

## Bursa Malaysia Derivatives Berhad

Date : 11 April 2014

Trading Participant Circular : 7/2014

### 1. REVAMP OF PARTICIPANTSHIP STRUCTURE FOR TRADING PARTICIPANTS AND ASSOCIATE PARTICIPANTS

- Amendments to the Rules of Bursa Malaysia Derivatives Berhad (“Rules of Bursa Derivatives”)
- Savings and Transitional Provisions

### 2. OTHER RULE AMENDMENTS

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#### 1. INTRODUCTION

1.1 Trading Participants and Associate Participants of Bursa Malaysia Derivatives Bhd (“the Exchange”) will be able to trade in all classes of Contracts on the Exchange and Trading Participants will no longer be required to hold Preference Shares “A”, “B” or “C” with effect from 14 April 2014. This is in line with the revamp of the Participant structure for Trading Participants and Associate Participants undertaken by the Exchange.

1.2 The key features of the revamped Participantship structure are set out below:

#### Trading Participants

- (a) Single Trading Participantship Structure – The requirement that a Trading Participant must hold Preference Shares “A”, “B” or “C” of the Exchange has been removed. Trading Participants will no longer be grouped according to the classes of Preference Shares they hold. There will only be a single class of Trading Participantship which will entitle a Trading Participant to trade in all classes of Contracts on the Exchange.
- (b) Admission Fee – The 3-tier structure based on the subscription prices of the Preference Shares has been consolidated into a single admission fee structure and the admission fee is set at a reduced amount of RM100,000.

#### Associate Participants

- (c) Admission Fee – The dual entrance fee structure for Financial Associate Participants and Commodity Associate Participants has been consolidated into a single admission fee structure and the admission fee is set at a reduced amount of RM10,000. There will only be a single class of Associate Participantship which will entitle an Associate Participant to trade in all classes of Contracts on the Exchange.

### **Non-Transferability of Participantship**

- (d) The revamped Trading Participantship and Associate Participantship are not transferable. With the removal of the requirements that a Trading Participant must hold Preference Shares and the lowering of the admission fees for both Trading Participantship and Associate Participantship, provisions relating to and providing for the transfer of Participantship are no longer relevant.

1.3 In line with the above, amendments have been made to the Rules of Bursa Derivatives. The rule amendments are further explained below in paragraph 2.

## **2. RULE AMENDMENTS**

2.1 The salient amendments to the Rules of Bursa Derivatives are set out below.

### **Amendments relating to Trading Participantship Structure**

- (a) All references to the 3 categories of Trading Participants, namely the Equity Financial Participants, Non-Equity Financial Participants and Commodity Participants, have been removed (refer to Rules 201, 301.1 and 302.3).
- (b) The restrictions on the classes of Contracts that a Trading Participant may trade have been removed. The restrictions previously apply in relation to trading in Contracts on the Exchange and Contracts on Specified Exchanges and other exchanges (refer to Rules 302.3 and 711.1).
- (c) All provisions relating to the 3 classes of Preference Shares, namely "A", "B" and "C" preference shares (including its subscription, acquisition, transfer, forfeit upon surrender or termination of Participantship and the refund of premiums paid for the preference shares) have been removed (refer to Rules 201, 305.1, 305.3, 308, 309.3, 309.4, 310.3, 311B.3, 311B.4, 320A.1 and 511.4).
- (d) The provisions relating to and providing for the transfer of Trading Participantship have been deleted and a rule that clarifies that a Trading Participant is not permitted to transfer its Participantship has been inserted. Similar rules have been inserted in respect of all 3 types of Participantships, i.e. Trading Participantship, Associate Participantship and Local Participantship, for consistency (refer to Rules 308, 316.1 and 320F.1).
- (e) The provisions relating to the subscription prices of the 3 classes of Preference Shares have been replaced with a provision setting out the single admission fee mentioned above in paragraph 1.4 (refer to Guideline 1.2.1).

### **Amendments relating to Associate Participants Structure**

- (f) The provisions relating to the 2 types of entrance fees have been replaced with the single admission fee structure as mentioned above in paragraph 1.5 (refer to Guideline 1.4A.2).
- (g) The provisions relating to and providing for the transfer of Associate Participants have been deleted and a rule that clarifies that an Associate Participant is not permitted to transfer its Participants has been inserted as explained above in paragraph 2.5 (refer to Rule 320F.1).
- (h) The requirement that an Associate Participant must have a minimum paid up capital of RM2 million has been removed (refer to Rule 320A.1(d)).

### **Other Amendments**

- (i) The provision relating to an Associate Participant's right to trade has been amended to clarify that an Associate Participant may trade for its related corporation (refer to Rules 201, 320B.1 and 618.1).
  - (j) A rule that clarifies that a Local Participant is not permitted to transfer its Participants has been inserted as explained above in paragraph 2.1(d).
  - (k) Consistent with Trading Participant Circular 36/2012 dated 28 December 2012, all remaining references made to the Fidelity Fund have been deleted (refer to Rules 309.4, 310.3, 601.1 and 601A.4).
- 2.2 The detailed amendments to the Rules of Bursa Derivatives are set out in **Annexure 1**. These amendments have been approved by the Securities Commission.

### **3. EFFECTIVE DATE**

- 3.1 The amendments to the Rules of Bursa Derivatives as set out in paragraph 2 take effect on **14 April 2014 ("Effective Date")**.
- 3.2 All rules, directives or circulars in force which make references to or contain provisions relating to the above matters shall have effect from the Effective Date as if such reference or provisions relate to the amended provisions aforesaid.

### **4. SAVINGS AND TRANSITIONAL PROVISIONS**

- 4.1 Paragraphs 4.2 to 4.4 below clarify the savings and transitional provisions in relation to Trading Participants and Associate Participants registered with the Exchange immediately prior to the Effective Date.
- 4.2 The introduction of a single admission fee for Trading Participants, the removal of the restrictions on the classes of Contracts that a Trading Participant may trade and the removal of the dual entrance fee structure for Associate

Participants as explained above in paragraphs 2.1(b), 2.1(e) and 2.1(f) take effect immediately from the Effective Date. In this regard:

- (a) no additional payment of the new admission fee is required to be made to the Exchange by a Trading Participant registered with the Exchange immediately prior to the Effective Date. No application to have the restrictions removed is required to be made to the Exchange by a Trading Participant who prior to the Effective Date held less than 3 classes of Preference Shares. Similarly, no additional payment of the new admission fee is required to be made to the Exchange by an Associate Participant registered with the Exchange immediately prior to the Effective Date;
- (b) all references to the Trading Participant in that Trading Participant's former capacity as an Equity Financial Participant, Non-Equity Financial Participant or Commodity Participant in any undertaking, declaration, indemnity or other document are references to the Trading Participant under the revamped Participantship structure; and
- (c) all references to the Associate Participant in that Associate Participant's former capacity as a Financial Associate Participant or Commodity Associate Participant in any undertaking, declaration, indemnity or other document are references to the Associate Participant under the revamped Participantship structure.

