

Old-New Comparison Table for Business Regulations Relating to Book-Entry Transfers of Stock, etc.

New	Old
<p>Contents</p> <p>Chapter 1 (Omitted)</p> <p>Chapter 2 Handling of Book-Entry Transfer of Book-Entry Shares, etc. Part 1 – Part 14 (omitted) <u>Part 15 Handling of Foreign Accounts (Section 47-Section 49)</u></p> <p>Chapter 3: Fees (<u>Section 50</u>)</p> <p>Chapter 4: Miscellaneous Procedures (<u>Section 51 – Section 53</u>)</p> <p>Section 2. Definitions</p> <p>The terms used in the Regulations shall be defined as follows:</p> <p>(1) – (12) (Omitted)</p> <p>(13) <u>Foreign Account: Among Customer Accounts in Transfer Account Books prepared by Account Management Institutions, an account to record the rights on Book-Entry Shares, etc. held by a foreigner. In the case where foreigners residing outside Myanmar appoint a standing proxy in Myanmar, accounts of such standing proxy shall be regarded as Foreign Accounts;</u></p> <p>(14) <u>Foreigner: Foreigner prescribed in SECM Notification No.1/2019;</u></p> <p>(15) <u>Foreign Shareholding Limit: The upper limit percentage specified by an issuer of Book-Entry Shares, etc. where Book-Entry Shares, etc. of such issuer can be held by foreigners;</u></p> <p>(16) – (24) (Omitted)</p> <p>Section 8. Measures Taken When an Issuer Violates Laws and Regulations, etc.</p> <p>1. If an issuer of Book-Entry Shares, etc. falls under any of the following items, the Book-Entry Transfer Institution may issue a warning after giving the issuer an opportunity to explain. In this case, when the Book-Entry Transfer Institution issues such warning, the Book-Entry Transfer Institution may make a public announcement thereof without delay.</p> <p>(1) The breach of (i) laws and regulations, (ii) dispositions made by administrative agencies pursuant to the applicable laws and regulations, (iii) the Regulations, or (iv) provisions prescribed by the Book-Entry Transfer Institution pursuant to the provisions of <u>Section 53</u>; and</p>	<p>Contents</p> <p>Chapter 1 (Omitted)</p> <p>Chapter 2 Handling of Book-Entry Transfer of Book-Entry Shares, etc. Part 1 – Part 14 (Omitted) (New)</p> <p>Chapter 3: Fees (<u>Section 47</u>)</p> <p>Chapter 4: Miscellaneous Procedures (<u>Section 48 – Section 50</u>)</p> <p>Section 2. Definitions</p> <p>The terms used in the Regulations shall be defined as follows:</p> <p>(1) – (12) (Omitted) (New)</p> <p>(New)</p> <p>(New)</p> <p>(13) – (21) (Omitted)</p> <p>Section 8. Measures Taken When an Issuer Violates Laws and Regulations, etc.</p> <p>1. If an issuer of Book-Entry Shares, etc. falls under any of the following items, the Book-Entry Transfer Institution may issue a warning after giving the issuer an opportunity to explain. In this case, when the Book-Entry Transfer Institution issues such warning, the Book-Entry Transfer Institution may make a public announcement thereof without delay.</p> <p>(1) The breach of (i) laws and regulations, (ii) dispositions made by administrative agencies pursuant to the applicable laws and regulations, (iii) the Regulations, or (iv) provisions prescribed by the Book-Entry Transfer Institution pursuant to the provisions of <u>Section 50</u>; and</p>

- (2) (Omitted)
- 2. (Omitted)

Section 16. Measures Taken When Account Management Institution Violates Laws and Regulations, etc

- 1. When an Account Management Institution falls under any of the following items, the Book-Entry Transfer Institution shall give such Account Management Institution an opportunity to defend itself, and then, the Book-Entry Transfer Institution shall have the right to close the Account Management Institution Account of the Account Management Institution or to issue a warning:
  - (1) The breach of (i) laws and regulations, (ii) dispositions made by administrative agencies pursuant to the applicable laws and regulations, (iii) the Regulations, or (iv) provisions prescribed by the Book-Entry Transfer Institution pursuant to the provisions of Section 53; or
  - (2) (Omitted)
- 2. – 3. (Omitted)

