



## **CENTRAL SECURITIES DEPOSITORY AND PAYING AGENCY RULES**

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**Version 1.7**

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## Document Details

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## Revision History

Version No.	Date of Update	Summary of Change	Updated By
1.0	06 May 2011	Approved version	MyClear
1.1	11 Sep 2012	<p>Replace reference to Operational Procedures for RENTAS with:</p> <ul style="list-style-type: none"> <li>Operational Procedures for Malaysian Ringgit Settlement in RENTAS; and</li> <li>Operational Procedures for Foreign Currency Settlement in RENTAS</li> </ul> <p>in the contents of these Rules.</p>	MyClear
1.2	06 Sep 2013	<p><b>Clause 6.6</b></p> <p>Exclusion of Trustee from the list of participants</p>	MyClear
1.3	10 Dec 2014	<p><b>Clause 1.1</b></p> <p>Clarify the definition of Trustee by inserting “(where applicable)” to cater for issuances that do not require appointment of trustee</p> <p><b>Clauses 3.1.3.1 and 3.1.3.2</b></p> <p>Inserted new clauses to clarify the requirements of completing the Securities Lodgement Form for MYR and Foreign Currency Securities</p> <p><b>Appendix 1</b></p> <ul style="list-style-type: none"> <li>Clause 1: inserted new sub clause 1.6 on Form of Securities</li> <li>Clause 2: Inserted new clause on Details of Issuance which is only applicable to Foreign Currency Securities Issuance</li> <li>Clause 9: (i) Sub clauses 4 and 6: Clarify the definition of Trustee by inserting “(where applicable)” to cater for issuances that do not require appointment of trustee; and (ii) Inserted new sub-clause 5.</li> </ul>	MyClear
1.4	16 Apr 2015	<p><b>Preamble</b></p> <p>Removal of “Release Date” to avoid confusion with “Effective Date”.</p> <p><b>Clause 5.2(a)</b></p> <p>Rewording of contents in Clauses 5.2(a) (i),(ii),(iii) &amp; (iv) to better define and reflect the ownership of the accounts used for redemption and coupon payments.</p>	MyClear

Version No.	Date of Update	Summary of Change	Updated By
		<p><b>Clause 5.2(a)(v)</b> Incorporate BNM's Renminbi (CNY) bank account used for corporate actions and redemptions of CNY securities which are deposited in RENTAS.</p>	
1.5	15 May 2017	<p><b>Clause 5.3</b> Inserted new obligations for Issuer on new Withholding Tax requirements under Finance Act 2017</p> <p><b>Clause 5.4</b> Resequenced from Clause 5.3 in version 1.4 of the Central Securities Depository &amp; Paying Agency Rules</p> <p><b>Clause 6.1(b) and Clause 6.3(c)</b> Included reopening and extension of maturity events for the release of Global Certificate upon receipt of the replacement Global Certificate</p> <p><b>Clause 7.4</b> Revised existing clause and inserted new clauses (Clause 7.4(b)) for Paying Agent to incorporate new Withholding Tax requirements under Finance Act 2017</p> <p><b>Clause 8.2</b> Inserted new obligations for Facility Agent on new Withholding Tax requirements under Finance Act 2017</p> <p><b>Clause 8.3, Clause 8.4 and Clause 8.5</b> Resequenced from Clause 8.2, Clause 8.3 and Clause 8.4 in version 1.4 of the Central Securities Depository &amp; Paying Agency Rules</p>	MyClear
1.6	01/01/2018	<p><b>Document Reference No</b> Changed Document Reference No from 200-10/1/0000239 to 500-100/1/0000239</p> <p><b>All relevant contents throughout the document</b> Replaced Malaysian Electronic Clearing Corporation Sdn Bhd (MyClear) to Payments Network Malaysia Sdn Bhd (PayNet)</p> <p><b>Clause 5.2 (a) (iii) &amp; (iv)</b> Merged both clauses</p> <p><b>Clause 12.0</b> Included terms and conditions for resignation of Facility Agent and/or Trustee</p>	PayNet

Version No.	Date of Update	Summary of Change	Updated By
		<b>Appendix 1</b> Renamed item 1.8 & 1.9 in Securities Lodgement Form (SLF) to reflect current LOLA mechanism adopted by Securities Commission	
1.7	01/06/2018	Amended "Participation and Operation Rules for Payments and Securities Services" to "Participation Rules for Payments and Securities Services" throughout the document.	PayNet

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## Preamble

Bank Negara Malaysia (BNM) owns a scripless book-entry securities depository and real-time settlement of funds transfer and securities system known as RENTAS.

As part of RENTAS, BNM owns the Scripless Securities Depository System (SSDS), a scripless book-entry Securities system that effects and records the settlement of securities and the Interbank Funds Transfer System (IFTS) that effects and records transfer of funds between participating RENTAS members. Securities are debt securities and other financial instruments which are deposited and settled through RENTAS which may be denominated in Malaysian Ringgit or any other currencies.

Payments Network Malaysia Sdn Bhd (PayNet) has been appointed by BNM:

- i. To operate RENTAS; and
- ii. To act as its agent in carrying out BNM's functions as a Central Securities Depository and Paying Agent under these Rules.

Any reference in these Rules to PayNet shall therefore be solely in reference to PayNet acting as an agent for BNM.

These Rules are to provide a uniform set of rules and procedures to govern depository and paying agency services provided by PayNet as agent for BNM in relation to the Securities deposited in RENTAS.

