

# COMPLIANCE TODAY

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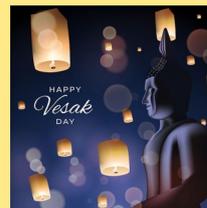
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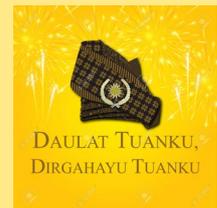
1 April 2025



1 May 2025



12 May 2025



2 June 2025



7 June 2025



27 June 2025

Images: freepik.com

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This newsletter is of a general nature and is intended to update on compliance related issues as part of MIBA's ongoing training and education objective and to promote effective compliance culture. It should not be viewed as a substitute for professional advice on any subject covered herein.

## Local & Global News



Malaysia

### **MALAYSIA: SC Takes Enforcement Action Against Bybit for Illegally Operating DAX in Malaysia**

The Securities Commission Malaysia (SC) has reprimanded Bybit Technology Limited (previously known as Bybit Fintech Limited) (Bybit), and its CEO, Ben Zhou (Yuchen Zhou), for operating a digital asset exchange (DAX) in Malaysia without registration. Bybit and Ben Zhou have been included in the SC's Investor Alert List since July 2021.

In this regard, the SC has directed Bybit to:

- disable Bybit's website and mobile applications or any other digital application platform in Malaysia within 14 business days from 11 December 2024;
- immediately cease circulating, publishing or sending any advertisements, whether in social media posts or otherwise, to Malaysian investors; and
- immediately terminate Bybit's Telegram support group for Malaysian.

This decision comes after concerns about the platform's compliance with local regulatory requirements and protecting investors' interests. The SC views this breach seriously, as operating a DAX without obtaining the SC's registration as a Recognised Market Operator (RMO) is an offence under Section 7(1) of the Capital Markets and Services Act 2007.

Source: <https://www.sc.com>



Malaysia

### **MALAYSIA: SC Release NSRF Guidance to Help Companies' Board of Directors Drive Sustainability Reporting**

The SC has released a simplified guide, 'Navigating the Transition: A Guide for Boards' (Board Guide) to support the board of directors in adopting the National Sustainability Reporting Framework (NSRF).

Listed issuers on Bursa Malaysia's Main and ACE Markets, as well as large non-listed companies (NLCos) with annual revenue of RM2 billion and above are expected to comply with the new reporting requirements in a phased approach.

The NSRF addresses the use of the IFRS® Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB), including IFRS S1 and IFRS S2. These standards ensure consistent and comparable sustainability-related financial disclosures.

The Board Guide provides board of directors with simplified and actionable steps on key areas such as governance, sustainability data boundaries, financial impact assessments, and integration with enterprise risk management systems.

Large companies (market capitalisation of RM2 billion and above) listed on Bursa Malaysia's Main Market start NSRF implementation this year, showcasing Malaysia's commitment to global best practices in corporate sustainability.

Source: <https://www.sc.com.my>

## Local & Global News



Malaysia

### **MALAYSIA: SC Introduces Regulatory Sandbox to Facilitate Innovation**

The SC has released its Regulatory Sandbox Guidelines, detailing the eligibility criteria and requirements for participation.

The regulatory sandbox, announced during last year's SCxSC Fintech Summit, is a regulatory tool that enhances policies and ensures they are fit for purpose by providing a controlled environment for entities to test innovative capital market products or services.

The SC Chairman Dato' Mohammad Faiz Azmi said the sandbox facilitates responsible innovation in the capital market while also ensuring robust investor protection.

"By empowering industry players to experiment with innovative ideas, the sandbox embodies our vision of building a dynamic, inclusive, and future-ready capital market. It also fosters collaboration across the ecosystem, ensuring progress aligns with investor protection," he said.

The eligibility criteria for the sandbox include:

- Introduce a capital market product or service not currently available in Malaysia and does not fully fit any of the SC's existing frameworks
- Demonstrate a clear value proposition to the Malaysian capital market
- Present comprehensive testing plans, expected outcomes, and winding-down measures
- Demonstrate sufficient resources including human, financial, and operational
- Showcase a realistic business plan for post-testing commercialisation
- Possess the necessary infrastructure, governance, and fully functional prototypes to begin testing

Products and solutions focusing on financial inclusiveness, Islamic finance, or retirement solutions are strongly encouraged.

The SC encourages interested parties to reach out to [afinity@seccom.com.my](mailto:afinity@seccom.com.my) for pre-consultation sessions.

Source: <https://www.sc.com.my>



Malaysia

### **MALAYSIA: Bursa Expects 60 New Listings this Year**

Bursa Malaysia's trading business will remain buoyant as the exchange operator expects 60 new listings this year while its derivatives business' trading volume will be driven by volatility in the contract's underlying markets.

