For Business / System Owner Approval

Request: Approved Not Approved

Signature: _____
Name: _____
Date: _____

Part B – Head of IT Security Approval (If Applicable)

Request: Approved Not Approved

Signature: _____
Name: _____
Date: _____

Part C– System Access Control Administrator Action (Maker)

Request: Completed Rejected

Signature: _____
Name: _____
Date: _____

Part D – System Access Control Administrator Review (Checker)

Further Review: Yes No

Signature: _____
Name: _____
Date: _____

Appendix IX FAST / eSSDS – Parameter Update Form

1. Requester's Information				
Name:	Department:	Date:		
Contact No:	E-mail:			
2. Services Request				
System Involved:				
<input type="checkbox"/> FAST <input type="checkbox"/> FAST BETA <input type="checkbox"/> eSSDS <input type="checkbox"/> eSSDS UAT <input type="checkbox"/> Others. <i>(please specify)</i>				
Purpose / Description of Request:				
Facility Code				
Stock Code				
Details:				
3. Management Approval (must be an Authorized Signature)				
Institution Stamp:				
Signature		Name		
Date		Position		
4. For BNM Internal Use Only				
	Name	Initial	Date	Remark
Data Entry by:				
Approver 1 by:				
Approver 2 by:				

Appendix X Bondholder Information Request Form

1. Requester's Information			
Name:	Organisation:	Date:	
Contact No.:	E-mail:		
2. Bondholder List Request			
Purpose:			
<input type="checkbox"/> Full/Partial Redemption. Please specify <ul style="list-style-type: none"> • Redemption Date: _____ • Reason information is needed for redemptions: _____ 			
<input type="checkbox"/> Board/Bondholder Meeting. Please specify meeting date: _____			
<input type="checkbox"/> Program Restructuring <ul style="list-style-type: none"> • Reason information is needed: _____ 			
<input type="checkbox"/> Others (Please specify): _____			
Information Requested Pertaining to:			
Stock Code			
Declaration:			
<i>We hereby agree to use the requested information for the above mentioned purpose only, and to safeguard the information in accordance to the Financial Services Act 2013 and other applicable laws.</i>			
3. Management Approval (must be signed by a minimum of two Authorised Signature)			
Institution Stamp:			
Signature:		Name/ Position:	
Signature:		Name/ Position:	

4. For BNM Internal Use Only		Date Received:	
Signature Verified By:	(initial & name)	(date)	(outcome: Pass/Fail)
Validity of Reason for Request Checked By:	(name)	(initial)	(outcome: Pass/Fail)
Release Authorized By:	(name)	(initial)	(outcome: Approve/Reject)
Information Released By:	(name)	(initial)	(date)
Validated By:	(name)	(initial)	(date)

Appendix XI Authorised Signatories

(Please use institution's letterhead)

To: Head
 Financial Market Infrastructure Department
 Bank Negara Malaysia
 Level 14, Block C
 Jalan Dato Onn
 50480 Kuala Lumpur

LODGEMENT OF AUTHORISED SIGNATORIES

I hereby nominate the following officers who are authorised to:

- request information/services on my organisation's behalf in our capacity as facility agents
- make changes to your organisation's authorised signatories
- manage my organisation's access to FAST:

No	Name	Designation	Specimen Signature	Add/Remove Name
1				
2				
3				
4				
5				
6				

Signing authority: Any two to sign.

Yours sincerely,

CEO/MD/Officer-In-Charge Signature:	
Name:	
Organisation:	

Appendix XII Withholding Tax Declaration Form (Intra-Group NR Investors)