Section 20. Matters to Be Recorded In the Transfer Account Book

- 1. – 2. (Omitted)
- 3. Matters in the following items shall be recorded in a Self Account in the Transfer Account Book maintained by the Book-Entry Transfer Institution and an Account for Customer in the Transfer Account Book maintained by the Account Management Institution:
  - (1) Name (in the case of a corporation, the name of the corporation; the same shall apply hereinafter), national registration number (in the case of a foreigner, passport number; the same shall apply hereinafter), and address of the Account Holder;
  - (2) In the case where the Account Holder is a foreigner, such fact;
  - (3) In the case where a foreigner residing outside Myanmar appoints a standing proxy in Myanmar, the fact that shares are held by the standing proxy;
  - (4) – (8) (Omitted)
- 4. Matters in the following items shall be recorded in the Customer Account in the Transfer Account Book maintained by the Book-Entry Transfer Institution:
  - (1) (Omitted)
  - (2) Matters referred to in Items 4, 5, and 7 of the preceding paragraph; and
  - (3) (Omitted)
- 5. In addition to the case in Paragraph 1, the Special Account prescribed in Section 25 and the shareholder of shares to be recorded to such

- (2) (Omitted)
- 2. (Omitted)

Section 16. Measures Taken When Account Management Institution Violates Laws and Regulations, etc

- 1. When an Account Management Institution falls under any of the following items, the Book-Entry Transfer Institution shall give such Account Management Institution an opportunity to defend itself, and then, the Book-Entry Transfer Institution shall have the right to close the Account Management Institution Account of the Account Management Institution or to issue a warning:
  - (1) The breach of (i) laws and regulations, (ii) dispositions made by administrative agencies pursuant to the applicable laws and regulations, (iii) the Regulations, or (iv) provisions prescribed by the Book-Entry Transfer Institution pursuant to the provisions of Section 50; or
  - (2) (Omitted)
- 2. – 3. (Omitted)

Section 20. Matters to Be Recorded In the Transfer Account Book

- 1. – 2. (Omitted)
- 3. Matters in the following items shall be recorded in a Self Account in the Transfer Account Book maintained by the Book-Entry Transfer Institution and an Account for Customer in the Transfer Account Book maintained by the Account Management Institution:
  - (1) Name (in the case of a corporation, the name of the corporation; the same shall apply hereinafter), national registration number and address of the Account Holder;
- (New)
- (New)
- (2) – (6) (Omitted)
- 4. Matters in the following items shall be recorded in the Customer Account in the Transfer Account Book maintained by the Book-Entry Transfer Institution:
  - (1) (Omitted)
  - (2) Matters referred to in Items 2, 3, and 5 of the preceding paragraph; and
  - (3) (Omitted)
- 5. In addition to the case in Paragraph 1, the Special Account prescribed in Section 25 and the shareholder of shares to be recorded to such

Special Account shall be recorded to the Transfer Account Book in the Book-Entry Transfer Institution. In this case, matters referred to in Items 4, 5, and 7 of Paragraph 3 shall be recorded for such Special Account, and matters referred to in Items 1 through 5 and 7 of Paragraph 3 shall be recorded for the shareholders of shares to be recorded to such Special Account.

Section 22. Notice to Shareholders to Request for Mediation of Account Notice

In cases where Stocks, etc. issued by an issuer are to be listed or other cases set forth by the Book-Entry Transfer Institution, the issuer shall conduct the matters specified in the following items as set forth by the Book-Entry Transfer Institution:

- (1) Inform its shareholders to request the Book-Entry Transfer Institution, etc., at which the account, in which an increase is to be recorded due to the New Record (meaning the record prescribed in Rule 26, Paragraph 3; the same shall apply hereinafter), (hereinafter referred to as "New Record Account") is opened, to deliver information specified in the following sub-items (hereinafter referred to as "Account Notice Information") to such issuer (hereinafter referred to as "Request for Mediation of Account Notice"):
  - a. (Omitted)
  - b. In the case where the Account Holder is a foreigner, such fact;
  - c. In the case where a foreigner residing outside Myanmar appoints a standing proxy in Myanmar, the fact that shares are held by the standing proxy;
  - d. – h. (Omitted)
- (2) (Omitted)

Section 26. Procedure for New Record at Time of Newly Listing Stocks, etc.