The exchange welcomed 55 new listings last year and helped contribute to the higher average daily value in securities traded by 52.9% on-year to RM3.2bil.

Average daily contracts traded on its derivatives market rose by 26.4% on-year to 92,106 contracts. Outgoing chief executive officer Datuk Muhamad Umar Swift said the trading environment on the local exchanges was supported by a stable government, strong economic growth, ample liquidity and attractive valuations

Source: <https://www.thestar.com.my>

## Local & Global News



Malaysia

### **MALAYSIA: Dato' Fad'l Mohamed Named New Chief Executive Officer of Bursa Malaysia**

Bursa Malaysia Berhad (Bursa Malaysia or the Exchange) today announced the appointment of Dato' Fad'l Mohamed as the new Chief Executive Officer (CEO) of Bursa Malaysia, effective 1 March 2025.

The decision was made by its Board of Directors, in line with the Exchange's leadership succession plan and with the upcoming retirement of Datuk Muhamad Umar who has been the CEO of Bursa Malaysia since February 2019.

The SC has also given its concurrence for the appointment of the new CEO in accordance with Section 10 of the Capital Markets and Services Act 2007. Tan Sri Abdul Wahid Omar, Chairman, Bursa Malaysia said, "On behalf of the Board, we are pleased to welcome Dato' Fad'l Mohamed as the next CEO to take Bursa Malaysia forward."

Source: <https://www.bursamalaysia.com>



Malaysia

### **MALAYSIA: Bank Negara Appoints Madelena Mohamed as Assistant Governor**

Bank Negara Malaysia (Bank Negara or BNM) has appointed Madelena Mohamed as its Assistant Governor, effective Feb 1.

As Assistant Governor, the central bank said Madelena will oversee the new strategy and sustainability sector, which includes the Governor's office, legal department, strategic communications department and sustainability unit.

"Madelena began her career with Bank Negara in 1993 where she first served in the Economics Department. Over the span of her 32 years of service, she has taken on several leadership positions including the director of the Islamic finance department, financial surveillance department, prudential financial policy department and most recently, the sustainability unit.

Source: <https://www.thestar.com.my>



Malaysia

### **MALAYSIA: Bursa Malaysia Announces New Renewable Energy Subsector Classification**

Bursa Malaysia today announced the addition of the 'Renewable Energy' (RE) subsector within its 'Energy' and 'Utilities' sector classifications. This addition will provide a more focused classification of Public Listed Companies (PLCs) operating in the RE space.

#### **Relevance and Intended Outcome**

The introduction of the RE subsector aims to offer investors with a more streamlined view of the many industries listed on the Exchange. By further segmenting the broader Energy and Utilities sectors into a more specific subsector such as the RE, investors can gain clearer insights into specific opportunities available within this rapidly growing subsector.

Source: <https://www.bursamalaysia.com>

## Local & Global News



World

### **WORLD: Bank of America Settles with U.S. Regulator Over Compliance Issues**

Bank of America has agreed to take remedial action as part of a settlement with the Office of the Comptroller of the Currency (OCC), which said the financial institution had problems in its sanction's compliance and suspicious activity monitoring.

On 23 December 2024, the OCC said Bank of America must appoint a compliance committee and hire a third-party consultant to review its compliance efforts to resolve alleged deficiencies in the bank's controls, along with other steps. Bank of America doesn't have to pay a fine, nor will an asset cap be imposed. The bank, however, must get OCC approval to launch new products or services that present high money-laundering or sanctions risk.

The OCC didn't identify a particular set of transactions or customers as having prompted the regulatory action. The bank said in an October security filing that it had been engaged in discussions with several federal regulators over its compliance programs and warned that public orders might be an outcome from those discussions. The bank said at the time it had begun enhancing its programs and that it didn't expect a material financial impact from any potential regulatory actions.

Bank of America neither admitted nor denied the OCC's findings, according to the OCC order. The agency found the bank had a "breakdown" in procedures to identify and report suspicious activity and that it failed to allot sufficient resources to investigations. The bank also had issues with its customer due-diligence processes and its sanctions compliance, the OCC said.

The settlement calls on Bank of America to develop new controls appropriate to its size and complexity. The bank has also agreed to look into past transactions to determine whether it needs to file new reports on suspicious activity, and to improve its procedures to review high-risk customers.

Earlier this year, Bank of America was cited by federal regulators, alongside a number of other big banks, over its wind-down plans. The OCC in October imposed a landmark \$3 billion penalty on TD Bank over failures in its anti-money-laundering program that allegedly were taken advantage of by drug cartels and other criminal groups.

Source: <https://www.wsj.com>



World

### **WORLD: UBS Investigates Undisclosed Nazi-linked Accounts at Credit Suisse**

Swiss bank UBS is working with an independent ombudsman to shed light on Nazi-linked accounts, it said on Saturday, after the Wall Street Journal newspaper reported some accounts at collapsed bank Credit Suisse, which UBS bought in 2023, had not been disclosed in earlier investigations.

