

**ANNEXURE 1
RULE AMENDMENTS**

**consequential to the issuance of the Securities Commission Malaysia's Guidelines
on Contracts for Difference**

RULES OF BURSA MALAYSIA DERIVATIVES BHD

**RULE AMENDMENTS CONSEQUENTIAL TO
THE ISSUANCE OF THE SECURITIES COMMISSION MALAYSIA'S GUIDELINES
ON CONTRACTS FOR DIFFERENCE**

(a) GUIDELINE 2.1.1 ON STATEMENT OF ADJUSTED NET CAPITAL

GUIDELINE 2.1

Statement of Adjusted Net Capital

(Rule 602)

2.1.1 ~~In accordance with Rule 602.3, the Exchange has prescribed the following format of Statement of Adjusted Net Capital.~~

~~**Statement Of Adjusted Net Capital As At _____**~~

			Total
	Net capital		
1.	Permitted assets		
2.	Total liabilities		
3.	Deduction from total liabilities		
	a) Liabilities subject to satisfactory subordinated loan agreements		
	b) Allowable long term liabilities		
	Total Allowable Liabilities		
4.	Adjusted liabilities		
5.	Net capital (Item 1 minus Item 4)		
6.	Additional deductions		
	a) Malaysian government securities		
	* Up to one year of maturity period		
	* More than one year of maturity period		
	b) Readily marketable Malaysian securities listed on the main board of the Bursa Malaysia Securities Berhad		
	* Shares listed on the Bursa Malaysia Securities Berhad main board up to a total value of 5% of initial margin or RM 250,000, whichever is greater.		
	* The balance of the aggregate value of shares listed on the Bursa Malaysia Securities Berhad main board		

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	e) All other securities listed on the Bursa Malaysia Securities Berhad d) Amounts due from clients in respect of margin where such amounts are outstanding not less than three business days as at the computation date.		
	e) 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.		
	f) The margin requirement on open contracts in the proprietary account of a Participant which are not bona fide hedged contracts. g) Inventories which are not hedged in any market or association. h) Inventories which are not hedged by any hedging position in any market or association.		
7.	Total deductions (Add Items 6a. to 6h.)		
8.	Adjusted Net Capital (Item 5 minus Item 7)		
9.	Amount of Margin required		
10.	10% of the amount of margin required		
11.	Adjusted Net Capital required (Enter the greater of Line 10 or RM 500,000)		
12.	Excess Adjusted Net Capital (Item 8 minus Item 11)		

End of Statement

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consequential to the issuance of the Securities Commission Malaysia's Guidelines on Contracts for Difference

(b) **GUIDELINE 2.2.1 ON STATEMENT OF FINANCIAL CONDITION AND GUIDELINE 2.2.2 ON STATEMENT OF INCOME/(LOSS)**

GUIDELINE 2.2

Statement of Financial Condition and Statement of Income/(Loss)

(Rule 602)

2.2.1—~~In accordance with Rule 602.3, the Exchange has prescribed the following format of Statement of Financial Condition.~~

~~Statement Of Financial Condition As At _____~~

	Current	Non-Current	Total
Assets			
— Funds segregated for Clients			
— Cash with financial institutions and on hand			
— Receivables from and margin deposits with Malaysian clearing houses			
 — Cash and settlement receivables			
 — Marketable securities			
 — Net long Option value			
 — Security deposit and clearing funds			
 — Interest Receivable			
— Receivables from and margin deposit with foreign clearing houses			
 — Cash and settlement receivables			
 — Marketable securities			
 — Net long Option value			
 — Security deposit and clearing funds			
 — Interest Receivable			
— Receivables from other Trading Participants			
 — Cash and settlement receivables			
 — Marketable securities			
 — Net long Option value			
 — Security deposit			
 — Others			
 — Allowances for doubtful accounts			
— Receivables from foreign brokers			
 — Cash and settlement receivables			
 — Marketable securities			
 — Net long Option value			
 — Security deposit			
 — Others			
 — Allowances for doubtful accounts			
— Receivables from Clients trading on MDEX			
 — Client debit balances			

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	 <ul style="list-style-type: none"> — Others (please itemise) — Allowances for doubtful accounts <p>Receivables from Clients trading on foreign exchanges</p> <ul style="list-style-type: none"> — Client debit balances — Others (please itemise) — Allowances for doubtful accounts <p>Other receivables, advances and loans</p> <ul style="list-style-type: none"> — Merchandise accounts receivable — Interest — Dividends — Advances and loans to directors, employees of the Participant or any third party — Receivables from related corporations — Others (please itemise) — Allowance for doubtful accounts 			
	 <p>Securities</p> <ul style="list-style-type: none"> — Owned by Participant — Securities in exchanges and clearing houses <p>Inventories of physical commodities</p> <p>Exchange / Clearing House Partnership, at cost</p> <p>Investment in related corporations</p> <p>Fixed Assets (plant, property, etc.) at net book value</p> <p>Other assets (please specify)</p> 			
	 <p>Total assets</p> 			
	 <p>Liabilities</p> <p>(a) Bank overdrafts</p> <ul style="list-style-type: none"> — Secured — Unsecured <p>(b) Loans</p> <ul style="list-style-type: none"> — Due for payment within 12 months — Due for payment after 12 months 			
	 <p>Payable to related corporations</p> <p>Payables to Clearing House</p> <p>Payables to foreign clearing houses</p> <p>Payables to other Trading Participants</p> <p>Payables to foreign brokers</p> <p>Payables to Client trading on MDEX</p> 			

