

AMENDMENTS TO THE RULES OF BURSA MALAYSIA DERIVATIVES BERHAD PERTAINING TO THE ACCEPTANCE OF SECURITIES AS COLLATERAL (SCHEDULES)

SCHEDULE	EXISTING SCHEDULE	AMENDED SCHEDULE
<p align="center">1B (New Schedule)</p>	<p>None.</p>	<p><i>[Name and registered address of Trading Participant]</i></p> <p>Dear Sirs,</p> <p align="center"><u>MEMORANDUM OF DEPOSIT</u></p> <p>In consideration of you trading in futures or options contracts on my behalf from time to time, I, <i>[Fill in name of client]</i> of <i>[Fill in the address of the client]</i>, have deposited or will deposit with you from time to time as may be required by you, the securities enumerated in Schedule 1 and such other securities that may be accepted by you (hereinafter referred to as “the Securities”) on the following terms and conditions:</p> <p>1. I confirm that I am entitled to pledge the Securities to you and where necessary, have obtained the relevant authorisation to do so in accordance with the requirements of the law, and that the Securities are free from liens, encumbrances or any prior pledge(s). In furtherance thereof I hereby pledge the Securities as part of or the total margin required by you in accordance with Rule 614.1 of the business rules of Bursa Malaysia Derivatives Berhad (“Bursa Derivatives”), arising from the Open Positions in respect of futures or options contracts traded on my behalf on the exchange i.e. Bursa Derivatives by you or given up to you. Open Positions means the position of a party under a futures or options contract whose rights or obligations have not expired or been discharged or where the rights/and or obligation under the futures or options contract are yet to be fulfilled.</p>

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		<p>2. I represent and confirm that the Securities are held in a central depository system maintained by Bursa Malaysia Depository Sdn Bhd (“Bursa Depository”) and in this respect I shall transfer and/or cause to be transferred the Securities which are pledged to you under Clause 1 to a securities account held in your name or the name of your nominee with Bursa Depository, the particulars of which shall be furnished by you.</p> <p>3. Upon transfer of the Securities in accordance with Clause 2, the Securities pledged under Clause 1 shall include all stocks, shares and other securities, rights or other property paid, distributed, accruing or offered at any time (by way of dividends, bonus, redemption rights, preference, option, warrant or otherwise) on, to or in respect of or in substitution of any of the Securities (“the Additional Securities”) and all dividends paid or payable on the Securities and the Additional Securities (“the Dividends”). Reference to the word Securities wherever appearing in this Memorandum of Deposit hereinafter, shall include Additional Securities unless the context otherwise requires, or unless expressly excluded.</p> <p>4. Notwithstanding that the Securities are transferred to you in accordance with Clause 2 and pledged to you in accordance with the terms of this Memorandum of Deposit, you shall have no duty or responsibility and shall be under no obligation to exercise any rights incident to the Securities including the exercise of power to purchase shares or stocks under any warrant or option or to take up any rights issue or voting rights. In the event that I intend to exercise any rights incident to the Securities including the exercise of power to purchase shares or stocks under any warrant or option or to take up any rights issue or voting rights, I acknowledge that I shall have to withdraw the Securities and that the withdrawal shall only be allowed by you in circumstances stipulated under Clause 8 unless determined otherwise by you and when withdrawn I shall be entitled to exercise the same in the</p>

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		<p>manner that I deem fit without any further reference to you. In relation to Dividends, the same shall forthwith be released to me upon clearance of the Dividend cheques/s, notwithstanding that the securities have been pledged to Bursa Malaysia Derivatives Clearing Bhd (“Bursa Clearing (D)”) pursuant to Clause 5 herein.</p> <p>5. I hereby consent and authorise that any or all of the Securities deposited and pledged with you in accordance with the terms of this Memorandum of Deposit may be pledged at any time and from time to time to Bursa Clearing (D) who is the clearing house for the futures and option contracts traded on Bursa Derivatives as part of or the total margin required by Bursa Clearing (D) as security against the non-performance of your obligations to Bursa Clearing (D) in respect of clearing of futures or options contracts traded on Bursa Derivatives and that Bursa Clearing (D) shall at any time have full rights to sell, exchange, convert into money or otherwise dispose of or realise or concur in selling, exchanging, converting into money or otherwise dispose of or realise the Approved Securities or any part thereof as Bursa Clearing (D) may in its absolute discretion select and for such consideration and on such terms as Bursa Clearing (D) may think fit and to do all such acts and things as Bursa Clearing (D) may consider necessary or desirable for the realising of the Approved Securities or any part thereof if you default on your obligations to Bursa Clearing (D). The aforementioned is subject to the following conditions:</p> <ul style="list-style-type: none"> i. That the utilisation of the Securities shall be strictly limited to the purpose/s above; ii. That the Securities shall be made available to me for withdrawal in circumstances permitted in this Memorandum of Deposit and in the event that the Securities are not returned to me pursuant to the above, my recourse shall be against you as stipulated in Clause 10 and not against