4.3 For the avoidance of doubt:

- (a) the Rules of Bursa Derivatives and all privileges, obligations and liabilities of a Trading Participant and Associate Participant prior to the Effective Date; and
- (b) all registrations made and approvals granted to a Trading Participant and Associate Participant that were valid immediately prior to the Effective Date,

continue to be valid and binding on that person unless otherwise specified by the Exchange.

**Arrangement in relation to dormant Trading Participants**

- 4.4 The Exchange vide its Proposal on Revamp of Participantship Structure of Bursa Derivatives and its letter dated 3 January 2014 had given the option to Trading Participants whose businesses in dealing in derivatives are dormant to either surrender their Participantship or to commence/revive their businesses. The Exchange will write to these Trading Participants separately on the status of their respective Participantships.

## 5. CONTACT PERSONS

In the event of any queries in relation to the above matter, kindly contact the following persons:

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This Circular is available at <http://www.bursamalaysia.com/market/regulation/rules/bursa-malaysia-rules/derivatives/rules-of-bursa-malaysia-derivatives/>

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### Regulation



**RULES OF BURSA MALAYSIA DERIVATIVES BERHAD**  
**RULE AMENDMENTS IN RELATION TO THE REVAMP OF PARTICIPANTSHIP STRUCTURE (for Trading Participants and Associate Participants)**

EXISTING PROVISIONS		AMENDED PROVISIONS
<b>Rule 201</b>	<b>Definition</b> “ <b>Commodity Contract</b> ” means a Contract designated by the Board as a Commodity Contract and can be traded on the Exchange by parties approved by the Exchange to trade Commodity Contracts;	<b>Definition</b> “ <b>Commodity Contract</b> ” <del>[Deleted]</del>
	<b>Definition</b> “ <b>Commodity Participant</b> ” means a Trading Participant, which holds Preference Share “C”;	<b>Definition</b> “ <b>Commodity Participant</b> ” <del>[Deleted]</del>
	<b>Definition</b> “ <b>Equity Financial Participant</b> ” means a Trading Participant, which holds Preference Share “A”;	<b>Definition</b> “ <b>Equity Financial Participant</b> ” <del>[Deleted]</del>
	<b>Definition</b> “ <b>Fidelity Fund</b> ” means the fidelity fund of the Exchange established in accordance with the Capital Markets and Services Act;	<b>Definition</b> “ <b>Fidelity Fund</b> ” <del>[Deleted]</del>
	<b>Definition</b> “ <b>Financial Contract</b> ” means a Contract designated by the Board as a Financial Contract and can be traded on the Exchange by parties approved by the Exchange to trade Financial Contracts;	<b>Definition</b> “ <b>Financial Contract</b> ” <del>[Deleted]</del>
	<b>Definition</b> “ <b>Non-Equity Financial Participant</b> ” means a Trading Participant, which holds Preference Share “B”;	<b>Definition</b> “ <b>Non-Equity Financial Participant</b> ” <del>[Deleted]</del>



EXISTING PROVISIONS		AMENDED PROVISIONS
	<p><b>Definition</b></p> <p>“<b>Preference Share</b>” means any of the class of “A”, “B” or “C” preference shares of the Exchange, each having the rights and liabilities as provided by the Articles and in these Rules;</p>	<p><b>Definition</b></p> <p>“<b>Preference Share</b>” <del>[Deleted]</del></p>
	<p><b>New Definition</b></p>	<p><u><b>Definition</b></u></p> <p><u>“related corporation” shall have the same meaning as in the Companies Act.</u></p>
	<p><b>Definition</b></p> <p>“<b>Trading Participant</b>” means a Corporation holding any or all Preference Shares which shall be referred to as Equity Financial Participant, a Non-Equity Financial Participant or a Commodity Participant (as the case may be) and has been admitted as a Trading Participant in accordance with these Rules and has not ceased for any reason to be a Trading Participant;</p>	<p><b>Definition</b></p> <p>“<b>Trading Participant</b>” means a Corporation <del>holding any or all Preference Shares which shall be referred to as Equity Financial Participant, a Non-Equity Financial Participant or a Commodity Participant (as the case may be) and that</del> has been admitted as a Trading Participant in accordance with these Rules and has not ceased for any reason to be a Trading Participant.</p>
<p><b>Rule 301.1</b></p>	<p><b>Participantship Classes</b></p> <p>There shall be the following classes of participantship:</p> <p>(a) Trading Participants, which comprises of:-</p> <p>(i) Equity Financial Participants;</p> <p>(ii) Non-Equity Financial Participants; and</p> <p>(iii) Commodity Participants;</p> <p>(b) Local Participants;</p> <p>(c) Associate Participants;</p>	<p><b>Participantship Classes</b></p> <p><del>There shall be the following</del><u>The</u> classes of participantship <u>are</u>:-</p> <p>(a) Trading Participants<del>;</del><u>;</u> <del>which comprises of:-</del></p> <p><del>(i) Equity Financial Participants;</del></p> <p><del>(ii) Non-Equity Financial Participants; and</del></p> <p><del>(iii) Commodity Participants;</del></p> <p>(b) Local Participants;</p> <p>(c) Associate Participants; and</p>



EXISTING PROVISIONS		AMENDED PROVISIONS
	(d) Such other class of participantship as may from time to time be created by the Exchange.	(d) Such other class of participantship as may from time to time be created by the Exchange.
<b>Rule 302.3</b>	<p>(1) An Equity Financial Participant must not trade in contracts other than equity Financial Contracts on the Exchange;</p> <p>(2) A Non-Equity Financial Participant must not trade in Contracts other than non-equity Financial Contracts on the Exchange;</p> <p>(3) A Commodity Participant must not trade in Contracts other than Commodity Contracts on the Exchange; and</p> <p>(4) If a Trading Participant carries out a trade in contravention of Rule 302.3(1), (2) or (3) above, for the avoidance of doubt, the trade remains binding on the Trading Participant.</p>	<del>[Deleted]</del>
<b>Rule 305.1</b>	<p>Application for registration as a Trading Participant shall be made in the following manner:</p> <p>(a) an application for registration as a Trading Participant shall lodge, or caused to be lodged, with the Exchange:</p> <p>(i) an application in such form and providing such information, as the Exchange may from time to time require, together with a non-refundable trading participantship application fee prescribed by the Exchange; and</p> <p>(ii) an application for subscription of one (1) class “A”, “B” or “C” Preference Share at a subscription price as may be determined by the Exchange from time to time.</p> <p>(b) the form of application for participantship shall contain an acknowledgement that the applicant has perused the Rules of the Exchange and agrees to abide by them and any other requirements as may be determined by the Exchange from time to time. The</p>	<p><b><u>Application Procedure</u></b></p> <p>(1) Application for registration as a Trading Participant <del>shall</del> <u>must</u> be made <del>in the following manner:</del> <u>by submitting to</u></p> <p><del>(a) an application for registration as a Trading Participant shall lodge, or caused to be lodged, with the Exchange:</del></p> <p><del>(i) an application in such form and providing such information, as the Exchange may from time to time require, together with a non-refundable trading participantship application fee prescribed by the Exchange; and</del></p> <p><del>(ii) an application for subscription of one (1) class “A”, “B” or “C” Preference Share at a subscription price as may be determined by the Exchange from time to time.</del></p> <p>(b2) <del>†</del> The form of application <del>for participantship shall</del> <u>must</u> contain an acknowledgement that the applicant has perused the Rules of the Exchange and agrees to abide by them and any other requirements as <del>may be</del> determined by the Exchange from time to time.</p>