PART (A) ISSUER'S DECLARATION					
1. Details for Issuer (As extracted from LHDN CP37 Form)					
BUTIR-BUTIR PEMBAYAR/PARTICULARS OF PAYER					
No. Rujukan (No. Pendaftaran Syarikat/Perniagaan) <i>Reference No. (Registration No. of Company/ Business)</i>					
No. Cukai Pendapatan * (sila lengkapkan) <i>Income Tax No.* (please complete)</i>					
Nama Pembayar <i>Name of Payer</i>					
Alamat Pos <i>Postal Address</i>					
2. Details for Non-Resident Holder (As extracted from LHDN CP37 Form)					
Stock Code/ISIN:			Holding Amount:		
BUTIR-BUTIR MENGENAI ORANG YANG TELAH DIBAYAR/DIKREDITKAN FAEDAH/ROYALTI PARTICULARS OF PERSON TO WHOM INTEREST/ROYALTY HAD BEEN PAID/CREDITED					
No. Rujukan (No. Pasport/No. Pendaftaran Sykt./Perniagaan) <i>Reference No. (Passport No./Registration No. of Company/ Business)</i>					
No. Cukai Pendapatan Malaysia (jika ada) <i>Malaysian Income Tax No. (if any)</i>					
Nama Penuh Penerima <i>Full Name of Payee</i>					
Alamat <i>Address</i>					
Negara Asing <i>Foreign Country</i>					
BUTIR-BUTIR MENGENAI POTONGAN-POTONGAN/PARTICULARS OF DEDUCTIONS					
Kategori Bayaran <i>Category of Payment</i>	Tempoh diliputi oleh bayaran faedah <i>Period for which interest paid/credited</i>	Tarikh bayaran faedah telah dibayar/dikreditkan <i>Date interest paid/ credited</i>	Amaun kasar <i>Gross amount</i>	Amaun potongan <i>Amount of deduction</i>	Amaun bersih dibayar/dikreditkan <i>Net amount paid / credited</i>
Faedah / Interest Kadar / Rate (15%)			(a)	(b)	(c)
			RM	RM	RM

Declaration:

I, on my own behalf/on behalf of the above mentioned organisation, hereby declare that the information given in this return form and in any document attached is true, correct and complete.

I undertake that on the day of submission of this declaration form, I shall concurrently pay to the Facility Agent as named in Part (B), a full sum of amount of deduction (per stated in Part A column 2(b) above), for the Facility Agent's onward payment to the Paying Agent, for payment of Withholding Tax to the tax authorities.

4. Management Approval (must be signed by Authorized Signature)**Institution Stamp:**

Signature		Name	
Date		Position	

PART (B) FACILITY AGENT'S CONFIRMATION**1. Facility Agent Information**

Organisation Name:	Organisation BIC:
Organisation's Cash Account No in RENTAS:	
Contact Person:	E-mail:
Contact No.:	Date:

2. Facility Agent Confirmation (must be signed by Authorized Signature)**Institution Stamp:**

Signature		Name	
Date		Position	

Declaration:

We confirm that as Facility Agent to the Issuer stated in Part (A):

- 1. The Issuer takes full responsibility on the accuracy and completeness of all information provided in Part (A) herein.*
- 2. We have verified the authorized signature of the Issuer.*
- 3. We have received a full sum of amount of deduction (per stated in Part A column 2(b) above) from the Issuer and we hereby authorize BNM, as the Paying Agent, to direct debit my organisation account maintained with Bank Negara Malaysia the same amount, for the purpose of Withholding Tax within the stipulated period.*

Appendix XIII Withholding Tax Declaration Form (SSDS Participant)

1. SSDS Participant Information					
Organisation Name:			Organisation BIC:		
Organisation's Safekeeping Account No in RENTAS:					
Organisation's Cash Account No in RENTAS:					
Contact Person:			E-mail:		
Contact No.:			Date:		
2. Details for Non-Resident Holder (As extracted from LHDN CP37 Form)					
Stock Code/ISIN:			Holding Amount:		
BUTIR-BUTIR MENGENAI ORANG YANG TELAH DIBAYAR/DIKREDITKAN FAEDAH/ROYALTI PARTICULARS OF PERSON TO WHOM INTEREST/ROYALTY HAD BEEN PAID/CREDITED					
No. Rujukan (No. Pasport/No. Pendaftaran Sykt./Perniagaan) <i>Reference No. (Passport No./Registration No. of Company/ Business)</i>					
No. Cukai Pendapatan Malaysia (jika ada) <i>Malaysian Income Tax No. (if any)</i>					
Nama Penuh Penerima <i>Full Name of Payee</i>					
Alamat <i>Address</i>					
Negara Asing <i>Foreign Country</i>					
BUTIR-BUTIR MENGENAI POTONGAN-POTONGAN/PARTICULARS OF DEDUCTIONS					
Kategori Bayaran <i>Category of Payment</i>	Tempoh diliputi oleh bayaran faedah <i>Period for which interest paid/credited</i>	Tarikh bayaran faedah telah dibayar/ dikreditkan <i>Date interest paid/ credited</i>	Amaun kasar <i>Gross amount</i>	Amaun potongan <i>Amount of deduction</i>	Amaun bersih dibayar/ dikreditkan <i>Net amount paid / credited</i>
Faedah / Interest Kadar / Rate (15%)			RM	RM	RM
Declaration:					
<i>I, on my own behalf/on behalf of the above mentioned organisation, hereby declare that the information given in this return form and in any document attached is true, correct and complete.</i>					
3. Management Approval (must be signed by Authorized Signature)					
Institution Stamp:					
Signature		Name			
Date		Position			