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		<p>Bursa Clearing (D) ; and</p> <p>iii. That the Securities shall be taken into account in computing the margin that has been deposited by me with you under Clause 1; and</p> <p>iv. That the value of the Securities shall be set off as against the sum owed to you arising from a default under Clause 11.</p> <p>6. I further hereby agree to execute all relevant documents as may be required by you at any time and from time to time for the purpose of facilitating and giving effect to Clause 5.</p> <p>7. I agree and consent that my rights to the exercise of and/or all or any dealings with respect to and in relation to the rights, benefits, powers and privileges in respect of or arising from the Securities and/or as conferred under the relevant laws and/or the Memorandum and Articles of Association of the issuer of the Securities shall be subject to the terms of this Memorandum of Deposit. I further agree that I shall not enter into any dealings and/or any arrangement howsoever called with respect to the Securities except where permitted in this Memorandum of Deposit and/or by you.</p> <p>8. I shall be entitled to withdraw any or all of the Securities deposited and pledged herein, by providing you with written notice thereof, in any of the following circumstances:</p> <p>(i) where the Securities are in surplus of the amount of margin required by you for the purposes stipulated in Clause 1 herein, to the extent of the surplus amount; or</p> <p>(ii) where the value of the Securities to be withdrawn is replaced/exchanged with any other securities or form/s of collateral</p>

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		<p>acceptable by you or cash of equal value; or</p> <p>(iii) where I no longer have any Open Positions in respect of futures or options contracts traded on my behalf by you or given up to you and have no sums outstanding owed to you with regards to my obligations stipulated in Clause 1 herein.</p> <p>9. Subject to Clause 11, where the withdrawal of the Securities is permitted under Clause 8, the Securities shall be transferred to a securities account(s) designated by me subject to the rules and procedures of Bursa Depository and the said transfer shall not be effected later than two (2) clear market day from the date of the receipt by you of the notice stipulated in Clause 8.</p> <p>10. In the event that you are not able to return the Securities and/or the Additional Securities to me within the timeframe stipulated in Clause 9 (“Initial Period”) for any reason(s) whatsoever, you shall within five (5) clear market days from the expiry of the Initial Period take measures to procure and return to me those Securities in specie and in the event that you are unable to procure such securities due to circumstances beyond your control, you shall provide me with the market value of those Securities in monetary form. Market value of the Securities shall be computed based on the weighted average price of the Securities plus one percentum (1%) (of the weighted average price of the Securities) on the trading day or the last trading day, as the case may be, preceding the date that delivery of Securities in specie should have been made under this clause. I agree that once the aforementioned Securities in specie is returned or monetary compensation is paid to me pursuant to this clause, the same shall serve as full and final settlement of your obligation under Clause 8, Clause 9 and this clause and I shall have no further claim against you in relation thereto.</p> <p>11. Where I default in the performance of any of my obligations arising from the Open Positions in respect of futures or options contracts traded on my behalf</p>

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		<p>by you or given up to you, I acknowledge that you shall have full rights to sell, exchange, convert into money or otherwise dispose of or realise or concur in selling, exchanging, converting into money or otherwise disposing of or realising the Securities or any part thereof as you may in your absolute discretion select and for such consideration and on such terms as you may think fit to do all such acts and things as you may consider necessary or desirable for the realising of the Securities or any part thereof. The consideration received from the above, shall be utilised towards the discharge of the monies owing by me to you pursuant to the above default and the residue thereof (if any) shall be paid to me.</p> <p>12. I hereby consent and agree to the transfer of the legal ownership of the Securities to any party arising from the exercise of your powers under Clause 11 and in connection thereto I authorise you to execute all relevant documents at any time and from time to time and accord to you all rights and powers to take the necessary steps to execute and give effect to the above said transfer. Notwithstanding the above, where required by you, I shall also execute all relevant documents for the purpose of executing and giving effect to the above said transfer.</p> <p>13. I acknowledge and agree that the terms stipulated in this Memorandum of Deposit shall be subject to the business rules of Bursa Derivatives, and all procedures, guidelines etc issued by Bursa Derivatives from time to time in connection with the depositing of securities for the purpose stipulated under Clause 1 (“the Provisions”) and I shall comply with the Provisions as if the same is stipulated herein. In the event of any inconsistency between the terms stipulated in this Memorandum of Deposit and the Provisions, the Provisions shall prevail.</p> <p>14. Where additional securities are deposited with you to satisfy the margin required by you for the purpose stipulated in Clause 1, the provisions of this</p>

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		<p>Memorandum of Deposit shall equally apply to those additional securities deposited. In this respect, Schedule 1 of this Memorandum of Deposit shall be read to include the above additional securities as if enumerated therein and the word Securities wherever appearing in this Memorandum of Deposit shall also include the above additional securities.</p> <p>15. Pursuant to Clause 14, where additional securities are deposited with you as margin, you shall provide me with written confirmation of such a deposit of securities.</p> <p>16. Any demand, request or notice made under this Memorandum of Deposit by me or you shall be in writing and addressed to the address specified herein or such address as notified in writing from time to time.</p> <p>17. I agree that you may deduct, from monies held by you, all fees, cost incurred, stamp duty and other charges relating to or in connection with the execution of this Memorandum of Deposit.</p> <p>18. This Memorandum of Deposit shall be binding and enure to my and your benefit and our successors, legal representatives and permitted assigns.</p> <p>19. I hereby indemnify you and hold you indemnified for any loss, legal costs (including third party costs), damage or liability suffered or incurred by you, whether directly or otherwise, arising as a result of your reliance on the representations made in Clause 1 in accepting the securities pledged under this Memorandum of Deposit.</p> <p>20. I agree that this Memorandum of Deposit shall be governed by and construed in all respects in accordance with the laws of Malaysia and I shall submit to the jurisdiction of the courts of Malaysia in all matters set out in this Memorandum of Deposit.</p>

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		<p>Dated this [] day of [] Year []</p> <p>.....</p> <p>Common Seal or Signature Name: Designation of Authorised Signatory/ies(where it is a corporation):</p> <p>In the presence of,</p> <p>.....</p> <p>Signature Name: NRIC No:</p>