

BURSA MALAYSIA DERIVATIVES BERHAD

Date : 29 September 2006

Trading Participant Circular : 25/2006

**AMENDMENTS TO THE RULES OF BURSA MALAYSIA DERIVATIVES
BERHAD PERTAINING TO BURSA TRADE**

Further to the Bursa IT Circular For Trading Participants (Circular Number: Bursa/TP IT 7 of 2006) issued today, please be informed that Rules 200 and 700 of the Rules of Bursa Malaysia Derivatives Berhad has been amended as set out in **ANNEXURE 1** appended herewith (the "said Amendments").

In essence, the said Amendments encompass, amongst others, the introduction of the following:-

- (1) The various trading phases (see Rule 702A)
Some of these trading phases already exist under the current trading system, but they were not set out in the existing Rules. Certain tasks and functions can be carried out during certain phases, and not during the other phases. By setting out the various trading phases and the tasks and functions that are allowed or not allowed in each of these phase, Participants can be better guided in their trading activities.
- (2) The concept of trading status in respect of Contract Groups and Contracts (see Rule 702B)
The trading status will be displayed at the brokers' front end and will affect Participants in that it determines whether orders may be entered, modified, cancelled, matched and executed. As such, the Rules describe broadly what these trading statuses are, and what can be carried out when each of these trading statuses is being displayed in the system.
- (3) The new types of orders that may be entered (see Rule 703)
With the introduction of Bursa Trade, new types of orders are being introduced, and as such, new provisions are added in the Rules for these new types of orders in addition to providing further description and/or enhancing the existing provisions for purposes of clarity.
- (4) The various validity and execution conditions that are allowed to be attached to orders entered (See Rule 703.7)
There are provisions in the existing Rules on these, but the proposed amendments are more comprehensive and detailed, not to mention, provide for new validity and execution conditions introduced under Bursa Trade.

- (5) Strategy trades (See Rule 703.8)
Currently, there are two provisions in the Rules on strategy trades, namely combination order and strip trading. As strategy trades under Bursa Trade is wider and encompass many types of orders, the existing provisions on combination order and strip trading are replaced with this general provision, which is wide and general enough to cater for the various combination of orders that can be entered.
- (6) New trading safeguards (See Rule 707)
These are new empowering provisions for the Exchange to impose price limits and to bust trades and traded prices. These provisions are essential for the Exchange to carry out its functions in ensuring a fair and orderly market.
- (7) Exchange of Futures for Physical (“EFP”) (See new chapter Rule 700B)
Although currently EFP is governed by Rule 715, a new chapter is created for this off-market transaction to make it consistent with the Rules of Bursa Malaysia Securities Berhad, which has a separate chapter for direct business transactions, an off-market transaction. The existing Rule 715 has been incorporated into this new chapter, with a few changes made to the sequence/order of the provisions to achieve a better flow of the language.

Kindly be advised that the said Amendments shall take effect from **2 October 2006**, unless notified otherwise by the Exchange.

Trading Participants shall ensure that all the Local Participants and Trading Permit Holders who trade through them are notified of the said Amendments forthwith.

All rules, directives or circulars in force which make references to or contain provisions relating to the above matters shall have effect from that date as if such reference or provisions relate to the amended provisions aforesaid.

For further information or inquiries on the said Amendments, kindly contact the following persons at the respective telephone numbers –

- i. Mr. Lim Boon Hang (03-2034 7287);
- ii. Mr. Siah Boon Peng (03-2034 7212); or
- iii. Ms. Cheryl Tan (03-2034 7294).

The said Amendments are available on Bursa Malaysia’s website at this link: http://www.bursamalaysia.com/website/bm/rules_and_regulations/bursa_rules/downloads/BMD_RULES100-1700.pdf