Appendix XIV Incident Report from Participants

(Please use institution's letterhead)

Date:

To : Head
 Financial Market Infrastructure Department
 Bank Negara Malaysia
 Level 14, Block C
 Jalan Dato Onn
 50480 Kuala Lumpur

From :

(RENTAS BIC)

Subject : Incident Report From Participants

Tuan,

Attached herewith the Incident Report for your attention and / or further action:

System Affected	FAST / RENTAS <i>(please circle one)</i>
From	
Date of Report	<i>(to send within seven calendar days after the incident)</i>
Date and Time of Incident	
Chronology of Incident	
Causes	
Action Taken	
Preventive Measures	

Information Required:

Total No of Transactions Pending	Total Value of Transactions Pending (in RM)	Amount of Settlement Failure (in RM)	No of Counter-parties affected

.....

.....

(Authorised Signatory)

(Authorised Signatory)

Official Stamp:

Glossary of Terms

1. **“Allegation”** refers to a message that RENTAS transmits to inform a Participant’s counter-party that a foreign currency securities transaction that the Participant transmitted cannot be matched.
2. **“Allotment”** refers to allocation of Debt Securities to subscribers’ SSDS Participants via FAST either through Tender or Private Placement.
3. **“Asset-Backed Securities”** refers to securities that are backed by future flows of income from revenue generating assets, issued through a fund-raising process of securitisation.
4. **“Auction”** refers to **“Tender”**.
5. **“Bank Negara Monetary Notes (BNMN)”** refers to a debt instrument issued by BNM for managing liquidity in the conventional and Islamic financial markets.
6. **“Bids”** refer to submission of bids either on Yield or Price via FAST for the Tender of Debt Securities.
7. **“BNM”** means Bank Negara Malaysia a body corporate which continues to exist under the Central Bank of Malaysia Act 2009.
8. **“BNM’s Systems”** refer to all systems and technology employed by BNM for the purpose of facilitating the Payments and Securities Services.
9. **“Book run”** refers to the placement of the new Debt Securities to investors through a syndicate, led by a lead arranger. The lead arranger assigns parts of the new issue to other syndicate parties for placement and usually takes the largest part itself.
10. **“Bought Deal”** refers to a new issuance that has been bought entirely by the arranger or the group of arrangers, to resell to investors.
11. **“Business day”**, unless otherwise specified in these Rules, means any calendar day from Monday to Friday, except a public and bank holiday in Kuala Lumpur.