These Rules should be read in conjunction with the following rules:

- Participation Rules for Payments and Securities Services
- Operational Procedures for Malaysian Ringgit Settlement in Real Time Electronic Transfer of Funds and Securities (RENTAS);
- Operational Procedures for Foreign Currency Settlement in Real Time Electronic Transfer of Funds and Securities (RENTAS);
- Operational Procedures for Securities Services;
- Guidelines on Dispute Resolution between Participants of PayNet Services; and
- Any other relevant rules, guidelines, codes and directives issued by BNM and/or PayNet from time to time.

## 1.0 Definitions and Interpretations

### 1.1 Definitions

#### Words

Aggregate Customers Securities Account

#### Definitions

the account maintained by SSDS Participant with BNM for Securities Holders who are not RENTAS members

BNM

Bank Negara Malaysia, a body corporate established under the Central Bank of Malaysia Act, 2009 of Jalan Dato' Onn, 50480 Kuala Lumpur

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 or any other day agreed by the Parties as specified in the Securities Lodgement Form

Central Securities Depository

BNM, who for purposes of carrying out its functions duties and obligations under these Rules as a Central Securities Depository, has appointed PayNet to act as its agent

Directives

Directives issued from time to time by PayNet in relation to any matters governed by these Rules, including any manual, notification, terms and conditions attached to any Securities Lodgement Form or approval or action taken by PayNet

Facility

means the programme for the issuance of debt instrument approved by the relevant authorities and as identified in Part 1 of the Securities Lodgement Form



Facility Agent	The company identified in Part 6 of the Securities Lodgement Form who is responsible for managing the Facility and includes its successors-in-title and permitted assigns
Facility Agent's Settlement Account	the cash account maintained by the Facility Agent with BNM
FAST	Fully Automated System for Issuing and Tendering, a centralized system for the origination of debt securities. It is governed by the rules on Operational Procedures for Securities Services.
Global Certificate	the Global Certificate in respect of the Securities in the form specified in the Transaction Documents.
IFTS	in relation to RENTAS means Interbank Funds Transfer System.
Interest/Profit/Coupon/Dividend	the Interest/Profit/Coupon/Dividend payable in respect of the Securities or Sukuk pursuant to the terms under the Transaction Documents.
Interest/Profit/Coupon/Dividend Payment Date	the date on which Interest/Profit/Coupon/ Dividend is payable in accordance with the terms of the Transaction Documents and the last Interest/Profit/Coupon/Dividend Payment Date shall be on the Redemption Date and shall fall on a Business Day as required under Operational Procedures for Securities Services.
Issue Date	the date on which the Securities are issued which date shall fall on a Business Day as required under Operational Procedures for Securities Services.

Issuer	the entity or company specified in Part 3 of the Securities Lodgment Form and includes its successors-in-title and permitted assigns.
Lead Arranger	the company identified in Part 4 of the Securities Lodgment Form who is responsible for arranging the issuance of the Securities and includes its successors-in-title and permitted assigns.
Operational Procedures for Malaysian Ringgit Settlement in Real Time Electronic Transfer of Funds and Securities (RENTAS)	The operational procedures to govern the operation of Malaysian Ringgit settlement in RENTAS.
Operational Procedures for Foreign Currency Settlement in Real Time Electronic Transfer of Funds and Securities (RENTAS)	the operational procedures to govern the operation of Foreign Currency settlement in RENTAS.
Operational Procedures for Securities Services	the operational procedures to govern the operation of securities services in FAST and RENTAS.
Own Securities Account	the account maintained by a SSDS Participant with BNM for holding Securities owned by or belonging to the SSDS Participant.
Parties	the Issuer, the Trustee (where applicable), the Central Securities Depository, the Paying Agent, the Lead Arranger and the Facility Agent and "Party" means any of them.
Paying Agent	BNM, who for purposes of carrying out its functions duties and obligations under these Rules as a Paying Agent, has appointed PayNet to act as its

	agent.
PayNet	Payments Network Malaysia Sdn Bhd incorporated in Malaysia under the Companies Act 1965, who has been appointed by BNM:  i. To operate RENTAS; and  ii. To act as agent for BNM in carrying out BNM's functions as a Central Securities Depository and Paying Agent under these Rules.
Redemption Date	the date on which the Securities are to be redeemed in full by the Issuer in accordance with the terms under the Transaction Documents which date shall fall on a Business Day as required under Operational Procedures for Securities Services.
Redemption Proceeds	the principal, any Interest/Profit/Coupon/Dividend accrued and remaining unpaid and any other monies payable to the Securities Holders in respect of the Securities pursuant to the terms under the Transaction Documents.
RENTAS	the Real Time Electronic Transfer of Funds and Securities System.
Rules	Central Securities Depository and Paying Agency Rules.
Securities	debt securities, sukuk and other financial instruments, issued in pursuance to the approved Facility and which are deposited and settled through RENTAS.

Securities Holders	the persons, who are for the time being the beneficial owners of the Securities, as evidenced by the records maintained by SSDS Participants.
Securities Lodgement Form	the Securities Lodgement Form for Central Securities Depository and Paying Agency Services as set out in Appendix 1.
Settlement Account	the cash account maintained with BNM.
Scriptless Securities Depository System or SSDS	A component of RENTAS which is an electronic book-entry depository system to effect and record the settlement of Securities, and the associated settlement of payments.
SSDS Participant	A member of RENTAS who is approved to open and maintain a securities account in SSDS for its own account and/or its customers.
Transaction Documents	the agreements which govern the rights and obligations of the Parties involved in the issuance of the Securities as set out in Part 8 of the Securities Lodgement Form.
Trustee	the company as identified in Part 7 of the Securities Lodgement Form in its capacity as trustee for the Securities Holders and includes its successors-in-title and permitted assigns in such capacity.