Legal Advisory & Corporate Legal Affairs

AMENDMENTS TO THE RULES OF BURSA MALAYSIA DERIVATIVES BERHAD PERTAINING TO THE BURSA TRADE

| RULE | | NEW RULES | | RULE | | EXISTING RULES | |
|--------------|---|------------------|--|-------------|--|-----------------------|--|
| 201 | Definitions | 201 | Definitions | 201 | Definitions | 201 | Definitions |
| | <p>“Daily Settlement Closing-Price” means the price of a Contract as may be determined by the Clearing House for the purposes of settlement to market in accordance with the rules of the Clearing House;</p> <p>“Rules” means these Rules of the Exchange, and any amendments or additions thereto which may be made by the Exchange from time to time and includes any <u>schedules</u>, guidelines, notices or circulars of general application issued by the Exchange for the guidance of Participants or to govern the trading of any Contract or Contracts;</p> | | <p>“Daily Closing Price” means the price of a Contract as may be determined by the Clearing House for the purposes of settlement to market in accordance with the rules of the Clearing House;</p> <p>“Rules” means these Rules of the Exchange, and any amendments or additions thereto which may be made by the Exchange from time to time and includes any guidelines, notices or circulars of general application issued by the Exchange for the guidance of Participants or to govern the trading of any Contract or Contracts;</p> | | <p>“Daily Closing Price” means the price of a Contract as may be determined by the Clearing House for the purposes of settlement to market in accordance with the rules of the Clearing House;</p> <p>“Rules” means these Rules of the Exchange, and any amendments or additions thereto which may be made by the Exchange from time to time and includes any guidelines, notices or circulars of general application issued by the Exchange for the guidance of Participants or to govern the trading of any Contract or Contracts;</p> | | <p>“Daily Closing Price” means the price of a Contract as may be determined by the Clearing House for the purposes of settlement to market in accordance with the rules of the Clearing House;</p> <p>“Rules” means these Rules of the Exchange, and any amendments or additions thereto which may be made by the Exchange from time to time and includes any guidelines, notices or circulars of general application issued by the Exchange for the guidance of Participants or to govern the trading of any Contract or Contracts;</p> |
| 202 | Interpretation | 202 | Interpretation | 202 | Interpretation | 202 | Interpretation |
| <u>202.5</u> | <u>The meaning of any term defined in these Rules extends to all grammatical variations of that term.</u> | | | | | | |
| <u>202.6</u> | <u>Any reference in these Rules to “schedule” or “guideline” shall be construed as a reference to a schedule or guideline of, to or as contained in these Rules, unless otherwise stated.</u> | | | | | | |
| <u>202.7</u> | <u>Any reference in these Rules to “suspend” or “halt” in relation to the trading of a Contract may be construed to mean “forbidden”, “halted”, “reserved”, “suspended” or “frozen” as determined by the Exchange pursuant to Rule 702B.</u> | | | | | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|---------------|--|-------|---|
| 701 | Trading on the Market | 701 | Trading in the Market |
| <u>701.1A</u> | <p><u>For the purposes of Rule 700, except where the context otherwise requires:-</u></p> <p><u>“ATS” means the Exchange’s automated and computerised trading system established by the Exchange.</u></p> <p><u>“Buyer” means a party who assumes a Long Position under a Futures Contract.</u></p> <p><u>“Seller” means a party who assumes a Short Position under a Futures Contract.</u></p> <p><u>“Trading Procedures” means the procedures, processes and all other matters issued, in whatsoever form and manner by the Exchange, in relation to the trading of Contracts on the Market and include any amendments and modifications made thereto.</u></p> | | |
| 701.1 | <p><u>(a) All trading by Participants in Contracts shall must be effected through the ATS done in the Market in the manner stipulated in these Rules, the Trading Procedures or any other directives issued directed by the Exchange from time to time.</u></p> <p><u>(b) All Participants shall must be familiar with the use of ATS for the purpose of effecting any trades of Contracts on the Market automated trading system used by the Exchange before being allowed to trade at the designated locations of the Participant, unless determined otherwise by the Exchange. Each Participant is responsible for controlling access through the terminals on its premises to the automated trading system.</u></p> <p><u>(c) It shall be the duty of every Participant to take all reasonable security measures to prevent unauthorised access to the ATS, which include but are not limited to, establishing and maintaining such procedures for the administration and monitoring of access to the ATS.</u></p> | 701.1 | All trading by Participants in Contracts must be done in the Market in the manner directed by the Exchange from time to time. All Participants must be familiar with the automated trading system used by the Exchange before being allowed to trade at the designated locations of the Participant, unless determined otherwise by the Exchange. Each Participant is responsible for controlling access through the terminals on its premises to the automated trading system. |
| 701.2 | <p>(a) All trading on the Market by Participants and Trading Permit Holders shall be deemed to be as principals and neither the Exchange nor the Clearing House shall be obliged to recognise the interest of any third party.</p> <p>(b) Nothing in Rule 701.2(a) shall affect the rights of a Client to take any action or commence any proceedings against a Trading Participant.</p> | 701.2 | <p>(a) All trading on the Market by Participants and Trading Permit Holders shall be deemed to be as principals and neither the Exchange nor the Clearing House shall be obliged to recognise the interest of any third party.</p> <p>(b) Nothing in Rule 701.2(a) shall affect the rights of a Client to take any action or commence any proceedings against a Trading Participant.</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-------|--|-------|--|
| 701.3 | <p>For the purposes of Rule 701.3:</p> <p>“Buyer” means a party who assumes a Long Position under a Futures Contract.</p> <p>“Seller” means a party who assumes a Short Position under a Futures Contract.</p> <p><u>(a) All orders entered into ATS and matched in accordance with the provisions stipulated in Rule 700 shall be deemed executed except in the following circumstances:-</u></p> <p><u>(i) where the matching of the orders results in a breach of the price limits referred to in Rule 707.1; and</u></p> <p><u>(ii) in any other circumstances prescribed by the Exchange in any directives, notices or circulars issued from time to time.</u></p> <p><u>(ba)</u> When an order is executed<u>matched in accordance with Rule 701.3(a)</u>, a c<u>Contract</u> (“original<u> contract</u>”) will come into existence and the parties shall be bound as principals. No third party interest shall be recognised notwithstanding that any one or both of them may be entering into the original c<u>Contract</u> on the instructions of a third party.</p> <p><u>(cb)</u> If the Buyer under an original c<u>Contract</u> is a Non-Clearing Participant and the Seller under that original c<u>Contract</u> is a Clearing Participant:</p> <p>(i) a new contract (“new c<u>Contract</u>”) will come into existence between the Non-Clearing Participant’s Nominating Participant as a Buyer to that original<u> contract</u> upon terms identical to those of the original c<u>Contract</u> and the other Clearing Participant will be Seller under that new contract; and</p> <p>(ii) the original c<u>Contract</u> will be extinguished.</p> <p><u>(de)</u> If the Seller under an original c<u>Contract</u> is a Non-Clearing Participant and the Buyer under that original c<u>Contract</u> is a Clearing Participant:</p> <p>(i) a new contract (“new c<u>Contract</u>”) will come into existence between the Non-Clearing Participant’s Nominating Participant as Seller to</p> | 701.3 | <p>For the purposes of Rule 701.3:</p> <p>“Buyer” means a party who assumes a Long Position under a Futures Contract.</p> <p>“Seller” means a party who assumes a Short Position under a Futures Contract.</p> <p>(a) When an order is matched, a Contract will come into existence and the parties shall be bound as principals. No third party interest shall be recognised notwithstanding that any one or both of them may be entering into the Contract on the instructions of a third party.</p> <p>(b) If the Buyer under a Contract is a Non-Clearing Participant and the Seller under that Contract is a Clearing Participant:</p> <p>(i) a new contract (“new Contract”) will come into existence between the Non-Clearing Participant’s Nominating Participant as a Buyer to that contract upon terms identical to those of the Contract and the other Clearing Participant will be Seller under that new contract; and</p> <p>(ii) the Contract will be extinguished.</p> <p>(c) If the Seller under a Contract is a Non-Clearing Participant and the Buyer under that Contract is a Clearing Participant:</p> <p>(i) a new contract (“new Contract”) will come into existence between the Non-Clearing Participant’s Nominating Participant as Seller to that new contract upon terms identical to those of the Contract and the other Clearing Participant will be Buyer under that new contract; and</p> <p>(ii) the Contract will be extinguished.</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------------|--|------------|--|
| | <p>that new contract upon terms identical to those of the <u>original cContract</u> and the other Clearing Participant will be Buyer under that new contract; and</p> <p>(ii) the <u>original cContract</u> will be extinguished.</p> <p>(e) If the Buyer under an <u>original cContract</u> is a Non-Clearing Participant (“first Non-Clearing Participant”) and the Seller under that <u>original cContract</u> is also a Non-Clearing Participant (“second Non-Clearing Participant”):</p> <p>(i) a new contract (“new <u>cContract</u>”) will come into existence between the first Non-Clearing Participant’s Nominating Participant as Buyer to that <u>original</u> contract upon terms identical to those of the <u>original cContract</u> and the second Non-Clearing Participant’s Nominating Participant will be Seller under that new contract; and</p> <p>(ii) the <u>original cContract</u> will be extinguished.</p> | | <p>(d) If the Buyer under a Contract is a Non-Clearing Participant (“first Non-Clearing Participant”) and the Seller under that Contract is also a Non-Clearing Participant (“second Non-Clearing Participant”):</p> <p>(i) a new contract (“new Contract”) will come into existence between the first Non-Clearing Participant’s Nominating Participant as Buyer to that contract upon terms identical to those of the Contract and the second Non-Clearing Participant’s Nominating Participant will be Seller under that new contract; and</p> <p>(ii) the Contract will be extinguished.</p> |
| 701.3A | <p>The <u>original cContract</u> or new <u>cContract</u> (as the case may be) shall be presented to the Clearing House for registration in accordance with the Clearing House Rules, <u>by way of an electronic data transmission or any other mode determined by the Exchange.</u> Subject to the Rules of the Clearing House, a Contract or a new Contract (as the case may be) will be deemed registered with the Clearing House upon the Exchange’s automated trading system producing a record of the registration.</p> | 701.3A | <p>The Contract or new Contract (as the case may be) shall be presented to the Clearing House for registration in accordance with the Clearing House Rules. Subject to the Rules of the Clearing House, a Contract or a new Contract (as the case may be) will be deemed registered with the Clearing House upon the Exchange’s automated trading system producing a record of the registration.</p> |
| 701.4 | <p>If existing Contracts are transferred to another Trading Participant in accordance with these Rules, then any related Client contract shall automatically be transferred to the same Trading Participant and the transferor Trading Participant shall pay to the transferee Trading Participant any margin or cover held in respect of that Client contract. All closing transactions shall be made through the same Trading Participant with whom the opening position is held. All Exercise Notices shall be lodged with the same Trading Participant with whom the opening position is held.</p> | 701.4 | <p>If existing Contracts are transferred to another Trading Participant in accordance with these Rules, then any related Client contract shall automatically be transferred to the same Trading Participant and the transferor Trading Participant shall pay to the transferee Trading Participant any margin or cover held in respect of that Client contract. All closing transactions shall be made through the same Trading Participant with whom the opening position is held. All Exercise Notices shall be lodged with the same Trading Participant with whom the opening position is held.</p> |
| | | | |
| 702 | <u>Trading Days, Trading Sessions and Trading Hours</u> | 702 | Trading Days |
| 702.1 | (a) The trading in Contracts <u>hours of the Exchange</u> shall be <u>carried out in two</u> | 702.1 | The trading hours of the Exchange shall be on such times as may be |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--------|--|-------|--|
| | <p><u>(2) sessions everyday</u> from Mondays to Fridays (except on any day that has been gazetted as a public holiday or any other day on which the Market is officially closed by the Exchange) or such other time or day(s) as may be determined announced by the Exchange.</p> <p><u>(b) The trading hours of each of the trading sessions and the trading phases stipulated in Rule 702A shall be determined by the Exchange and the same may be prescribed in the schedules, the Trading Procedures or in any other form deemed fit by the Exchange.</u></p> | | <p>determined by the Exchange from Monday to Friday (except on any day that has been gazetted as a public holiday or any other day on which the market is officially closed by the Exchange) or such other time or day as may be announced by the Exchange.</p> |
| 702.2 | <p><u>Notwithstanding any provisions in these Rules,</u> tThe Exchange shall from time to time give or cause to be given to Participants directions as to the manner in which the Market is to be opened for trading by Participants.</p> | 702.2 | <p>The Exchange shall from time to time give or cause to be given to Participants directions as to the manner in which the Market is to be opened for trading by Participants.</p> |
| | <p><i>[This sub-rule has been deleted]</i></p> | 702.3 | <p>The Exchange shall have the power to suspend trading or withhold from Participants the facilities for trading on any day, and for any period of time, either generally or in any class or classes of Contract. Notice of any such suspension, and notice of the lifting of any such suspension, shall be given to Participants as soon as reasonably possible.</p> |
| 702.34 | <p>If there arise circumstances where in the opinion of the Exchange, the commencement of trading on any day is to should be temporarily delayed, or trading should be temporarily suspended, in order to preserve an orderly market in accordance with the powers conferred to the Exchange #under these Rules and the Futures Industry Act, the Exchange shall <u>have the power to</u> withhold <u>from the Participants the</u> facilities for trading <u>or to suspend trading</u> for the period of any such delay or suspension or delay.</p> | 702.4 | <p>If there arise circumstances where in the opinion of the Exchange the commencement of trading on any day should be temporarily delayed, or trading should be temporarily suspended, in order to preserve an orderly market in accordance with the powers conferred to it the Exchange shall withhold facilities for trading for the period of any such suspension or delay.</p> |
| 702A | <p><u>Manner of Trading</u></p> | | |
| 702A.1 | <p><u>Trading Phases</u></p> <p><u>(a) Subject to the provisions of these Rules, all trading in Contracts shall be carried out in the phases stipulated in Rule 702A. The sequence of the trading phases shall be in the order set out hereinafter.</u></p> <p><u>(b) Notwithstanding Rule 702A.1(a), the Exchange may, at any time and from</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|----------------------|---|------|----------------|
| | <p><u>time to time as it deems fit, change the trading phases and the sequence of the trading phases.</u></p> | | |
| <p><u>702A.2</u></p> | <p><u>Pre-Opening Phase</u></p> <p>(a) <u>The pre-opening phase is an order accumulation period during which orders may be entered by Participants into the ATS. However, there shall be no matching of orders during this phase.</u></p> <p>(b) <u>Without prejudice to the rights of the Exchange under Rule 703.1A(c), Participants may modify or cancel any orders entered during this phase.</u></p> <p>(c) <u>The ATS shall calculate the theoretical opening price (“TOP”) based on such algorithm as may be prescribed by the Exchange in the Trading Procedures. The TOP shall be continuously updated and disseminated to Participants and any other parties as determined by the Exchange.</u></p> | | |
| <p><u>702A.3</u></p> | <p><u>Opening Auction</u></p> <p>(a) <u>The opening auction is an order-matching phase during which orders maintained in the ATS are matched. During the opening auction, no new orders shall be entered and existing orders in the ATS shall not be modified or cancelled.</u></p> <p>(b) <u>The opening price is the last TOP calculated at the pre-opening phase. Subject to Rule 703, orders maintained in the ATS at the opening auction are matched at the opening price in accordance with the principles for matching of orders as set out in Rule 704.</u></p> <p>(c) <u>Where no TOP is or can be computed for any reason whatsoever, the price of the first order matched at the main trading phase shall be designated as the opening price.</u></p> | | |
| <p><u>702A.4</u></p> | <p><u>Main Trading Phase</u></p> <p>(a) <u>During the main trading phase, Participants may enter new orders as well as modify or cancel orders entered, subject to the rights of the Exchange under Rule 703.1A(c).</u></p> <p>(b) <u>All orders entered or maintained in the ATS at this phase shall be matched on a continuous basis in accordance with the principles for matching of orders as set out in Rule 704. For the purpose of this Rule, “continuous basis” means that orders shall be immediately considered for matching upon entry into the ATS, in accordance with the</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--------|--|------|----------------|
| | <p><u>principles for matching of orders as set out in Rule 704.</u></p> <p>(c) <u>All orders which are not matched immediately upon the entry of the orders into the ATS shall, subject to Rule 703, be maintained in the ATS for possible matching in accordance with the principles for matching of orders as set out in Rule 704.</u></p> | | |
| 702A.5 | <p><u>Pre-Closing Phase</u></p> <p>(a) <u>The pre-closing phase is an order accumulation period during which orders may be entered by Participants into the ATS. However, there shall be no matching of orders during this phase.</u></p> <p>(b) <u>Without prejudice to the rights of the Exchange under Rule 703.1A(c), Participants may modify or cancel any orders entered during this phase.</u></p> <p>(c) <u>The ATS shall calculate the theoretical closing price (“TCP”) based on such algorithm as may be prescribed by the Exchange in the Trading Procedures. The TCP shall be continuously updated and disseminated to Participants and any other parties as determined by the Exchange.</u></p> | | |
| 702A.6 | <p><u>Closing Auction</u></p> <p>(a) <u>The closing auction is an order-matching phase during which orders maintained in the ATS are matched. During the closing auction, no new orders shall be entered and existing orders in the ATS shall not be modified or cancelled.</u></p> <p>(b) <u>The closing price is the last TCP calculated at the pre-closing phase. Subject to Rule 703, orders maintained in the ATS at the closing auction are matched at the closing price in accordance with the principles for matching of orders as set out in Rule 704.</u></p> | | |
| 702A.7 | <p><u>Trading Procedures</u></p> <p><u>The Exchange may, at any time and from time to time issue Trading Procedures. All Participants shall be bound to comply with the Trading Procedures.</u></p> | | |
| 702A.8 | <p><u>Trading Fees</u></p> <p>(a) <u>The Exchange shall be entitled to impose fees (“Trading Fees”) for each Contract</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--------------------|--|------|----------------|
| | <p><u>bought or sold, whether the same results in an Open Position or a Closed Out trade.</u></p> <p><u>(b) The Trading Fees for the respective categories of Participants in relation to Contracts and each of the classes of Contracts, as the case may be, are as stipulated in Guideline 3.2, which may be varied from time to time by the Exchange.</u></p> <p><u>(c) The Exchange may impose other fees in addition to that stipulated in Guideline 3.2.</u></p> <p><u>(d) All Participants shall be bound to pay the Trading Fees or any other fees imposed by the Exchange pursuant to Rule 702A.8(c), in the manner determined by the Exchange.</u></p> | | |
| <u>702B</u> | <u>Trading Status</u> | | |
| <u>702B.1</u> | <p><u>Information on the Trading Status</u></p> <p><u>The Exchange may, in the manner stipulated in Rules 702B.2 and 702B.3, provide in the ATS, information as to whether orders in respect of a Contract or Contracts categorised within a group (“Contract Group”) as prescribed in the Trading Procedures, may be entered, modified, cancelled, matched and executed (“the Trading Status”). Participants shall be bound to give effect to the Trading Status.</u></p> | | |
| <u>702B.2</u> | <p><u>Trading Status of a Contract Group</u></p> <p><u>(a) Pursuant to Rule 702B.1, the Trading Status of a Contract Group shall be specified by the Exchange in any one of the following manner:</u></p> <p><u>(i) Authorised</u></p> <p><u>When a Contract Group is specified as ‘authorised’, orders in relation to the Contract Group may be entered, modified, cancelled and matched.</u></p> <p><u>(ii) Halted</u></p> <p><u>When a Contract Group is specified as ‘halted’, orders in relation to the Contract Group may be entered, modified and cancelled but shall not be matched.</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|----------------------|--|------|----------------|
| | <p><u>(iii) Forbidden</u></p> <p><u>When a Contract Group is specified as ‘forbidden’, orders in relation to the Contract Group shall not be entered, modified, cancelled and matched.</u></p> <p><u>(b) The circumstances in which a Contract Group shall be specified with any one of the Trading Status stipulated in Rule 702B.2(a), are prescribed in the Trading Procedures.</u></p> | | |
| <p><u>702B.3</u></p> | <p><u>Trading Status of a Contract</u></p> <p><u>(a) Pursuant to Rule 702B.1, the Trading Status of a Contract shall comprise the following:</u></p> <p><u>(i) the general trading status of a Contract (“the General Trading Status”); and/or</u></p> <p><u>(ii) the current trading status of a Contract (“the Current Trading Status”).</u></p> <p><u>(b) The General Trading Status of a Contract shall be specified by the Exchange in any one of the following manner:</u></p> <p><u>(i) Authorised</u></p> <p><u>When a Contract is specified as ‘authorised’, orders in respect of the Contract may be entered, modified, cancelled and matched.</u></p> <p><u>(ii) Forbidden</u></p> <p><u>When a Contract is specified as ‘forbidden’, orders in respect of the Contract shall not be entered, modified and cancelled. All orders already entered shall not be matched or executed.</u></p> <p><u>(c) The Current Trading Status of a Contract shall be specified by the Exchange in any one of the following manner:</u></p> <p><u>(i) Open</u></p> <p><u>When a Contract is specified as ‘open’, orders in respect of the Contract may be entered, modified, cancelled and matched.</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|---------------|--|------|----------------|
| | <p><u>(ii) Reserved</u></p> <p><u>When a Contract is specified as ‘reserved’, orders in respect of the Contract may be entered, modified and cancelled but not matched.</u></p> <p><u>(iii) Suspended</u></p> <p><u>When a Contract is specified as ‘suspended’, orders in respect of the Contract shall not be entered, modified, cancelled and matched.</u></p> <p><u>(iv) Frozen</u></p> <p><u>When a Contract is specified as ‘frozen’, orders in respect of the Contract shall not be entered, modified, cancelled and matched.</u></p> <p><u>(d) The circumstances in which a Contract shall be specified with any one of the Trading Status stipulated in Rules 702B.3(b)and 702B.3(c), are prescribed in the Trading Procedures.</u></p> | | |
| 703 | Orders | 703 | Orders |
| <u>703.1A</u> | <p><u>General Terms and Conditions</u></p> <p><u>Order Particulars</u></p> <p><u>(a) All orders entered into the ATS shall contain such particulars or information as may be prescribed by the Exchange.</u></p> <p><u>Order Size</u></p> <p><u>(b) All order sizes of Contracts entered into the ATS shall be as prescribed by the Exchange.</u></p> <p><u>Modification and Cancellation</u></p> <p><u>(c) Any order entered into the ATS may be modified or cancelled by the Participant prior to the matching of the order, subject always to the rights of the Exchange not to allow for such modification or cancellation in circumstances it deems fit. The Exchange may in</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-------|--|-------|---|
| | <p><u>circumstances prescribed in these Rules or the Trading Procedures, cancel any order entered notwithstanding that the order has been matched or executed.</u></p> <p><u>Simultaneous Buying and Selling</u></p> <p><u>(d) A Participant shall not simultaneously enter orders to buy and sell a same Contract, at the same price, for and on behalf of the same Client.</u></p> <p><u>Pre-Arranged Orders</u></p> <p><u>(e) Unless determined otherwise by the Exchange, no Participants shall enter into the ATS orders, pursuant to a pre-arrangement where the orders of a particular Buyer are to be matched with the orders of a particular Seller when entered into the ATS, whether the Buyer or the Seller is the Participant itself or a Client of the Participant.</u></p> | | |
