



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Frequently Asked Questions (FAQs)

Policy Document on the Framework for Electronic Trading Platforms

FAQs issued on: 26 October 2026

Introduction

These FAQs are intended to provide further clarity on common queries from approved platform operators and users in relation to the Policy Document on the Framework for Electronic Trading Platforms (ETP Framework) issued by Bank Negara Malaysia (BNM) on 26 October 2026.

Questions	Answers
General	
1. Is the ETP Framework only relevant for applicants and approved platform operators?	a) The ETP Framework sets out BNM's requirements and expectations for approved money brokers which operate electronic broking platforms and market participants which operate ETPs within the Malaysian wholesale financial markets, specifically the money and foreign exchange markets. b) While the ETP Framework does not impose obligations on ETP users, they are encouraged to familiarise themselves with its contents. Doing so can help guide their decision-making process when considering onboarding an ETP. ETP users in Malaysia shall ensure that they only use ETPs approved by BNM. (List of Approved Electronic Trading Platforms)
Paragraph 2. Applicability	
2. How does the regulatory scope differ for operators of ETPs and money brokers	a) Operators of ETPs are subject to the ETP Framework.

which operate electronic broking platforms?	b) Money brokers which operate electronic broking platforms, which are a sub-category of ETPs (as defined in the ETP Framework), must comply with the following: i. The ETP Framework, and ii. Relevant policies and requirements applicable for approved money brokers. Money brokers are required to be approved under the Financial Services Act 2013 (FSA), as well as to obtain an approval to operate electronic broking platforms under the ETP Framework.
3. Is approval granted at the entity level (covering all platforms) or on a per platform basis?	a) Approvals are granted on a platform-specific basis. Operators must submit a separate application for each ETP they intend to offer to market participants in the Malaysian wholesale financial markets. b) Approval status is entity-specific and non-transferable. It applies only to the platform operator's entity that submitted the application and does not extend to any affiliated company (including but not limited to a subsidiary, holding company or sister company).
4. What are examples of a general-purpose communication tool or system?	General-purpose communication tools and systems are messaging services or platforms not purpose built to bring together multiple market participants to electronically trade financial instruments. Examples of these include, telephone network providers, chatroom facilities, and social network platforms, among others.
5. What are examples of white-label arrangements of an ETP offered by a third-party technology provider?	a) White-label arrangements, in the context of ETP refer to ETP software solutions developed by a third-party technology provider. These ETPs are purchased by clients and are branded and operated as their own. b) For example, Company X purchases an ETP from Company A and rebrands it as "X Trading." Company X operates X Trading as its own ETP and promotes it to their clients to access liquidity among X Trading participants. In this scenario, Company X

	is required to obtain BNM's approval to offer X Trading in the Malaysian wholesale financial markets, while Company A does not have to.
Paragraph 8. Approval requirements	
6. What are the key steps involved in the application process?	a) The application process involves the following steps: Step 1: Preliminary Consultation (<i>optional</i>) • Submit an expression of interest via email to fmd@bnm.gov.my, including: i. Summary of proposed ETP (with offered services and functionalities), ii. Any queries regarding the application process, required documents, or other information. This is the preliminary step where BNM provides guidance on the scoping of the ETP in relation to the ETP Framework and determines the correct application form to be completed. Step 2: Formal Submission • Submit the completed relevant application form for approval (ETP: appendix 1, electronic broking platform: appendix 2) along with all required documents and information specified in paragraph 8.3 of the ETP Framework, as well as any additional details requested by BNM. • BNM will review the application and may request additional information during the assessment process. • Applicants will be notified of the outcome of the application.
7. What are the assessment criteria for the overall application?	BNM assesses applications based on audited information (both internally and externally) against the criteria outlined in the ETP Framework. This includes compliance with the legal provisions specified in the ETP Framework, and other relevant policy documents and legal instruments issued by BNM, with particular

	emphasis on implementing robust controls to ensure IT security and system integrity.
8. What are examples of changes made which require prior notification to BNM?	a) Changes which require notification refer to changes made to the information previously submitted to BNM as part of the approval application. Specifically, those related to details of the ETP operators' Board of Directors, senior management, business structure, and feasible business plans. For example, changes to the ownership or structure of the operator's parent company through mergers. b) Specifically for approved money broking businesses, changes which require notification to BNM includes establishment or relocation of offices, and appointment or reappointment of board of directors and senior management.
9. What is the required scope of the audit review?	a) <u>Pre-application audit review</u> As described in paragraph 8.9 of the ETP Framework, the scope of the audit review conducted prior to submitting an application, shall cover the effectiveness of procedures and controls for the operations of the ETP and all operational and governance requirements specified in Part C and Part D of the ETP Framework. b) <u>Post-implementation audit review</u> The scope of the post-implementation audit review which needs to be conducted within 6 months from the date of effective implementation of the ETP, must be confirmed with BNM prior to the conduct of the review. The scope generally covers the products and services offered, management of ETP operations, compliance with BNM's recommendations, and resolution of any issues identified with system implementation, and any other areas deemed necessary by BNM.
Paragraph 12. IT Security and protection	
10. What are the expectations for IT security and protection?	Platform operators are expected to implement adequate risk mitigation measures and controls to address IT-related risks that are reasonably

