

A BILL

intituled

An Act to amend the Companies Act 1965.

□

BE IT ENACTED by the Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

1. This Act may be cited as the Companies (Amendment) Act 1991 and shall come into force on such date as the Minister may, by notification in the *Gazette*, appoint.

Short title
and
commencement.

2. Section 6A of the Companies Act 1965, which in this Act is referred to as "the principal Act", is amended—

Amendment of
section 6A.
Act 125

- (a) by deleting the word "or" after the semicolon in paragraph (10) (b);
- (b) by substituting for the full stop at the end of paragraph (10) (c) a semicolon and inserting immediately thereafter the word "or"; and
- (c) by inserting, immediately after paragraph (10) (c), a new paragraph (d) as follows:

Act "(d) the fact that it is held by, or in the name of, a central depository or its nominee company pursuant to the Securities Industry (Central Depositories) Act 1991."

3. Section 39 of the principal Act is amended—

Amendment of
section 39.

- (a) by deleting the word "and" after the semicolon in paragraph (1) (h);

- (b) by substituting for the full stop at the end of subparagraph (1)(i)(v) a semicolon and inserting immediately thereafter the word "and"; and
- (c) by inserting, immediately after paragraph (1)(i), a new paragraph (j) as follows:

Act "(j) shall, where the prospectus offers shares, notes or other marketable securities which have been specified by a stock exchange as prescribed securities under section 14 of the Securities Industry (Central Depositories) Act 1991, state that such shares, notes or marketable securities have been so prescribed and that applicants are required to have securities accounts when making their applications."

EXPLANATORY STATEMENT

This Bill seeks to make consequential amendments to the Companies Act 1965 which are made necessary by the introduction of the proposed Securities Industry (Central Depositories) Bill.

2. *Clause 2* seeks to amend subsection 6A (10) by inserting a new paragraph (d) so that an interest in a share shall not be disregarded only by the fact that the share is held by, or in the name of, the central depository or its nominee company.

3. *Clause 3* seeks to amend subsection 39 (1) relating to the contents of prospectuses. The new paragraph (j) provides that where shares, notes or other securities have been specified by a stock exchange as a prescribed security under section 14 of the proposed Securities Industry (Central Depositories) Act 1991, the prospectus shall state that such shares, notes or other securities have been so prescribed and that applicants are required to have securities accounts when making their applications.

FINANCIAL IMPLICATIONS

This Bill will not involve the Government in any extra financial expenditure.

[PN. (U²) 1643.]