1. When newly listing stocks, etc., the issuer shall, as set forth by the Book-Entry Transfer Institution, notify the Book-Entry Transfer Institution of matters regarding such newly listing stocks, etc. prescribed in the following items:

- (1) – (4) (Omitted)
- (5) In the case where the Account Holder is a foreigner, such fact;
- (6) In the case where a foreigner residing outside Myanmar appoints a standing proxy in Myanmar, the fact that shares are held by the standing proxy;
- (7) (Omitted)
- (8) Matters prescribed in Items 1, 2, and 4 through 6 of the shareholders related to the shares to be recorded to the Special Account;

Special Account shall be recorded to the Transfer Account Book in the Book-Entry Transfer Institution. In this case, matters referred to in Items 2, 3, and 5 of Paragraph 3 shall be recorded for such Special Account, and matters referred to in Items 1 through 3 and 5 of Paragraph 3 shall be recorded for the shareholders of shares to be recorded to such Special Account.

Section 22. Notice to Shareholders to Request for Mediation of Account Notice

In cases where Stocks, etc. issued by an issuer are to be listed or other cases set forth by the Book-Entry Transfer Institution, the issuer shall conduct the matters specified in the following items as set forth by the Book-Entry Transfer Institution:

- (1) Inform its shareholders to request the Book-Entry Transfer Institution, etc., at which the account, in which an increase is to be recorded due to the New Record (meaning the record prescribed in Rule 26, Paragraph 3; the same shall apply hereinafter), (hereinafter referred to as "New Record Account") is opened, to deliver information specified in the following sub-items (hereinafter referred to as "Account Notice Information") to such issuer (hereinafter referred to as "Request for Mediation of Account Notice"):
  - a. (Omitted)  
(New)
  - (New)
  - b. – f. (Omitted)
- (2) (Omitted)

Section 26. Procedure for New Record at Time of Newly Listing Stocks, etc.

1. When newly listing stocks, etc., the issuer shall, as set forth by the Book-Entry Transfer Institution, notify the Book-Entry Transfer Institution of matters regarding such newly listing stocks, etc. prescribed in the following items:

- (1) – (4) (Omitted)  
(New)
- (New)
- (5) (Omitted)
- (6) Matters prescribed in Items 1, 2, and 4 of the shareholders related to the shares to be recorded to the Special Account;