	EXISTING PROVISIONS	AMENDED PROVISIONS
	<p>minimum information to be provided by the applicant shall include:</p> <ul style="list-style-type: none"> <li>(i) a copy of its Memorandum and Articles of Association;</li> <li>(ii) a copy of the applicant's board resolution authorising the making of the application; and</li> <li>(iii) a statement of its net tangible assets, its Adjusted Net Capital, and its secured creditors, in such form as the Exchange shall from time to time prescribe, signed by a director of the applicant. Where the applicant is a Universal Broker, Eligible Non-Universal Broker or Special Scheme Broker, the statement of Adjusted Net Capital here shall be substituted with the statement of its Capital Adequacy Ratio. Where the applicant is an Investment Bank, the statement of Adjusted Net Capital here shall be substituted with the statement of its Risk Weighted Capital Ratio.</li> </ul>	<p><del>(3)</del> The minimum information <del>to be provided by the</del> applicant <del>shall</del><u>must</u> <del>provide</del> include:</p> <ul style="list-style-type: none"> <li><del>(i)</del> a copy <u>each</u> of <del>its</del>the applicant's <del>M</del>emorandum and <del>A</del>rticles of <del>A</del>ssociation;</li> <li><del>(ii)</del> a copy of the applicant's board resolution authorising the making of the application; <del>and</del></li> <li><del>(iii)</del> a statement of <del>its net tangible assets</del>, its Adjusted Net Capital, and its secured creditors, in such form as the Exchange <del>shall from time to time</del> <u>prescribes</u>, signed by a director of the applicant. <u>Where the applicant is a Universal Broker, Eligible Non-Universal Broker or Special Scheme Broker, <del>instead of</del> the statement of Adjusted Net Capital, here shall be substituted with the applicant must provide</u> the statement of its Capital Adequacy Ratio. <u>Where the applicant is an Investment Bank, <del>instead of</del> the statement of Adjusted Net Capital, here shall be substituted with the applicant must provide</u> the statement of its Risk Weighted Capital Ratio.</li> </ul>
<p><b>Rule 305.3</b></p>	<p>Following the approval by the Exchange, the applicant shall, upon being licensed under the Capital Markets and Services Act, lodge with the Exchange:</p> <ul style="list-style-type: none"> <li>(a) [Deleted]</li> <li>(b) such portion of the annual registration fee as the Exchange may determine; and</li> <li>(c) if not already acquired, the acquisition of a particular class or classes of Preference Share required for Trading Participantship.</li> </ul>	<p>Following the approval by the Exchange, the applicant <del>shall</del><u>must</u>, upon being licensed under the Capital Markets and Services Act, <del>lodge with</del><u>pay</u> the Exchange:</p> <ul style="list-style-type: none"> <li>(a) [Deleted]</li> <li>(b) such portion of the annual <del>registrations</del><u>subscription</u> fee as the Exchange may determine; and</li> <li>(c) <del>if not already acquired, the acquisition of a particular class or classes of Preference Share required for Trading Participantship</del> <u>the admission fee prescribed by the Exchange.</u></li> </ul>



EXISTING PROVISIONS		AMENDED PROVISIONS	
<b>Rule 305.5</b>	In relation to a Trading Participant that has obtained approval to operate as an Investment Bank after its registration as a Trading Participant under this Chapter, the Trading Participant shall notify the Exchange in writing of the same at least seven (7) days prior to the commencement of its business as an Investment Bank or such other timeframe as may be permitted by the Exchange, which notification shall be accompanied by the documents stipulated under Rule 305.1(a)(i) and (iii) and those evidencing compliance with Rule 305.4(a)(ii) and Rule 301.7 above. In addition, the Trading Participant is required to provide a copy of the relevant documents necessary to evidence a change of name (if any) under the Companies Act 1965, and any other document that may required by the Exchange.		In relation to a Trading Participant that has obtained approval to operate as an Investment Bank after its registration as a Trading Participant under this Chapter, the Trading Participant <del>shall</del> <b>must</b> notify the Exchange in writing of the same at least seven (7) days prior to the commencement of its business as an Investment Bank or such other timeframe as may be permitted by the Exchange, which notification shall be accompanied by the documents stipulated under Rule 305.1 <del>(a)(i) and (iii)(1)</del> and those evidencing compliance with Rule 305.4(a)(ii) and Rule 301.7 above. In addition, the Trading Participant is required to provide a copy of the relevant documents necessary to evidence a change of name (if any) under the Companies Act 1965, and any other document that may required by the Exchange.
<b>RULE 306</b>	<b>Trading Participant – Annual Registration Fees and Levies</b>		<b>Trading Participant – Annual <del>Registration</del><b>Subscription</b> Fees and Levies</b>
<b>RULE 308</b>	<b>Trading Participantship – Transfer of Participantship</b>		<b>Trading Participantship – Transfer of Participantship</b>
<b>Rule 308.1</b>	A Trading Participant shall be entitled to transfer its participantship subject to the following conditions:-  (a) the Trading Participant shall have paid, or made provisions satisfactory to the Exchange for the payment of, all monies payable by it, whether actual or contingent, to the Exchange and shall, if so required by the Exchange, have complied with all its other obligations under these Rules;  (b) the Trading Participant shall have given notice in writing to the Exchange of its wish to transfer (herein called “the proposed transfer”), accompanied by an application form completed by the proposed transferee as if it were an applicant for admission as a Trading Participant, and the application fee prescribed by Rule 305.1;  (c) the proposed transferee shall otherwise have complied with the provision of Rule 305 as if they were repeated in full in this Rule;  (d) the proposed transferee shall have been approved by the Exchange		<del>A Trading Participant is not permitted to transfer its participantship in the Exchange to any other person.</del> <del>A Trading Participant shall be entitled to transfer its participantship subject to the following conditions:-</del>  <del>(a) the Trading Participant shall have paid, or made provisions satisfactory to the Exchange for the payment of, all monies payable by it, whether actual or contingent, to the Exchange and shall, if so required by the Exchange, have complied with all its other obligations under these Rules;</del>  <del>(b) the Trading Participant shall have given notice in writing to the Exchange of its wish to transfer (herein called “the proposed transfer”), accompanied by an application form completed by the proposed transferee as if it were an applicant for admission as a Trading Participant, and the application fee prescribed by Rule 305.1;</del>  <del>(c) the proposed transferee shall otherwise have complied with the provision of Rule 305 as if they were repeated in full in this Rule;</del>  <del>(d) the proposed transferee shall have been approved by the Exchange on</del>