## 1.2 Interpretations

- (a) Except to the extent that the context requires otherwise, any reference to “these Rules” or to any other agreement or document is a reference to these Rules (including the schedules and appendices) or, as the case may be, the relevant agreement or document as amended, supplemented or novated from time to time or the relevant agreement or document, as the case may be, and includes a reference to any document which amends, waives, is supplemental to or novates the terms of these Rules or, as the case may be, the relevant agreement or document;
- (b) Except where otherwise stated, any reference to any statutory provision includes a reference to any modification, extension or re-enactment thereof (whether made before or after the date hereof) for the time being in force and also includes a reference to all by-laws, instruments, orders and regulations for the time being made there under or deriving there from;
- (c) Except where otherwise stated, any reference to “law” includes constitution, decree, judgement, legislation, order, ordinance, regulation, statute, treaty, by-law, governmental directions, orders or guidelines or other legislative measures in Malaysia;
- (d) Except to the extent that the context requires otherwise, references to the singular number shall include references to the plural number and vice versa;
- (e) Words denoting one gender include the other gender;
- (f) Words denoting persons include corporations and vice versa and also include their respective heirs, personal representatives, successors-in-title or permitted assigns, as the case may be;
- (g) References to “include” and “including” shall be construed without limitation;
- (h) Where a word or phrase is given a defined meaning in these Rules, any other part of speech or other grammatical form in respect of such word or phrase has a

corresponding meaning;

- (i) Where a word or phrase indicates an exception to any of the provisions of these Rules and a wider construction is possible, such word or phrase is not to be construed ejusdem generis with any foregoing words or phrases and where a word or phrase serves only to illustrate or emphasise any of the provisions of these Rules, such word or phrase is not to be construed, or to take effect as limiting the generality of such provision;
- (j) Except otherwise expressly stated, any reference to "pay", or cognate expressions, includes payments made in cash or effected through inter-bank transfer to the account of the payee, giving the payee access to immediately available, freely transferable, cleared funds;
- (k) Any reference to "writing", or cognate expressions, includes any communication effected by telex, cable or facsimile transmission; and
- (l) Except otherwise expressly stated, time is of the essence under these Rules and any reference to time refers to Malaysian time and if any period of time is specified from a given day, or the day of a given act or event, it is to be calculated exclusive of that day and if any period of time falls on a day which is not a Business Day, then that period is to be deemed to only expire on the next Business Day.

## **2.0 Exercise of Powers**

### **2.1 Description of Powers**

PayNet may exercise the following powers in relation to these Rules:

- (a) to amend or substitute these Rules;
- (b) to vary or waive any provisions or clauses in these Rules;
- (c) to issue Directives, in relation to any matters governed by these Rules; and
- (d) to impose fees and any other charges in relation to the central securities depository and paying agency services provided by PayNet.

## **3.0 Appointments**

### **3.1 Appointment of Depository and Paying Agent**

- (a) The Issuer appoints BNM, as the Central Securities Depository and Paying Agent to carry out those duties expressly set forth in these Rules.
- (b) BNM, for purposes of carrying out its functions, duties and obligations as a Central Securities Depository and Paying Agent, shall be represented by PayNet, who shall be acting for and on behalf of BNM as its agent.
- (c) The Issuer shall submit the duly completed Securities Lodgement Form specified in Appendix 1 through the Facility Agent to PayNet at least 5 Business Days before the earliest issue date of the Securities under the Facility.
  - (i) For MYR Securities, the Issuer shall submit the duly completed Securities Lodgement Form with all sections completed save and except for Clause 2 on Details of Issuance which shall not be applicable.
  - (ii) For Foreign Currency Securities, the Issuer shall submit the duly completed Securities Lodgement Form with all sections completed. However, completion of Clause 2 on Details of Issuance shall be optional.

### **3.2 Terms of Appointment**

The Central Securities Depository and Paying Agent shall act solely as the depository and paying agent respectively in respect of the Securities and shall not be deemed to have assumed any obligation or any fiduciary duty to the Issuer, the Trustee, the Lead Arranger or the Facility Agent other than those specifically set out in these Rules. Except as explicitly provided herein, nothing in these Rules shall be construed to give rise to any legally binding or enforceable obligation between the Central Securities Depository and the Securities Holders and the Paying Agent and the Securities Holders.



## **4.0 Fees**

The Issuer shall pay the Central Securities Depository and Paying Agent the fees and charges as shall be imposed by the Central Securities Depository and Paying Agent from time to time for the performance of their respective obligations under these Rules.

## 5.0 Obligations of the Issuer

### 5.1 Delivery of Global Certificate

The Issuer shall deliver the Global Certificate where applicable to the Central Securities Depository through the Facility Agent in accordance with the Operational Procedures for Securities Services.

### 5.2 Payment of Interest/Profit/Coupon/Dividend and Redemption Proceeds

- (a) In order to provide for the payment of Interest/Profit/Coupon/Dividend and Redemption Proceeds as the same shall become due and payable in accordance with the terms of the Transaction Documents, the Issuer shall in accordance with Operational Procedures for Malaysian Ringgit Settlement in RENTAS, Operational Procedures for Foreign Currency Settlement in RENTAS and Operational Procedures for Securities Services, unconditionally make available by interbank transfer to the Facility Agent's Settlement Account, and the Facility Agent shall in accordance with Operational Procedures for Malaysian Ringgit Settlement in RENTAS, Operational Procedures for Foreign Currency Settlement in RENTAS and Operational Procedures for Securities Services unconditionally make available by IFTS the fund to the following accounts:

For Securities denominated in Malaysian Ringgit:

- (i) BNM Account Number 1599990200 at Jabatan Pengurusan Operasi Matawang – an amount sufficient to pay the interest/Profit/Coupon/Dividend due and payable on the interest/Profit/Coupon/Dividend Payment Date; and
- (ii) BNM Account Number 1599990219 at Jabatan Pengurusan Operasi Matawang - an amount sufficient to pay the Redemption Proceeds due and payable on the Redemption Date.

