

BURSA MALAYSIA DERIVATIVES BERHAD

Date : 29 August 2008

Trading Participant Circular : 33/2008

REVOCAION OF ITEM 2 OF TRADING MEMBERS CIRCULAR 5/96 (“THE CIRCULAR”)

Reference is made to item 2 of the Circular captioned as ‘Shares Received in Lieu of Cash’. Kindly be advised that with effect from 2 September 2008, paragraph 4 of item 2 on ‘prohibition of interest charging on margin facility’ is hereby revoked.

With the above revocation, Trading Participants are permitted to charge interest for late or outstanding payment of margin. Payment of margin is required under Rule 614 of the Rules of Bursa Malaysia Derivatives Berhad.

Kindly also be advised that paragraphs 1, 2 and 3 of item 2 of the Circular have been revoked vide ‘Trading Participant Circular 2/2005’, a copy of which is attached herewith for ease of reference.

Effectively with the revocation of paragraph 4 of item 2 of the Circular as mentioned herein, the entire item 2 of the Circular is revoked.

All rules, directives, circulars in force which make reference or contain provisions relating to the above matters shall have effect from the date hereof as if such reference or provisions relate the amendments made herein.

This circular is available at:

http://www.bursamalaysia.com/website/bm/rules_and_regulations/bursa_rules/bm_derivatives.html.

In the event of any queries in relation to this circular kindly contact the following persons:

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REGULATORY POLICY & ADVISORY

Bursa Malaysia Berhad 30632-P

24 January 2005

ATTENTION : TRADING PARTICIPANT

TRADING PARTICIPANT CIRCULAR 2/2005

**AMENDMENTS TO THE RULES OF BURSA MALAYSIA DERIVATIVES BERHAD
PERTAINING TO THE ACCEPTANCE OF SECURITIES AS MARGIN PAYMENT**

Pursuant to Section 6 of the Futures Industry Act 1993, amendments have been made to the Rules of Bursa Malaysia Derivatives Berhad ("the Rules"), to allow Trading Participants to accept shares as margin payment and are attached herein as Appendix 1.

In view of the above, the following provisions in respect of item 2 of Trading Members Circular 5/96 entitled Shares Received In Lieu of Cash, is hereby revoked:

- (i) the requirement that shares that are accepted by Trading Members (now known as Trading Participants) may be held by them for a period of 48 hours, after which such shares will have to be replaced with cash or other forms of acceptable margin payment as prescribed in the Rules.
- (ii) the requirement that no interest is to be charged by Trading Members (now known as Trading Participants) to their clients arising from the above arrangement and that these shares be subject to a minimum haircut of 50% and in the case of suspended shares, a haircut of 100%.
- (iii) the provision that Trading Members (now known as Trading Participants) can accept all shares listed on the main board of the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Securities Berhad).

For the avoidance of doubt, all provisions in Trading Members Circular 5/96 other than those explained above, remain in force.

The above amended rules and revocation of the above highlighted provisions in Trading Members Circular 5/96 takes effect from **28 January 2005**.

Please be informed that the above amended rules are available on Bursa Malaysia's website, at <http://www.mdex.com.my/aboutstructure.html#BusinessRules>.

Legal Advisory & Corporate Legal Affairs