EXISTING PROVISIONS		AMENDED PROVISIONS
	<p>on the same criteria as the Exchange approves an applicant for admission as a Trading Participant; and</p> <p>(e) the proposed transfer is not effective without the approval of the Exchange.</p> <p>Without limiting the foregoing, the Exchange may prescribe as it sees fit, the following:</p> <p>(i) transfer of existing Contracts and/or Open Position in accordance with Rule 707.8(a)(i); and</p> <p>(ii) liquidation of existing Contracts and/or Open Positions in accordance with Rule 707.8(a)(ii) and Rule 707.8(a)(iii).</p>	<p><del>the same criteria as the Exchange approves an applicant for admission as a Trading Participant; and</del></p> <p><del>(e) the proposed transfer is not effective without the approval of the Exchange.</del></p> <p><del>Without limiting the foregoing, the Exchange may prescribe as it sees fit, the following:</del></p> <p><del>(i) transfer of existing Contracts and/or Open Position in accordance with Rule 707.8(a)(i); and</del></p> <p><del>(ii) liquidation of existing Contracts and/or Open Positions in accordance with Rule 707.8(a)(ii) and Rule 707.8(a)(iii).</del></p>
<b>Rule 308.2</b>	<p>The Exchange may impose conditions on any approval and shall not be obliged to give any reasons for imposing any such conditions or refusing to approve a proposed transfer. Any application for approval shall be deemed to have been withdrawn if the conditions imposed by the Exchange have not been met within sixty (60) days (or such longer period as may be allowed by the Exchange) of their being imposed by the Exchange.</p>	<del>[Deleted]</del>
<b>Rule 308.3</b>	<p>A proposed transfer once approved by the Exchange or any other relevant authorities (if required) shall be implemented within sixty (60) days of the date of the approval, or such further period as the Exchange may allow, and if not so implemented the approval shall be deemed to have lapsed. Implementation shall occur by way of:</p> <p>(a) written acknowledgement from the two parties being lodged with the Exchange that all legal documentation and requirements of both parties in order to complete the transfer have been satisfactorily completed;</p> <p>(b) the approved transferee paying to the Exchange the transfer fee prescribed by the Exchange; and</p>	<del>[Deleted]</del>

**ANNEXURE 1**  
**RULE AMENDMENTS**  
in relation to the Revamp of Participantship Structure  
(for Trading Participants and Associate Participants)



EXISTING PROVISIONS		AMENDED PROVISIONS
	(c) the transferor Trading Participant delivering its certificate of the particular class of Preference Share and duly executed and stamped transfer form of the same to the Exchange for the issue of a new Preference Share certificate of the same class to the transferee.	
<b>Rule 308.4</b>	Save as provided by this Rule, a Trading Participant shall not transfer any Preference Share held by it provided always that where the participantship of a Trading Participant has been terminated, the Exchange may direct the Trading Participant to transfer any Preference Share held by it to any party approved by the Exchange as a transferee.	[Deleted]
<b>Rule 308.5</b>	The Exchange may require that the purchase price paid for the transfer of participantship in accordance with this Rule 308 shall be paid directly by the proposed transferee to the Exchange and dealt with by the Exchange in the manner set forth in Rule 308.6.	[Deleted]
<b>Rule 308.6</b>	<p>The purchase price paid by the proposed transferee (if required under Rule 308.5 to be paid directly to the Exchange) shall be retained and used by the Exchange to settle all the transferor's liabilities to the Exchange, the Clearing House and other Participants or any Client of the transferor, to the maximum extent legally possible and in the following order of priority:</p> <p>(a) payment of all contribution, levies, charges, fines, and any other liabilities of the transferor to the Exchange and the Clearing House;</p> <p>(b) payment, at the absolute discretion of the Exchange to Clients of the transferor in respect of those liabilities arising out of the transferor's misappropriation of Client funds or the failure of the transferor to properly execute transactions or credit balances due to any Client arising directly out of transactions on the Exchange; and</p> <p>(c) payment to other Participants in respect of any liabilities of the transferor to the other Participants arising directly out of transactions on the Exchange. All Participants who shall have any claim against the transferor shall within ten (10) days of publication by the</p>	[Deleted]

**ANNEXURE 1**  
**RULE AMENDMENTS**  
in relation to the Revamp of Participantship Structure  
(for Trading Participants and Associate Participants)



EXISTING PROVISIONS		AMENDED PROVISIONS
	<p>Exchange of the transfer of the transferor's participantship submit to the Exchange in writing the details of their claims against the transferor. In determining the liabilities and extent of the liabilities of the transferor to the other Participants, the Exchange shall have regard to the claims so submitted and shall deduct from such claims of a Participant, the prevailing market price of any collateral held by such Participant.</p> <p>If the purchase price of the transfer of participantship shall be insufficient to pay all amounts determined to be under the above categories, claims under the above categories shall be paid in the priority stated above. If the purchase price shall be insufficient to pay the amounts to be payable in one category, then claims under that category shall be paid pro rata and the remaining shall be left unpaid. The residue of the purchase price shall be paid to the transferor or its legal representative or to such person as the transferor or legal representative shall direct.</p>	
<b>Rule 308.7</b>	The transfer of participantship shall not release the transferor from any liability which at the date of transfer has already accrued to the Client of the Trading Participant, the Exchange, the Clearing House or any other Participant or which may thereafter accrue in respect of any act or omission prior to such transfer.	<u>[Deleted]</u>
<b>Rule 308.8</b>	The Exchange will maintain a register of the particulars of the transfer and may, at its discretion, disclose the price of the transfer.	<u>[Deleted]</u>
<b>Rule 309.3</b>	<p>Upon approval by the Exchange of the Trading Participant's surrender, the Preference Share held by the Trading Participant shall be forfeited and the Trading Participant shall deliver to the Exchange the original certificates to such Preference Share together with a duly executed blank transfer form for such Preference Share and the Exchange is authorized to complete the transfer form and effect a transfer of the Preference Shares to any company approved by the Exchange for a total consideration of RM1 payable by the transferee to the Trading Participant.</p> <p>The Exchange shall be entitled to pay the said consideration without</p>	<u>[Deleted]</u>