The Journal cited a December 2024 letter from the ombudsman to the U.S. Senate which said his probe had uncovered a cache of client files marked "American blacklist," a designation for those trading with Nazi-affiliated entities, and revealed signs of a cover-up during past reviews.

Source: <https://www.reuters.com>

## Anti-Money Laundering News



Malaysia

### **MALAYSIA: Consultant Denies Charges of CBT, Money Laundering Nearly RM500,000**

An independent consultant was charged in the Sessions Court with one count of criminal breach of trust (CBT) and six counts of money laundering amounting to RM499,986.30. Ahmad Syaradhi Mohd Nor, 51, pleaded not guilty to all charges before Judge N. Priscilla Hermamalini. On the CBT charge, he is alleged to have dishonestly used money totalling RM315,500 from a Maybank account owned by Jaring Pelangi Trading, his wife's business, for personal gain.

This money was entrusted to Ahmad Syaradhi for the repayment of factoring financing for MT Agrofood Industries Sdn Bhd, intended to be handed over to Ikhtiar Factoring Sdn Bhd. Accused of committing the offence at Maybank Bhd, Jalan Pandak Mayah, Kuah, Langkawi between Nov 1, 2022, and July 25 last year, the charge is under Section 406 of the Penal Code, which carry a sentence of up to 10 years imprisonment, whipping, and potentially a fine upon conviction. For the second, third and seventh charges, Ahmad Syaradhi is alleged to have received RM63,734; RM14,185; and RM68,682.30, respectively, believed to be proceeds from illicit activities, through his and his wife's accounts from Pelangi Trading's account. The fourth, fifth and sixth charges involved RM7,900; RM14,185; and RM15,800, respectively, also believed to be proceeds from unlawful activities.

The alleged offences were committed at Maybank Bhd, Jalan Pandak Mayah, Kuah, Langkawi between Nov 3 and July 25 last year. The charges, under Section 4(1)(b) of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds from Unlawful Activities Act 2001, provide for imprisonment of up to 15 years and a fine of not less than five times the amount or value of proceeds from unlawful activities or RM5mil, whichever is greater, upon conviction. For the CBT charge, the court granted Ahmad Syaradhi bail of RM20,000 with one surety, and RM15,000 with one surety for the remaining charges. The court set Jan 8 for mention. The prosecution was conducted by Malaysian Anti-Corruption Commission Deputy Public Prosecutor Noor Azura Zulkiflee, while the accused was unrepresented.

Source: <https://www.nst.com.my>



World

### **WORLD: SEC Charges LPL Financial with Anti-Money Laundering Violations**

The Securities and Exchange Commission today announced charges against broker-dealer and investment adviser LPL Financial LLC for multiple failures related to its anti-money laundering (AML) program. According to the SEC order, in between May 2019 to December 2023, LPL experienced longstanding failures in its customer identification program, to timely close accounts which it had not properly verified the customer's identity. LPL also failed to close or restrict thousands of high-risk accounts, such as cannabis-related and foreign accounts, that were prohibited under LPL's AML policies.

Federal law requires broker-dealers to ascertain the identity of their customers and to conduct ongoing customer due diligence to aid the government in its efforts to detect and prevent money laundering. LPL failure to comply with their AML obligations, put the securities markets at risk. The case underscores the importance of complying with applicable regulations in the areas of customer identification and ongoing customer due diligence.

The SEC's order finds that LPL wilfully violated Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-8 thereunder. Without admitting or denying to the SEC's findings, the firm agreed to a censure and a cease-and-desist order in addition to paying the civil penalty of \$18 million. The SEC's order also directs LPL to continue its engagement of a compliance consultant to review and recommend to implement changes and improvements to the firm's AML policies and procedures.

Source: <https://www.sec.gov/>

## Ethics & Governance News



Malaysia

### **MALAYSIA: Bursa Malaysia Securities Publicly Reprimands and/or Fines Iqzan Holding Berhad and Five (5) Directors**

Bursa Malaysia Securities Berhad (Bursa Malaysia Securities) has publicly reprimanded Iqzan Holding Berhad (IQZAN) and 5 of its directors for breaches of the Bursa Malaysia Securities Main Market Listing Requirements (Main LR). In addition, the 5 directors of the Company were imposed total fines ranging from RM300,000 to RM375,000. IQZAN was publicly reprimanded for breaches of the following provisions of the Main LR: -

#### **Disposal of Property Breach**

Paragraph 10.07(1) read together with paragraph 8.29(1)(b) of the Main LR for failing to obtain the approval of IQZAN's shareholders in respect of the disposal of 2 adjoining lots of leasehold industrial land identified as Lot 12370 (PN 5891) and Lot 12371 (PN 5867), both within Mukim 12, Daerah Barat Daya, Negeri Pulau Pinang measuring a total land area of approximately 90,040 square feet (8,365 square metres) with a double-storey detached factory-cum-office erected thereon bearing postal address Plot No. 12 and 13, Hilir Sungai Keluang 3, Bayan Lepas Free Industrial Zone Phase 4, 11900 Bayan Lepas, Pulau Pinang (Property) by Zoomic Technology (M) Sdn. Bhd. (ZTSB), a wholly owned subsidiary of IQZAN, to FoundPac Technologies Sdn. Bhd. (FoundPac Tech) via a Sale and Purchase Agreement (SPA) entered on 2 December 2022 (Disposal of Property) prior to the completion of the Disposal of Property on 15 November 2023.