| 703.1 | <p>Types of Orders</p> <p>(a) — The following orders may be entered by Participants into the <u>ATS automated trading system of the Exchange:</u></p> <p>(a) Market Orders;</p> <p>(b) Limit Orders;</p> <p>(iii) <u>Combination Orders; or</u></p> <p>(c) Stop Orders;</p> <p>(d) <u>Market-on-Opening Orders;</u></p> <p>(e) <u>Market-on-Closing Orders;</u></p> <p>(f) <u>Market-to-Limit Orders; and</u></p> <p>(g) <u>such other types of orders as may be introduced by the Exchange at any time and from time to time.</u></p> <p>(b) — Orders must be identified upon their entry as either orders of a Proprietary Account or a Client’s Account. After the matching of an order, the transaction shall be recorded under the relevant account.</p> | 703.1 | <p>Types of Orders</p> <p>(a) The following orders may be entered by Participants into the automated trading system of the Exchange:</p> <p>(i) Market Orders;</p> <p>(ii) Limit Orders;</p> <p>(iii) Combination Orders; or</p> <p>(iv) Stop Orders.</p> <p>(b) Orders must be identified upon their entry as either orders of a Proprietary Account or a Client’s Account. After the matching of an order, the transaction shall be recorded under the relevant account.</p> |
| 703.2 | <p>Market Orders</p> <p>(a) Market orders shall be entered as best buy orders or best sell orders. A market order shall be matched at the best available prices to the fullest extent possible of the quantity of the market order entered immediately</p> | 703.2 | <p>Market Orders</p> <p>(a) Market orders shall be entered as best buy orders or best sell orders.</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-------|--|-------|---|
| | <p><u>upon its entry into the ATS. Any remaining unexecuted quantity of the market order shall be cancelled. A market order which cannot be executed immediately upon its entry into the ATS shall also be cancelled.</u></p> <p>(b) Market orders that are entered into the system of the Exchange with no validity condition are valid only until the end the Business Day. To the extent that they have not been matched, market orders without validity conditions shall be deleted at the end of the Business Day.</p> <p>(be) Market orders shall be matched at the best price obtainable within a specified range of prices as determined by the Exchange from time to time. Participants may enter market orders during the pre-opening, pre-closing and the main trading phases.</p> | | <p>(b) Market orders that are entered into the system of the Exchange with no validity condition are valid only until the end the Business Day. To the extent that they have not been matched, market orders without validity conditions shall be deleted at the end of the Business Day.</p> <p>(c) Market orders shall be matched at the best price obtainable within a specified range of prices as determined by the Exchange from time to time.</p> |
| 703.3 | <p>Limit Orders</p> <p>(a) <u>A limit order is an order which stipulates a maximum buy price or minimum sell price (“the Stipulated Price”). Limit orders shall be matched at the Stipulated Price or at a price better than the Stipulated Price. The following types of orders stating a specific price (“limit orders”) exist:</u></p> <p>(i) Unrestricted limit orders;</p> <p>(ii) Restricted limit orders; or</p> <p>(iii) Limit orders valid for one day.</p> <p>(b) The validity of unrestricted limit orders must be subject to one of the following conditions:</p> <p>(i) “Good till cancelled” (valid until withdrawn); or</p> <p>(ii) “Good till date” (valid for a certain period).</p> <p>(c) Restricted limit orders must be subject to one of the following limitations on execution:</p> <p>(i) “Fill or kill” (immediate execution in full or cancellation of the order); or</p> | 703.3 | <p>Limit Orders</p> <p>(a) The following types of orders stating a specific price (“limit orders”) exist:</p> <p>(i) Unrestricted limit orders;</p> <p>(ii) Restricted limit orders; or</p> <p>(iii) Limit orders valid for one day.</p> <p>(b) The validity of unrestricted limit orders must be subject to one of the following conditions:</p> <p>(i) “Good-till-cancelled” (valid until withdrawn); or</p> <p>(ii) “Good-till-date” (valid for a certain period).</p> <p>(c) Restricted limit orders must be subject to one of the following limitations on execution:</p> <p>(i) “Fill-or-kill” (immediate execution in full or cancellation of the order);</p> <p>or</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--------------------|--|-------|--|
| | <p>(ii) “Immediate or cancel” (immediate execution of the order to the extent possible and cancellation of the unexecuted part).</p> <p>(d) Limit orders entered without validity conditions or limitations on their execution shall be valid only until the end of the Business Day. To the extent that they have not been matched, these limit orders shall be deleted from the system.</p> <p><u>(b) Participants may enter limit orders during the pre-opening, pre-closing and the main trading phases.</u></p> | | <p>(ii) “Immediate-or-cancel” (immediate execution of the order to the extent possible and cancellation of the unexecuted part).</p> <p>(d) Limit orders entered without validity conditions or limitations on their execution shall be valid only until the end of the Business Day. To the extent that they have not been matched, these limit orders shall be deleted from the system.</p> |
| | <p><u>[This sub-rule has been deleted]</u></p> | 703.4 | <p>(a) A combination order for Options consists of two individual orders entered simultaneously for a sale and/ or purchase of an identical number of contracts for the same product whereby the execution of the buy and/or sell orders are dependant on one another; such orders may have different Expiration Dates or Exercise Prices or be of different classes (call/put). All combination orders must specify a price that corresponds either to the spread between the buy/sell price or the sum of the bid or offer prices of the two individual orders, as appropriate, and must be subject to either the “immediate or cancel” or the “fill-or-kill” limitation on execution. Both parts of “immediate or cancel” orders shall, so far as possible, be executed to the same extent and within the specified price spread or price sum; parts not executed shall be cancelled. If both parts of the “fill-or-kill” orders cannot be executed in their entirety and within the specified price spread or sum, the entire order shall be cancelled.</p> <p>(b) Combination orders for Futures consist of two individual orders, entered simultaneously concerning a sale and/or purchase of an identical number of Contracts for the same products, differing only with respect to their Final Trading Day; the execution of the buy and sell order or quote are dependant on one another.</p> |
| 703.4 5 | <p>Stop Orders (for Futures Contracts)</p> <p>(a) A stop orders is a buy or sell orders that specifies a trigger price and are designated as “stop orders” as at the time of placement of the orders. The following are the types of stop orders:</p> | 703.5 | <p>Stop Orders (for Futures Contracts)</p> <p>Stop orders are buy or sell orders that specify a price and are designated as “stop orders” as at the time of placement of the orders. If, during the course of trading, the price specified in the stop orders (the trigger price) is reached or exceeded or the price of</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-------|--|------|---|
| | <p><u>(i) Stop-loss order; and</u></p> <p><u>(ii) Stop-limit order.</u></p> <p><u>For the purposes of this Rule, “trigger price” means the traded price at which the stop order shall be converted into a market order or a limit order, as the case may be.</u></p> <p><u>(b) If during the main trading phase, course of trading, the price specified in the stop orders (where the trigger price) specified in the stop order is reached or exceeded or the price of the Contract reaches and falls below the specified price, the stop order will, pursuant to an automatic selection process in the chronological order of their placement, be converted into market orders. The orders will then be matched in the order of the times of their conversion into market orders along with any other incoming market orders, in accordance with the general principles for the matching of market orders., the following shall apply:</u></p> <p><u>(i) In a stop-loss order, the stop-loss order shall be converted into a market order in the chronological order of time of the placement of the stop-loss order. The market order shall then be considered for matching in accordance with the principles for matching of orders as stipulated under Rule 704.</u></p> <p><u>(ii) In a stop-limit order, the stop-limit order shall be converted into a limit order in the chronological order of time of the placement of the stop-limit order. The limit order shall then be considered for matching in accordance with the principles for matching of orders as stipulated under Rule 704.</u></p> <p><u>(c) Participants may enter stop orders during the pre-opening, pre-closing and the main trading phases.</u></p> | | <p>the Contract reaches and falls below the specified price, the stop order will, pursuant to an automatic selection process in the chronological order of their placement, be converted into market orders. The orders will then be matched in the order of the times of their conversion into market orders along with any other incoming market orders, in accordance with the general principles for the matching of market orders.</p> |
| 703.5 | <p><u>Market-On-Opening Orders/Market-On-Closing Orders</u></p> <p><u>(a) A market-on-opening order and market-on-closing order is an order with no price stipulation and may be entered into the ATS during the pre-opening and pre-closing phases respectively.</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--------------|---|------|----------------|
| | <p><u>(b) A market-on-opening order shall be matched at the opening price at the opening auction and a market-on-closing order shall be matched at the closing price at the closing auction. The remaining unexecuted quantity of the market-on-opening order and market-on-closing order, if any, shall be converted into a limit order at the opening and closing price respectively, of the particular Contract.</u></p> | | |
| <p>703.6</p> | <p><u>Market-To-Limit Orders</u></p> <p><u>(a) A market-to-limit order is an order with no price stipulation. A buy market-to-limit order shall be matched immediately at the lowest sell price and a sell market-to-limit order shall be matched immediately at the highest buy price. Thereafter, any remaining unexecuted quantity of the market-to-limit order shall be converted into a limit order at the matched price.</u></p> <p><u>(b) A market-to-limit order which cannot be matched immediately upon its entry into the ATS, whether in part or in full, shall be cancelled by the ATS.</u></p> <p><u>(c) Participants may enter market-to-limit orders during the main trading phase only.</u></p> | | |
| <p>703.7</p> | <p><u>Validity Condition and Execution Condition</u></p> <p><u>Validity Condition</u></p> <p><u>(a) Subject to the provisions of these Rules, any order entered into the ATS shall be maintained in the ATS for a duration (“validity condition”) specified by the Participant in accordance with Rule 703.7(b), which duration in any event shall not exceed 365 days.</u></p> <p><u>(b) A Participant may specify any one of the following validity conditions when entering an order into the ATS:</u></p> <p><u>(i) Good-for-session</u></p> <p><u>A good-for-session order is an order that is valid only up to the end of a particular trading session on any given Business Day.</u></p> <p><u>(ii) Good-for-day</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------|---|------|----------------|
| | <p><u>A good-for-day order is an order that remains valid only up to the end of the Business Day.</u></p> <p><u>(iii) Good-till-cancelled</u></p> <p><u>A good-till-cancelled order is an order that remains valid until the order is executed, cancelled or on the expiry of the delivery month(s) of the Contract to which the order relates.</u></p> <p><u>(iv) Good-till-date</u></p> <p><u>A good-till date order is valid for a specific period and shall automatically lapse on the date specified or on the expiry of the delivery month(s) of the Contract to which the order relates, unless there is prior cancellation of the order.</u></p> <p><u>(c) Where a validity condition is not specified for an order entered into the ATS, the order shall be deemed to be a good-for-day order.</u></p> <p><u>Execution Condition</u></p> <p><u>(d) Subject to Rules 703.7(e) and 703.7(f), a Participant may specify any one of the following execution conditions when entering an order into the ATS:</u></p> <p><u>(i) Fill-and-kill</u></p> <p><u>An order specified with a fill-and-kill execution condition is an order which shall be executed to the fullest extent possible of the quantity of the order, immediately upon the entry of the order into the ATS. Any remaining unexecuted quantity of the order shall be cancelled. A fill-and-kill order which cannot be executed immediately upon the entry of the order into the ATS as stipulated above shall be cancelled. The fill-and-kill execution condition may be specified for all types of orders, save and except for stop-loss orders. Where a fill-and-kill execution condition is specified for a stop-limit order, the fill-and-kill execution condition shall only be activated when the trigger price of the stop-limit order is reached.</u></p> <p><u>(ii) Minimum-quantity</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-------|---|-------|--|
| | <p><u>An order specified with a minimum-quantity execution condition is an order where a specified minimum quantity of the order shall be executed immediately upon entry of the order into the ATS, failing which the whole quantity of the order shall be cancelled. The minimum-quantity execution condition may be specified for market orders, limit orders and market-to-limit orders only. For limit orders and market-to-limit orders, in the event the specified minimum quantity of the order is executed, the remaining unexecuted quantity of the order shall be maintained in the ATS for possible matching. As for market orders, in the event the specified minimum quantity of the order is executed, the remaining unexecuted quantity of the order shall be cancelled.</u></p> <p><u>(e) The minimum-quantity execution condition shall only be specified for orders entered during the main trading phase.</u></p> <p><u>(f) The fill-and-kill execution condition may be specified for orders entered during the pre-opening, main trading and pre-closing phase. Where the fill-and-kill execution condition is specified for orders entered during the pre-opening or pre-closing phase, such order shall be matched at the opening price or closing price, as the case may be.</u></p> | | |
| 703.8 | <p><u>Strategy</u></p> <p><u>(a) A strategy is a combination of a number of buy and/or sell orders of similar or different Contracts created within the framework of a single order.</u></p> <p><u>(b) The Exchange may prescribe in the Trading Procedures the criteria for defining a strategy, including but not limited to, the description of the type of strategy and the minimum and maximum number of the buy and/or sell orders of Contracts allowed to be combined within the framework of a single order, for the respective types of strategy.</u></p> <p><u>(c) Upon execution of a strategy, each of the buy and/or sell executed orders comprising the strategy and not the strategy itself shall be registered with the Clearing House in accordance with the Rules of the Clearing House.</u></p> | | |
| | | | |
| 704 | Order Matching | 704 | Order Matching |
| 704.1 | (a) <u>Subject to the provisions in Rule 702A, each order entered into ATS during</u> | 704.1 | (a) Orders are matched in priority of price and then time. |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------|--|------|---|
| | <p><u>the trading hours as prescribed under Rule 702.1 shall be immediately considered for a possible match. The provisions of Rule 705 shall apply to all orders matched and executed in the ATS, notwithstanding that the matching and execution of the orders take place after trading hours.</u></p> <p><u>(b) Orders are matched in priority of price and then time. However, Mmarket orders shall will be given priority over other types of orders.</u></p> <p><u>(c) Price/Time priority:</u></p> <p><u>(i) best price: A buy order at the highest price and a sell order at the lowest price has priority over other orders entered for the same Contract; and</u></p> <p><u>(ii) earliest time-stamp: Each order receives a time stamp upon entry into the ATS. In the event that there are competing orders, or prices are identical prices entered for the other orders, the orders are matched in the order of time in which the orders they are entered into the ATS trading system. The time stamp given to an order entered into the ATS shall be changed in any of the following circumstances:</u></p> <p><u>(aa) where the quantity of the order is increased;</u></p> <p><u>(bb) where a change is made to the price of the order; or</u></p> <p><u>(cc) where a change is made to the trigger price of the stop order.</u></p> <p>(b) Reduction of an order’s quantity does not affect the chronological priority.</p> <p>(c) Increase in an order’s quantity receives a new time stamp and thus a new chronological priority for matching.</p> <p>(d) Change in price will also receive a new time stamp and a new chronological priority for matching.</p> | | <p>However, market orders will be given priority over other orders. In the event that there are competing market orders or prices are identical for other orders, the orders are matched in the order in which they are entered into the trading system. When entered into the trading system, each order receives a time stamp (chronological priority).</p> <p>(b) Reduction of an order’s quantity does not affect the chronological priority.</p> <p>(c) Increase in an order’s quantity receives a new time stamp and thus a new chronological priority for matching.</p> <p>(d) Change in price will also receive a new time stamp and a new chronological priority for matching.</p> |
| 705 | <u>Inviolability of Contracts</u> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------------------------|--|------------|--|
| | <p><u>Without prejudice to the powers of the Exchange under Rules 703.1A(c) and 707, all orders executed through the ATS shall not be subject to any cancellation and shall be binding on Participants.</u></p> | | |
| <p>7065</p> | <p>Trade Confirmation</p> <p>As soon as a Contract has been concluded, Participants will receive a printed <u>When an order is executed, Aa trade confirmation shall be generated in the ATS.</u> It is the responsibility of the Participants to check the details of the Contract concluded and to advise the Exchange if an error has occurred by the start of trading on the Business Day after the transaction (T+1).</p> | <p>705</p> | <p>Trade Confirmation</p> <p>As soon as a Contract has been concluded, Participants will receive a printed trade confirmation. It is the responsibility of the Participants to check the details of the Contract concluded and to advise the Exchange if an error has occurred by the start of trading on the Business Day after the transaction (T+1).</p> |
| <p><u>707</u></p> | <p><u>Trading Safeguards</u></p> | | |
| <p><u>707.1</u></p> | <p><u>Price Limits</u></p> <p>(a) <u>The Exchange may stipulate in these Rules and/or in the Trading Procedures the maximum price (“upper limit”) and the minimum price (“lower limit”) at which an order in respect of a Contract may be entered.</u></p> <p>(b) <u>No order of a Contract shall be entered above the upper limit or below the lower limit.</u></p> <p>(c) <u>In the event a matching of an order in the ATS results in a breach of the upper limit or lower limit, the Exchange shall specify the Contract in respect of the order as ‘frozen’ in accordance with Rule 702B.3(c)(iv). The Exchange may thereafter take any action it deems appropriate, which may include but is not limited to, the cancellation of the relevant order.</u></p> <p>(d) <u>The Exchange may from time to time change the upper limit and the lower limit of a Contract.</u></p> | | |
| <p><u>707.2</u></p> | <p><u>Cancellation of a Trade</u></p> <p><u>The Exchange may cancel any trade executed on the Market in the following circumstances:</u></p> <p>(a) <u>where in the opinion of the Exchange, the trade executed in the ATS is in violation of the Rules and the Securities Laws;</u></p> | | |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--------------------------------------|--|--------------|---|
| | <p><u>(b) where the Exchange is of the opinion, upon an application being made to the Exchange by a Participant, that there is a manifest material error in the trade executed by the Participant on the Market, provided always that both the Buyer and Seller consent to the cancellation of the trade executed and the relevant parties comply with all other requirements that may be imposed by the Exchange for the cancellation of the trade; or</u></p> <p><u>(c) where system failure or malfunction in the ATS has caused erroneous execution of trades in the ATS.</u></p> | | |
| <p><u>707.3</u></p> | <p><u>Cancellation of a Traded Price</u></p> <p><u>The Exchange may upon notification to the Commission, in the circumstances prescribed in any directives, notices or circulars issued by the Exchange, cancel a traded price, which has the effect of cancelling all trades at that price in the specified time interval.</u></p> | | |
| <p><u>707.4</u> <u>711.1</u></p> | <p>Emergency Rules</p> <p><u>(a)</u> The Exchange may exercise its emergency powers in the event that there is reasonable cause to believe that any of the following listed circumstances or circumstances similar to the following exist:</p> <p><u>(ia)</u> a situation exists which threatens the integrity, liquidity or orderly liquidation of any Contract;</p> <p><u>(iib)</u> a situation exists which threatens the financial integrity of the <u>Market exchange</u> or its Participants;</p> <p><u>(iiie)</u> a manipulation, manipulative activity, attempted manipulation, corner or squeeze is occurring or threatened;</p> <p><u>(ivd)</u> the liquidity of a Contract or its orderly liquidation is threatened by the concentration of positions in the hands of individuals who are or appear to be unable or unwilling to make or take delivery in the ordinary course; or</p> <p><u>(ve)</u> an action of the Malaysian or any foreign government or authority is likely to have a direct and adverse impact on the integrity, liquidity</p> | <p>711.1</p> | <p>Emergency Rules</p> <p>The Exchange may exercise its emergency powers in the event that that there is reasonable cause to believe that any of the following listed circumstances or circumstances similar to the following exist:</p> <p>(a) a situation exists which threatens the integrity, liquidity or orderly liquidation of any Contract;</p> <p>(b) a situation exists which threatens the financial integrity of the exchange or its Participants;</p> <p>(c) a manipulation, manipulative activity, attempted manipulation, corner or squeeze is occurring or threatened;</p> <p>(d) the liquidity of a Contract or its orderly liquidation is threatened by the concentration of positions in the hands of individuals who are or appear to be unable or unwilling to make or take delivery in the ordinary course; or</p> <p>(e) an action of the Malaysian or any foreign government or authority is likely to have a direct and adverse impact on the</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--------------------------------------|---|-------|---|
| | and orderly liquidation of any Contract. | | integrity, liquidity and orderly liquidation of any Contract. The Exchange shall, in the exercise of the powers under this Rule 711.1 and 711.3 below, duly notify the Commission of any actions or decisions taken, including the justifications for such actions or decisions taken, as soon as reasonably possible. |
| | | 711.2 | Emergency Action [Deleted] |
| 707.4 711.3 | <p>(b) Upon determination by the Exchange under Rule 707.4(a) 711.4 that an emergency has arisen or exists, the Exchange may, without prejudice to the generality of such powers, order that all or any of the following actions be taken or take any other action that may be appropriate to remedy the situation:</p> <ul style="list-style-type: none"> (ia) suspend trading on the MarketExchange; (iib) suspend trading in a Contract; (iiie) limit trading to liquidation of Contracts; (ivd) order a Participant to transfer positions and associated collateral/ cash to another Participant; (ve) order liquidation of all or a portion of a Participant’s Open Positions and/or those of his Clients; (vif) confine trading in a Contract to a specified price range; (viig) modify Business Day or trading hours; (viiih) alter terms and conditions of settlement including the power to order cash settlement in the case of deliverable Contracts; (ixi) impose higher financial requirements on a Participant; (xj) recommend to the Exchange the emergency settlement price for a Contract; | 711.3 | Upon determination by the Exchange under Rule 711.1 that an emergency has arisen or exists, the Exchange may, without prejudice to the generality of such powers order that all or any of the following actions be taken or take any other action that may be appropriate to remedy the situation: <ul style="list-style-type: none"> (a) suspend trading on the Exchange; (b) suspend trading in a Contract; (c) limit trading to liquidation of Contracts; (d) order a Participant to transfer positions and associated collateral/ cash to another Participant; (e) order liquidation of all or a portion of a Participant’s Open Positions and/or those of his Clients; (f) confine trading in a Contract to a specified price range; (g) modify Business Day or trading hours; (h) alter terms and conditions of settlement including the power to order cash settlement in the case of deliverable Contracts; (i) impose higher financial requirements on a Participant; (j) recommend to the Exchange the emergency settlement price for a |

