

ANNEXURE 1
Amendments to the BMDC Rules and Directives in relation to
the Introduction of After-Hours (T+1) Trading Session

RULES OF BURSA MALAYSIA DERIVATIVES CLEARING BERHAD (“BMDC Rules”)

RULE AMENDMENTS IN RELATION TO THE INTRODUCTION OF AFTER-HOURS (T+1) TRADING SESSION

RUL E	EXISTING PROVISIONS	RULE	AMENDED PROVISIONS
1.01	<p>Definitions</p> <p>New definition</p>	1.0	<p><u>Definitions</u></p> <p><u>“after-hours (T+1) trading session”</u> means, in relation to a Market Contract, the after-hours (T+1) trading session specified in the Contract Specifications in the Exchange Rules.</p>
4.18	<p>Statements to Clients</p> <p>(1) A General Clearing Participant must confirm in writing to every Client every transaction made for the Client no later than the following Business Day.</p> <p><i>[Refer to Directive 4-001]</i></p> <p>(2) A General Clearing Participant must provide to each Client a monthly statement.</p> <p><i>[Refer to Directive 4-001]</i></p>	4.18	<p>Statements to Clients</p> <p>(1) A General Clearing Participant must confirm in writing to every Client every transaction made for the Client no later than the following Business Day. <u>In respect of transactions conducted during the after-hours (T+1) trading session, Rule 6.03A shall apply.</u></p> <p><i>[Refer to Directive 4-001]</i></p> <p>(2) A General Clearing Participant must provide to each Client a monthly statement.</p> <p><i>[Refer to Directive 4-001]</i></p>

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	<p><u>New provision</u></p>	<p><u>6.03A</u></p>	<p><u>After-hours (T+1) trading session</u></p> <p><u>For the purposes of these Rules, a trade carried out during the after-hours (T+1) trading session will be regarded as the following Business Day's trade, and correspondingly the presentation to the Clearing House and any acceptance of registration by the Clearing House, of a Market Contract will be deemed as occurring on the following Business Day or such other day as prescribed by the Clearing House.</u></p>
<p>6.06</p>	<p>Designation instructions</p> <p>(1) If the Clearing House has reached agreement with an Exchange, designation instructions may be provided to the Clearing House by such Exchange for and on behalf of the Clearing Participant.</p> <p>(2) The designation instructions provided to the Clearing House in accordance with Rule 6.06(1) must indicate:</p> <p>(a) whether an Open Contract arising from registration of a Market Contract is to be recorded in the Segregated Account or the Unsegregated Account of the Clearing Participant;</p> <p>(b) if an instruction is given to the Clearing House pursuant to Rule 6.06(2)(a) that an Open Contract is to be recorded in the Segregated Account of the Clearing Participant, the designation instructions must include the identity of the Sub-Account in which such Open Contract is to be recorded.</p> <p>(3) If designation instructions are incorrectly or not provided to the Clearing House on the same Business Day that the relevant Market Contract is presented to the Clearing House for registration, the Open Contract arising from such registration will be recorded in the Unsegregated Account of the Clearing Participant.</p>	<p>6.06</p>	<p>Designation instructions</p> <p>(1) If the Clearing House has reached agreement with an Exchange, designation instructions may be provided to the Clearing House by such Exchange for and on behalf of the Clearing Participant.</p> <p>(2) The designation instructions provided to the Clearing House in accordance with Rule 6.06(1) must indicate:</p> <p>(a) whether an Open Contract arising from registration of a Market Contract is to be recorded in the Segregated Account or the Unsegregated Account of the Clearing Participant;</p> <p>(b) if an instruction is given to the Clearing House pursuant to Rule 6.06(2)(a) that an Open Contract is to be recorded in the Segregated Account of the Clearing Participant, the designation instructions must include the identity of the Sub-Account in which such Open Contract is to be recorded.</p> <p>(3) If designation instructions are incorrectly or not provided to the Clearing House on the same Business Day that the relevant Market Contract is presented to the Clearing House for registration, the Open Contract arising from such registration will be recorded in the Unsegregated Account of the Clearing Participant.</p>