For Securities denominated in US Dollar:

- (iii) Payments Network Malaysia Sdn Bhd Account Number 6872257404 at JP Morgan Chase Bank, Hong Kong (CHASHKH) - an amount sufficient to pay the Interest/Profit/Coupon/Dividend due and payable on the Interest/Profit/Coupon/Dividend Payment Date, or an amount sufficient to pay the Redemption Proceeds due and payable on the Redemption Date.

For Securities denominated in Renminbi:

- (iv) BNM Account Number 100000400768168 at Bank of China (Malaysia) Berhad - an amount sufficient to pay the Interest/Profit/Coupon/Dividend due and payable on the Interest/Profit/Coupon/Dividend Payment Date, or an amount sufficient to pay the Redemption Proceeds due and payable on the Redemption Date.
- (b) The payment of Interest/Profit/Coupon/Dividend and/or Redemption Proceeds made by the Issuer in accordance with Clause 5.2(a) satisfies and discharges the obligations of the Issuer pro tanto under the Transaction Documents in respect of that payment.

### 5.3 Withholding Tax

- (a) For payment of Interest/Profit/Coupon/Dividend for:
  - (i) Corporate Bonds and Sukuk denominated in Ringgit Malaysia; and
  - (ii) Corporate Sukuk originating from Malaysia in any currency other than Ringgit Malaysiato non-resident investors within the same group with the Issuer other than convertible Loan Stock, the Issuer shall at all times, ensures compliance with the withholding tax requirement.
  
- (b) 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, the Issuer shall be responsible to declare and make the relevant tax payments direct to the tax authorities.

- (c) 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, the Issuer may opt to appoint the Paying Agent to pay the tax payments on behalf of the Issuer. The Issuer shall ensure:

- (i) submission of Withholding Tax Declaration Form (per stated in Appendix XI of the Operational Procedures for Securities Services); and
- (ii) payment of withholding tax sum

to the Facility Agent by no later than 5:00pm on the ninth (9<sup>th</sup>) Business day after Coupon Payment Date. Facility Agent shall, in turn, submit the completed form to the Paying Agent and make available the withholding tax sum for the Paying Agent to deduct from.

#### **5.4 Provision of Notices**

- (a) The Issuer shall make available through the Facility Agent to the Central Securities Depository and/or Paying Agent a copy of all notices sent to the Trustee, or any other person, if such notices affect the duties and obligations of the Central Securities Depository and/or Paying Agent under these Rules.
- (b) In the event all or parts of the Securities are cancelled for any reason whatsoever, the Issuer shall make an announcement to the market through the Facility Agent in accordance with the provisions in the Transaction Documents.

## 6.0 Obligations of the Central Securities Depository

### 6.1 Global Certificate

The Central Securities Depository shall hold in custody the Global Certificate for and on behalf of the Trustee, or SSDS Participants, whichever applicable, and shall not release the Global Certificate from its custody unless:

- (a) the Securities are redeemed in full; or
- (b) the Securities are partially redeemed, reopened or extended maturity in which event the provision of Clause 6.3(c) shall apply; or
- (c) the prior written consent of the Trustee (if applicable) and the Issuer have been obtained.

### 6.2 Settlement of the Securities

- (a) The Central Securities Depository shall:
  - (i) permit the Securities to be settled through RENTAS; and
  - (ii) maintain an electronic book-entry system in the SSDS central computer to record holdings of the Securities held and transactions of Securities carried out by SSDS Participant;

in accordance with the Operational Procedures for Malaysian Ringgit Settlement in RENTAS, Operational Procedures for Foreign Currency Settlement in RENTAS and Operational Procedures for Securities Services.

- (b) The Central Securities Depository shall not revoke its permission given under Clause 6.2(a)(i) unless required to do so by any written law or allowed under the Operational Procedures for Malaysian Ringgit Settlement in RENTAS, Operational Procedures for Foreign Currency Settlement in RENTAS and Operational Procedures for Securities Services.

### **6.3 Due Care**

The Central Securities Depository shall handle the Global Certificate at all times strictly in accordance with the terms and conditions of these Rules and the Operational Procedures for Securities Services and perform the acts and duties imposed upon the Central Securities Depository there under including but not limited to the following:

- (a) properly and with due care, store and handle the Global Certificate on behalf of the Trustee, SSDS Participants, whichever is applicable;
- (b) in the event of redemption of the Securities in full, deliver to the Facility Agent the Global Certificate for redemption and cancellation; and
- (c) in the event of partial redemption, reopening or maturity extension of the Securities, deliver to the Facility Agent the original Global Certificates of affected Securities for cancellation and to receive the replacement Global Certificate from the Facility Agent to reflect the new outstanding issue amount or new maturity date.

### **6.4 Responsibilities of the Central Securities Depository**

Once the Global Certificate has been deposited with the Central Securities Depository by the Issuer in accordance with Clause 5.1, the Central Securities Depository shall become solely responsible and liable for any wrongful or inaccurate recording of holdings of the Securities held, or transactions of the Securities by the SSDS Participant, which for the purpose of this Rule, shall be deemed to be the agents and servants of the Central Securities Depository in accordance with the Operational Procedures for Securities Services.