| RULE | NEW RULES | RULE | EXISTING RULES |
|----------------------------------|--|-------|--|
| | <p>(xik) recommend to the Clearing House the transfer of any Participant’s Open Positions;</p> <p>(xii) suspend Participant’s trading rights; and</p> <p>(xiiim) any other action deemed appropriate.</p> | | <p>Contract;</p> <p>(k) recommend to the Clearing House the transfer of any Participant’s Open Positions;</p> <p>(l) suspend Participant’s trading rights; and</p> <p>(m) any other action deemed appropriate.</p> |
| <u>707.4</u> | <p>(c) The Exchange shall, in the exercise of the powers under this—Rules 707+1.4(a)+ and 707+1.34(b)—below, duly notify the Commission of any actions or decisions taken, including the justifications for such actions or decisions taken, as soon as reasonably possible.</p> | | |
| <u>707.5</u> 711.4 | <p>Physical Emergency</p> <p>(a) In the event that the operations of the Market Exchange are, or are likely to be severely and adversely affected by a physical emergency, including but not limited to fire or transportation breakdowns, computer malfunctions, or other hazard, power failure, communication or similar disruptive events, the Exchange shall take any action necessary to deal with the emergency, including but not limited to, a suspension of trading.</p> <p>(b) When the physical emergency has abated sufficiently to permit the orderly functioning of the MarketExchange, the Exchange shall order trading to be restored or remove any restrictions, which were previously imposed.</p> <p>(c) Further, the Exchange may at its his discretion order an extension of trading hours following a period of suspension made pursuant to Rule 707+1.54(a) above.</p> <p>(d) If the Exchange is of the opinion that non-immediate emergency action may be necessary, a meeting of the relevant committee of the Exchange shall be called to consider the emergency and take any action that the Exchange deems fit.</p> | 711.4 | <p>Physical Emergency</p> <p>(a) In the event that the operations of the Exchange are, or are likely to be severely and adversely affected by a physical emergency including but not limited to fire or transportation breakdowns, computer malfunctions, or other hazard, power failure, communication or similar disruptive events, the Exchange shall take any action necessary to deal with the emergency including but not limited to, a suspension of trading.</p> <p>(b) When the physical emergency has abated sufficiently to permit the orderly functioning of the Exchange, the Exchange shall order trading to be restored or remove any restrictions, which were previously imposed.</p> <p>(c) Further, the Exchange may at his discretion order an extension of trading hours following a period of suspension made pursuant to Rule 711.4(a) above.</p> <p>(d) If the Exchange is of the opinion that non-immediate emergency action may be necessary, a meeting of the relevant committee of the Exchange shall be called to consider the emergency and take any action that the Exchange deems fit.</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|---|---|-------|---|
| | | 711.5 | Decision and Notice to Board [Deleted] |
| 707.6 711.6 | Force Majeure If delivery or acceptance of an Instrument underlying a Contract or any precondition or requirement thereto is prevented by strike, fire, accident, act of Government of any nation, state, or territory, or any institution thereof, act of God, or other emergency, the seller or buyer or the Participant acting on their behalf, shall immediately notify the Exchange. | 711.6 | Force Majeure If delivery or acceptance of an Instrument underlying a Contract or any precondition or requirement thereto is prevented by strike, fire, accident, act of Government of any nation, state, or territory, or any institution thereof, act of God, or other emergency, the seller or buyer or the Participant acting on their behalf, shall immediately notify the Exchange. |
| 707.7(a) 712.1 | Suspension of Trading <u>in a Contract</u> Trading of any Contract on the Market Exchange shall be halted or suspended whenever the Exchange deems such action appropriate in the interests of maintaining a fair and orderly market to protect investors. Among the factors that may be considered by the Exchange are that: <ul style="list-style-type: none"> (ia) trading in the Instrument underlying the Contract has been halted or suspended in the Underlying Market; (ii) the opening of trading in the Instrument in the Underlying Market has been delayed because of unusual circumstances; or (iii) the Exchange has been advised that the issuer of the underlying Instrument is about to make an important announcement affecting such issuer. | 712.1 | Suspension of Trading Trading of any Contract on the Exchange shall be halted or suspended whenever the Exchange deems such action appropriate in the interests of maintaining a fair and orderly market to protect investors. Among the factors that may be considered by the Exchange are that: <ul style="list-style-type: none"> (a) trading in the Instrument underlying the Contract has been halted or suspended in the Underlying Market; (b) the opening of trading in the Instrument in the Underlying Market has been delayed because of unusual circumstances; or (c) the Exchange has been advised that the issuer of the underlying Instrument is about to make an important announcement affecting such issuer. |
| 707.7(b) 712.2 | Trading in any Contract that has been the subject of a suspension under Rule 707+2.71 (a)(i) hereof may be resumed upon a determination of the Exchange that the conditions, which led to the suspension, are no longer present, or that the interests of maintaining a fair and orderly market are best served by a resumption of trading. | 712.2 | Trading in any Contract that has been the subject of a suspension under Rule 712.1(a) hereof may be resumed upon a determination of the Exchange that the conditions, which led to the suspension, are no longer present, or that the interests of maintaining a fair and orderly market are best served by a resumption of trading. |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-------|--|------|--|
| 707.8 | <p>Trading Participant Suspension etc.</p> <p>Where the trading rights of a Trading Participant or Associate Participant have been suspended or the Trading Participant or Associate Participant has been ordered not to trade in a particular Contract or in a specific class or classes of Contract, or the Trading Participant or Associate Participant has resigned, or the pParticipantship of the Trading Participant or Associate Participant has been suspended or terminated, or any other circumstances that the Exchange considers that such action is necessary:</p> <p>(a) the Exchange may direct, with the approval of the Clearing House:-</p> <p>(i) that all or any of the existing Contracts and/or Open Positions held by the Trading Participant’s or Associate Participant’s Proprietary Account and on behalf of its Clients be transferred to another Trading Participant, who shall be entitled to commission on any of those Open Positions. The Exchange may take all action in the name of the first-named Trading Participant or Associate Participant and to execute all documents and do all things necessary to give effect to such transfer; and/or</p> <p>(ii) that all or any of the existing Contracts and/or Open Positions held by the Trading Participant’s or Associate Participant’s Proprietary Account be closed. The Exchange may take such action in the name of the Trading Participant or Associate Participant and to execute all documents and do all things necessary to give effect to such closing of the existing Contracts or Open Positions of the Trading Participant or Associate Participant; and/or</p> <p>(iii) the liquidation of all or a portion of the existing Contracts and/or Open Positions held by the Trading Participant or Associate Participant on its Proprietary Account and/or on behalf of its Clients; and/or</p> <p>(iv) that another Trading Participant trades at the instruction of the Exchange on behalf of the first-named Trading Participant or Associate Participant and such other Trading Participant shall accept and act on such request unless it shall have satisfied the Exchange that it has reasonable grounds for declining to do so. All</p> | 708 | <p>Trading Participant Suspension etc.</p> <p>Where the trading rights of a Trading Participant or Associate Participant have been suspended or the Trading Participant or Associate Participant has been ordered not to trade in a particular Contract or in a specific class or classes of Contract, or the Trading Participant or Associate Participant has resigned, or the Participantship of the Trading Participant or Associate Participant has been suspended or terminated, or any other circumstances that the Exchange considers that such action is necessary:</p> <p>(a) the Exchange may direct with the approval of the Clearing House:</p> <p>(i) that all or any of the existing Contracts and/or Open Positions held by the Trading Participant’s or Associate Participant’s Proprietary Account and on behalf of its Clients be transferred to another Trading Participant who shall be entitled to commission on any of those Open Positions. The Exchange may take all action in the name of the first-named Trading Participant or Associate Participant and to execute all documents and do all things necessary to give effect to such transfer; and/or</p> <p>(ii) that all or any of the existing Contracts and/or Open Positions held by the Trading Participant’s or Associate Participant’s Proprietary Account be closed. The Exchange may take such action in the name of the Trading Participant or Associate Participant and to execute all documents and do all things necessary to give effect to such closing of the existing Contracts or Open Positions of the Trading Participant or Associate Participant; and/or</p> <p>(iii) liquidation of all or a portion of the existing Contracts and/or Open Positions held by the Trading Participant or Associate Participant on its</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|--|--|--------------|---|
| | <p>such business shall be transacted at such rate or rates of commission that is determined by the Exchange; and/or</p> <p>(v) that the Trading Participant or Associate Participant trades for liquidation purposes only.</p> <p>(b) The Exchange shall cause an appropriate announcement to be made to other Participants and to the public.</p> | | <p>Proprietary Account and/or on behalf of its Clients; and/or</p> <p>(iv) that another Trading Participant trade at the instruction of the Exchange on behalf of the first-named Trading Participant or Associate Participant and such other Trading Participant shall accept and act on such request unless it shall have satisfied the Exchange that it has reasonable grounds for declining to do so. All such business shall be transacted at such rate or rates of commission that is determined by the Exchange; and/or</p> <p>(v) that the Trading Participant or Associate Participant trade for liquidation purposes only.</p> <p>(b) The Exchange shall cause an appropriate announcement to be made to other Participants and to the public.</p> |
| <p>707.9 711.7</p> | <p>Non-compliance Effect of Decision</p> <p>A Participant who contravenes or fails to observe a decision of the Exchange under this Rule 707.9 shall be liable to disciplinary action as laid down in these Rules.</p> | <p>711.7</p> | <p>Effect of Decision</p> <p>A Participant who contravenes or fails to observe a decision of the Exchange under this Rule 711 shall be liable to disciplinary action as laid down in these Rules.</p> |
| <p>7089</p> | <p>Performance Rendered Impossible</p> <p>If the Clearing House in consultation with the Exchange determines that the performance under a Contract Option or delivery of Instruments shall become impossible through the suspension of trading in the Instrument on the Underlying Market or for any reason that may be deemed appropriate by the Clearing House in consultation with the Exchange, the Contract Option may be cash settled according to a settlement price which shall be determined according to the procedures agreed upon by both the Exchange and the Clearing House. The Exchange shall calculate the average of the transactions taken above, after disregarding the highest and lowest prices transacted. The average of the remaining prices rounded to the nearest whole sen shall be the settlement price. When the weighted average ends in 0.5, it shall be rounded upwards to the next whole sen.</p> | <p>709</p> | <p>Performance Rendered Impossible</p> <p>If the Clearing House in consultation with the Exchange determines that the performance under an Option or delivery of Instruments shall become impossible through the suspension of trading in the Instrument on the Underlying Market or for any reason that may be deemed appropriate by the Clearing House in consultation with the Exchange, the Option may be cash settled according to a settlement price which shall be determined according to the procedures agreed upon by both the Exchange and the Clearing House. The Exchange shall calculate the average of the transactions taken above, after disregarding the highest and lowest prices transacted. The average of the remaining prices rounded to the nearest whole sen shall be</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-------------------|--|------|--|
| | | | the settlement price. When the weighted average ends in 0.5, it shall be rounded upwards to the next whole sen. |
| 709 0 | <p>Duty to Report Unusual Activities</p> <p>(a) Where, in the opinion of a Participant or Trading Permit Holder, there is unusual activity, transaction, or price change or there are other unusual market conditions or circumstances which are, with respect to any Contract, detrimental to the maintenance of a fair and orderly market, the Participant or Trading Permit Holder shall promptly make a report to the Exchange.</p> <p>(b) The Exchange shall in receiving such a report, duly notify the Commission of the same, as soon as reasonably possible.</p> | 710 | <p>Duty to Report Unusual Activities</p> <p>(a) Where, in the opinion of a Participant or Trading Permit Holder, there is unusual activity, transaction, or price change or there are other unusual market conditions or circumstances which are, with respect to any Contract, detrimental to the maintenance of a fair and orderly market, the Participant or Trading Permit Holder shall promptly make a report to the Exchange.</p> <p>(b) The Exchange shall in receiving such a report, duly notify the Commission of the same, as soon as reasonably possible.</p> |
| 710 3 | <p>Non-liability of the Exchange</p> <p>7103.1 The Exchange shall not be liable for any losses incurred due to interruption of its operations as a consequence of force majeure, riot, acts of war or natural disasters or other events for which the Exchange is not responsible or that may result from actions by governmental authorities locally or abroad. The same shall apply with respect to any loss or damage suffered by a Participant as a consequence of any act or omission on the part of the Exchange, including technical problems or of the full or partial unavailability of the Exchange’s automated trading systemATS, except if the damage was due to the Exchange’s intentional conduct or gross negligence.</p> <p>7103.2 The Exchange shall not be liable for the accuracy and completeness of any information received and disseminated by it on the prices of underlying Instruments and other data received by it from third parties.</p> | 713 | <p>Non-liability of the Exchange</p> <p>713.1 The Exchange shall not be liable for any losses incurred due to interruption of its operations as a consequence of force majeure, riot, acts of war or natural disasters or other events for which the Exchange is not responsible or that may result from actions by governmental authorities locally or abroad. The same shall apply with respect to any loss or damage suffered by a Participant as a consequence of any act or omission on the part of the Exchange, including technical problems or of the full or partial unavailability of the Exchange’s automated trading system, except if the damage was due to the Exchange’s intentional conduct or gross negligence.</p> <p>713.2 The Exchange shall not be liable for the accuracy and completeness of any information received and disseminated by it on the prices of underlying Instruments and other data received by it from third parties.</p> |
| 711 07 | <p>Trading on other Exchanges</p> <p>71107.1 A Participant shall not trade in contracts on another exchange, whether through a</p> | 707 | <p>Trading on other Exchanges</p> <p>707.1 A Participant shall not trade in contracts on another exchange,</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|---------|---|-------|---|
| | broker or p Participant of that other exchange, or otherwise, (unless the exchange has been approved as a futures exchange by the Minister or has been prescribed as a specified exchange in accordance with the Futures Industry Act) or be a p Participant of another exchange, unless it shall first have obtained the prior written approval of the Exchange. | | whether through a broker or Participant. of that other exchange, or otherwise, (unless the exchange has been approved as a futures exchange by the Minister or has been prescribed as a specified exchange in accordance with the Futures Industry Act) or be a Participant of another exchange, unless it shall first have obtained the prior written approval of the Exchange. |
| 71107.2 | Where, after written approval of the Exchange has been granted, a Trading Participant trades or proposes to trade in contracts on another exchange, whether in consequence of an order received from a Client or otherwise, and: <ul style="list-style-type: none"> (a) the Trading Participant is also a pParticipant of that other exchange, the Trading Participant shall comply with the business rules of that other exchange in relation to such transactions; or (b) if the Trading Participant is not a pParticipant of that other exchange, the Trading Participant shall transmit orders relating to such transactions to a pParticipant of that other exchange for execution in accordance with the business rules of that other exchange. | 707.2 | Where, after written approval of the Exchange has been granted, a Trading Participant trades or proposes to trade in contracts on another exchange whether in consequence of an order received from a Client or otherwise, and: <ul style="list-style-type: none"> (a) the Trading Participant is also a Participant of that other exchange, the Trading Participant shall comply with the business rules of that other exchange in relation to such transactions; or (b) if the Trading Participant is not a Participant of that other exchange, the Trading Participant shall transmit orders relating to such transactions to a Participant of that other exchange for execution in accordance with the business rules of that other exchange. |
| 71107.3 | The Trading Participant shall nevertheless call for margins in accordance with the rules of the clearing house of that exchange or as close to the principles of such rules as the circumstances require. | 707.3 | The Trading Participant shall nevertheless call for margins in accordance with the rules of the clearing house of that exchange or as close to the principles of such rules as the circumstances require. |
| 71107.4 | For the purpose of this Rule, “contracts” means “futures contracts” as defined in the Futures Industry Act. | 707.4 | For the purpose of this Rule, “contracts” means “futures contracts” as defined in the Futures Industry Act. |
| | <p><i>[This rule has been deleted]</i></p> | 714 | <p>Strip Trading</p> <ul style="list-style-type: none"> (a) A strip trade (Strip) is a trade for an account where the same number of Contracts in four (4) or more consecutive quarterly contract month of a Contract are simultaneously bought or sold. (b) A Participant may only enter a designated Strip order as specified |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------|-----------|------|--|
| | | | <p>in Schedule 16.</p> <p>(c) The Strip differential quoted shall be expressed as a negative, zero or positive number of ticks, as the case may be, as specified in 704(d) below.</p> <p>(d) The prices of a Strip of the respective listed contract months shall be established as follows:-</p> <p>(i) the Strip differential traded shall be distributed equally among each of such consecutive listed contract months, encompassed by the Strip. In the event that there is any remaining odd portion of the differential that cannot be completely distributed on an equal basis among each of such listed contract months, such remaining odd portion shall be apportioned among the distant contract months on the basis of one tick each with the furthest contract months being priority; and</p> <p>(ii) the portion of the Strip differential distributed to each of such consecutive listed contract months shall be added to (where the Strip differential is a positive figure) or subtracted from (where the Strip differential is a negative figure) the previous settlement prices for each of such consecutive listed contract months.</p> <p>(e) Red months are the four (4) calendar-quarter contract months of a Contract which are respectively one (1) year away, from the first four (4) calendar quarters contract months of a Contract.</p> <p>(f) Green months are the four (4) calendar-quarter contract months of a Contract, which are respectively two (2) years away, from the first four (4) calendar quarters contract months of a Contract.</p> <p>(g) Blue months are the four (4) calendar-quarter contract months of a Contract, which are respectively three (3) years away, from the first four (4) calendar quarters contract months of a Contract.</p> <p>(h) Gold months are the four (4) calendar-quarter contract months of a</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------|--|-------------------|---|
| | | | <p>Contract, which are respectively four (4) years away, from the first four (4) calendar quarters contract months of a Contract.</p> <p>(i) On execution of a Strip, the volume of the strip shall be updated in the respective contract month’s volume.</p> <p>(j) <i>[This sub-rule has been deleted]</i></p> |
| | <p><i>[This rule has been deleted]</i></p> | <p>715</p> | <p>Exchange of Futures for Physical (EFP)</p> <p>An exchange of futures for physical (EFP) shall be permitted by arrangement between Participants in accordance with the following requirements: -</p> <p>(a) Such transaction shall be between two parties when:</p> <p>(i) one party is a seller of a contract and the buyer of an Instrument:</p> <p>(A) that is the subject of the Contract; or</p> <p>(B) that the Exchange considers to be the substantial economic equivalent of the Instrument or state of affairs that is the subject of the Contract; and</p> <p>(ii) the other party is a buyer of the Contract and the seller of the same Instrument.</p> <p>(b) The seller of the Instrument referred to Rule 715.1(a)(i) (the “underlying Instrument”) must have possession of the underlying Instrument. The purchase and sale of the Contract shall be simultaneous with the sale and purchase of the underlying Instrument.</p> <p>(c) An EFP transaction may be made at such price as mutually agreed upon by the two parties provided that such price is within the Contract trading range on that Business Day or as approved by the Exchange in consultation with the Clearing House.</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------|-----------|------|---|
| | | | <p>(d) A Participant facilitating the transaction shall satisfy the Exchange that the transaction is bona fide. The Participant shall maintain and provide to the Exchange a record of the transaction and identify and mark all such transactions or contracts and all orders, records and memoranda pertaining thereto.</p> <p>(e) A Participant facilitating the transaction shall submit to the Exchange such memoranda as may be prescribed by the Exchange which is necessary to establish the nature of the transaction (type and quantity of the underlying Instrument, quantity and price of the Contracts, the names of all Participants to the transaction and such other information as the Chief Operating Officer may from time to time require) and shall authorise the Exchange to submit such information together with the information provided by the Participant pursuant to this Rule to the Clearing House, as the Clearing House may require. All such transactions shall, subject to any conditions, which may be imposed by the Clearing House, be recorded and registered in accordance with the Clearing House Rules applicable to the registration of market contracts as defined in the Clearing House Rules.</p> <p>The Exchange and/or Clearing House shall not be liable for any loss or damage caused to any party in relation to the agreement for the relevant underlying Instrument, which has been exchanged for the Contract.</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|------------------------------|---|------------|--|
| 700B 700B.1 | <p><u>Exchange Of Futures For Physical</u> <u>Off-Market Transactions</u></p> <p>(a) <u>Save as expressly provided for in this Chapter or determined by the Exchange, a contract or transaction effected by Participants otherwise than in the normal course of trading on the Market shall be prohibited.</u></p> <p>(b) <u>Notwithstanding the provisions contained in this Chapter, the Exchange may issue directives or guidelines as it deems fit in respect of -</u></p> <p><u>(i) the conditions under which a transaction can be carried out off-market;</u></p> <p><u>(ii) the conduct of off-market transactions; and</u></p> <p><u>(iii) such other matters as the Exchange deems necessary in respect of off-market transactions.</u></p> | | |
| 700B.2 715 | <p>Exchange Of Futures For Physical</p> <p>(a) An exchange of futures for physical (“EFP”) is an off-market transaction made between two (2) parties in which shall be permitted by arrangement between Participants in accordance with the following requirements-</p> <p>(a) — Such transaction shall be between two parties when:</p> <p>(i) one party is a seller of a Contract and the buyer of an Instrument:</p> <p>(A) that is the subject of the Contract; or</p> <p>(B) that the Exchange considers to be the substantial economic equivalent of the Instrument or state of affairs that is the subject of the Contract; and</p> <p>(ii) the other party is a buyer of the Contract and the seller of the same Instrument.</p> <p>(b) The seller of the Instrument referred to Rule 715.1(a)(i) (the “underlying Instrument”)</p> | 715 | <p>Exchange Of Futures For Physical (EFP)</p> <p>An exchange of futures for physical (EFP) shall be permitted by arrangement between Participants in accordance with the following requirements: -</p> <p>(a) Such transaction shall be between two parties when:</p> <p>(i) one party is a seller of a contract and the buyer of an Instrument:</p> <p>(A) that is the subject of the Contract; or</p> <p>(B) that the Exchange considers to be the substantial economic equivalent of the Instrument or state of affairs that is the subject of the Contract; and</p> <p>(ii) the other party is a buyer of the Contract and the seller of the same Instrument.</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|-----------------------------|---|------|---|
| | <p>must have possession of the underlying Instrument. The purchase and sale of the Contract shall be simultaneous with the sale and purchase of the underlying Instrument.</p> | | <p>(b) The seller of the Instrument referred to Rule 715.1(a)(i) (the “underlying Instrument”) must have possession of the underlying Instrument. The purchase and sale of the Contract shall be simultaneous with the sale and purchase of the underlying Instrument.</p> |
| <p><u>700B.3</u></p> | <p><u>Requirements</u></p> <p><u>An EFP arrangement between Participants may be permitted by the Exchange provided the following requirements are satisfied -</u></p> <p>(a) <u>the seller of the Instrument referred to Rule 700B.2(a)(i) (the “underlying Instrument”) must have possession of the underlying Instrument;</u></p> <p>(be) <u>an EFP transaction may be made at such price as mutually agreed upon by the two parties provided that such price is within the Contract trading range on that Business Day or as approved by the Exchange in consultation with the Clearing House;</u></p> <p>(cd) <u>a Participant facilitating the transaction shall satisfy the Exchange that the transaction is bona fide. The Participant shall maintain and provide to the Exchange a record of the transaction and identify and mark all such transactions or contracts and all orders, records and memoranda pertaining thereto; and</u></p> <p>(d) <u>such other requirements set out in the directives, guidelines, Trading Procedures or any document by whatsoever name called issued by the Exchange from time to time.</u></p> | | <p>(c) An EFP transaction may be made at such price as mutually agreed upon by the two parties provided that such price is within the Contract trading range on that Business Day or as approved by the Exchange in consultation with the Clearing House.</p> <p>(d) A Participant facilitating the transaction shall satisfy the Exchange that the transaction is bona fide. The Participant shall maintain and provide to the Exchange a record of the transaction and identify and mark all such transactions or contracts and all orders, records and memoranda pertaining thereto.</p> |
| <p><u>700B.4</u></p> | <p><u>Procedure</u></p> <p>(ae) <u>A Participant facilitating the transaction shall, within the time frame stipulated by the Exchange, submit to the Exchange such memoranda as may be prescribed by the Exchange which is necessary to establish the nature of the transaction (type and quantity of the underlying Instrument, quantity and price of the Contracts, the names of all Participants to the transaction and such other information as the Chief Operating Officer may from time to time require) and shall authorise the Exchange to submit such information together with the information provided by the Participant pursuant to this Rule to the Clearing House, as the Clearing House may require.</u></p> <p>(b) <u>Upon verification of the memoranda or documents submitted by Participants under Rule 700B.4(a) above, the Exchange may call for such further information as it</u></p> | | <p>(e) A Participant facilitating the transaction shall submit to the Exchange such memoranda as may be prescribed by the Exchange which is necessary to establish the nature of the transaction (type and quantity of the underlying Instrument, quantity and price of the Contracts, the names of all Participants to the transaction and such other information as the Chief Operating Officer may from time to time require) and shall authorise the Exchange to submit such information together with the information provided by the Participant pursuant to this Rule to the Clearing House, as the Clearing House may require. All such transactions shall, subject to any conditions, which may be imposed by the Clearing House, be</p> |