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	<p>(4) If a Clearing Participant has made an error in any designation instruction, it may request the Clearing House to amend the Records maintained by the Clearing House of the Unsegregated Account, Segregated Account or a Sub-Account of that Clearing Participant.</p> <p>(5) Acceptance of the request to amend is at the Clearing House's discretion.</p>		<p>(4) If a Clearing Participant has made an error in any designation instruction, it may request the Clearing House to amend the Records maintained by the Clearing House of the Unsegregated Account, Segregated Account or a Sub-Account of that Clearing Participant.</p> <p>(5) Acceptance of the request to amend is at the Clearing House's discretion.</p>
8.08	<p>Duty of Clearing Participants to Mitigate Risk of Non-Delivery</p> <p>Each Clearing Participant is required to mitigate the risk of non-delivery by requiring evidence from its Client, that all Open Positions in respect of any of its Open Contracts that will not be offset by the last trading day, will be completed by Delivery.</p>	8.08	<p>Duty of Clearing Participants to Mitigate Risk of Non-Delivery</p> <p>Each Clearing Participant is required to mitigate the risk of non-delivery by requiring evidence from its Client, that all Open Positions in respect of any of its Open Contracts that will not be offset by the last trading day <u>Final Trading Day specified under the Exchange Rules</u>, will be completed by Delivery.</p>

[End of Rule Amendments]

DIRECTIVES OF BURSA MALAYSIA DERIVATIVES CLEARING BERHAD (“BMDC”)

RULE AMENDMENTS IN RELATION TO THE INTRODUCTION OF AFTER-HOURS (T+1) TRADING SESSION

RULE	EXISTING PROVISIONS	RULE	AMENDED PROVISIONS
Directive No. 3-001 on Clearing Participants and Registered Persons			
8.	<p>Rule 3.18(1)(a) and 3.19(1)(a)</p> <p>(1) Rule 3.18(1)(a) requires a General Clearing Participant to, at all times, comply with the accounting, reporting, book-keeping and other financial and operational requirements which the Clearing House may specify.</p> <p>(2) Rule 3.19(1)(a) applies the same obligations on a Direct Clearing Participant.</p> <p>(3) In discharging its obligations in the said Rule, a Clearing Participant must, amongst others, comply with the requirements set out below.</p>	8.	<p>Rule 3.18(1)(a) and 3.19(1)(a)</p> <p>(1) Rule 3.18(1)(a) requires a General Clearing Participant to, at all times, comply with the accounting, reporting, book-keeping and other financial and operational requirements which the Clearing House may specify.</p> <p>(2) Rule 3.19(1)(a) applies the same obligations on a Direct Clearing Participant.</p> <p>(3) In discharging its obligations in the said Rule, a Clearing Participant must, amongst others, comply with the requirements set out below.</p> <p><u>(4) For the avoidance of doubt, the provisions in Rule 6.03A will apply to requirements relating to accounting, reporting, book-keeping and other financial and operational obligations.</u></p>
Directive No. 4-001 on the Conduct of Business			
9.	<p>Rule 4.16(3)</p> <p>Rule 4.16(3) states that a General Clearing Participant may accept from its Clients as margin cash, letters of credit, bank guarantees, approved securities and other forms of margins in the manner and subject to conditions as the Clearing House may from time to time prescribe. In discharging the obligation under the said Rule, a</p>	9.	<p>Rule 4.16(3)</p> <p><u>(1)</u> Rule 4.16(3) states that a General Clearing Participant may accept from its Clients as margin cash, letters of credit, bank guarantees, approved securities and other forms of margins in the manner and subject to conditions as the Clearing House may from time to time prescribe. In discharging the obligation</p>