EXISTING PROVISIONS		AMENDED PROVISIONS
	transferring the Preference Share and the Trading Participant shall not be entitled to inquire as to whom any Preference Share may be, or have been, transferred or as to any additional sums received by the Exchange in respect of the transfer of such Preference Share.	
<b>Rule 309.4</b>	There shall be no entitlement to a refund of any part of the premium paid for the Preference Share allotted to the Trading Participant, or of any portion of the annual subscription fee, or of any contribution to the Fidelity Fund paid by a Trading Participant who surrenders its participantship or ceases to be a Trading Participant for any cause whatsoever.	There <del>shall</del> <u>will</u> be no <del>entitlement to a</del> refund of any part of the <del>premium paid for the Preference Share allotted to the Trading Participant, or of any portion of the</del> <u>admission fee or</u> annual subscription fee, <del>or of any contribution to the Fidelity Fund</del> <u>which have been</u> paid by a Trading Participant <del>who surrenders its participantship or ceases to be a Trading Participant for any cause whatsoever.</del>
<b>Rule 310.3</b>	There shall be no entitlement to a refund of any part of the premium paid for the Preference Share allotted to the Trading Participant, or of any portion of the annual subscription fee, or of any contribution to the Fidelity Fund paid by a Trading Participant whose application for suspension of its participantship is approved by the Exchange.	There <del>shall</del> <u>will</u> be no <del>entitlement to a</del> refund of any part of the <del>premium paid for the Preference Share allotted to the Trading Participant,</del> <u>admission fee</u> or <del>of any portion of the</del> annual subscription fee, <del>or of any contribution to the Fidelity Fund</del> paid by a Trading Participant <del>whose application for suspension of its participantship is approved by the Exchange.</del>
<b>Rule 311B.3</b>	Upon receipt of this termination notice, the Preference Share held by the Trading Participant shall be forthwith forfeited and the Trading Participant shall within two (2) days of the receipt of the termination notice deliver to the Exchange the original certificate to such Preference Share together with a duly executed blank transfer form for such Preference Share and the Exchange shall be authorized to complete the transfer form and effect a transfer of the Preference Share to any company approved by the Exchange. The provisions of Rule 308 in respect of transfer of participantship to a transferee shall apply here.	<del>[Deleted]</del>
<b>Rule 311B.4</b>	The Trading Participant shall be deemed to be bound by these Rules until such time as the Preference Share is registered in the name of an entity approved by the Exchange.	<del>[Deleted]</del>
<b>Rule 316.1</b>	<b>New provision</b>	<u>A Local Participant is not permitted to transfer its participantship in the Exchange to any other person.</u>



EXISTING PROVISIONS		AMENDED PROVISIONS
<b>Rule 320A.1</b>	<p><b>Associate Participant – Eligibility</b></p> <p>An Associate Participant must:-</p> <ul style="list-style-type: none"> <li>(a) be a Corporation or body corporate;</li> <li>(b) not carry on the business of futures broking within Malaysia;</li> <li>(c) not own any Preference Shares;</li> <li>(d) have a minimum paid up capital of Ringgit Malaysia Two Million (RM2,000,000.00);</li> <li>(e) be a Clearing Participant or be nominated by a Nominating Participant for the clearing of its Contracts;</li> <li>(f) comply with such financial requirement as are for the time being prescribed by the Exchange; and</li> <li>(g) comply with such other conditions as the Exchange may from time to time prescribe.</li> </ul>	<p><b>Associate Participant – Eligibility</b></p> <p>An Associate Participant must:-</p> <ul style="list-style-type: none"> <li>(a) be a Corporation or body corporate;</li> <li>(b) not carry on the business of futures broking within Malaysia;</li> <li>(c) <del>not own any Preference Shares;</del><u>[Deleted]</u></li> <li>(d) <del>have a minimum paid up capital of Ringgit Malaysia Two Million (RM2,000,000.00);</del><u>[Deleted]</u></li> <li>(e) be a Clearing Participant or be nominated by a Nominating Participant for the clearing of its Contracts;</li> <li>(f) comply with such financial requirement as are for the time being prescribed by the Exchange; and</li> <li>(g) comply with such other conditions as the Exchange may from time to time prescribe.</li> </ul>
<b>Rule 320B.1</b>	<p><b>Associate Participant – Rights</b></p> <p>An Associate Participant shall (subject to Rule 320B.3) have the following rights in respect of the trading facilities provided by the Exchange:-</p> <ul style="list-style-type: none"> <li>(a) the right to trade for itself in the Market via a Trading Participant for trading in Contracts in such manner as the Exchange may from time to time direct; and</li> <li>(b) all other rights conferred on Associate Participants by these Rules in respect of trading in Contracts transacted in the Market.</li> </ul>	<p><b>Associate Participant – Rights</b></p> <p>An Associate Participant shall (subject to Rule 320B.3) have the following rights in respect of the trading facilities provided by the Exchange:-</p> <ul style="list-style-type: none"> <li>(a) the right to trade for itself <u>or for its related corporation</u> in the Market via a Trading Participant for trading in Contracts in such manner as the Exchange may from time to time direct; and</li> <li>(b) all other rights conferred on Associate Participants by these Rules in respect of trading in Contracts transacted in the Market.</li> </ul>



EXISTING PROVISIONS		AMENDED PROVISIONS
<p><b>Rule 320C.1</b></p>	<p>Application for registration as an Associate Participant shall occur in the following manner:-</p> <p>(a) an applicant for registration as an Associate Participant shall lodge, or cause to be lodged, with the Exchange an application in such form and providing such information, as the Exchange may from time to time require, together with a non-refundable fee prescribed by the Exchange;</p> <p>(b) the form of application for participantship shall contain an acknowledgment that the applicant has perused the Rules of the Exchange and agrees to abide by them and any other requirements as may be determined by the Exchange from time to time;</p> <p>(c) the Exchange shall in considering the application for participantship may call for such further information, as it deems necessary.</p> <p>(d) in determining whether to approve an application the Exchange shall be entitled to consider not only the character, business integrity, financial probity and trading expertise of the applicant and its directors and principal officers, the degree of accessibility of the market through the applicant for both the trade and public at large, as well as such other matters as the Exchange may regard as relevant from time to time; and</p> <p>(e) [This sub-rule has been deleted]</p>	<p><u><b>Application Procedure</b></u></p> <p>(1) Application for registration as an Associate Participant <del>shall occur in the following manner:-</del> <u>must be made by submitting to</u></p> <p><del>(a) an applicant for registration as an Associate Participant shall lodge, or cause to be lodged, with</del> the Exchange an application in such form and providing such information, as the Exchange may <del>from time to time</del> require, together with a non-refundable <u>application</u> fee prescribed by the Exchange;</p> <p><del>(b)</del> <u>(1)</u> The form of application <del>for participantship shall</del> <u>must</u> contain an acknowledgment that the applicant has perused the Rules of the Exchange and agrees to abide by them and any other requirements as <del>may be</del> determined by the Exchange from time to time;</p> <p><del>(c)</del> <u>(2)</u> The Exchange <del>shall</del> <u>may</u> in considering the application for participantship <del>may</del> call for such further information, as it deems necessary.</p> <p><del>(d)</del> <u>(3)</u> In determining whether to approve an application the Exchange <del>shall be</del> <u>is</u> entitled to consider not only the character, business integrity, financial probity and trading expertise of the applicant and its directors and principal officers, the degree of accessibility of the market through the applicant for both the trade and public at large, as well as such other matters as the Exchange may regard as relevant from time to time; <del>and</del>.</p> <p><del>(e)</del> <u>(4)</u> [This sub-rule has been deleted]</p>
<p><b>Rule 320C.2</b></p>	<p>Following the approval by the Exchange, the applicant shall lodge with the Exchange:-</p> <p>(a) [This sub-rule has been deleted]</p> <p>(b) the participantship entrance fee of such amount as may from time to time be determined by the Exchange; and</p>	<p>Following the approval by the Exchange, the applicant <del>shall lodge with</del> <u>must pay</u> the Exchange:-</p> <p>(a) [This sub-rule has been deleted]</p> <p>(b) the <del>participantship entrance</del> <u>admission</u> fee <del>of such amount as may from time to time be determined</del> <u>prescribed</u> by the Exchange; and</p>