| RULE | NEW RULES | RULE | EXISTING RULES |
|----------------------|--|------|--|
| | <p><u>considers necessary or approve or reject the application, conditionally or otherwise.</u></p> <p>(c) All approved such transactions shall, subject to any conditions which may be imposed by the Clearing House, be recorded and registered <u>by the Exchange in the ATS</u> in accordance with the Clearing House Rules applicable to the registration of market contracts as defined in the Clearing House Rules.</p> | | <p>recorded and registered in accordance with the Clearing House Rules applicable to the registration of market contracts as defined in the Clearing House Rules.</p> |
| <u>700B.5</u> | <p><u>Prohibition On Amendments Or Cancellation</u></p> <p><u>All transactions that have been registered by the Exchange pursuant to Rule 700B.4(c) shall be firm and binding on Participants and there shall be no amendment or cancellation of the same.</u></p> | | |
| <u>700B.6</u> | <p>(a) <u>All transactions made pursuant to this Rule 700B by Participants shall be deemed to be as principals and neither the Exchange nor the Clearing House shall be obliged to recognise the interest of any third party.</u></p> <p>(b) <u>Nothing in Rule 700B.6(a) shall affect the rights of a Client to take any action or commence any proceedings against a Participant.</u></p> | | |
| <u>700B.7</u> | <p><u>Brokerage</u></p> <p><u>The brokerage in respect of an EFP transaction shall be as stipulated in Guideline 3 hereto and may be varied from time to time by the Exchange.</u></p> | | |
| <u>700B.8</u> | <p><u>Liability of the Exchange</u></p> <p>(f) — The Exchange and/or Clearing House shall not be liable for any loss or damage caused to any party in relation to the agreement for the relevant underlying Instrument, which has been exchanged for the Contract.</p> | | <p>(f) The Exchange and/or Clearing House shall not be liable for any loss or damage caused to any party in relation to the agreement for the relevant underlying Instrument, which has been exchanged for the Contract.</p> |