12. **“Business hours”** refers to the duration of time when BNM provides Payments and Securities Services between the opening time and the cut-off time.
13. **“Cagamas Debt Securities”** means securities issued by Cagamas Berhad.
14. **“CCPMP”** means the cross currency payment matching processor operated by HKICL which matches the MYR leg of a transaction in RENTAS against the USD leg of a transaction in USD CHATS to co-ordinate the simultaneous settlement of both legs for PVP settlement.
15. **“Commercial Papers”** refers to either Conventional or Islamic short-term papers issued with tenor of one year or less.
16. **“Corporate Bonds and Sukuk”** (CBS) refers to securities issued by a corporation, which can be either short-term, medium-term or long term papers in Conventional or Islamic principles. Such CBS can be Commercial Papers, Medium Term Notes, bonds, asset-backed securities, loan stocks, loan notes and other types of Corporate Bonds and Sukuk approved by relevant authorities.
17. **“Coupon”** means the interest rate payable on securities issued, which may be on fixed or floating basis.
18. **“Coupon Payment Date”** means the date that the Coupon will be paid to the securities holders.
19. **“Credit Rating”** refers to rating assessment by the approved Rating Agencies.
20. **“Cut-off time”** refers to the stipulated time, fixed by BNM; beyond which the receipt of any item will be deemed to occur at the opening of the next working day.
21. **“Debit Notification”** refers to notification sent by RENTAS to the FA on the coupon or redemption payment date for Debt Securities informing the FA on the total interest or redemption proceeds that the FA has to pay to BNM on behalf of the issuer.
22. **“Debt Securities”** means short and long term Bonds, Sukuk and other Debt Financial Instruments.

23. **“Direct Bidders”** refers to FAST Participants that are invited by Facility Agents to submit Bids directly. For Specified RENTAS Securities, the Direct Bidders are Principal Dealers. For other securities, the invited Tender Panel Members are the Direct Bidders.
24. **“Discount Basis”** means a method for quoting the return on non-interest bearing securities, which is issued at a discount and redeemed at a face value upon maturity. The price of the securities is lower than the nominal or face value.
25. **“DvP”** means delivery-versus-payment in which transfer for securities and funds is settled on a trade-by-trade basis, with final transfer of the securities from the seller to the buyer (delivery) occurring at the same time as final transfer of the funds from the buyer to the seller (payment).
26. **“Early and Partial Redemption Date”** refers to the settlement date for the early and partial redemption of Debt Securities.
27. **“eSSDS”** is a RENTAS sub-system used for Debt Securities Corporate Actions processing. eSSDS is also the depository system for retail bonds.
28. **“ETP”** means Electronic Trading Platform for Debt Securities which was introduced on 1st March 2008 by Bursa Malaysia Berhad.
29. **“Exempted from Rating”** refers to a provision in guidelines / rules issued by relevant authorities where rating is not required for any issue, offer or invitation of:
 - i. Irredeemable convertible loan stocks; or
 - ii. Such Corporate Bonds and Sukuk which are non-transferable and non-tradable; and whose investors do not require a rating.
30. **“Expected Public Holiday”** refers to any gazetted holiday, which is known at the time Corporate Bonds and Sukuk are tendered / issued (for example 1 January, 1 February, 1 May, 31 August and 25 December). If such a day falls on a Sunday, the next Business day shall be deemed as an "Expected Public Holiday".

31. **“Facility”** means the programme for the issuance of debt approved by the Regulatory Authorities. In relation to FAST, each facility approved / created will be uniquely identified by a Facility Code.
32. **“Facility Agent”**, or FA refers to licensed investment banks, commercial banks and Islamic banks and such other institutions as may be approved by the Regulatory Authorities to co-ordinate the issuance of securities through FAST. There can be multiple co-arrangers under a facility. For consistency, each facility in FAST can only be maintained by one (1) Facility Agent.
33. **“FAST”** means Fully Automated System for Issuing / Tendering. It is a centralised system for the origination of multi-currency Debt Securities through Tenders or Private Placements. It is also a repository for information on Debt Securities. FAST is also interfaced to eSSDS and RENTAS to facilitate Allotment and Settlement of Debt Securities and money market instruments. In addition, information on Debt Securities created in FAST is transmitted to the ETP operated by Bursa Malaysia to facilitate the secondary trading of Debt Securities.
34. **“Fixed Rate Interest”** refers to interest on a security, which is calculated as a constant specified percentage of the principal amount and paid at the end of the specified interest periods until maturity.
35. **“Floating Rate”** refers to the rate of interest on a floating basis quoted against any reference rate such as KLIBOR.
36. **“General Non-Compliance”** refers to any non-compliance without pre-specified penalty charges in the Participation Rules for Payments and Securities Services, and the Operational Procedures for MYR Settlement in RENTAS, Foreign-Currency Settlement in RENTAS and FAST.
37. **“General Results”** refers to the summary of Tender results which are publicly published for transparency purposes.
38. **“Government Investment Issue (GII)”** refers to an instrument that was issued under the Government Investment Act 1983 based on Syariah Principles.
39. **“Indirect Bidders”** refer to FAST Participants and non-participants who cannot submit Bids in FAST directly. Indirect Bidders may submit their Bids through

designated Direct Bidders. Indirect Bidders may also submit Bids directly to the Facility Agent by way of facsimile if such procedure is accepted / agreed between the parties involved.