Source: <https://www.bursamalaysia.com>



Malaysia

### **MALAYSIA: FIMM Reprimands Four Consultants for Misconduct in Unit Trust and Private Retirement Schemes**

The Federation of Investment Managers Malaysia (FIMM) announced in a statement on Monday that it has reprimanded four consultants for misconduct in unit trust schemes (UTS) and private retirement schemes (PRS).

Two of them were unit trust consultants with Hong Leong Bank Bhd — Farah Liana Mohammad Usolli and Tiew Mong Ling. Farah Liana was accused of misusing customers' information to submit credit card applications and a joint application for ASB Financing-i without their authorisation or knowledge. Tiew was found to have carried out nine unauthorised UTS investment transactions totalling RM136,000 between April 3, 2019 and Feb 19, 2021, without the customer's knowledge. She also forged signatures on the investment forms and misrepresented the customer's investment.

Source: <https://www.theedgemaalaysia.com>



World

### **WORLD: SEC Charges Pennsylvania Investment Adviser Scott Mason with Misappropriating More Than \$20 Million from Advisory Clients**

The Securities and Exchange Commission (SEC) charged Scott J. Mason along with his two owned-companies (Rubicon Wealth Management LLC and Orchard Park Real Estate Holdings LLC) in misappropriating more than \$20 million from clients.

SEC reported that Scott J. Mason forged client's signatures, manipulated account statement/tax documents and performed unauthorized fund transfer from client's accounts to his own personal account including his two companies accounts. The fund was used by Mason for own purpose such as to pay country club dues, transfer it to other clients, and purchase a portion of a miniature golf course in New Jersey.

Mason and his two companies were charged with violating the antifraud provisions of the federal securities laws. Subsequently, the U.S. Attorney's Office for the Eastern District of Pennsylvania announced criminal charges against Mason. The settlement is still ongoing and subject to court approval.

Source: <https://www.sec.gov>

## REGULATORY ALERTS

Circulars/Guidelines				
 <small>BANK NEGARA MALAYSIA CENTRAL BANK OF MALAYSIA</small>	11.11.24	Islamic Banking Window	<p>Bank Negara Malaysia (BNM) issued its Policy Document on Islamic Banking Windows on 11 November 2024. Effective date of the Policy Document is 1 January 2025.</p> <p>The Policy Document applies to Licensed investment banks and Licensed banks under the Financial Services Act 2013 (FSA) and Prescribed development financial institutions under the Development Financial Institutions Act 2002 (DFIA) that intend to conduct Islamic banking business or Islamic financial business in Malaysia or overseas. It is to be noted that licensed investment banks conducting only fee-based Shariah compliant activities such as lead arranging activities for sukuk will not be subject to the Policy Document</p> <p>The Policy Document supersedes the Guidelines on Skim Perbankan Islam, last updated on 2 November 2012. It is divided into three main parts, namely:</p> <ul style="list-style-type: none"> <li>Paragraph 8 – General requirements for Islamic Banking Windows operations [domestic and overseas];</li> <li>Paragraph 9 – Specific requirements for Islamic Banking Windows domestic operations; and</li> <li>Paragraph 10 – Specific requirements for Islamic Banking Windows operations by overseas branches</li> </ul>	Effective: 01.01.25
 <small>BANK NEGARA MALAYSIA CENTRAL BANK OF MALAYSIA</small>	20.11.24	Capital Adequacy Framework (Standardised Approach for Credit Risk)	<p>BNM's Policy Document titled "Capital Adequacy Framework (Standardised Approach for Credit Risk)" was issued on 20 November 2024, with an effective date of 1 July 2026. It provides standards and guidance for financial institutions to calculate capital requirements for credit risk under the Standardised Approach, in line with Basel III international capital standards. This document should be read together with the transitional arrangements specified in Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).</p> <p>The update includes the addition of a reporting template and regulatory reporting submission instructions, as well as minor editorial changes. The Policy Document applies to FSA Licensees and IFSA Licensees and supersedes the previous BNM's Policy Document on Capital Adequacy Framework (Standardised Approach for Credit Risk) [BNM/RH/PD 029-68_14062024].</p>	Effective: 01.07.26