| RULE | NEW PROVISIONS | RULE | EXISTING PROVISIONS |
|------|---|------|---|
| 805 | <p>Margins</p> <p>Except for Scrip Covered Call Option Writers, all Writers are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided always that such margins shall be at least equivalent to the amount of margins required by the Clearing House in respect of their obligations as Writers of the Option. A Call Option becomes Scrip Covered when the Writer’s obligation under that Call Option is secured by the shares in the manner prescribed by and to the satisfaction of the Clearing House.</p> <p>For the purposes of this Rule 805, margins must be lodged within such period as may be prescribed by the Exchange from time to time following the day of Margin Call or earlier if required by the Trading Participant or Associate Participant. Daily Settlement Closing Prices will be declared by the Exchange for daily margining purposes.</p> | 805 | <p>Margins</p> <p>Except for Scrip Covered Call Option Writers, all Writers are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided always that such margins shall be at least equivalent to the amount of margins required by the Clearing House in respect of their obligations as Writers of the Option. A Call Option becomes Scrip Covered when the Writer’s obligation under that Call Option is secured by the shares in the manner prescribed by and to the satisfaction of the Clearing House.</p> <p>For the purposes of this Rule 805, margins must be lodged within such period as may be prescribed by the Exchange from time to time following the day of Margin Call or earlier if required by the Trading Participant or Associate Participant. Daily Closing Prices will be declared by the Exchange for daily margining purposes.</p> |
| 904 | <p>Margins</p> <p>Clients are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided always that such margins shall be at least equivalent to the amount of margins required by the Clearing House in respect of all Stock Index Futures Contract positions.</p> <p>For the purpose of this Rule 904, margins must be lodged within such period as may be prescribed by the Exchange from time to time following the day of Margin Call or earlier if required by the Trading Participant. All Open Positions are marked to market every Business Day after the close of trading, according to the Daily Settlement Closing Price.</p> | 904 | <p>Margins</p> <p>Clients are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided always that such margins shall be at least equivalent to the amount of margins required by the Clearing House in respect of all Stock Index Futures Contract positions.</p> <p>For the purpose of this Rule 904, margins must be lodged within such period as may be prescribed by the Exchange from time to time following the day of Margin Call or earlier if required by the Trading Participant. All Open Positions are marked to market every Business Day after the close of trading, according to the Daily Closing Price.</p> |
| 1104 | <p>Margins</p> <p>Clients are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided always that such margins</p> | 1104 | <p>Margins</p> <p>Clients are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided</p> |