40. **"Instruments"** in relation to FAST covers the Securities and non-Securities (MYR Money Market and Repo Tender) approved and specified by BNM from time to time.
41. **"Issue date"** in relation to FAST means the securities issue date for instruments which must fall on a Business day.
42. **"Issuer"** means eligible Issuers approved by the relevant authorities to raise funds through the issuance of securities / non-securities.
43. **"K account"** means collateral account for Scripless Securities in the RENTAS system held with BNM.
44. **"Licensed Financial Institutions"** means commercial banks and investment banks licensed under section 212 (3) of the Financial Services Act 2013 (FSA) and Islamic banking licensed under Section 223 (3) of the Islamic Financial Services Act 2013 (IFSA).
45. **"Malaysian Government Securities (MGS)"** refers to an instrument issued by the Government of Malaysia to raise funds from the domestic capital market.
46. **"Maturity Date of Debt Facility"** refers to the expiry of the debt facility programme as approved by Securities Commission.
47. **"Maturity Date of Debt Securities"** means the final redemption of Debt Securities where the nominal amount must be repaid to the securities holders.
48. **"Medium Term Notes"** refers to securities issued by corporations with a tenor of at least one (1) year.
49. **"MYR"** refers to Malaysian Ringgit.
50. **"Nominal Amount"** refers to the debt (or loan) amount that the issuer must pay at maturity.

51. **“Non-participant”** refers to an organisation, which invests in securities / money market Tender but is not a FAST member. To participate in any Tender, Non-participants can submit their bids through a Direct Bidder or Facility Agent or through facsimile, if such procedure is accepted / agreed between the parties involved.
52. **“NWI”** means the New WAN Infrastructure, a secure private high bandwidth managed by Time Telekom Bhd, that is used to connect BNM’s systems to all Participants.
53. **“OSI”**, or Onshore Settlement Institution, refers to an organisation appointed by BNM to provide Settlement services for a particular foreign currency in RENTAS.
54. **“Own Result”** refers to the Tender results belonging to a particular Direct Bidder in FAST, detailing successful and unsuccessful Bids.
55. **“Participants”** means any financial institutions or entities that subscribe to and make use of some or all of the Payments and Securities Services provided by BNM.
56. **“Payments and Securities Services”** means the payment, Settlement, securities issuance, depository, paying agency and corporate actions processing services offered by BNM to Participants through the RENTAS and FAST systems.
57. **“PayNet”** means Payments Network Malaysia Sdn. Bhd, a company incorporated under the Companies Act 1965. PayNet is the owner and operator of retail payment systems such as eSPICK, FPX, MyDebit, Interbank GIRO (IBG), IBFT Shared ATM Network and MEPS ATM.
58. **“Primary Notes”** refers to the primary stock codes generated from the approved Facility limit. There may be more than one Primary Note issued under a Facility, which may represent different tranches of issues, under one (1) Facility.
59. **“Principal Dealers”** refers to licensed financial institutions appointed by BNM to carry on the business of dealing in specified instruments as principals and /

or agents, and which among others include the obligation to participate in the primary Tender of securities / non-securities, either for own account or on behalf of clients.