### **6.5 Provision for Lost, Stolen or Destroyed Global Certificate**

Provided that the Central Securities Depository complies with its obligations under Clause 6.3 above, the Central Securities Depository shall not be liable for any expense, loss, damage or liability arising out of or in connection with the loss, theft or damage of the Global Certificate, save where such expense, loss, damage or liability is caused by the breach, negligence or wilful default of the Central Securities Depository.

## **6.6 List of SSDS Participant**

Upon a request in writing from the Lead Arranger or the Facility Agent on behalf of the Issuer and/or the Trustee from time to time, the Central Securities Depository shall provide to the Trustee and/or the Lead Arranger or the Facility Agent, a list of all SSDS Participants together with particulars of their respective holdings of the Securities in their Aggregate Customers' Securities Account and Own Securities Account.

## 7.0 Obligations of the Paying Agent

### 7.1 Payment of Interest/Profit/Coupon/Dividend

Subject to the receipt of funds in accordance with Clause 5.2 and the provisions of Clauses 7.3 and 7.4, the Paying Agent shall on each Interest/Profit/Coupon/Dividend Payment Date credit the Settlement Account of the relevant SSDS Participants :

- (a) with the Interest/Profit/Coupon/Dividend due and payable to the SSDS Participants, in respect of the Securities held by or belonging to it in its Own Securities Account; and/or
- (b) with the Interest/Profit/Coupon/Dividend due and payable to the Securities Holders who are not RENTAS members, in respect of the Securities held by or belonging to such Securities Holder in the SSDS Participants' Aggregate Customers' Securities Account;

in accordance with Operational Procedures for Malaysian Ringgit Settlement in RENTAS, Operational Procedures for Foreign Currency Settlement in RENTAS and Operational Procedures for Securities Services.

### 7.2 Payment of Redemption Proceeds

Subject to the receipt of funds in accordance with Clause 5.2 and the provisions of Clauses 7.3 and 7.4, the Paying Agent shall on the Redemption Date credit the Settlement Account of the relevant SSDS Participants:

- (a) with the Redemption Proceeds due and payable to the SSDS Participant, in respect of the Securities held by or belonging to it in its Own Securities Account; and/or
- (b) with the Redemption Proceeds due and payable to the Securities holders who are not RENTAS members, in respect of the Securities held by or belonging to such Securities holders in the SSDS Participant's Aggregate Customers' Securities Account;



in accordance with Operational Procedures for Malaysian Ringgit Settlement in RENTAS, Operational Procedures for Foreign Currency Settlement in RENTAS and Operational Procedures for Securities Services.

### 7.3 Responsibilities of the Paying Agent

Once the Global Certificate has been deposited with the Central Securities Depository by the Issuer in accordance with Clause 5.1, the Paying Agent shall become solely responsible and liable for any wrongful or inaccurate crediting of Interest/Profit/Coupon/Dividend and/or Redemption Proceeds due and payable to the Aggregate Customers' Securities Account or the Own Securities Account of the relevant SSDS Participants in accordance with the Operational Procedures for Malaysian Ringgit Settlement in RENTAS, Operational Procedures for Foreign Currency Settlement in RENTAS and Operational Procedures for Securities Services.

### 7.4 Withholding Tax

(a) 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, the Issuer may opt to appoint the Paying Agent to pay the tax payments on behalf of the Issuer through Facility Agent. The Issuer shall ensure submission of completed forms and payment to Facility Agent in accordance with Clause 5.3.(c). The Paying Agent shall deduct an equivalent withholding tax payment sum from the Facility Agent's account in accordance with Clause 8.2.(c).

(b) Except 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, the Paying Agent may withhold or deduct any tax that it is required by law to withhold or deduct from any payment under Clause 7.1 and shall not

be liable to account to the Issuer and Securities Holders for any such withholding or deduction. In addition, the Paying Agent reserves the right to recover from the Issuer penalties imposed by the tax authorities, for any omission of material information in tax forms or delays in withholding tax declaration or payment caused by the Issuer.

## **7.5 Shortfall in Funds and Notice of Non-Payment or Late Payment**

- (a) If there are insufficient funds to pay the Interest/Profit/Coupon/Dividend and/or the Redemption Proceeds due and payable on the due date for the payment of Interest/Profit/Coupon/Dividend and/or Redemption Proceeds, the Paying Agent shall refrain from making any payment of Interest/Profit/Coupon/Dividend and/or the Redemption Proceeds due and payable on the due date and if the settlement of the Securities on RENTAS is suspended in accordance with the Operational Procedures for Securities Services, the Paying Agent may cease to carry out its obligations as a Paying Agent. Any payment of Interest / Profit / Coupon / Dividend and/or Redemption Proceeds after the suspension shall be in accordance with the Operational Procedures for Securities Services. The Paying Agent shall have no liability to the Issuer or Securities Holders, the Trustee, if any or any other person in respect of any expense, loss, damage or liability suffered by the Issuer or the Securities Holders by reason of the aforesaid withholding of payment of Interest/Profit/Coupon/Dividend and/or the Redemption Proceeds or suspension of settlement of the Securities on RENTAS.
- (b) Upon being notified by the Facility Agent that all shortfalls of Interest/Profit/Coupon/Dividend and/or Redemption Proceeds due and payable and any other monies payable pursuant to the terms of the Transaction Documents have been paid by the Facility Agent on behalf of the Issuer, in accordance with Clause 5.2, the Paying Agent shall pay the Interest/Profit/Coupon/Dividend and/or Redemption Proceeds outstanding in accordance with Clauses 7.1 and 7.2.

## 8.0 Obligations of the Facility Agent

### 8.1 As Intermediary

The Facility Agent shall receive and forward all documents, notices, Interest/Profit/Coupon/Dividend and/or the Redemption Proceeds from and to the relevant parties, in accordance with the Operational Procedures for Securities Services and the Rules herein.

