

AMENDMENTS TO THE RULES OF BURSA MALAYSIA DERIVATIVES BERHAD PERTAINING TO THE ACCEPTANCE OF SECURITIES AS COLLATERAL (RULE 600)

RULE NO	EXISTING RULE	AMENDED RULE
614.2	<p>Forms of Margin Payment</p> <p>Trading Participants may accept from their Clients as margin cash, letters of credit, bank guarantees and any other approved securities and other forms of margins as the Exchange may from time to time prescribe in consultation with the Commission.</p>	<p>Forms of Margin Payment</p> <p>Trading Participants may accept from their Clients as margin cash, letters of credit, bank guarantee and any other approved securities and other forms of margins <i>in the manner and subject to conditions</i> as the Exchange may from time to time prescribe <i>in these Rules or otherwise</i> in consultation with the Commission.</p>
614.3 (New Rule)	None.	<p><i>Accepting Securities as Margin Payment</i></p> <p><i>(a) Trading Participants are allowed to accept securities from Clients as margin payment subject to the following conditions:</i></p> <ul style="list-style-type: none"> <li data-bbox="1205 1002 2011 1230"><i>i. that the securities accepted as margin payment are Approved Securities. For the purpose of this rule Approved Securities means securities prescribed by the Clearing House as eligible to be deposited with the Clearing House by the Trading Participants for the purpose of the Trading Participants' margin payment to the Clearing House.</i> <li data-bbox="1205 1257 2011 1318"><i>ii. that the securities obtained from Clients of the Trading Participant are for the purpose of margin payment on all</i>

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		<p><i>or any Open Positions of the Clients in accordance with Rule 614.1.</i></p> <p><i>iii. that the Trading Participant and each Client shall execute a memorandum of deposit the minimum contents of which are prescribed by the Exchange in Schedule 1B of the Rules (“Memorandum of Deposit”). The Trading Participant and the Clients shall not be allowed to amend, vary, add or substitute etc. any of the terms of the Memorandum of Deposit or enter into additional agreements or any form of arrangement or understanding howsoever described which has the effect of altering, limiting or waiving the meaning, substance, application and the operation of the terms prescribed in the Memorandum of Deposit.</i></p> <p><i>(b) Where the Trading Participant accepts securities as margin payment from its Clients in accordance with Rule 614.3(a), the Trading Participant may deposit the same with the Clearing House for the purpose of the Trading Participant’s margin payment to the Clearing House. For the avoidance of doubt, this Rule shall not be construed so as to authorise the Trading Participant to deposit Clients’ securities with the Clearing House for the purpose of the Trading Participant’s margin payment to the Clearing House where the Memorandum of Deposit has not been executed by the Clients.</i></p> <p><i>(c) Local Participants and Trading Permit Holders may lodge Approved Securities as margin payment with a Trading</i></p>

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		<p><i>Participant in order for the Trading Participant to clear with the Clearing House, trades that are executed by the Local Participant or Trading Permit Holder, as the case may be, on the Exchange. In this respect, all provisions in Rule 614.3(a) and 614.3(b) shall equally apply and the word "Client(s)" wherever mentioned therein shall be read as the Local Participant or the Trading Permit Holder as the case may be.</i></p>