60. **"Private Placement"** refers to a type of primary Debt Securities issue in which the securities are placed with a small number of large, "sophisticated," typically institutional investors and does not involve any Tender. The Debt Securities could be issued under Bought Deal basis to the primary subscriber, direct placement to several investors, book building by the appointed agent or any other method as agreed by the parties involved.
61. **"Queue"** means an arrangement where Settlement transactions are held by the RENTAS System until sufficient balances are available in the paying Participant's account to fund the Settlement.
62. **"Regulatory Authorities"** refers to institutions such as BNM and the Securities Commission which are legally empowered to undertake regulatory oversight of some or all aspects of the Malaysian financial markets.
63. **"RENTAS"** refers to the Real-time Electronic Transfer of Funds and Securities System, is a multi-currency real time gross settlement system for inter-bank funds transfer, a securities settlement system and a scripless securities depository for all unlisted debt instruments.
64. **"RENTAS and FAST Development Fund"** means a fund consisting of penalty charges collected from Participants, which was established and is managed by BNM, and is dispersed for initiatives that are beneficial to a broad segment of Participants.
65. **"Repo Transaction / Tender"** includes repo and reverse repo transaction / Tender; it means a contract to sell and subsequently repurchase securities at a specified date and price. Also known as an RP or buyback arrangement.
66. **"Reverse Repo Transaction / Tender"** refers to reverse repurchase agreement transaction / Tender; it means a contract with a counterparty to buy and subsequently re-sell securities at a specified date and price. It is the mirror image of a repo.

67. **“SBBA”** or Sell and Buy-Back Agreement refers to Islamic repurchase agreement whereby SBBA Seller sell Islamic securities at an agreed price to SBBA Buyer and subsequently the SBBA buyer and SBBA seller enter into another agreement thereon whereby the former promises to sell and the later to buy back the securities on a specified future date and at an agreed price.
68. **“Secondary Notes”** refers to the secondary stock code generated from the approved Primary Note. Secondary Note represents the interest or dividend payable under the relevant Primary Note.
69. **“Securities”** means debenture, stocks or bonds issues which represent the indebtedness of the issuer for the borrowed monies.
70. **“Securities Account”** means the scripless Securities Account held with BNM and maintained in the RENTAS system.
71. **“Settlement”** refers to the process of adjusting financial positions of Participants to reflect the amounts due to and from them as a result of the exchange of clearing items, payment transactions and securities transactions. It refers to the final and irrevocable discharge of an obligation of one Participant in favour of another Participant, in central bank money for MYR transactions, or in commercial bank money for foreign currency transactions.
72. **“Specified RENTAS Securities”** refers to Islamic / conventional short term and long term scripless securities issued by the Government, BNM, BNM Sukuk Berhad and any other issuer that may be specified by BNM.
73. **“SSDS”** means Scripless Securities Depository System.
74. **“SSDS Participants”** refers to RENTAS Participants that are permitted to hold RENTAS Securities for their own accounts and, if applicable, on behalf of their customers.
75. **“Stock Information”** means information on specific Debt Securities.
76. **“Sukuk BNM Ijarah”** refers to a debt instrument issued under a leasing agreement which is permissible in Islam based on the textual evidence in the Qur’an and the Sunnah.

77. **“Switch Auction”** means a replacement of previously issued securities that tend to be illiquid with more liquid benchmark securities.
78. **“Tender”** refers to bid submission to purchase Debt Securities or money market instruments at a specified price / yield via FAST.
79. **“Tender Basis”** refers to Yield or Price that the direct bidder must submit for the Tender.
80. **“Tender Closing Date / Time”** in relation to FAST system means the deadline for the submission of Bids.
81. **“Tender Panel Member”** refers to eligible investors approved by BNM and / or relevant authorities to bid for any issuances of Corporate Bonds and Sukuk.
82. **“Tender Procedure”** refers to the process of creating, processing, approving and aborting the Tender in FAST.
83. **“Tender Processing”** refers to the allocation of submitted bids in FAST.
84. **“Tender Result”** refers to the results of the Tender after the completion of Tender Processing in FAST.
85. **“USD CHATS”** means the US Dollar Clearing House Automated Transfer System, a real-time gross settlement system for USD transactions in Hong Kong operated by HKICL.
86. **“Underwriter”** means eligible institutions as approved by the Regulatory Authorities which agrees to take up under-subscribed amounts of an issue or when the underwritten yield / price is lower / higher than the bidding yield / price.
87. **“Unexpected Holiday”** means a public holiday declared at the eleventh hour, which was not initially an Expected Public Holiday.
88. **“When Issued Trade”** refers to sale or purchase of securities prior to the issue date of the securities.