### 8.2 Withholding Tax

- (a) For payment of Interest/Profit/Coupon/Dividend for
- (i) Corporate Bonds and Sukuk denominated in Ringgit Malaysia; and
  - (ii) Corporate Sukuk originating from Malaysia in any currency other than Ringgit Malaysia

to non-resident investors within the same group with the Issuer other than convertible Loan Stock, the Facility Agent shall ensure that the Issuer is fully apprised with the withholding tax requirement.

- (b) Arising from Clause 5.3.(c), the Facility Agent shall by no later than 5:00pm on the tenth (10<sup>th</sup>) Business day after Coupon Payment Date, fax or email to the Paying Agent ([fast@paynet.my](mailto:fast@paynet.my)), a completed Withholding Tax Declaration Form (per stated in Appendix XI of the Operational Procedures for Securities Services).
- (c) Based on information submitted to the Paying Agent via Clause 8.2.(b), the Paying Agent shall deduct an equivalent withholding tax payment sum from the Facility Agent's account, by no later than 5:00pm on the eleventh (11<sup>th</sup>) Business day after Coupon Payment Date.

### 8.3 Late Payment of Interest / Profit / Coupon / Dividend and/or Redemption Proceeds

- (a) In the event that there are insufficient funds to pay the Interest/Profit/Coupon/Dividend and/or Redemption Proceeds due and payable,

the Facility Agent shall notify the Trustee (if applicable) accordingly.

- (b) If payment of any sum due from the Issuer in respect of any of the Securities is made after the due date for payment of that sum, the Facility Agent shall immediately notify the Paying Agent and the Trustee (if applicable) that such payment has been made in accordance with the Operational Procedures for Securities Services.

#### **8.4 Notices to the Market**

In the event that the Issuer has not deposited sufficient funds to pay the Interest/Profit/Coupon/Dividend and /or Redemption Proceeds due and payable on the due date for the payment of Interest/Profit/Coupon/Dividend and/or Redemption Proceeds, the Facility Agent shall notify the market of such non-payment of Interest/Profit/Coupon/Dividend and/or Redemption Proceeds or default and/or any suspension of the Securities within one (1) Business Day thereafter through FAST, and/or either the news service providers (Reuters and Bloomberg) or daily newspapers.

#### **8.5 Authentication**

The Issuer shall authorize the Facility Agent and the Facility Agent shall upon such authorisation agree to authenticate on behalf of the Issuer and the Trustee or Securities Holders, as the case may, manually by one or more duly authorized officers of the Facility Agent, the Global Certificate.

## 9.0 Uncertain or Unexpected Holiday

When a public holiday falls in a day that was originally expected to be a Business Day or when a public holiday is declared at the eleventh hour, the Interest/Profit/Coupon/Dividend and Redemption Proceeds shall be payable in accordance with the Operational Procedures for Securities Services.

## 10.0 Indemnity

The Issuer will indemnify the Central Securities Depository and the Paying Agent from and against any claim, expenses, loss, damage or liability (as to the amount of which the certificate of the Central Securities Depository or Paying Agent, as the case may be, shall, in the absence of manifest error, be conclusive) suffered by the Central Securities Depository and/or the Paying Agent:

- (a) arising out of or in connection with the due and proper performance of their respective duties under these Rules (save and except where such claims, expenses, losses, damage or liability is caused by the breach, negligence or wilful default of the Central Securities Depository and/or the Paying Agent); or
- (b) arising out of or in connection with the breach by the Issuer of any of its obligations under these Rules. Such indemnity shall extend to include all costs and expenses which the Central Securities Depository and/or the Paying Agent may reasonably incur in defending any claim or liability in respect of which indemnity may be sought against the Issuer under this Rule.

## **11.0 Change in the Central Securities Depository and/or Paying Agent**

### **11.1 Resignation of Central Securities Depository and/or Paying Agent**

- (a) Subject to Clause 11.1(b), BNM may resign as the Central Securities Depository and/or Paying Agent by giving at least three (3) months notice in writing (or such shorter period as the Issuer, the Trustee, the Lead Arranger or the Facility Agent, as the case may be, may agree) to the Issuer, the Trustee, the Lead Arranger or the Facility Agent, as the case may be, of its desire to do so;
- (b) The Central Securities Depository and/or Paying Agent shall not be entitled to resign in accordance with Clause 11.1(a) if the resignation of the Central Securities Depository and/or Paying Agent would in the opinion of the Trustee, the Lead Arranger or the Facility Agent, as the case may be, result in the Securities ceasing to be settled. Under such circumstances, the Trustee, the Lead Arranger or the Facility Agent as the case may be, shall be entitled to return and treat as having been revoked, any notice given pursuant to Clause 11.1(a);
- (c) If the Central Securities Depository and/or Paying Agent gives a notice of resignation under Clause 11.1(a), and the notice is not revoked under Clause 11.1(b), the Issuer shall procure the appointment of a new depository and/or paying agent, as the case may be for the Securities; and
- (d) Any new depository and/or paying agent must be approved by the Trustee, the Lead Arranger or the Facility Agent, as the case may be, and the Issuer.

### **11.2 Replacement of Central Securities Depository and/or Paying Agent**

Subject to provision in Clause 11.1, the Central Securities Depository and/or Paying Agent may only be replaced with the agreement of all the Parties.

### **11.3 Resignation or Replacement Deferred**

So long as any of the Securities remain outstanding, the resignation or replacement of the Central Securities Depository and/or the Paying Agent shall not take effect until the

appointment of the new depository and/or Paying Agent, as the case may be. The resignation or replacement of the Central Securities Depository and/or Paying Agent shall not prejudice the rights of the Issuer, the Trustee, the Lead Arranger or the Facility Agent, as the case may be, nor diminish the liability of the Central Securities Depository and/or the Paying Agent pursuant to these Rules arising or accruing up to the time of such resignation or replacement.



