

Schedule 1
Computation of Net Tangible Assets under rule 209

For the purpose of calculating Net Tangible Assets:

- a) all futures and option contracts must be marked to their current market value;
- b) all unrealised profits and losses on all futures, options, forward and fixed price commitment contracts must be treated as realised profits and losses; and
- c) unless otherwise specifically stated, the value ascribed to all other assets and liabilities must be their current market value.

Net Tangible Assets are:

Tangible Assets

less

Total Liabilities

1. Tangible Assets

Tangible Assets are cash and other assets which are commonly identified in accordance with generally accepted accounting principles prevailing from time to time as being current and non-current assets,

but must exclude:

- a) all amounts owing to the Member by its Related Corporations except receivables due in the ordinary course of business from a financial institution licensed by Bank Negara;
- b) shares held in a Related Corporations unless otherwise approved by the Board; and
- c) intangible assets.

2. Total Liabilities

Total Liabilities are those liabilities that are commonly identified in accordance with generally accepted accounting principles prevailing from time to time as being short term and long term liabilities or such other liabilities as may from time to time be determined by the Board.

3. Related Corporation

For the purposes of this schedule, a Related Corporation is any corporation:

- a) in which the Member owns or effectively controls 20% or more of the issued share capital;
- b) which owns or effectively controls 20% or more of the issued share capital of the Member;

- c) which effectively directs or has the ability to directly or indirectly influence the management policies of the Member;
- d) of which management policies the Member effectively directs or has the ability to directly or indirectly influence;
- e) where one party holds or effectively controls 20% or more of the issued share capital of that corporation and simultaneously holds or effectively controls 20% or more of the issued share capital of the Member.

Schedule 2
Computation of Adjusted Net Capital under rule 210

For the purpose of calculating Adjusted Net Capital:

- a) all futures and option contracts must be marked to their current market value;
- b) all unrealised profits and losses on all futures, options, forward and fixed price commitment contracts must be treated as realised profits and losses; and
- c) unless otherwise specifically stated, the value ascribed to all other assets and liabilities must be their current market value.

Adjusted Net Capital is:

Permitted Assets

less

Additional Deductions

less

Total Liabilities

1. Permitted Assets

Permitted Assets are cash and other assets which are commonly identified in accordance with generally accepted accounting principles prevailing from time to time as being current assets and are realisable for cash or collectible within 10 business days from the computation date,

but must exclude:

- a) all prepaid expenses and deferred charges;
- b) all advances, loans and other receivables which are not secured except:
 - i) brokerage, fees and commissions which have not been outstanding for longer than 10 business days from the due date;
 - ii) all dividends which have not been outstanding for longer than 10 business days from the payable date;
 - iii) receivables from the Clearing House but not including any asset lodged with the Clearing House in respect of contributions to the Clearing Fund or as Security Deposits;
 - iv) receivables from an Exchange;
 - v) receivables due in the ordinary course of business from a financial institution licensed by Bank Negara including interest due to be paid on the next business day but excluding any other accrued interest;
 - vi) receivables, other than fees, commissions and brokerage, from other Affiliates of the Clearing House;
 - vii) receivables from another clearing house approved by the Board;

- viii) receivables resulting from the sale of inventories commonly associated with the business activities of the Member, which in the opinion of the Member's auditors, are good for collection; and
- ix) such other amounts as may be determined by the Board from time to time;
- c) any asset the possession, or control over the disposal, of which has been given to a financial institution as security for any credit facility provided by the financial institution to the Member or as security for an irrevocable letter of credit, bank guarantee or surety or any other line of credit provided by that financial institution to the Clearing House, an exchange, another clearing house or to any other person;
- d) shares held in a Related Corporation unless otherwise approved by the Board;
- e) all advances or loans to any director or employee of the Member or any third party;
- f) all amounts owed to the Member by its Related Corporations other than amounts falling within the description in subparagraph (b)(v);
- g) all intangible assets;
- h) all exchange participations and participations of clearing houses;
- i) all securities except:
 - i) Malaysian government securities;
 - ii) bills, notes and debentures traded in the money market;
 - iii) medium to long-term bills, notes and debentures issued by financial institutions licensed by Bank Negara Malaysia for which there are readily ascertained market prices;
 - iv) securities listed on a stock exchange approved by the Board;
 - v) such other securities as may be approved by the Board from time to time;
- j) such other items as may be determined by the Board from time to time.