| RULE | NEW PROVISIONS | RULE | EXISTING PROVISIONS |
|-------------|---|-------------|--|
| | <p>shall be at least equivalent to the amount of margins required by the Clearing House in respect of all Stock Futures Contracts positions.</p> <p>Margins must be lodged within such period as may be prescribed by the Exchange from time to time following the day of Margin Call or earlier if required by the Trading Participant or Associate Participant. All Open Positions are marked to market every Business Day after the close of trading, according to the Daily Settlement Closing-Price.</p> | | <p>always that such margins shall be at least equivalent to the amount of margins required by the Clearing House in respect of all Stock Futures Contracts positions.</p> <p>Margins must be lodged within such period as may be prescribed by the Exchange from time to time following the day of Margin Call or earlier if required by the Trading Participant or Associate Participant. All Open Positions are marked to market every Business Day after the close of trading, according to the Daily Closing Price.</p> |
| 1109 | Adjustments | 1109 | Adjustments |
| 1109.1 | <p>In the event of a bonus issue, stock split, consolidation (reversed stock split) or other activities in respect of the issuer of the underlying stocks, an adjustment may be made by the Exchange (to take into account such issue, split or other activity), to one or more of the following;</p> <p>(a) the contract multiplier; and/or</p> <p>(b) the Daily Settlement Closing-Price of the day preceding the “ex” date;</p> <p>provided that notwithstanding anything else contained in this Rule, no adjustment will be made without the consent of the Clearing House.</p> | 1109.1 | <p>In the event of a bonus issue, stock split, consolidation (reversed stock split) or other activities in respect of the issuer of the underlying stocks, an adjustment may be made by the Exchange (to take into account such issue, split or other activity), to one or more of the following;</p> <p>(a) the contract multiplier; and/or</p> <p>(b) the Daily Closing Price of the day preceding the “ex” date;</p> <p>provided that notwithstanding anything else contained in this Rule, no adjustment will be made without the consent of the Clearing House.</p> |
| 1109.4 | <p>In the event of a bonus issue, rights issue, stock split, or consolidation (reversed stock split), the following adjustments shall be made:</p> <p>(a) the contract multiplier after adjustment shall be the product of the contract multiplier before the adjustment and the inverse of an adjustment factor, and</p> <p>(b) the Daily Settlement Closing-Price of the day preceding the “ex” date after the adjustment shall be the product of the Daily Settlement Closing-Price preceding the “ex” date before the adjustment factor;</p> <p>where $R = N_o/N_n \times (1-E/S_o) + E/S_o$</p> | 1109.4 | <p>In the event of a bonus issue, rights issue, stock split, or consolidation (reversed stock split), the following adjustments shall be made:</p> <p>(a) the contract multiplier after adjustment shall be the product of the contract multiplier before the adjustment and the inverse of an adjustment factor, and</p> <p>(b) the Daily Closing Price of the day preceding the “ex” date after the adjustment shall be the product of the Daily Closing Price preceding the “ex” date before the adjustment factor;</p> |