## **12.0 Change in the Facility Agent and/or Trustee**

### **12.1 Resignation and/or Replacement of Facility Agent**

- (a) Facility Agent may resign or be replaced from their role by the Issuer. The resignation or replacement of Facility Agent shall not take effect until the appointment of a new Facility Agent;
- (b) The new and old Facility Agent shall notify PayNet in writing at least one (1) week prior to the effective change of Facility Agent, by providing documents evidencing the Issuer's agreement on the change of Facility Agent;
- (c) The new Facility Agent shall submit Parameter Update Form (stated in the Operational Procedures for Securities Services) to PayNet for update of information about the new Facility Agent in FAST; and
- (d) The new Facility Agent shall submit a replacement Securities Lodgement Form bearing information of the new Facility Agent within one (1) week upon the update of the Facility Agent's information in FAST.

### **12.2 Resignation and/or Replacement of Trustee**

- (a) Trustee may resign or be replaced from their role by the Issuer. Facility Agent shall notify PayNet at least one (1) week prior to the effective change of Trustee, by providing documents evidencing the Issuer's agreement on the change of Trustee.
- (b) Facility Agent shall submit a Parameter Update Form (stated in the Operational Procedures for Securities Services) to PayNet for update of information about the new Trustee in FAST; and
- (c) The Facility Agent shall submit a replacement Securities Lodgement Form bearing information of the new Trustee within one (1) week upon the update of the Trustee's information in FAST.

## **13.0 Dispute Resolution**

### **13.1 Dispute**

Any dispute, difference, controversy or claim arising out of or in relation to these Rules or the breach, termination or invalidity thereof shall be settled in so far as it is possible, by mutual consultation and consent.

### **13.2 Dispute Against Central Securities Depository, Paying Agent and/or PayNet**

In the event of any other dispute or difference arising between the Central Securities Depository and/or Paying Agent and/or PayNet and one or more participants of the Payments and Securities Services provided by PayNet, which the parties are unable to resolve by discussion, the matter shall be referred to a final and binding arbitration under, and conducted in accordance with the Malaysian Arbitration Act 2005.

### **13.3 Dispute between Participants of the Payments and Securities Services provided by PayNet**

In the event of any dispute or difference between the participants of the Payments and Securities Services provided by PayNet, which the parties are unable to resolve amicably, the matter shall be referred to PayNet for resolution in accordance with the Guidelines on Dispute Resolution between Participants of the Payments and Securities Services provided by PayNet.

## 14.0 Certificates

Subject to the provisions of the Companies Act 1965, if the Global Certificate is lost or destroyed or stolen, then upon proof thereof to the satisfaction of the Issuer and on such indemnity as the Issuer deems adequate being given and on the payment of the amount of all taxes and duties and out-of-pocket expenses payable on or in connection with the issue thereof together with a further fee not exceeding such maximum sum as may be prescribed from time to time, by any applicable law or regulation or relevant authorities as the Issuer may determine, a new Global Certificate shall be issued in replacement of such lost or destroyed or stolen Global Certificate.

## 15.0 General

### 15.1 Notices

- (a) A notice or other communication (including, but not limited to a request, demand, consent or approval) to or by a Party:
- (i) shall be in legible writing addressed in accordance with the details provided in the Securities Lodgement Form or to any other address specified by a Party to the sender by notice in writing;
  - (ii) shall be signed by an authorised officer, or be under the common seal of the sender;
  - (iii) in the case of a facsimile, shall be stated to be sent under the signature of an authorised officer or under the common seal of the sender;
  - (iv) is deemed to be given by the sender and received by the addressee:
    - if by delivery in person, when delivered to the addressee provided that if the delivery is on a day which is not a Business Day or is after 3.00 p.m. it shall be deemed to be given at 9.00 a.m. on the next Business Day;
    - if by ordinary or registered post (not being AR Registered) three (3) Business Days after posting; or
    - if by facsimile transmission, one (1) Business Day after transmission subject to receipt by the sender of a full transmission report emanating from the facsimile machine of the sender.
- (b) In this Rule, a reference to an addressee includes a reference to an addressee's officers, agents or employees.

### 15.2 Costs and Expenses

The Issuer shall pay the costs and expenses in respect of:

- (a) any document executed under these Rules ; and
- (b) any transaction or matter referred to in or contemplated by these Rules.

### 15.3 Amendment of Rules

- (a) PayNet may, from time to time, and at its discretion, vary, amend, add or revoke any of the provisions in these Rules by making substitution, addition or deletion to the provisions and members shall abide by all the amendments made by PayNet;
- (b) PayNet shall give seven (7) business days' notice to the parties for any act done under Clause 15.3(a) above.