## REGULATORY ALERTS

Circulars/ Guidelines				
	28.11.24	Revised Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors	<p>The Securities Commission Malaysia (SC) has revised and published on its website the Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors on 28 November 2024. The revision reflects consequential amendments to the revised Guidelines on the Registration and Conduct of Capital Market Services Providers.</p> <p>The revised Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors is the 10th revision of the guidelines and supersedes the 9th revision of the guidelines issued on 28 November 2022. Key amendments include (a) clarifying the definition of "issuer" to be a corporation and (b) deleting the requirement to submit a declaration to be a related-party trustee under the Guidelines'</p>	Effective: 28.11.24
	28.11.24	Lodgement Kit: Unlisted Capital Market Products Under The Lodge And Launch Framework	<p>The SC has revised and published on its website the Lodgement Kit: Unlisted Capital Market Products Under The Lodge And Launch Framework on 28 November 2024. The revision reflects consequential amendments to the revised Guidelines on the Registration and Conduct of Capital Market Services Providers.</p> <p>The revised Lodgement Kit: Unlisted Capital Market Products Under The Lodge And Launch Framework is the 15th revision of the lodgement kit and supersedes the 14th revision of the lodgement kit issued on 5 February 2024. The "Lodgement Kit" is a manual that provides for the relevant information and documents that must be lodged with the SC as required under the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework and the Guidelines on Islamic Capital Market Products and Services.</p> <p>The SC has made amendment as follows: -</p> <ul style="list-style-type: none"> <li>• The requirement to submit a declaration to be a related-party trustee has been deleted from Paragraph 1.07(13), Part 3 Corporate Bonds and Sukuk.</li> </ul>	Effective: 28.11.24
	29.11.24	Disclosure of Customer Information to the Securities Commission Malaysia (SC)	<p>BNM issued a notification letter to the financial institutions on 29 November 2024 with regards to Disclosure of Customer Information to the Securities Commission Malaysia (SC). The BNM's notification letter came into effect on its date of issuance, i.e. 29 November 2024. The BNM's notification letter applies to the following financial institutions: – Licensed Investment Banks, Licensed Banks, Licensed Islamic Banks and Prescribed development financial institutions.</p>	Effective: 29.11.24

**REGULATORY ALERTS**

Circulars/Guidelines				
			<p>The notification letter informs financial institutions registered with the Federation of Investment Managers Malaysia (FIMM) about Bank Negara Malaysia's (BNM) approval for them to share customer information with the Securities Commission Malaysia (SC) through FIMM. This is to facilitate SC investigate potential breaches of securities laws, which are brought to FIMM's attention and referred or escalated to the SC. It applies to FSA Licensees, IFSA Licensees and prescribed institutions under DFIA.</p> <p>Below is a summary of the BNM's Notification Letter dated 29 November 2024 titled "Disclosure of Customer Information to the Securities Commission Malaysia (SC)". Bank Negara Malaysia (BNM) has been requested by the Securities Commission Malaysia (SC) to allow the Federation of Investment Managers Malaysia (FIMM) to disclose customer information from financial institutions<sup>1</sup> to the SC for further investigation on potential securities law breaches.</p> <p>Section 347(3) of the CMSA requires the SC to seek Bank Negara's assistance when examining the books of a licensed institution or Islamic bank relating to a customer's affairs for investigating the customer's affairs. The BNM's approval letter dated 17 March 2020 allows financial institutions to disclose customer information to FIMM for purposes specified in that letter.</p> <p>2. BNM approves financial institutions to disclose customer information to the authorized officers of the Securities Commission Malaysia (SC) through FIMM, as per the Financial Services Act 2013 (FSA), Islamic Financial Services Act 2013 (IFSA) and Development Financial Institutions Act 2002 (DFIA). This is to facilitate SC's investigations into complaints or allegations of misconduct related to unit trust and private retirement schemes marketing and distribution. The disclosure is necessary for the SC to effectively supervise and enforce securities laws.</p> <p>3. BNM's approval is subject to the following conditions. Financial institutions are allowed to disclose the relevant customer information to authorized officers of the SC via FIMM for specific purposes as stated in paragraph 2 above, but must highlight the purpose of the information in the approval letter to FIMM and the SC. Financial institutions must also remind the SC of the prohibition on further disclosure of customer information by recipients to any other person, as per section 134(4) FSA, section 146(4) IFSA and section 120(3) DFIA.</p> <p>For complete details, please refer to the BNM's notification letter.</p>	