	foreseeable and within their control. Key areas of assessment, among others, include: • Ensuring continuous system availability • Robust data protection management • Effective escalation procedures for security incidents or breaches • Clearly defined roles and responsibilities of service providers and third parties • Proper arrangements, such as adequate governance and risk management policies or framework, for cloud services • Comprehensive service level agreement (SLA) management
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Any refinements to this document will be updated by BNM from time to time. Should you have additional queries related to the policy document, please submit your queries via email to fmd@bnm.gov.my

Appendix I: Application Form for Approval to Operate Electronic Trading Platforms



Prior to filling up this form, please read the Framework for Electronic Trading Platforms ("the ETP Framework"), in particular paragraph 8.3, for a list of mandatory information to be submitted as part of this application. If there are any changes to the submitted information prior to the completion of the review of the application, Bank Negara Malaysia must be notified immediately.

PART A: APPLICANT PARTICULARS

A1	Legal name and business registration number
A2	Date of incorporation
A3	Registered address
A4	Principal place of business
A5	Contact telephone and fax number
A6	Contact email address
A7	Website URL
A8	Operational footprint <i>Please be exhaustive as possible and state the licensing/approval regime obtained from regulators in each jurisdiction, where applicable, for the applicant and the applicant's group of companies in the same business line.</i>

PART B: BUSINESS PARTICULARS

B1	Name and type of electronic trading platform offered <i>Please provide a description of the platform's main characteristics and end-to-end process flow.</i>
B2	List of financial instruments to be offered <i>Please also include potential financial instruments to be offered in the future, if any.</i>
B3	Target clientele
B4	Remuneration structure <i>Please describe the fees structure and quantum – e.g. by USD per volume transacted / fixed subscription fees / price tiering structure</i>
B5	Business plan <i>Please provide a brief description of the short and long-term strategy of the business, operational track record, and business feasibility studies on the expected value of transactions to be facilitated and the sources of funding available to maintain ongoing operations.</i>
B6	Value proposition to the Malaysian market <i>Please include details on the degree of Malaysian participation in the business as well as unique value-add to the Malaysian financial markets.</i>
B7	Cloud / data infrastructure details <i>Please specify cloud services and/or data centre infrastructure used by the applicant as well as compliance with relevant international standards.</i>

B8	Audited financial statements <i>Please append audited financial statements for the past 3 years for both the applicant and the applicant's parent entity, where available.</i>
B9	Internal and external audit <i>For internal audit, please provide details of the internal verification and due diligence conducted for the purpose of paragraph 8.9(a) of the ETP Framework. For external audit, please provide an independent external audit report made for the purpose of paragraph 8.9(b) of the ETP Framework.</i>
B10	Compliance track record <i>Please state whether there has been any reported incidences of non-compliance or regulatory breaches in the past 5 years, either incurred by the applicant or by applicant's group of companies.</i>

PART C: SHAREHOLDING STRUCTURE

C1	Shareholding <i>Please state name of shareholders, nationality, shares held (units and foreign currency / MYR equivalent) and percentage of shareholding.</i>
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PART D: KEY PERSONNEL AND STAFF DETAILS

D1	Board of Directors details <i>Please state the directors' names, designation (chairman/executive/non-executive/independent), date of appointment and shareholders represented (if applicable).</i>
D2	Management details <i>Please include name, designation, date of appointment, telephone number and email address.</i>
D3	Statutory declaration of Board of Directors and CEO on meeting fit and proper criteria <i>With reference to paragraph 8.3(d) and (e) of the ETP Framework, applicants may refer to the Policy Document on Fit and Proper Criteria for Approved Person issued by BNM on 24 December 2018, or fit and proper criteria applied by the relevant financial regulatory authority in the applicant's domicile.</i>
D4	Corporate structure <i>For top and middle management staff, please provide a brief description of the job scope, and a list of staff involved in each role including their nationality. Please also provide the total headcount of the number of staff employed.</i>

PART E: DECLARATION

E1	On behalf of the company _____, I _____ (identification or passport number: _____) declare that all information given in the application form and attached annexe(s) (if any) are true, correct and complete. I acknowledge and agree that once Bank Negara Malaysia ("BNM") grants approval to operate electronic trading platforms, the applicant will be required to comply with, or be in accordance with, all applicable laws, which include but are not limited to the Financial Services Act 2013, the ETP Framework issued on 26 October 2026, the Code of Conduct for Malaysia Wholesale Financial Markets issued on 31 December 2021, the Foreign Exchange Notices issued on 1 October 2025, and any relevant requirements as may be specified by BNM from time to time. With this, the application pursuant to paragraph 8.1 of the Framework for Electronic Trading Platforms is submitted for the consideration of BNM. Signature: _____ Name: _____ Designation: Chief Executive Officer Date: _____
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Appendix 2: Application Form for Approval to Conduct Money-broking Business and Operate Electronic Trading Platforms