2. Total Liabilities

Total Liabilities are those liabilities which are commonly identified in accordance with generally accepted accounting principles prevailing from time to time as being short term and long term liabilities but exclude:

- a) liabilities under a subordinated loan agreement:
 - i) which has a remaining term to maturity of not less than one year; and
 - ii) to which an Exchange is a party,
 up to a maximum amount of four times the shareholders' funds of the Member;
- b) long term liabilities owed to a financial institution under a commercial loan secured by a fixed charge over real property or motor vehicles owned by the Member and applied for use in the normal course of the business of the Member, up to an amount equal to the lower of net book value or 80% of the market value of the real property or motor vehicles;
- c) such other liabilities as may from time to time be determined by the Board.

3. Additional Deductions

The Board may prescribe as an Additional Deduction an amount, in relation to each of the following categories of Permitted Assets, expressed as a percentage of the value of the relevant Permitted Asset, or in relation to other matters, from which the total value of Permitted Assets is to be deducted:

- a) Malaysian government securities;
- b) readily marketable Malaysian securities listed on a stock exchange approved by the Board;
- c) such other securities that may be approved by the Board from time to time;
- d) receivables due in the ordinary course of business from a financial institution licensed by Bank Negara;
- e) receivables from other Affiliates of the Clearing House or another clearing house approved by the Board or that approved clearing house's Clearing Participants;
- f) amounts due from clients in respect of margin where such amounts are outstanding not less than two business days as at the computation date;
- g) brokerage, fees and commissions, which are not secured, due from clients;
- h) the margin requirement on open contracts in the proprietary account of a Member which are not bona fide hedged contracts;
- i) receivables, which are not secured, due from exchanges and clearing houses other than an Exchange or the Clearing House;
- j) the net debit balance arising from the marking-to-market or interim settlement of outstanding futures and/or option contracts held by clients as at the close of business on the computation date;
- k) inventories which are hedged in any market or association;
- l) inventories which are not hedged by any hedging position in any market or association;
- m) such other assets or amounts as may be determined by the Board from time to time.

4. Related Corporation

For the purposes of this schedule, a Related Corporation is any corporation:

- a) in which the Member owns or effectively controls 20% or more of the issued share capital;
- b) which owns or effectively controls 20% or more of the issued share capital of the Member;
- c) which effectively directs or has the ability to directly or indirectly influence the management policies of the Member;
- d) of which management policies the Member effectively directs or has the ability to directly or indirectly influence;
- e) where one party holds or effectively controls 20% or more of the issued share capital of that corporation and simultaneously holds or effectively controls 20% or more of the issued share capital of the Member.

5. Secured

For the purposes of this schedule, except in subparagraph 2(b), a loan or other form of receivable is considered to be secured if and only if:

- a) collateral of the type approved by the Clearing House has been given to the Member as security for that loan or receivable and is at least of such value approved by the Clearing House;
- b) the collateral is in the possession or control of the Member; and
- c) the Member has a legally enforceable written security agreement executed by the debtor in its favour under which the Member has the power to readily sell or otherwise convert the collateral into cash in the event of the receivable being placed in jeopardy.

6. Securities

For the purposes of this schedule, the term “securities” means debentures, stocks and shares in a public company or corporation, or bonds of any government or of any body, corporate or unincorporate, and includes any option in respect thereof and any interest in unit trust schemes.

7. Unit trust scheme

For the purposes of this schedule, the term “unit trust scheme” means any arrangement made for the purpose, or having the effect, of providing facilities for the participation by persons as beneficiaries under a trust in profits or income arising from the acquisition, holding, management or disposal of securities or any other property.

8. Computation date

For the purposes of this schedule, the term “computation date” means any day on which the Adjusted Net Capital of a Member is computed.

Schedule 3

UNDERTAKING BY [name of applicant]

To :

Bursa Malaysia Derivatives Clearing Berhad
6th Floor Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

**Compliance with the Business Rules of Bursa Malaysia Derivatives Clearing Berhad
("the Clearing House")**

In consideration of the Clearing House *approving / having approved the application for admission of [name of applicant] (hereinafter referred to as "the Company") as a *General Clearing Participant / Direct Clearing Participant of the Clearing House and for utilisation of the services and facilities made available by the Clearing House to the Company under this category of participants **WE HEREBY ACKNOWLEDGE** that the Company can remain as a Clearing Participant of the Clearing House, and utilisation of any of such services and facilities by the Company can continue only during the pleasure of the Clearing House and **WE HEREBY UNDERTAKE AND AGREE** to comply with the Business Rules of the Clearing House which shall be in force from time to time, insofar as the same shall apply to the Company.

The above Undertaking has been signed by me for and on behalf of the Company as [title] of the Company pursuant to authority granted to me by resolution of the board of directors of the Company on

Date :

Signature :

Name :

NRIC No. :

* Delete whichever inapplicable