## REGULATORY ALERTS

Circulars/Guidelines				
 <p><b>Suruhanjaya Sekuriti</b> Securities Commission Malaysia</p>	29.11.24	Updated List of Shariah-compliant Securities	<p>The SC released an updated list of Shariah compliant securities approved by its Shariah Advisory Council (SAC). The updated list which takes effect on 29 November 2024, features 817 Shariah-compliant securities which constitute 79 per cent of the total 1033 listed securities on Bursa Malaysia.</p> <p>The list includes 36 newly classified Shariah-compliant securities and excludes 39 from the previous list issued in May 2024.</p> <p>The full list, updated twice a year i.e on the last Friday of May and November based on companies' latest annual audited financial statements, is now available on the SC website at: <a href="https://www.sc.com.my/api/documentms/download.ashx?id=1920c06f-61e5-46d7-8016-28a918acd4c8">https://www.sc.com.my/api/documentms/download.ashx?id=1920c06f-61e5-46d7-8016-28a918acd4c8</a></p>	Effective: 29.11.24
 <p><b>BURSA MALAYSIA</b></p>	29.11.24	Amendments to Bursa Malaysia Securities Berhad Main Market and ACE Market Listing Requirements in Relation to New Issue of Securities and Other Areas	<p>Bursa Malaysia Securities Berhad has announced amendments to its Main Market Listing Requirements (Main LR) and ACE Market Listing Requirements (ACE LR).</p> <p>The amendments are on : -</p> <ul style="list-style-type: none"> <li>• New Issue of Securities</li> <li>• Employee Share Scheme</li> <li>• Remuneration of Chief Executive</li> <li>• Special Auditor</li> <li>• Level of Operations</li> <li>• Financial Condition</li> <li>• Listing of Subsidiaries</li> <li>• Additional Disclosure Relating to Production by Plantation and Timber Corporations</li> <li>• Effective Dates</li> </ul>	Effective: As mentioned in the listing circulars.
 <p><b>BANK NEGARA MALAYSIA</b> CENTRAL BANK OF MALAYSIA</p>	05.12.24	Credit Risk	<p>The Revised Policy Document on Credit Risk sets out the Bank Negara Malaysia's regulatory requirements on credit risk management for banking institutions, insurers and takaful operators, and financial holding companies.</p> <p>It is effective from 5 December 2024 and applies as best practice for prescribed development financial institutions under the Development Financial Institutions Act 2002 (DFIA). However, these institutions must comply with Central Credit Reference Information System (CCRIS) requirements as stipulated in Appendix 1 of the revised policy document.</p> <p>The amendment applies to FSA Licensees, IFSA Licensees and Prescribed Institutions under DFIA. The previous Policy Document on Credit Risk - BNM/RH/PD/029/22 issued on 31 July 2023 is now superseded.</p>	Effective: 05.12.24

## REGULATORY ALERTS

Circulars/Guidelines				
	05.12.24	Amendments to the Directive on the List of Specified Exchanges ("Directive No. 6.25(1)-001")	<p>The amendments to Directive No. 6.25(1)-001 include introducing ICE Futures Abu Dhabi as a Specified Exchange and clarifying the heading in the list of Specified Exchanges.</p> <p>The amendments will take effect immediately.</p>	Effective: 05.12.24
	06.12.24	Amendments to the Rules and Directive of Bursa Malaysia Derivatives Berhad ("BMD Rules and Directive") in Relation to the Introduction of United States Dollar Denominated Used Cooking Oil FOB Straits (Platts) Futures Contract ("FUCO") and Other Amendments	<p>Bursa Malaysia Derivatives Berhad ("BMD" or "the Exchange") is launching a used cooking oil ("UCO") futures contract, FUCO to become a leader in UCO futures trading in Southeast Asia. The move is driven by Malaysia's strategic location as a trans-shipment hub for UCO and the rapid growth of the domestic UCO market. The Exchange aims to facilitate sustainable practices in Malaysia, diversify BMD's commodity derivatives product offering and provide an alternative risk management tool for biofuel industry participants.</p> <p>The amendments to the BMD Rules and Directive, as well as the Trading Manual, will take effect from 16 December 2024.</p>	Effective: 16.12.24
	06.12.24	Amendments to the Directive of Bursa Malaysia Derivatives Clearing Berhad ("BMDC Directive") in Relation to the Introduction of United States Dollar Denominated Used Cooking Oil FOB Straits (Platts) Futures Contract ("FUCO")	<p>Bursa Malaysia Derivatives Berhad ("the Exchange") is launching a used cooking oil ("UCO") futures contract, FUCO to become a leader in UCO futures trading in Southeast Asia. The move is driven by Malaysia's strategic location as a trans-shipment hub for UCO and the rapid growth of the domestic UCO market. The Exchange aims to facilitate sustainable practices in Malaysia, diversify BMD's commodity derivatives product offering and provide an alternative risk management tool for biofuel industry participants.</p> <p>The amendments to the BMDC Directive and the Clearing Participants' Manual will take effect from 16 December 2024.</p>	Effective: 16.12.24
	12.12.24	FAQs on Guidelines on Submission of Corporate and Capital Market Product Proposals and Chapter 7A of the Licensing Handbook	<p>The Securities Commission Malaysia (SC) has revised its Frequently Asked Questions (FAQs) on the Guidelines on Submission of Corporate and Capital Market Product Proposals and Chapter 7A of the Licensing Handbook. The revisions take effect on 12 December 2024. The Revised FAQs aim to clarify eligibility criteria for Qualified Person (QP), obligations of Senior Officer and procedures for recognition as an Recognised Principal Adviser (RPA), appointment of new Qualified Person (QP), and annual declaration to be submitted by Recognised Principal Adviser (RPA).</p> <p>The Revised FAQs supersede the previous set of Frequently Asked Questions issued on 21 July 2020.</p>	Effective: 12.12.24

