
NOTICE 5: SECURITIES AND FINANCIAL INSTRUMENTS

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PART A: ISSUANCE OF SECURITY AND ISLAMIC SECURITY (COLLECTIVELY REFERRED TO AS “SECURITY”)

Issuance of Security by Resident

1. A Resident is allowed to issue a security denominated in—
 - (a) Ringgit in Malaysia to a Non-Resident; or
 - (b) Foreign Currency to any person,

provided that where the issuance involves a debt security, the Resident issuer shall comply with Notice 2.

Issuance of Security by Non-Resident

2. A Non-Resident is allowed to issue a security denominated in Foreign Currency in Malaysia to any person.

PART B: ISSUANCE OF FINANCIAL INSTRUMENT AND ISLAMIC FINANCIAL INSTRUMENT (COLLECTIVELY REFERRED TO AS “FINANCIAL INSTRUMENT”) BY LICENSED FINANCIAL INSTITUTION AND BURSA MALAYSIA

3. A LOB¹ is allowed to issue or offer a Financial Instrument denominated in—
- (a) Ringgit in Malaysia to a Non-Resident; or
 - (b) Foreign Currency to any person,

provided that where the Financial Instrument derives from, references to or based on exchange rate, the LOB shall comply with Notice 1.

4. A LOB is allowed to issue or offer a Ringgit-denominated interest rate derivative and Ringgit-denominated profit rate Islamic derivative, directly or through its AOO, to—
- (a) a Non-Resident banking institution which has a Firm Commitment; or
 - (b) other Non-Resident,

provided that any issuance or offering embedded with buying and selling of Foreign Currency against Ringgit shall comply with Notice 1.

5. A licensed international Islamic bank is allowed to issue or offer a Financial Instrument denominated in Foreign Currency to any person **provided that** where the Financial Instrument derives from, references to or based on exchange rate, the licensed international Islamic bank shall comply with Notice 1.

6. A Resident licensed insurer or takaful operator is allowed to issue or offer an insurance product or a takaful product involving or linked to a Financial Instrument² denominated in Ringgit to a Non-Resident.

7. Bursa Malaysia is allowed to issue or offer, to a Non-Resident, a Financial Instrument denominated in Ringgit, **excluding** a Financial Instrument which derives from, references to or based on exchange rate.

¹ Depending on its scope of business.

² Any insurance or takaful product not involving nor linked to a Financial Instrument shall be regarded as a service for purposes of FE Notices.

PART C: SUBSCRIPTION OR TRANSFER OF SECURITY OR FINANCIAL INSTRUMENT

8. A Resident is allowed to subscribe or transfer a security or Financial Instrument issued or offered in accordance with this Notice **subject to** compliance with Notice 2, Notice 3, and Notice 4.

9. A Non-Resident is allowed to subscribe or transfer a security or Financial Instrument issued or offered in accordance with this Notice in Malaysia **subject to** compliance with Notice 2, Notice 3, and Notice 4.