Prior to filling up this form, please read the Framework for Electronic Trading Platforms ("the ETP Framework"), in particular paragraph 8.3, for a list of mandatory information to be submitted as part of this application. If there are any changes to the submitted information prior to the completion of the review of the application, Bank Negara Malaysia must be notified immediately.

PART A: APPLICANT PARTICULARS

A1	Legal name and business registration number
A2	Date of incorporation
A3	Registered address
A4	Principal place of business
A5	Contact telephone and fax number
A6	Contact email address
A7	Website URL
A8	Authorised capital (MYR equivalent)
A9	Paid-up capital (MYR equivalent) <i>Minimum paid-up capital of MYR200,000 must be maintained at all times.</i>
A10	Operational footprint <i>Please be exhaustive as possible and state the licensing/approval regime obtained from regulators in each jurisdiction, where applicable, for the applicant and the applicant's group of companies in the same business line.</i>

PART B: BUSINESS PARTICULARS

B1	Name and type of electronic trading platform offered <i>Please provide a description of the platform's main characteristics and end-to-end process flow.</i>
B2	List of financial instruments traded on the electronic trading platform <i>Please also include potential instruments to be offered in the future, if any.</i>
B3	Target clientele
B4	Brokerage / Remuneration structure <i>Please describe the fees structure and quantum – e.g. by USD per volume transacted / fixed subscription fees / price tiering structure</i>
B5	Business plan <i>Please provide a brief description of the short and long-term strategy of the business, operational track record, and business feasibility studies including the expected value of transactions to be facilitated and the sources of funding available to maintain ongoing operations.</i>

B6	Value proposition to the Malaysian market <i>Please include details on the degree of Malaysian participation in the business as well as unique value-add to the Malaysian financial markets.</i>
B7	Cloud / data infrastructure details <i>Please specify cloud services and/or data centre infrastructure used by the applicant as well as compliance with relevant international standards.</i>
B8	Audited financial statements <i>Please append audited financial statements for the past 3 years for both the applicant and the applicant's parent entity, where available.</i>
B9	Internal and external audit <i>For internal audit, please provide details of the internal verification and due diligence conducted for the purpose of paragraph 8.9(a) of the ETP Framework. For external audit, please provide an independent external audit report made for the purpose of paragraph 8.9(b) of the ETP Framework.</i>
B10	Compliance track record <i>Please state whether there has been any reported incidences of non-compliance or regulatory breaches in the past 5 years, either incurred by the applicant or by applicant's group of companies.</i>

PART C: SHAREHOLDING STRUCTURE

C1	Shareholding <i>Please state name of shareholders, nationality, shares held (units and foreign currency/MYR equivalent) and percentage of shareholding.</i>
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PART D: KEY PERSONNEL AND STAFF DETAILS

D1	Board of Directors details <i>Please state the directors' names, designation (chairman/executive/non-executive/independent), date of appointment and shareholders represented (if applicable).</i>
D2	Management details <i>Please include name, designation, date of appointment, telephone number and email address.</i>
D3	Statutory declaration of Board of Directors and CEO on meeting fit and proper criteria <i>With reference to paragraph 8.3(d) and (e) of the ETP Framework, applicants may refer to the Policy Document on Fit and Proper Criteria for Approved Person issued by BNM on 24 December 2018</i>
D4	Corporate structure <i>For top and middle management staff, please provide a brief description of the job scope, and a list of staff involved in each role including their nationality. Please also provide the total headcount of the number of staff employed.</i>

PART E: DECLARATION

E1	On behalf of the company _____, I _____ (identification or passport number: _____) declare that all information given in the application form and attached annexure(s) (if any) are true, correct and complete. I acknowledge and agree that once Bank Negara Malaysia ("BNM") grants approval to conduct money broking business and operate electronic trading platforms, the applicant will be required to comply with, or be in accordance with, all applicable laws, which may include but are not limited to the Financial Services Act 2013, the ETP Framework issued on 26 October 2026, the Code of Conduct for Malaysia Wholesale Financial Markets issued on 31 December 2021, the Foreign Exchange Notices issued on 1 October 2025, and any relevant requirements as may be specified by BNM from time to time. With this, the application pursuant to section 11 of the Financial Services Act 2013 and paragraph 8.1 of the ETP Framework is submitted for the consideration of BNM.
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Signature: _____

Name: _____

Designation: Chief Executive Officer

Date: _____