| RULE | NEW PROVISIONS | RULE | EXISTING PROVISIONS |
|--------------------------|---|--------------------------|--|
| | <p>R (for the purposes of this Rule) is the adjustment factor;</p> <p>N_o is the number of the underlying stocks before the capital change takes effect;</p> <p>N_n is the number of the underlying stocks upon the capital change taking effect;</p> <p>E is in the case of a rights issue, the offer price of the new underlying stocks; and in the case of a bonus issue, stock split and consolidation (reversed stock split), shall be zero;</p> <p>So is the last closing price of the underlying stocks before the capital change takes effect.</p> | | <p>where $R = N_o/N_n \times (1-E/S_o) + E/S_o$</p> <p>R (for the purposes of this Rule) is the adjustment factor;</p> <p>N_o is the number of the underlying stocks before the capital change takes effect;</p> <p>N_n is the number of the underlying stocks upon the capital change taking effect;</p> <p>E is in the case of a rights issue, the offer price of the new underlying stocks ; and in the case of a bonus issue, stock split and consolidation (reversed stock split), shall be zero;</p> <p>So is the last closing price of the underlying stocks before the capital change takes effect.</p> |
| <p>1204</p> | <p>Margins</p> <p>Clients are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided always that such margins shall be at least equivalent to the amount of margins required by the Clearing House in respect of all Three-Month KLIBOR Futures Contract positions.</p> <p>For the purposes of this Rule 1204, margins must be lodged within such period as may be prescribed by the Exchange from time to time of the Trading Participant following the day of Margin Call or earlier if required by the Trading Participant. All Open Positions are marked to market every Business Day after the close of trading, according to the Daily Settlement Closing Price.</p> | <p>1204</p> | <p>Margins</p> <p>Clients are required to lodge with the respective Trading Participant adequate margins as determined by the Trading Participant provided always that such margins shall be at least equivalent to the amount of margins required by the Clearing House in respect of all Three-Month KLIBOR Futures Contract positions.</p> <p>For the purposes of this Rule 1204, margins must be lodged within such period as may be prescribed by the Exchange from time to time of the Trading Participant following the day of Margin Call or earlier if required by the Trading Participant. All Open Positions are marked to market every Business Day after the close of trading, according to the Daily Closing Price.</p> |
| <p>Schedule 6</p> | <p>Daily Price Limits</p> <p>In the first trading session of the day (from 08.45 hours to 12:45 hours), there shall be a Price Limit for the respective contract months of 20% (or a percentage as determined by the Exchange from time to time) in either direction from the previous Business Day's Daily Settlement Closing</p> | <p>Schedule 6</p> | <p>Daily Price Limits</p> <p>In the first trading session of the day (from 08.45 hours to 12:45 hours), there shall be a Price Limit for the respective contract months of 20% (or a percentage as determined by the Exchange from time to time) in either</p> |

| RULE | NEW PROVISIONS | RULE | EXISTING PROVISIONS | | | | | | | | | | | | | | | | | | |
|---------------------------|--|---------------------------|---|----|------------|----------|---|---------------|----------------|---|---------------|----------------|---|---------------|-----------------|---|---------------|-------------------|---|---------------|-------------------|
| | <p>Price.</p> <p>For the purposes of determining the previous Business Day's Daily Settlement Closing Price for a newly introduced contract month on the first day of trading, reference shall be made to the closing value of the underlying stock index on the previous Business Day.</p> | | <p>direction from the previous Business Day's Daily Closing Price.</p> <p>For the purposes of determining the previous Business Day's Daily Closing Price for a newly introduced contract month on the first day of trading, reference shall be made to the closing value of the underlying stock index on the previous Business Day.</p> | | | | | | | | | | | | | | | | | | |
| <p>Schedule 11</p> | <p>Daily Price Limits In the first trading session of the day (from 09:30 hours to 12:45 hours), there shall be a Price Limit for the respective contract months of 30% (or a percentage as determined by the Exchange from time to time) in either direction from the previous Business Day's Daily Settlement Closing Price.</p> | <p>Schedule 11</p> | <p>Daily Price Limits In the first trading session of the day (from 09:30 hours to 12:45 hours), there shall be a Price Limit for the respective contract months of 30% (or a percentage as determined by the Exchange from time to time) in either direction from the previous Business Day's Daily Closing Price.</p> | | | | | | | | | | | | | | | | | | |
| <p>Schedule 16</p> | <p><i>[This Schedule has been deleted]</i></p> | <p>Schedule 16</p> | <p>Strip Trading</p> <p>The approved STRIPS permutation as approved by the Exchange are as follows:-</p> <table border="1" data-bbox="1408 930 2080 1417"> <thead> <tr> <th>No</th> <th>Start Date</th> <th>End Date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>First Quarter</td> <td>Fourth Quarter</td> </tr> <tr> <td>2</td> <td>First Quarter</td> <td>Eighth Quarter</td> </tr> <tr> <td>3</td> <td>First Quarter</td> <td>Twelfth Quarter</td> </tr> <tr> <td>4</td> <td>First Quarter</td> <td>Sixteenth Quarter</td> </tr> <tr> <td>5</td> <td>First Quarter</td> <td>Twentieth Quarter</td> </tr> </tbody> </table> | No | Start Date | End Date | 1 | First Quarter | Fourth Quarter | 2 | First Quarter | Eighth Quarter | 3 | First Quarter | Twelfth Quarter | 4 | First Quarter | Sixteenth Quarter | 5 | First Quarter | Twentieth Quarter |
| No | Start Date | End Date | | | | | | | | | | | | | | | | | | | |
| 1 | First Quarter | Fourth Quarter | | | | | | | | | | | | | | | | | | | |
| 2 | First Quarter | Eighth Quarter | | | | | | | | | | | | | | | | | | | |
| 3 | First Quarter | Twelfth Quarter | | | | | | | | | | | | | | | | | | | |
| 4 | First Quarter | Sixteenth Quarter | | | | | | | | | | | | | | | | | | | |
| 5 | First Quarter | Twentieth Quarter | | | | | | | | | | | | | | | | | | | |

| RULE | NEW PROVISIONS | RULE | EXISTING PROVISIONS | | |
|------|----------------|------|---------------------|--------------------|-------------------|
| | | | 6 | Fifth Quarter | Eighth Quarter |
| | | | 7 | Ninth Quarter | Twelfth Quarter |
| | | | 8 | Thirteenth Quarter | Sixteenth Quarter |