

ANNEXURE 1

RULES OF BURSA MALAYSIA DERIVATIVES CLEARING BERHAD

**RULE AMENDMENTS IN CONNECTION WITH THE REVAMP OF PARTICIPANTSHIP STRUCTURE
OF BURSA MALAYSIA DERIVATIVES BERHAD FOR TRADING PARTICIPANTS AND ASSOCIATE PARTICIPANTS**

EXISTING PROVISIONS		AMENDED PROVISIONS
Rule 105	<p>Rule 105 Clearing Participantship Applications</p> <p>The Clearing House will consider and approve and reject all applications for Participantship and transfers of Participantships pursuant to Rule 212.</p>	<p>Rule 105 Clearing Participantship Applications</p> <p>The Clearing House will consider and approve and reject all applications for Participantship and transfers of Participantships pursuant to Rule 212.</p>
Rule 200B	<p>Rule 200B Eligibility - Direct Clearing Participant:</p> <p>Approval of an application for Direct Clearing Participantship is conditional upon the applicant:</p> <p>(a) being a participant of an Exchange;</p> <p>(b) not carrying on the business of trading in futures contracts in Malaysia;</p> <p>(c) satisfying the Clearing House that it maintains an adequate back office system, staff and procedures that ensure orderly and expeditious accounting of its dealings in Derivatives;</p> <p>(d) meeting the minimum financial requirements pursuant to Rule 208B;</p> <p>(e) lodging a Security Deposit in accordance with Rule 206A;</p>	<p>Rule 200B Eligibility - Direct Clearing Participant:</p> <p>Approval of an application for Direct Clearing Participantship is conditional upon the applicant:</p> <p>(a) No change.</p> <p>(b) No change.</p> <p>(c) No change.</p> <p><u>(d) having a minimum paid-up capital of RM2 million;</u></p> <p>(e) No change.</p> <p>(f) No change.</p>

EXISTING PROVISIONS		AMENDED PROVISIONS	
	<p>(f) lodging a Clearing Fund Contribution in accordance with Rule 207;</p> <p>(g) lodging a Direct Clearing Participant Deposit in accordance with Rule 206B;</p> <p>(h) payment being made to the Clearing House of such admission fee as may be determined by the Clearing House from time to time; and</p> <p>(i) meeting such other criteria as may be determined from time to time by the Clearing House.</p>	<p>(fg) No change.</p> <p>(gh) No change.</p> <p>(hi) No change.</p> <p>(ij) No change.</p>	
Rule 212	<p>Rule 212 Transfer of Clearing Participantship:</p> <p>Any Clearing Member (the “transferor”) may apply to the Clearing House for approval to transfer its Participantship to a related corporation (the “transferee”). Such application will be considered by the Clearing House whose decision is subject to appeal in accordance with Rule 204. Any approval granted for such transfer shall be subject to the following conditions being satisfied:-</p> <p>(i) the Participantship is free and clear of all claims and encumbrances;</p> <p>(ii) the transferor is not subject or liable to be subject to Exchange or Clearing House proceedings involving a violation of Exchange Rules or the Rules;</p> <p>(iii) the transferee giving an indemnity to the Clearing House in respect of any demands, claims, liabilities, or losses</p>	<p>Rule 212 Transfer of Clearing Participantship:</p> <p><u>A Clearing Participant is not permitted to transfer its Participantship in the Clearing House to any other person.</u></p> <p>Any Clearing Member (the “transferor”) may apply to the Clearing House for approval to transfer its Participantship to a related corporation (the “transferee”). Such application will be considered by the Clearing House whose decision is subject to appeal in accordance with Rule 204. Any approval granted for such transfer shall be subject to the following conditions being satisfied:-</p> <p>(i) the Participantship is free and clear of all claims and encumbrances;</p> <p>(ii) the transferor is not subject or liable to be subject to Exchange or Clearing House proceedings involving a violation of Exchange Rules or the Rules;</p> <p>(iii) the transferee giving an indemnity to the Clearing House in respect of any demands, claims, liabilities, or losses which may be incurred or</p>	

EXISTING PROVISIONS		AMENDED PROVISIONS
	<p>which may be incurred or sustained by the Clearing House as a result of an act or omission on the part of the transferor; and</p> <p>(iv) such other conditions as the Participantship Committee may determine.</p> <p>(b) The transfer of a Participantship does not release the transferor from any liability to the Clearing House or any other Clearing Participant which existed at the time of the transfer or which may come into existence after the transfer in respect of any act or omission of the transferor prior to such transfer.</p> <p>(c) A Clearing Participant may not transfer its Participantship except in accordance with this Rule 212.</p>	<p>sustained by the Clearing House as a result of an act or omission on the part of the transferor; and</p> <p>(iv) such other conditions as the Participantship Committee may determine.</p> <p>(b) The transfer of a Participantship does not release the transferor from any liability to the Clearing House or any other Clearing Participant which existed at the time of the transfer or which may come into existence after the transfer in respect of any act or omission of the transferor prior to such transfer.</p> <p>(c) A Clearing Participant may not transfer its Participantship except in accordance with this Rule 212.</p>

[End of Rule Amendments]