## Appendix 1: Securities Lodgement Form for Central Securities Depository and Paying Agency Services

<p><b>Securities Lodgement Form</b>  <b>for Central Securities Depository and Paying Agency Services</b>  <b>(Payments Network Malaysia Sdn Bhd)</b></p>
<b>1. Details of Facility</b>
<p>1.1 Description of Facility : .....</p> <p>1.2 Amount : ..... 1.3 Currency : ..... 1.4 Principle: Conventional / Islamic</p> <p>1.5 Instrument : ..... 1.6 Form of Instrument: <input type="checkbox"/> Bearer <input type="checkbox"/> Registered</p> <p>1.7 Date of Board Resolution : .....</p> <p>1.8 Securities Commission’s Approval/Lodgement Date : .....                  (if applicable)</p> <p>1.9 Securities Commission’s Reference Number/Lodgement ID : .....                  (if applicable)</p>
<b>2. Details of Issuance (Only Applicable to Foreign Currency Securities Issuances)</b>
<p>2.1 Issue Amount: ..... 2.2 Issue Date: .....</p> <p>2.3 Maturity Date: ..... 2.4 Form of Issuance: <input type="checkbox"/> Bearer <input type="checkbox"/> Registered</p>

**3. Details of Issuer**

3.1 Name of Company : .....

3.2 Company Registration Number : ..... 3.3 Place of Incorporation : .....

3.4 Registered Address : .....  
.....  
.....

3.5 Address of Communication : .....  
.....  
.....

3.6 Telephone : ..... 3.7 Fax : .....

3.8 Contact Person : ..... 3.9 Designation : .....

3.10 Department : .....

**4. Details of Lead Arranger**

4.1 Name of Company : .....

4.2 Company Registration Number : ..... 4.3 Place of Incorporation : .....

4.4 Registered Address : .....  
.....  
.....

4.5 Address of Communication : .....  
.....  
.....

4.6 Telephone : ..... 4.7 Fax : .....

4.8 Contact Person : ..... 4.9 Designation : .....

4.10 Department : .....

**5. Details of Co-Arranger**

5.1 Name of Company : .....

5.2 Company Registration Number : ..... 5.3 Place of Incorporation : .....

5.4 Registered Address : .....  
.....  
.....

5.5 Address of Communication : .....  
.....  
.....

5.6 Telephone : ..... 5.7 Fax : .....

5.8 Contact Person : ..... 5.9 Designation : .....

5.10 Department : .....

**6. Details of Facility Agent**

6.1 Name of Company : .....

6.2 Company Registration Number : ..... 6.3 Place of Incorporation : .....

6.4 Registered Address : .....  
.....  
.....

6.5 Address of Communication : .....  
.....  
.....

6.6 Telephone : ..... 6.7 Fax : .....

6.8 Contact Person : ..... 6.9 Designation : .....

6.10 Department : .....



**7. Details of Trustee (where applicable)**

7.1 Name of Company : .....

7.2 Company Registration Number : ..... 7.3 Place of Incorporation : .....

7.4 Registered Address : .....  
.....  
.....

7.5 Address of Communication : .....  
.....  
.....

7.6 Telephone : ..... 7.7 Fax : .....

7.8 Contact Person : ..... 7.9 Designation : .....

7.10 Department : .....

**8. Transaction Documents**

- a. ....
- b. ....
- c. ....
- d. ....

Examples: Trust Deeds, Global Certificate, Subscription Agreement, Programme Agreement, etc.

**9. Terms and Conditions**

1. The Issuer wishes to appoint Bank Negara Malaysia as the Central Securities Depository and Paying Agent for the Securities.
2. Bank Negara Malaysia, for purposes of carrying out its functions, duties and obligations as a Central Securities Depository and Paying Agent, shall be represented by the Payments Network Malaysia Sdn Bhd (PayNet) who shall be acting for and on behalf of Bank Negara Malaysia as its agent.
3. All terms used in this Securities Lodgement Form shall bear the same meaning as in the Central Securities Depository and Paying Agency Rules unless otherwise defined herein or the context otherwise requires.
4. The Issuer, Lead Arranger, Facility Agent and Trustee (where applicable) agree to be bound by the following rules and regulations including any update and modifications thereof:
  - a. Central Securities Depository and Paying Agency Rules;
  - b. Participation Rules for Payments and Securities Services;
  - c. Operational Procedures for Malaysian Ringgit Settlement in Real Time Electronic Transfer of Funds and Securities (RENTAS);
  - d. Operational Procedures for Foreign Currency Settlement in Real Time Electronic Transfer of Funds and Securities (RENTAS);
  - e. Operational Procedures for Securities Services;
  - f. Guidelines on Dispute Resolution between Participants of PayNet Services; and
  - g. Any other rules, guidelines, codes and directives issued by Bank Negara Malaysia and/or PayNet from time to time.
5. The Issuer, Lead Arranger, Facility Agent and Trustee (where applicable) undertake to ensure compliance with all laws, regulations, guidelines, rules, standards, directives and requirements imposed by any regulatory authority in all applicable jurisdictions. The Issuer, Lead Arranger, Facility Agent and Trustee (where applicable) agree that the responsibility to comply with all laws, regulations, guidelines, rules, standards, directives and requirements imposed by any regulatory authority in all applicable jurisdictions in relation to the Securities does not lie with Bank Negara Malaysia nor PayNet.
6. The Issuer, Lead Arranger, Facility Agent and Trustee (where applicable) agree to be bound by any other additional terms and conditions issued by PayNet in connection with this Securities Lodgement Form.
7. The Securities shall be issued in accordance with the Transaction Documents.
8. For Securities issued with warrants, these warrants have been detached.
9. A business day would exclude any day which is a public holiday or bank holiday in Kuala Lumpur, Malaysia as well as City ....., Country ..... (if applicable).

**10. Signature**

Issuer:

.....	.....
Authorised Signatory (ies)	(Witness)
Name: .....	Name: .....
Date: .....	Date: .....

Lead Arranger:

.....	.....
Authorised Signatory (ies)	(Witness)
Name: .....	Name: .....
Date: .....	Date: .....

Facility Agent:

.....	.....
Authorised Signatory (ies)	(Witness)
Name: .....	Name: .....
Date: .....	Date: .....

Trustee (where applicable):

.....	.....
Authorised Signatory (ies)	(Witness)
Name: .....	Name: .....
Date: .....	Date: .....