<p><u>(9)</u> (Omitted)</p> <p><u>(10)</u> Total number of shares of the stock, etc in <u>Item 5</u>;</p> <p><u>(11) – (12)</u> (Omitted)</p> <p>2. The Book-Entry Transfer Institution, which receives the notice in the preceding paragraph, shall, as set forth by the Book-Entry Transfer Institution, notify the Account Management Institution of the matters prescribed in each item of the same paragraph (excluding <u>Items 7 through 10</u>).</p> <p>3. The Book-Entry Transfer Institution, etc., which receives the notice in the preceding paragraph, shall, on the date which a New Record in Paragraph 1, <u>Item 11</u> shall be made, as set forth by the Book-Entry Transfer Institution, record an increase in the Account Management Institution Account and the Special Account at the Book-Entry Transfer Institution or an Account for Customer at the Account Management Institution.</p> <p>4. (Omitted)</p> <p>5. The Book-Entry Transfer Institution shall, on the date that the New Record in Paragraph 1, <u>Item 11</u> should be made, in addition to Paragraph 3, record matters prescribed in Paragraph 1, <u>Item 8</u> as set forth by the Book-Entry Transfer Institution, to the Book-Entry Account Book.</p>	<p><u>(7)</u> (Omitted) (New)</p> <p><u>(8) – (9)</u> (Omitted)</p> <p>2. The Book-Entry Transfer Institution, which receives the notice in the preceding paragraph, shall, as set forth by the Book-Entry Transfer Institution, notify the Account Management Institution of the matters prescribed in each item of the same paragraph (excluding <u>Items 5, 6 and 7</u>).</p> <p>3. The Book-Entry Transfer Institution, etc., which receives the notice in the preceding paragraph, shall, on the date which a New Record in Paragraph 1, <u>Item 8</u> shall be made, as set forth by the Book-Entry Transfer Institution, record an increase in the Account Management Institution Account and the Special Account at the Book-Entry Transfer Institution or an Account for Customer at the Account Management Institution.</p> <p>4. (Omitted)</p> <p>5. The Book-Entry Transfer Institution shall, on the date that the New Record in Paragraph 1, <u>Item 8</u> should be made, in addition to Paragraph 3, record matters prescribed in Paragraph 1, <u>Item 6</u> as set forth by the Book-Entry Transfer Institution, to the Book-Entry Account Book.</p>
<p>Section 29. Procedures for Book-Entry Transfers for Settlement of Transactions Other than Exchange Transactions</p> <p>1. A Book-Entry Transfer request not related to a Book-Entry Transfer prescribed in Paragraph 1 of preceding section may be made only in the case where it falls under any of the following items:</p> <p>(1) – (2) (Omitted)</p> <p>(3) A Book-Entry Transfer due to inheritance or donation;</p> <p>(4) A Book-Entry Transfer between Accounts for Customers based on a basic contract wherein a listed company promises its director(s) or employee(s), or those equivalent thereto to continuously cooperate for the purpose of increasing the stable shareholder base; <u>and</u></p> <p>(5) <u>A Book-Entry Transfer pertaining to issues where the ratio of Book-Entry Shares, etc. held by foreigners exceeds the Foreign Shareholding Limit on a Record Date.</u></p> <p>2. – 8. (Omitted)</p>	<p>Section 29. Procedures for Book-Entry Transfers for Settlement of Transactions Other than Exchange Transactions</p> <p>1. A Book-Entry Transfer request not related to a Book-Entry Transfer prescribed in Paragraph 1 of preceding section may be made only in the case where it falls under any of the following items:</p> <p>(1) – (2) (Omitted)</p> <p>(3) A Book-Entry Transfer due to inheritance or donation; <u>and</u></p> <p>(4) A Book-Entry Transfer between Accounts for Customers based on a basic contract wherein a listed company promises its director(s) or employee(s), or those equivalent thereto to continuously cooperate for the purpose of increasing the stable shareholder base</p> <p>(New)</p> <p>2. – 8. (Omitted)</p>
<p>Section 39. Report of Shareholders</p> <p>An Account Management Institution shall make a report of shareholders on the following items to the Book-Entry Transfer Institution as set forth by the Book-Entry Transfer Institution:</p> <p>(1) – (2) (Omitted)</p> <p>(3) The number of Book-Entry Shares, etc. of the</p>	<p>Section 39. Report of Shareholders</p> <p>An Account Management Institution shall make a report of shareholders on the following items to the Book-Entry Transfer Institution as set forth by the Book-Entry Transfer Institution:</p> <p>(1) – (2) (Omitted)</p> <p>(3) The number of Book-Entry Shares, etc. of the</p>

<p>Issue Subject to the General Shareholders Confirmation that are held by the shareholders in the preceding item;</p> <p>(4) <u>In the case where shareholders in Item 2 are foreigners, such fact;</u></p> <p>(5) <u>In the case where a foreigner residing outside Myanmar appoints a standing proxy in Myanmar, the fact that shares are held by the standing proxy; and</u></p> <p>(6) (Omitted)</p>	<p>Issue Subject to the General Shareholders Confirmation that are held by the shareholders in the preceding item; <u>and</u></p> <p>(New)</p> <p>(New)</p> <p>(4) (Omitted)</p>
<p>Section 40. General Shareholders Confirmation Based on the contents reported under the provisions of the preceding section and the contents recorded in the Transfer Account Book (excluding the part of Special Account and part related to shareholder of the Shares, etc. recorded in the Special Account) that is maintained by the Book-Entry Transfer Institution, the Book-Entry Transfer Institution shall notify, as set forth by the Book-Entry Transfer Institution, a notice to the issuer of the Book-Entry Share, etc. which is the Issue Subject to the General Shareholders Confirmation, the Issue Subject to the General Shareholders Confirmation: the name, address, national registration number and bank account information of its shareholders; and the number of Book-Entry Shares etc. held by its shareholders; <u>in the case where shareholders are foreigners, such fact; in the case where a foreigner residing outside Myanmar appoints a standing proxy in Myanmar, the fact that shares are held by the standing proxy;</u> and other matters set forth by the Book-Entry Transfer Institution.</p>	<p>Section 40. General Shareholders Confirmation Based on the contents reported under the provisions of the preceding section and the contents recorded in the Transfer Account Book (excluding the part of Special Account and part related to shareholder of the Shares, etc. recorded in the Special Account) that is maintained by the Book-Entry Transfer Institution, the Book-Entry Transfer Institution shall notify, as set forth by the Book-Entry Transfer Institution, a notice to the issuer of the Book-Entry Share, etc. which is the Issue Subject to the General Shareholders Confirmation, the Issue Subject to the General Shareholders Confirmation; the name, address, national registration number and bank account information of its shareholders; and the number of Book-Entry Shares etc. held by its shareholders; and other matters set forth by the Book-Entry Transfer Institution.</p>
<p>Section 42. Individual Shareholders Confirmation</p> <p>1. – 2. (Omitted)</p> <p>3. An Account Management Institution that receives a request for the Individual Shareholders Confirmation shall notify the matters in the following items to the Book-Entry Transfer Institution.</p> <p>(1) – (3) (Omitted)</p> <p>(4) Number of Book-Entry Shares, etc. held by the Requesting Shareholder on the Current Date in the Individual Shareholders Confirmation;</p> <p>(5) <u>In the case where the Requesting Shareholder is a foreigner, such fact;</u></p> <p>(6) <u>In the case where a foreigner residing outside Myanmar appoints a standing proxy in Myanmar, the fact that shares are held by the standing proxy; and</u></p> <p>(7) (Omitted)</p> <p>4. (Omitted)</p>	<p>Section 42. Individual Shareholders Confirmation</p> <p>1. – 2. (Omitted)</p> <p>3. An Account Management Institution that receives a request for the Individual Shareholders Confirmation shall notify the matters in the following items to the Book-Entry Transfer Institution.</p> <p>(1) – (3) (Omitted)</p> <p>(4) Number of Book-Entry Shares, etc. held by the Requesting Shareholder on the Current Date in the Individual Shareholders Confirmation; <u>and</u></p> <p>(New)</p> <p>(New)</p> <p>(5) (Omitted)</p> <p>4. (Omitted)</p>
<p><u>Part 15 Handling of Foreign Accounts</u></p>	<p>(New)</p>