EXISTING PROVISIONS		AMENDED PROVISIONS	
	(c) such portion of the annual subscription as the Exchange may determine.	(c) such portion of the annual subscription <u>fee</u> as the Exchange may determine.	
<b>RULE 320F</b>	<b>Associate Participant – Transfer of Participantship</b>	<b>Associate Participant – Transfer of Participantship</b>	
<b>Rule 320F.1</b>	<p>An Associate Participant shall be entitled to transfer its participantship subject to the following conditions:-</p> <p>(a) the Associate Participant shall have paid, or made provisions satisfactory to the Exchange for the payment of, all monies payable by it, whether actual or contingent, to the Exchange and shall, if so required by the Exchange, have complied with all its other obligations under these Rules;</p> <p>(b) the Associate Participant shall have given notice in writing to the Exchange of its wish to transfer (herein called “the proposed transfer”), accompanied by an application form completed by the proposed transferee as if it were an applicant for admission as an Associate Participant, and the application fee prescribed by Rule 320C;</p> <p>(c) the proposed transferee shall otherwise have complied with the provisions of Rule 320C as if they were repeated in full in this Rule;</p> <p>(d) the proposed transferee shall have been approved by the Exchange on the same criteria as the Exchange approves an applicant for admission as an Associate Participant; and</p> <p>(e) the proposed transfer is not effective without the approval of the Exchange.</p>	<p><del>An Associate Participant is not permitted to transfer its participantship in the Exchange to any other person.</del></p> <p><del>An Associate Participant shall be entitled to transfer its participantship subject to the following conditions:-</del></p> <p><del>(a) the Associate Participant shall have paid, or made provisions satisfactory to the Exchange for the payment of, all monies payable by it, whether actual or contingent, to the Exchange and shall, if so required by the Exchange, have complied with all its other obligations under these Rules;</del></p> <p><del>(b) the Associate Participant shall have given notice in writing to the Exchange of its wish to transfer (herein called “the proposed transfer”), accompanied by an application form completed by the proposed transferee as if it were an applicant for admission as an Associate Participant, and the application fee prescribed by Rule 320C;</del></p> <p><del>(c) the proposed transferee shall otherwise have complied with the provisions of Rule 320C as if they were repeated in full in this Rule;</del></p> <p><del>(d) the proposed transferee shall have been approved by the Exchange on the same criteria as the Exchange approves an applicant for admission as an Associate Participant; and</del></p> <p><del>(e) the proposed transfer is not effective without the approval of the Exchange.</del></p>	

**ANNEXURE 1**  
**RULE AMENDMENTS**  
in relation to the Revamp of Participantship Structure  
(for Trading Participants and Associate Participants)



EXISTING PROVISIONS		AMENDED PROVISIONS
<b>Rule 320F.2</b>	The Exchange may impose conditions on any approval and shall not be obliged to give any reasons for imposing any such conditions or refusing to approve a proposed transfer. Any application for approval shall be deemed to have been withdrawn if the conditions imposed by the Exchange have not been met within sixty (60) days (or such longer period as may be allowed by the Exchange) of their being imposed by the Exchange.	<u>[Deleted]</u>
<b>Rule 320F.3</b>	A proposed transfer once approved by the Exchange or any other relevant authorities (if required) shall be implemented within sixty (60) days of the date of the approval, or such further period as the Exchange may allow, and if not so implemented the approval shall be deemed to have lapsed. Implementation shall occur by way of: <p>(a) written acknowledgment from the two parties being lodged with the Exchange that all legal documentation and requirements of both parties in order to complete the transfer have been satisfactorily completed; and</p> <p>(b) the approved transferee paying to the Exchange the transfer fee prescribed by the Exchange.</p>	<u>[Deleted]</u>
<b>Rule 320F.4</b>	The Exchange may require that the purchase price paid for the transfer of Participantship in accordance with this Rule 320F shall be paid directly by the proposed transferee to the Exchange and dealt with by the Exchange in the manner set forth in Rule 320F.5.	<u>[Deleted]</u>
<b>Rule 320F.5</b>	The purchase price paid by the proposed transferee for the associate participantship (if required under Rule 320F.4 to be paid directly to the Exchange) shall be retained and used by the Exchange to settle all the transferor's liabilities to the Exchange (including other Participants) to the maximum extent legally possible and in the following order of priority: <p>(a) payment of all contributions, levies, charges, fines and any other liabilities of the transferor to the Exchange; and</p>	<u>[Deleted]</u>

**ANNEXURE 1**  
**RULE AMENDMENTS**  
in relation to the Revamp of Participantship Structure  
(for Trading Participants and Associate Participants)



EXISTING PROVISIONS	AMENDED PROVISIONS
<p>(b) payment to other Participants in respect of any other liabilities arising directly out of transactions on the Exchange. All Participants who shall have any claim against the transferor shall within ten (10) days of publication by the Exchange of the transfer of the transferor's participantship submit to the Exchange in writing the details of their claims against the transferor. In determining the liabilities and extent of the liabilities of the transferor to the other Participants, the Exchange shall have regard to the claims so submitted and shall deduct from such claims of a Participant, the prevailing market price of any collateral held by such Participant.</p> <p>If the purchase price of the transfer of participantship shall be insufficient to pay all amounts determined to be payable under the above categories, claims under the above categories shall be paid in the priority stated above. If the purchase price shall be insufficient to pay the amount to be payable in one category, then claims under that category shall be paid pro-rata and the remaining shall be left unpaid. The residue of the purchase price shall be paid to the transferor or his legal representative or to such person as the transferor or legal representative shall direct.</p>	
<p><b>Rule 320F.6</b> The transfer of a participantship shall not release the transferor from any liability, which at the date of transfer has already accrued to the Exchange, the Clearing House or any other Participant or any other Client of that Associate Participant which may thereafter accrue in respect of any act or omission prior to such transfer.</p>	<p>[Deleted]</p>
<p><b>Rule 320F.7</b> The Exchange will maintain a register of the particulars of the transfer and may at its discretion, disclose the price of the transfer.</p>	<p>[Deleted]</p>
<p><b>Rule 320G.3</b> There shall be no entitlement to a refund of any portion of the participantship entrance fee or of any annual subscription fee paid by an Associate Participant who resigns or otherwise ceases to be an Associate Participant.</p>	<p>There <del>shall</del><u>will</u> be no <del>entitlement to a</del> refund of any <del>portion</del><u>part</u> of the <del>participantship entrance</del><u>admission</u> fee or <del>of any</del> annual subscription fee paid by an Associate Participant <del>who resigns or otherwise ceases to be an Associate Participant.</del></p>