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Circulars/Guidelines				
	12.12.24	Updates on the forms and declarations under Recognised Principal Adviser and Qualified Person	<p>Please refer to the links below (in blue) for the Updates on the forms and declarations under Recognised Principal Adviser and Qualified Person</p> <p><a href="#">Admission into the Register of Recognised Principal Adviser</a></p> <p><a href="#">Declaration by Principal Adviser for Admission into the Register of Recognised Principal Adviser</a></p> <p><a href="#">Particulars of Principal Adviser and Qualified Person</a></p> <p><a href="#">Appointment of Additional Qualified Person</a></p> <p><a href="#">Declaration by Recognised Principal Adviser for Appointment of Additional Qualified Person</a></p> <p><a href="#">Particulars of Recognised Principal Adviser and Qualified Person</a></p> <p><a href="#">Annual Declaration</a></p> <p><a href="#">Annual Declaration by Recognised Principal Adviser</a></p> <p><a href="#">Particulars of Recognised Principal Adviser and Qualified Person</a></p>	Effective: 12.12.24
	13.12.24	Exposure Draft of Policy Document on Large Exposures Limit	<p>BNM has on 13 December 2024 issued an exposure draft of the Policy Document on Large Exposures Limit ("Policy Document"). The policy document that will ensue from the Exposure Draft ("Policy Document") will apply to: Licensed investment banks, Licensed banks, Licensed Islamic banks, Financial holding companies and Bank Kerjasama Rakyat Malaysia Berhad. The Policy Document is to be read together with the nine policy documents and instruments enumerated in paragraph 6.1 and will supersede the seven policy documents set out in paragraph 7.1 of the Policy Document.</p> <p>The Exposure Draft sets out proposed regulatory requirements and guidance for large exposures limits applied to a single counterparty and its group of connected persons. It is expected to come into effect on 1 June 2026 and supersede the Policy Document on Single Counterparty Exposure Limit and the Policy Document on Single Counterparty Exposure Limit for Islamic Banking Institutions, issued by Bank Negara Malaysia on 9 July 2014.</p> <p>The Exposure Draft includes enhancements in key areas such as the large exposure limit, method of assessing connectedness to a single counterparty, method of measuring exposures, eligible credit risk mitigation instruments, look through approach and reporting requirement.</p>	Effective: N/A

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Circulars/Guidelines				
			<p>Responses must be incorporated in the provided Feedback Template and submitted electronically to the BNM by 31 March 2025 to <a href="mailto:pfpcconsult@bnm.gov.my">pfpcconsult@bnm.gov.my</a>. Submissions received may be made public unless confidentiality is specifically requested by the respondent for the whole or part of the submission.</p> <p>Banking institutions are required to submit information referred in paragraph 22.1 using the reporting template i.e. Appendix 3, for position as of 28 February 2025 (at entity level only) to gauge the impact of the proposals. Enquiries can be directed to the relevant officers as mentioned in the Exposure Draft of Policy Document on Large Exposures Limit.</p>	
	20.12.24	Equity Guidelines	<p>The Securities Commission Malaysia (SC) issued the Revised Equity Guidelines on 20 December 2024. The Revised Equity Guidelines is the 7th revision of the guidelines and supersedes the 6th revision of the guidelines issued on 13 January 2023.</p> <p>Below are the amendments introduced under the Revised Equity Guidelines.</p> <p><u><a href="#">Amendments Regarding The Ultimate Beneficial Owner Will Take Effect From 2 January 2025</a></u></p> <p>The main changes include a new definition of "ultimate beneficial owner" added in Chapter 2, Paragraph 2.01 in alignment with the recently amended Companies Act 2016. Additionally, Paragraphs 6 and 7 in Appendix 4 have been revised to improve the disclosure of ultimate beneficial owner details in the placees' list submitted to the SC for corporate proposals.</p> <p><u><a href="#">Amendments Related To Significant Change In The Business Direction Or Policy Of A Listed Corporation, Including Backdoor Listings And Reverse Take-Overs Will Take Effect From 1 March 2025</a></u></p> <p>The amendments include updates to definitions in Chapter 2 - Paragraph 2.01, regarding the 'ACE Market', 'acquisition', and 'significant change in the business direction or policy of a listed corporation'. Additionally, the definition of 'change in the board of directors of the listed corporation' has been amended and moved to paragraph 7.01A. In Chapter 6 - Paragraph 6.02, the definition of 'voting shares' has been amended to align with Companies Act 2016. Chapter 7 – Back-Door Listings and Reverse Take-Overs has been amended to include new definitions for better understanding.</p> <p>(a) The definition of 'change in the board of directors of the listed corporation' now covers the period from twelve months before the acquisition announcement to twelve months after its completion.</p>	<p>Effective: As mentioned in the Equity Guidelines.</p>