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Payables to Client trading on foreign exchanges			
Liabilities subordinated to claims of general creditors — Subject to satisfactory subordinated loan agreement — Not subject to satisfactory subordinated loan agreement			
Other payables and accrued liabilities (please itemise)			
Total liabilities			
<u>Shareholders Funds</u>			
Shareholders' funds — Paid up capital — Share premium — Capital reserves — Unappropriated profits/(accumulated losses)			
Total shareholders' funds			
Total liabilities and shareholders' funds			

End of Statement/~~Deleted~~

2.2.2 ~~In accordance with Rule 602.3, the Exchange has prescribed the following format of Statement of Income/(Loss).~~

Statement of Income/(Loss) As At _____

			Total
	<u>Revenue</u>		
—	Commissions and Brokerage		
	— On Malaysian Derivatives Exchange		
	— Single Licence		
	— Normal trade commission		
	— Give up commission		
	— Dual Licence		
	— Normal trade commission		
	— Give up commission		
	— On foreign exchanges		
	— Other brokerage activities (please itemise)		

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2.	Proprietary Trading Account		
	— Options and Futures transactions (please itemise)		
	— Securities transactions		
	— Other trading activities (please itemise)		
3.	Income from advisory services		
4.	Interest and dividends		
	— Interest earned on investment of clients' funds (please itemise)		
	— Interest earned on investment of other than clients' funds		
	— Dividends		
5.	Other income (please itemise)		
6.	Total revenue		
	Expenses		
7.	Director's emoluments		
	— Fees		
	— Others		
			Total
8.	Salaries and allowances		
9.	Interest		
	— Clients		
	— Financial institutions		
	— Others		
10.	Commissions		
11.	Occupancy and equipment cost		
12.	Bad and doubtful debts		
13.	Depreciation or amortisation (please itemise)		
14.	Other expenses (please itemise)		
15.	Total expenses		
16.	Net profit/(loss) before taxation (Item 6 minus Item 15)		
17.	Taxation		
18.	Others (please itemise)		
19.	Net profit/(loss) after taxation		
20.	Balance brought forward		

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21.	Unappropriated profits/(accumulated losses)		

~~End of Statement~~[Deleted]

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(c) GUIDELINE 2.4.1 ON STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION FOR CLIENTS TRADING ON MALAYSIAN AND FOREIGN EXCHANGES

GUIDELINE 2.4

Statement of Segregation Requirements and Funds in Segregation for Clients Trading on Malaysian and Foreign Exchanges

(Rule 608)

2.4.1—~~In accordance with Rule 608.10, the Exchange has prescribed the following format on Statement of Segregation Requirements and Funds in Segregation for Clients Trading on Malaysian and Foreign Exchanges.~~

~~**Statement Of Segregation Requirements And Funds In Segregation For Clients Trading On Malaysian And Foreign Exchanges As At _____**~~

		Malaysian Exchanges	Foreign Exchanges	Total
	<u>Segregation requirements</u>			
1.—	Net ledger balance			
	(a) Cash			
	(b) Securities			
	(c) Foreign Currencies			
2.—	Net profit/(loss) in open Contracts			
3.—	Exchange traded Option			
	a) Current market value of open long Option contracts			
	b) Current market value of open short Option contracts	()	()	()
4.—	Net equity/(deficit) (Add Items 1, 2 and 3)			
5.—	Net Debit Balance			
6.—	Amount required to be segregated (Add Items 4 and 5)			
	<u>Funds in segregated accounts</u>			
7.—	Cash deposited in segregated bank accounts			
	a) Ringgit Malaysia			
	b) Foreign Currencies			
8.—	Segregated Securities			

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9.	Margin deposit with Clearing House			
	a) Cash and net settlement			
	b) Securities held as margin			
	c) Foreign Currencies held as collateral			
10.	Option			
	a) Current market value of open long Option contracts			
	b) Current market value of open short Option contracts	(————)	(————)	(————)
11.	Net equity with other Trading Participants			
	a) Net equity			
	b) Securities held as margin			
	c) Foreign currencies held as collateral			
12.	Segregated funds on hand (please specify)			
13.	Others (please specify)			
14.	Total amount segregated (Add Item 7 to 13)			
15.	Excess/(deficiency) funds in segregation (Item 14 minus Item 6) [Appendix 1]			

End of Statement/~~Deleted~~