

ANNEXURE 1

RULES OF BURSA MALAYSIA DERIVATIVES CLEARING BERHAD

**RULE AMENDMENTS IN RELATION TO OPTIONS AND
FOR CONSISTENCY WITH THE RULES OF BURSA MALAYSIA DERIVATIVES BERHAD**

EXISTING PROVISIONS		AMENDED PROVISIONS
Definitions and Interpretation	Adjustment Agreement As defined in the Act.	Adjustment Agreement As defined in the Act Exchange Rules .
Definitions and Interpretation	Eligible Delivery Agreement As defined in the Act.	Eligible Delivery Agreement As defined in the Act Exchange Rules .
Definitions and Interpretation	Futures Option As defined in the Act.	Futures Option As defined in the Act An option or right to assume, at a stated price or value and within a stated period, a Long Position or a Short Position, in relation to a Futures Contract.
Definitions and Interpretation	Instrument As defined in the Act.	Instrument As defined in the Act Exchange Rules .
Definitions and Interpretation	Long Position As defined in the Act.	Long Position As defined in the Act Exchange Rules .
Definitions and Interpretation	Short Position As defined in the Act.	Short Position As defined in the Act Exchange Rules .

EXISTING PROVISIONS		AMENDED PROVISIONS
Rule 702	<p>Automatic exercise</p> <p>With the agreement of the relevant Exchange, the Clearing House may determine procedures which in the absence of instructions from a Clearing Participant to the contrary determine the Exercise or otherwise of Option Open Contracts to which the Clearing Participant is a Buyer immediately prior to the Expiry of such Option Open Contracts.</p>	<p>Automatic exercise</p> <p><u>(a) With the agreement of the relevant Exchange, the Clearing House may at any time prior to the Expiry of such Option Open Contracts determine procedures which in the absence of instructions from a Clearing Participant to the contrary determine the Exercise or otherwise of Option Open Contracts to which the Clearing Participant is a Buyer immediately prior to the Expiry of such Option Open Contracts.</u></p> <p><u>(b) The procedures determined in accordance with Rule 702(a) will apply to the Clearing Participant unless otherwise instructed by the Clearing Participant in the manner prescribed by the Clearing House.</u></p>

[End of Rule Amendments]