**ANNEXURE 1**  
**RULE AMENDMENTS**  
**in relation to the Revamp of Participantship Structure**  
**(for Trading Participants and Associate Participants)**



EXISTING PROVISIONS		AMENDED PROVISIONS
<b>Rule 511.4</b>	The particular Preference Share held by a Trading Participant terminated from participantship shall be forfeited and the provisions of Rule 311B.3 shall, mutatis mutandis, apply.	<del>Deleted</del>
<b>Rule 601.1</b>	<p><b>General Compliance</b></p> <p>A Trading Participant shall at all times act in a manner consistent with the promotion and protection of the goodwill and public image of the Exchange and its Participants, and in particular it shall be the responsibility of each Trading Participant:</p> <p>(a) to observe, comply with and act consistently with these Rules and with decisions of the Exchange and its committees, and to settle any disputes with its Client or another Participant in the manner provided by these Rules;</p> <p>(b) to co-operate with the Exchange and any committee of the Exchange in the performance by the Exchange and that committee of its duties, and in particular, to assist in every way in any investigation and to make available to the Exchange and that committee its accounting and other records;</p> <p>(c) to observe, comply with and act consistently with the rules of the Clearing House (so far as is applicable to the Trading Participant) and with decisions of the Clearing House and its committees;</p> <p>(d) not to act in any way which would adversely affect the goodwill or public image of the Exchange and its Participants;</p> <p>(e) to effect and maintain such form of indemnity as the Exchange may from time to time determine to be appropriate to protect the interests of Clients;</p> <p>(f) to notify the Exchange in writing immediately upon the happening of any of the following:</p>	<p><b>General Compliance</b></p> <p>A Trading Participant <del>shall</del><b>must</b> at all times act in a manner consistent with the promotion and protection of the goodwill and public image of the Exchange and its Participants, and in particular it shall be the responsibility of each Trading Participant:</p> <p>(a) to observe, comply with and act consistently with these Rules and with decisions of the Exchange and its committees, and to settle any disputes with its Client or another Participant in the manner provided by these Rules;</p> <p>(b) to co-operate with the Exchange and any committee of the Exchange in the performance by the Exchange and that committee of its duties, and in particular, to assist in every way in any investigation and to make available to the Exchange and that committee its accounting and other records;</p> <p>(c) to observe, comply with and act consistently with the rules of the Clearing House (so far as is applicable to the Trading Participant) and with decisions of the Clearing House and its committees;</p> <p>(d) not to act in any way which would adversely affect the goodwill or public image of the Exchange and its Participants;</p> <p>(e) to effect and maintain such form of indemnity as the Exchange may from time to time determine to be appropriate to protect the interests of Clients;</p> <p>(f) to notify the Exchange in writing immediately upon the happening of any of the following:</p> <p>(i) the bankruptcy of any of the directors of the Trading Participant;</p>



EXISTING PROVISIONS	AMENDED PROVISIONS
<ul style="list-style-type: none"> <li>(i) the bankruptcy of any of the directors of the Trading Participant;</li> <li>(ii) the appointment to the Trading Participant of a receiver, statutory manager, provisional liquidator or liquidator or upon any petition being presented for the winding up or dissolution or upon any resolution being passed or order being made for the winding up or dissolution of the Trading Participant;</li> <li>(iii) where the Trading Participant, or any of its directors, is convicted of a seizable offence or an offence involving a finding of fraud; or</li> <li>(iv) where the Trading Participant, or any of its directors is engaged in acts or practices inconsistent with just and equitable principles of trade;</li> <li>(g) to comply with all Rules and laws for the time being in force relating to trading in Contracts;</li> <li>(h) to ensure compliance by each Registered Representative, Local Participant or Associate Participant with the Capital Markets and Services Act, these Rules and (to the extent applicable to each of them) the rules of the Clearing House; and</li> <li>(i) to contribute annually before the 31st of December, in each of the five (5) years following its admission to participantship, the sum of RM10,000 to the Fidelity Fund, provided that the Exchange may, from time to time with the approval of the Commission vary the amount and manner of contribution to the Fidelity Fund.</li> </ul>	<ul style="list-style-type: none"> <li>(ii) the appointment to the Trading Participant of a receiver, statutory manager, provisional liquidator or liquidator or upon any petition being presented for the winding up or dissolution or upon any resolution being passed or order being made for the winding up or dissolution of the Trading Participant;</li> <li>(iii) where the Trading Participant, or any of its directors, is convicted of a seizable offence or an offence involving a finding of fraud; or</li> <li>(iv) where the Trading Participant, or any of its directors is engaged in acts or practices inconsistent with just and equitable principles of trade;</li> <li>(g) to comply with all Rules and laws for the time being in force relating to trading in Contracts; <u>and</u></li> <li>(h) to ensure compliance by each Registered Representative, Local Participant or Associate Participant with the Capital Markets and Services Act, these Rules and (to the extent applicable to each of them) the rules of the Clearing House; <u>and</u>.</li> <li>(i) <del>to contribute annually before the 31st of December, in each of the five (5) years following its admission to participantship, the sum of RM10,000 to the Fidelity Fund, provided that the Exchange may, from time to time with the approval of the Commission vary the amount and manner of contribution to the Fidelity Fund.</del> <u>[Deleted]</u></li> </ul>
<p><b>Rule 601A.4</b></p> <p><b>Integrated Business</b></p> <p>Where a Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker or Investment Bank intends to merge or amalgamate the futures trading activities being carried out by a Trading Participant with its other businesses as a Universal Broker, Eligible Non-Universal Broker, Special</p>	<p><b>Integrated Business</b></p> <p>Where a Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker or Investment Bank intends to merge or amalgamate the futures trading activities being carried out by a Trading Participant with its other businesses as a Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker or</p>



