

MEMO# 9223

September 5, 1997

MALAYSIA RESCINDS NEW RULES CONCERNING SALES OF 100 DESIGNATED STOCKS

[9223] September 5, 1997 VIA FAX TO: INTERNATIONAL COMMITTEE No. 30-97 RE:
MALAYSIA RESCINDS NEW RULES CONCERNING SALES OF 100 DESIGNATED STOCKS

The Kuala Lumpur Stock Exchange (KLSE) announced today that it was lifting the new rule requiring sellers of the 100 component stocks of the KLSE Composite Index to pre-deliver shares to their local broker dealer prior to placing a sale order in any of the companies. The new rule was imposed on August 28, 1997 to curb short selling. The KLSE's announcement states that effective September 5, 1997 shares in the 100 stocks will trade with delivery and settlement on T + 5 pursuant to the KLSE's rules. While the pre-delivery rule has been rescinded, regulated short selling and securities lending and borrowing activities are still prohibited until further notice. Attached is a copy of the KLSE press release. We will keep you advised of developments. Mary S. Podesta Associate Counsel - International Attachment (in .pdf format)

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