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	<p>General Clearing Participant must, amongst others, comply with the requirements set out below.</p>		<p>under the said Rule, a General Clearing Participant must, amongst others, comply with the requirements set out below.</p> <p><u>(2) For the avoidance of doubt, the provisions in Rule 6.03A will apply to the requirements relating to margins.</u></p>																																																																																
9.1	<p>Clients' Margins and Margin Payment</p> <p>(1) A General Clearing Participant may accept the following collateral from its Clients for the purposes of margin payment subject to the minimum haircut for such collateral as set out below:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Collateral Type</th> <th style="text-align: left;">Description</th> <th colspan="3" style="text-align: center;">Minimum Haircut</th> </tr> </thead> <tbody> <tr> <td rowspan="11" style="text-align: center;">Cash</td> <td rowspan="11" style="vertical-align: top;">Cash currencies of any denomination with Investment Grade in Country Credit Rating, subject to Bank Negara exchange control</td> <td style="text-align: center;">Currencies</td> <td colspan="2" style="text-align: center;">Minimum Haircut Rate</td> </tr> <tr> <td></td> <td style="text-align: center;">RM Performance Bond Obligation</td> <td style="text-align: center;">USD Performance Bond Obligation</td> </tr> <tr> <td style="text-align: center;">AUD</td> <td style="text-align: center;">3.00 %</td> <td style="text-align: center;">3.50 %</td> </tr> <tr> <td style="text-align: center;">EUR</td> <td style="text-align: center;">3.00 %</td> <td style="text-align: center;">3.00 %</td> </tr> <tr> <td style="text-align: center;">GBP</td> <td style="text-align: center;">2.50 %</td> <td style="text-align: center;">2.50 %</td> </tr> <tr> <td style="text-align: center;">JPY</td> <td style="text-align: center;">3.50 %</td> <td style="text-align: center;">3.00 %</td> </tr> <tr> <td style="text-align: center;">SGD</td> <td style="text-align: center;">1.50 %</td> <td style="text-align: center;">1.50 %</td> </tr> <tr> <td style="text-align: center;">USD</td> <td style="text-align: center;">1.50 %</td> <td style="text-align: center;">0.00 %</td> </tr> <tr> <td style="text-align: center;">MYR</td> <td style="text-align: center;">0.00 %</td> <td style="text-align: center;">1.50 %</td> </tr> <tr> <td style="text-align: center;">CNY</td> <td style="text-align: center;">2.50%</td> <td style="text-align: center;">1.00%</td> </tr> <tr> <td style="text-align: center;">HKD</td> <td style="text-align: center;">2.50%</td> <td style="text-align: center;">1.00%</td> </tr> </tbody> </table>	Collateral Type	Description	Minimum Haircut			Cash	Cash currencies of any denomination with Investment Grade in Country Credit Rating, subject to Bank Negara exchange control	Currencies	Minimum Haircut Rate			RM Performance Bond Obligation	USD Performance Bond Obligation	AUD	3.00 %	3.50 %	EUR	3.00 %	3.00 %	GBP	2.50 %	2.50 %	JPY	3.50 %	3.00 %	SGD	1.50 %	1.50 %	USD	1.50 %	0.00 %	MYR	0.00 %	1.50 %	CNY	2.50%	1.00%	HKD	2.50%	1.00%	9.1	<p>Clients' Margins and Margin Payment</p> <p>(1) A General Clearing Participant may accept the following collateral from its Clients for the purposes of margin payment subject to the minimum haircut for such collateral as set out below:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Collateral Type</th> <th style="text-align: left;">Description</th> <th colspan="3" style="text-align: center;">Minimum Haircut</th> </tr> </thead> <tbody> <tr> <td rowspan="11" style="text-align: center;">Cash</td> <td rowspan="11" style="vertical-align: top;">Cash currencies of any denomination with Investment Grade in Country Credit Rating, subject to Bank Negara exchange control</td> <td style="text-align: center;">Currencies</td> <td colspan="2" style="text-align: center;">Minimum Haircut Rate</td> </tr> <tr> <td></td> <td style="text-align: center;">RM Performance Bond Obligation</td> <td style="text-align: center;">USD Performance Bond Obligation</td> </tr> <tr> <td style="text-align: center;">AUD</td> <td style="text-align: center;">3.00%</td> <td style="text-align: center;">3.50%</td> </tr> <tr> <td style="text-align: center;">EUR</td> <td style="text-align: center;">3.00%</td> <td style="text-align: center;">3.00%</td> </tr> <tr> <td style="text-align: center;">GBP</td> <td style="text-align: center;">2.50%</td> <td style="text-align: center;">2.50%</td> </tr> <tr> <td style="text-align: center;">JPY</td> <td style="text-align: center;">3.50%</td> <td style="text-align: center;">3.00%</td> </tr> <tr> <td style="text-align: center;">SGD</td> <td style="text-align: center;">1.50%</td> <td style="text-align: center;">1.50%</td> </tr> <tr> <td style="text-align: center;">USD</td> <td style="text-align: center;">1.50%</td> <td style="text-align: center;">0.00%</td> </tr> <tr> <td style="text-align: center;">MYR</td> <td style="text-align: center;">0.00%</td> <td style="text-align: center;">1.50%</td> </tr> <tr> <td style="text-align: center;">CNY</td> <td style="text-align: center;">2.50%</td> <td style="text-align: center;">1.00%</td> </tr> <tr> <td style="text-align: center;">HKD</td> <td style="text-align: center;">2.50%</td> <td style="text-align: center;">1.00%</td> </tr> </tbody> </table> <p style="margin-top: 10px;"><u>Subject to the haircut rate deemed appropriate by the Clearing Participant in accordance with its credit policy and risk management policy, provided that the rate is not lower than the minimum haircut rate prescribed by the Clearing House.</u></p>	Collateral Type	Description	Minimum Haircut			Cash	Cash currencies of any denomination with Investment Grade in Country Credit Rating, subject to Bank Negara exchange control	Currencies	Minimum Haircut Rate			RM Performance Bond Obligation	USD Performance Bond Obligation	AUD	3.00%	3.50%	EUR	3.00%	3.00%	GBP	2.50%	2.50%	JPY	3.50%	3.00%	SGD	1.50%	1.50%	USD	1.50%	0.00%	MYR	0.00%	1.50%	CNY	2.50%	1.00%	HKD	2.50%	1.00%
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Stocks	Securities listed on country's exchange with Investment Grade in Country Credit Rating	30%
Letters of Credit	Letters of Credit	Subject to the currency haircut
Government Securities	Malaysia Government Securities Foreign Government Securities with Investment Grade	Malaysia Government Securities = 5% Foreign Government Securities = 10%
Gold	"London Good Delivery" gold, as defined by the London Bullion Market Association	15%
Others	Bank Guarantee Bank Certificates of Deposit	Subject to the currency haircut