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			<p>(b) A new definition for 'change in the effective control of the listed corporation' has been added, following the expansion of 'significant change in the business direction or policy of a listed corporation'.</p> <p>The definition of 'significant change in the business direction or policy' has moved subparagraphs (a) to (e) of the definition from paragraph 2.01. It now states that the exemption for acquisitions applies only if the assets acquired are in a similar core business for at least two full latest and consecutive financial years based on its audited financial statements before the acquisition announcement, and it includes acquisition of assets that lead to a change in the effective control. New Paragraph 7.01B clarifies that acquiring assets includes arrangements or agreements like joint ventures or joint arrangements relating to any property, right, entitlement or interest. In the new Paragraph 7.01C, there is a requirement for any convertible securities issued to be considered in determining the shareholding of the controlling shareholder or single largest shareholder. New Paragraph 7.01D requires that the shareholdings of the single largest shareholder and those connected to them be aggregated to determine the single largest shareholder's shareholding. Paragraph 7.06 and Paragraph 7.19 have been amended to include changes in effective control, pursuant to the expansion of the definition of a "significant change in the business direction or policy of a listed corporation".</p>	
	23.12.24	<p>Amendments to the Main Market and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad in relation to Sustainability Reporting Requirements and Other Enhancements</p>	<p>Bursa Malaysia Berhad has made amendments to the Main Market Listing Requirements and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad in relation to sustainability reporting requirements and other enhancements.</p> <p>The key amendments include: -</p> <ol style="list-style-type: none"> <li>1. aligning the sustainability reporting framework with the National Sustainability Reporting Framework (NSRF) by adopting IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB Standards).</li> <li>2. promote shareholder participation in general meetings of Main Market listed issuer and ACE Market listed corporations by requiring them to convene physical or hybrid meetings.</li> <li>3. strengthen the accountability of advisers who promote listing applicants by including their names in public documents issued by listed issuers or listed corporations for a prescribed period.</li> </ol>	<p>Effective: As mentioned in the listing circulars.</p>

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Circulars/Guidelines				
	24.12.24	Directive on the List of Approved Securities	<p>The list of 'Approved Securities' issued by Bursa Malaysia Securities Berhad for Regulated Short Selling and Permitted Short Selling has been updated with 53 new approved securities and 25 existing approved securities removed.</p> <p>The updated list of 'Approved Securities' appended as 'Annexure 1' now contains 469 approved securities for Regulated Short Selling and Permitted Short Selling. The details of the 53 new approved securities are provided in Annexure 1A, while the 25 existing approved securities removed are in Annexure 1B. The updated list will take effect from 31 December 2024. The circular can be found at <a href="https://www.bursamalaysia.com/sites/5d809dcf39fba22790cad230/assets/676a20a9e6414a96e68455e2/Directive%20on%20the%20List%20of%20Approved%20Securities%20w.e.f.%20Dec%202024.pdf">https://www.bursamalaysia.com/sites/5d809dcf39fba22790cad230/assets/676a20a9e6414a96e68455e2/Directive on the List of Approved Securities w.e.f. Dec 2024 .pdf</a></p>	Effective: 31.12.24
	26.12.24	Consultation Paper No.2/2024 on the Proposed Amendments to the Rules of Bursa Malaysia Depository Sdn Bhd to Facilitate the Move Towards Electronic Securities Account Statements and Other Enhancements	<p>Bursa Malaysia Berhad has issued Consultation Paper No. 2/2024 to seek public feedback on proposed amendments to the Rules of Bursa Malaysia Depository Sdn Bhd.</p> <p>The key proposed amendments include facilitating the availability of statements of accounts issued by the Depository through the MyBURSA portal and eliminate the need for hardcopy dispatch by postal service, except for specified depositors under new Rule 32.04(3)(b) of the Depository Rules or for non-specified depositors upon payment of a monthly fee of RM10.</p> <p>Public comments on the proposed amendments are welcomed until 14 February 2025, with further details on the consultation paper and the proposed amendments available on Bursa Malaysia's website at: - <a href="https://www.bursamalaysia.com/regulation/public_consultation">https://www.bursamalaysia.com/regulation/public_consultation</a></p>	Effective: N/A