

INFORMATION ON APPLICATION FOR REGISTRATION AS A TRADING PARTICIPANT OF BURSA MALAYSIA DERIVATIVES BERHAD (“BURSA DERIVATIVES”)

All applicants are requested to carefully study the Rules and Directives of Bursa Derivatives before submitting their application. The Rules set out the rights and obligations of all Participants of Bursa Derivatives.

1. Minimum Financial Requirement

The applicant shall be a company with a share capital of RM5 million. A registered Trading Participant is required to maintain at all times an Adjusted Net Capital of RM500,000 or 10% of aggregate Margins required; whichever is the higher.

2. Locally Incorporated

The applicant shall be a locally incorporated company.

3. Single Trading Participantship

There is only a single class of Trading Participantship which will entitle a Trading Participant to trade in all classes of Contracts on the Exchange. Refer item 10 for applicable fees.

4. Application to the Exchange

The applicant shall submit to Bursa Derivatives the following:

- (i) Cover letter detailing the approvals sought addressed to Bursa Derivatives.
- (ii) Duly completed Form of Application for registration as Trading Participant and to be accompanied with:
 - (a) Certified true copies of the constitution, if any, or any other constituent documents, of the applicant company and if any, its corporate shareholders (if any); copies of the applicant's constitution, if any or other constituent documents evidencing the applicant's:
 - (i) directors and shareholders; and
 - (ii) paid-up capital;
 - (b) such documents and information as may be appropriate in respect of its financial standing such as:
 - Auditor's Certification;
 - Balance Sheet; and
 - (c) Notice of registration;
 - (d) Notification of change in the Register of Directors, Manager and Secretaries;
 - (e) notice of registration of the new name;
 - (f) Return of allotment of shares;
 - (g) Notification for change in the registered address (if relevant);
 - (h) Particulars of change or alteration relating to foreign company (if relevant), or similar documents of its nature;
- (iii) Applicant's board's resolution authorizing the application;
- (iv) Business plan of at least two (2) years;

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- (v) Group Structure;
- (vi) The details of each shareholder of the applicant,
 - i) If an individual:
The full name, nationality, identity card or passport number, residential address, date of birth, number of shares being held and the date of acquisition and directorship in other company.
 - ii) If a company:
The full name, address, number of shares being held and the date of acquisition.
- (vii) The details of each director, secretary and the chief executive officer of the applicant, including the full name, nationality, identity card or passport number, residential address, date of birth and date of appointment.
- (viii) Please indicate if any of the shareholders are related. A shareholder (“first shareholder”) will be regarded as being related to another shareholder (“second shareholder”) if:
 - (a) in the case of an individual, the first shareholder is a spouse, father, mother, son or daughter of the second shareholder;
 - (b) in the case of a corporation, the first shareholder is a holding company or subsidiary of the second shareholder or a subsidiary of the same holding company of which the second shareholder is a subsidiary
- (ix) The details of the person or person(s) who is or are having ultimate controlling interest of more than 50% in the applicant, including their full name, nationality, identity card number or passport number, occupation and directorship in any company (if applicable).

Where the number of shareholders in the applicant exceeds 20, please only provide particulars for those shareholders holding 5% or more of the issued share capital in their names.
- (x) The details of the person or person(s) who directly or indirectly exercise or has power to exercise a controlling influence over the management and policies of the applicant other than those shown as directors, including in the case of an individual his/her full name, nationality, identity card number or passport number, occupation and directorship in any company (if applicable) and in the case of a company, the name of the company, the date and place of incorporation of the company and the names of the directors of such company.
- (xi) The details of the solicitors, auditors and accountants of the applicant, including, names and addresses.
- (xii) The details of the companies in which the director or secretary of the applicant is also a director including the names of the companies, the places of incorporation, the dates of appointment and the principal business of the companies (if applicable).
- (xiii) The details of the solicitors, auditors and accountants of the applicant, including, names and addresses.

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- (xiv) Any other documents that may be required or relevant to the application.

5. **Approval-in-Principle**

Where the application is successful, Bursa Derivatives will grant its approval-in-principle for the registration of the company as Trading Participant of the Exchange subject to the applicant meeting among others, the following:

- i) For the registration as a Trading Participant: The applicant meeting all relevant financial requirements prescribed in the Rules and Directives of Bursa Derivatives;
- ii) The applicant’s satisfactory completion of the readiness audit to be conducted by Bursa Derivatives;
- iii) The applicant complying with the requirement of the Rules of Bursa Derivatives including any directives, notices, circulars, guidelines and schedules issued by Bursa Derivatives and with other laws, rules and procedures that are applicable to it and Capital Markets and Services Act 2007.

6. **Readiness Assessment**

The applicant is required to undergo a readiness assessment, which scope, criteria and manners will be prescribed by the Exchange. After the completion of the readiness assessment, the Exchange will submit its recommendation to the Securities Commission.

7. **Application to the Securities Commission for License**

The applicant is required to submit an application to the Securities Commission in the prescribed manner. Kindly refer to the Securities Commission’s Licensing Handbook for more information.

8. **Issuance of License**

The Securities Commission will issue the successful applicant with a Capital Markets Services license to carry out trading in derivatives contracts.

9. **Registration with Bursa Derivatives**

Once the applicant has been duly licensed and has met all the conditions stipulated by the Securities Commission and Bursa Derivatives, it will be registered as a Trading Participant of Bursa Derivatives.

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10. Fees applicable to Trading Participant

Type	Amount
Registration Fee (one off non-refundable)	RM50,000.00
Annual Subscription Fee	RM6,000.00

11. Participation is Non-transferable.

A Trading Participant is not permitted to transfer its participation in the Exchange to any other person.

12. Contact

- Head, Participants Affairs
Participants Supervision
Regulation
Bursa Malaysia Berhad
11th Floor, Exchange Square
50200 Kuala Lumpur

Tel: (603) 2034 7000, (603) 2034 4999 (General Line)

Fax: (603) 2026 3685, (603) 2732 8362

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