**Acceptance of any type of collateral is subject to haircut rate deemed appropriate by the General Clearing Participant in accordance with its risk management procedure, provided that it is nothing lower than haircut prescribed by the Clearing House.

- (2) A General Clearing Participant may request, at its absolute discretion, from its Clients, margins above the minimum required by the Clearing House.
- (3) A General Clearing Participant must ensure that each Clients' Open Positions are marked to market daily and must make an additional call for margins from the Clients if necessary.

Stocks	Securities listed on country's exchange with Investment Grade in Country Credit Rating	30% <u>Subject to the haircut rate deemed appropriate by the Clearing Participant in accordance with its credit policy and risk management policy, provided that the rate is not lower than the minimum haircut rate prescribed by the Clearing House.</u>
Letters of Credit	Letters of Credit	<u>Subject to the currency haircut</u> <u>Subject to the haircut rate deemed appropriate by the Clearing Participant in accordance with its credit policy and risk management policy, provided that the rate is not lower than the minimum haircut rate prescribed by the Clearing House.</u>
Government Securities	Malaysia Government Securities Foreign Government Securities with Investment Grade	Malaysia Government Securities = 5% Foreign Government Securities = 10%
Gold	"London Good Delivery" gold, as defined by the London Bullion Market Association	15%
Others	Bank Guarantee Bank Certificates of Deposit	<u>Subject to the currency haircut</u> <u>Subject to the haircut rate deemed appropriate by the Clearing Participant in accordance with its credit policy and risk management policy, provided that the rate is not lower than the minimum haircut rate for cash collateral as prescribed by the Clearing House.</u>

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	(4) A General Clearing Participant must also comply with Margin Rates and Deposits Guidelines as set out in Appendix 1 of this Directive.		(4) A General Clearing Participant must also comply with Margin Rates and Deposits Guidelines as set out in Appendix 1 of this Directive.
11.	Rule 4.18(1) Rule 4.18(1) requires a General Clearing Participant to confirm in writing to every Client every transaction made for the Client no later than the following Business Day. In discharging the obligations under the said Rule, a General Clearing Participant must, amongst others, comply with the requirements set out below.	11.	Rule 4.18(1) Rule 4.18(1) requires a General Clearing Participant to confirm in writing to every Client every transaction made for the Client no later than the following Business Day <u>and further clarifies that Rule 6.03A shall apply to transactions conducted during the after-hours (T+1) trading session.</u> In discharging the obligations under the said Rule, a General Clearing Participant must, amongst others, comply with the requirements set out below.

[End of Directive Amendments]