EXISTING PROVISIONS		AMENDED PROVISIONS	
	<p>Scheme Broker or Investment Bank, the Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker or Investment Bank shall at all times comply with:-</p> <p>(a) the relevant Rules of the Exchange and the Clearing House concerning the transfer of participantship from the Trading Participant to the Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker and Investment Bank;</p> <p>(b) the requirements in relation to contribution to the Fidelity Fund to be made by the Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker and Investment Bank; and</p> <p>(c) such terms and conditions as may be prescribed by the Exchange, Exchange holding company or Bursa Securities and/or the Commission from time to time.</p>		<p>Investment Bank, the Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker or Investment Bank shall at all times comply with:-</p> <p>(a) the relevant Rules of the Exchange and the Clearing House concerning the transfer of participantship from the Trading Participant to the Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker and Investment Bank; <u>and</u></p> <p>(b) <del>the requirements in relation to contribution to the Fidelity Fund to be made by the Universal Broker, Eligible Non-Universal Broker, Special Scheme Broker and Investment Bank; and</del> <u>[Deleted]</u></p> <p>(c) such terms and conditions as may be prescribed by the Exchange, Exchange holding company or Bursa Securities and/or the Commission from time to time.</p>
<b>Rule 618.1</b>	<p><b>Definition</b></p> <p>(1) For the purposes of this Rule 618, “related corporation” shall have the same meaning as ‘related corporation’ under section 6 of the Companies Act.</p>		<p><b>Definition</b></p> <p>(1) <del>For the purposes of this Rule 618, “related corporation” shall have the same meaning as ‘related corporation’ under section 6 of the Companies Act.</del> <u>[Deleted]</u></p>
<b>Rule 711.1</b>	<p>(a) Subject to Rule 711.2, a Participant shall not trade in contracts on another exchange, whether through a broker or participant of that other exchange, or otherwise, unless:</p> <p>(i) the other exchange has been approved to operate a futures market in accordance with the Capital Markets Services Act (“Other Exchange”);</p> <p>(ii) the other exchange has been prescribed as a Specified Exchange by the Exchange in relation to any or all of the approved classes of futures contracts as defined in Section 105(3)(b) of the Capital Markets and Services Act and detailed in Appendix C; or</p>		<p>(a) Subject to Rule 711.2, a Participant <del>shall</del> <u>must</u> not trade in contracts on another exchange, whether through a broker or participant of that other exchange, or otherwise, unless:</p> <p>(i) the other exchange has been approved to operate a futures market in accordance with the Capital Markets <u>and</u> Services Act (“Other Exchange”);</p> <p>(ii) the other exchange has been prescribed as a Specified Exchange by the Exchange in relation to any or all of the approved classes of futures contracts as defined in Section 105(3)(b) of the Capital Markets and Services Act and detailed in Appendix C; or</p>



EXISTING PROVISIONS	AMENDED PROVISIONS
<p>(iii) the Participant is a participant of the Other Exchange and/or Specified Exchange, and a prior notification in writing has been given to the Exchange.</p> <p>(b) A Trading Participant shall comply with the following terms and/or conditions when trading in contracts on the Other Exchange or Specified Exchange:</p> <p>(i) An Equity Financial Participant shall only trade in equity financial contracts on the Other Exchange or Specified Exchange;</p> <p>(ii) A Non-Equity Financial Participant shall only trade in non-equity financial contracts on the Other Exchange or Specified Exchange;</p> <p>(iii) A Commodity Participant shall only trade in commodity contracts on the Other Exchange or Specified Exchange; and</p> <p>(iv) such other terms and/or conditions as may be prescribed by the Exchange from time to time.</p>	<p>(iii) the Participant is a participant of the Other Exchange and/or Specified Exchange, and a prior notification in writing has been given to the Exchange.</p> <p>(b) A Trading Participant <del>shall</del><b>must</b> comply with the <del>following</del> terms and/or conditions <b>as may be prescribed by the Exchange from time to time</b> when trading in contracts on the Other Exchange or Specified Exchange:</p> <p><del>(i) An Equity Financial Participant shall only trade in equity financial contracts on the Other Exchange or Specified Exchange;</del></p> <p><del>(ii) A Non-Equity Financial Participant shall only trade in non-equity financial contracts on the Other Exchange or Specified Exchange;</del></p> <p><del>(iii) A Commodity Participant shall only trade in commodity contracts on the Other Exchange or Specified Exchange; and</del></p> <p><del>(iv) such other terms and/or conditions as may be prescribed by the Exchange from time to time.</del></p>



EXISTING PROVISIONS					AMENDED PROVISIONS						
Guideline 1.2	<b>Trading Participant – Admission to Participantship (Rule 305)</b>				<b>Trading Participant – Admission to Participantship (Rules <u>305</u> and <u>306</u>)</b>	<b>Trading Participant – Admission to Participantship (Rules <u>305</u> and <u>306</u>)</b>					
	1.2.1 In accordance with Rule 305.1, the Exchange has decided to impose a non-refundable application fee of RM750 on an applicant applying for admission as a Trading Participant.					1.2.1 <del>[Deleted]</del>					
	1.2.2 Upon approval by the Exchange for Trading Participantship, the applicant is then required to lodge the following subscription and fees with the Exchange:					1.2.2 <del>Upon approval by the Exchange for Trading Participantship, the applicant is then required to lodge the following subscription and fees with the Exchange.</del> <u>The fees payable to the Exchange in connection with any application for admission or the registration as a Trading Participant under Rule 300 are:</u>					
	Rule Reference	Type of fees	Frequency	Refundable		Amount (RM)	Rule Reference	Type of fees	Frequency	Refundable <u>or Non-Refundable</u>	Amount (RM)
	305.3(b)	Annual Subscription	Annual	Non-Refundable		6,000	<del>305.1</del>	<del>Application fee</del>	<del>One time payment</del>	<del>Non-Refundable</del>	<del>750</del>
	305.3(c)	Subscription price for one (1) class “A” Preference Share	One time payment	Non-Refundable		1.5 million	<del>305.3(c)</del>	<del>Admission fee</del>	<del>One time payment</del>	<del>Non-Refundable</del>	<del>100,000</del>
305.3(c)	Subscription price for one (1) class “B” Preference Share	One time payment	Non-Refundable	500,000	<del>305.3(b), 306.1(a)</del>	<del>Annual Subscription fee</del>	<del>Annual</del>	<del>Non-Refundable</del>	<del>6,000</del>		
305.3(c)	Subscription price for one (1) class “C” Preference Share	One time payment	Non-Refundable	200,000	<del>305.3(e)</del>	<del>Subscription price for one (1) class “A” Preference Share</del>	<del>One time payment</del>	<del>Non-Refundable</del>	<del>1.5 million</del>		
					<del>305.3(e)</del>	<del>Subscription price for one (1) class “B” Preference Share</del>	<del>One time payment</del>	<del>Non-Refundable</del>	<del>500,000</del>		
					<del>305.3(e)</del>	<del>Subscription price for one (1) class “C” Preference Share</del>	<del>One time payment</del>	<del>Non-Refundable</del>	<del>200,000</del>		



EXISTING PROVISIONS		AMENDED PROVISIONS																																																						
Guideline 1.4A	<b>Associate Participants– Admission Participant (Rule 320)</b>	<b>Associate Participants– Admission <u>to</u> Participant<u>ship</u> (Rules <u>320C</u> and <u>320D</u>)</b>																																																						
	1.4A.1 In accordance with Rule 320A.1, the Exchange has decided to impose a non-refundable application fee of RM1,200 on the applicant applying for admission as an Associate Participant.	1.4A.1 <del>[Deleted]</del>																																																						
	1.4A.2 Upon approval by the Exchange for an Associate Participantship, the applicant is then required to lodge the following subscription and fees with the Exchange:	1.4A.2 <del>Upon approval by the Exchange for an Associate Participantship, the applicant is then required to lodge the following subscription and fees with the Exchange:</del> <u>The fees payable to the Exchange in connection with any application for admission or the registration as an Associate Participant under Rule 300 are:</u>																																																						
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[End of Rule Amendments]