Section 47. Notice and Announcement of Foreign Shareholding Limit (New)

1. When an issuer of Book-Entry Shares, etc. makes decision on the Foreign Shareholding Limit, it shall promptly notify Book-Entry Transfer Institution, etc. of details thereof.
2. When the Book-Entry Transfer Institution receives a notice referred to in the preceding item from an issuer of Book-Entry Shares etc., it shall promptly make a public announcement on the Foreign Shareholding Limit of such issuer.

Section 48. Report and Announcement of Foreign Shareholding Status (New)

1. An Account Management Institution shall, on every business day, report to the Book-Entry Transfer Institution, for each issue, the number of shares, etc. in Foreign Accounts that reflects the settlement of all transactions on the business day.
2. The Book-Entry Transfer Institution shall, on every business day, calculate the values referred to in each of the following items, based on the reports in the preceding paragraph, and then notify them to Account Management Institutions and make a public announcement.
  - (1) The value obtained by adding (a) the number of shares, etc. held by foreigners in Special Account to (b) the number of shares, etc. of each issue reported from Account Management Institutions in accordance with the preceding paragraph; and
  - (2) The value obtained by dividing the value in the preceding item by the total number of Book-Entry Shares, etc. of the issue.

Section 49. Book-Entry Transfer pertaining to Issues where Foreign Shareholding Ratio Exceeds Foreign Shareholding Limit on Record Date (New)

1. In the case where the value in Paragraph 2, Item 2 in the preceding paragraph of a Book-Entry Share, etc. calculated three business days before the Record Date exceeds the Foreign Shareholding Limit, the Book-Entry Transfer Institution shall notify Account Management Institutions of such fact, and Book-Entry Transfer Institutions, etc. shall specify which are transactions above the limit or which are Book-Entry Transfers for settlement of transactions other than exchange transactions above the limit.
2. Account Management Institutions shall make, to the Book-Entry Transfer Institution, the following Book-Entry Transfer requests for the transactions or the Book-Entry Shares, etc. for the transfers specified in the preceding paragraph two business days before the Record

<p><u>Date:</u>  <u>(1) Transfer from Customer Account to Self Account on the Record Date; and</u>  <u>(2) Transfer from Self Account to Customer Account on the business day following the Record Date.</u>  <u>3. The Book-Entry Transfer Institution shall execute procedures for Book-Entry Transfers based on the requests in the preceding paragraph on the Record Date and the next business day.</u></p>	
<p><u>Section 50 – Section 53 (Omitted)</u></p>	<p><u>Section 47 – Section 50 (Omitted)</u></p>
<p>Supplementary Provision  These amended provisions shall be implemented on 20th March, 2020.</p>	