



RHB Investment Bank Berhad 19663-P

(A Participating Organisation of Bursa Malaysia Securities Berhad)

(A Trading Participant of Bursa Malaysia Derivatives Berhad)

**TERMS & CONDITIONS
- DERIVATIVES**

A) EXPLANATORY TEXT – DERIVATIVES

This text seeks to explain in general terms:

- (i) the nature of Derivatives contracts,
- (ii) the obligations assumed by a person who instructs RHB Investment Bank Berhad (“RHBIB”) to enter into a Derivatives contract; and contains other relevant information.

Should you be in any doubt as to your obligations or other risks involved, you should ask your broker or seek other professional advice.

1 THE NATURE OF DERIVATIVES CONTRACTS

1.1 FUTURES CONTRACTS

A futures contract (or exchange listed derivatives) is a standardized agreement, made on a recognized exchange, to buy or sell a specified quantity of a described commodity, security or index (the underlying) at an agreed date in the future.

There are two types of futures contracts:-

- (a) deliverable contracts, under which the seller agrees to deliver to the buyer, and the buyer agrees to take delivery of, the quantity of the commodity described in the contract; and
- (b) cash settlement contracts, under which the two parties will make a cash adjustment between them according to whether the price of the underlying has risen or fallen since the time the contract was made.

The terms and conditions of a futures contract are set out in the rules and regulations of the exchange on which the contract was made.

The futures price is determined in the marketplace by means of an open outcry system or an electronic system and represents a consensus of market opinion what the price of the underlying should be at the specified future time.

Since all contracts for a given future month in the same market are alike, obligations under futures contracts are easily transferred from one party to another. A trader who holds a contract to buy / sell can cancel this obligation by taking a new contract to sell / buy in the same month, a process known as offsetting or closing out the contract. In each case there will be a profit or loss equal to the difference between the buying and selling prices multiplied by the standard contract amount.

Each trader in the market is required to put up a deposit (initial margin) in order to trade. Contract deposits are governed by the minimum set by the Clearing House and vary from time to time according to the volatility of the market being carefully calculated to cover the maximum expected movement in the market from one day to the next.

Variation margins must be paid by any trader whose contract is showing a loss. If the Client does not pay a margin, RHBIB is entitled to close out the Client's position and deduct the resulting realised loss from the original deposit.

1.2 OPTION CONTRACTS

Standardised option contracts are available on many exchanges. An option is the right, but not the obligation, to enter into a futures contract or the underlying market to take / make delivery of the underlying, granted in return for a premium. A call option is an option to buy the underlying instrument at a designated price (the exercise price or striking price), any time before the option expires, irrespective of the current underlying instrument price. A put option is an option to sell at the exercise price or sell the underlying instrument at a designated price.

If a trader buys an option, his loss in the market is limited to the premium paid for the option, which is non-refundable. However, the person who sells (i.e. grants) the option has a similar potential liability to the holder of a futures contract, and will be called to pay margins if the price moves against him.

Depending on the type of option, it may only be exercised at expiry (referred to as European style option) or it may be exercised anytime before expiry (referred to as American style option). The Client should be aware of the style of the option that the Client is trading as it may affect the Client's obligation to take or make delivery.

Provided the underlying market has moved in his favour, the holder of an option can take profit by selling it later at a higher premium, or by exercising it and closing out the resulting contract. The profit depends on the movement in the underlying market and is potentially unlimited.

On the other hand, sellers (grantors) of option contracts have limited profit potential (they cannot earn more than the premium for which the option is sold) and unlimited potential for loss.

2 THE NATURE OF THE OBLIGATIONS ASSUMED BY A PERSON WHO INSTRUCT RHBIB TO ENTER INTO A DERIVATIVES CONTRACT

Clients of RHBIB (who under the Exchange's rules must enter into a written agreement with their Clients) having given instructions to RHBIB to enter into derivatives contracts on their behalf, must be prepared to:

- 2.1 Pay a deposit on each contract upon execution of an order not less than the minimum deposit set down by the relevant exchange or clearing house for that contract. RHBIB is entitled to call a higher deposit than the minimum set in order to protect its position as principal.
- 2.2 Pay on demand any calls made by RHBIB for margins to maintain the futures position (i.e. Contract or set of contracts) held by the Client.

- 2.3 Deliver, or take delivery of and pay the contract price in full for, the underlying instrument described in the specifications of any deliverable contract held by the Client which is still in force at the close of trading on the last day of trading.
- 2.4 Pay up any losses which are incurred as a result of a mandatory cash adjustment made on a cash settlement contract held by the Client which is still in force at the close of trading on the last day of trading in the relevant market.
- 2.5 Waive any interest on funds deposited with RHBIB, whether for deposits or margins or deposited for trading in derivatives contracts, unless the written agreement between RHBIB and the Client stipulates that interest is to be paid on such funds.
- 2.6 Take up the opposite position in the derivatives market from the resulting position held by the buyer of an option, if the Client has sold (i.e. granted) an option and is exercised by the option buyer.

B) GENERAL TERMS AND CONDITIONS FOR TRADING IN DERIVATIVES ("TERMS AND CONDITIONS")

- (i) RHB Investment Bank Berhad (19663-P) ("RHBIB") is a holder of the Capital Markets and Services Licence pursuant to Section 58 of the Capital Markets and Services Act, 2007 ("the Act") and is also a Trading Participant of Bursa Malaysia Derivatives Berhad ("the Exchange"), with its registered address at Level 9, Tower 1, RHB Center, Jalan Tun Razak, 50400 Kuala Lumpur.
- (ii) The Client whose name and address for service appears in the Account Opening Application Form ("the Client") is desirous of maintaining a Trading Account with RHBIB for the purpose of trading in Derivatives (as defined in the Act).
- (iii) Trades in Derivatives will be cleared through a clearing house appointed by the Exchange or Specified Exchange.

1 INTERPRETATION

In this Terms and Conditions:

"Act" means the Capital Markets and Services Act, 2007 as may be amended, varied and /or modified from time to time and includes any instruments and / or subsidiary legislation issued in accordance with the Act;

"Associated Company" means, in relation to one of the parties, any entity controlled, directly or indirectly, by the party, any entity that controls, directly or indirectly, the party or an entity directly or indirectly under common control with the party. For these purposes, "control" of any entity or party means ownership of the majority of the voting power of the entity or party, and "Associated Companies" shall be construed accordingly;

"Bank Negara" means Bank Negara Malaysia;

"Clearing House" means the body as may from time to time be appointed by or established and operated by the Exchange and / or the Specified Exchange to provide clearing services to the Exchange and / or the Specified Exchange;

"Client" means the individual or the body corporate who / which operates a Trading Account with RHBIB;

"Account Opening Application Form" means the form which information are provided by the Client to RHBIB for the purpose of opening of a Trading Account;

"Derivatives" has the same meaning as that given under the Act;

"Exchange" means Bursa Malaysia Derivatives Berhad and other companies which may from time to time be recognized as a company which has been approved to establish a derivatives market under Section 7 of the Act or the Specified Exchange under the Act;

"Rules" means the rules, regulations and procedures of the Exchange, the Specified Exchange and the Clearing House, and any amendments, supplements, variations or modifications thereto from time to time in force;

"SC" means Securities Commission Malaysia;

"Specified Exchange" means a person or body that operates a derivatives market outside Malaysia and is specified as a Specified Exchange under section 105 of the Act;

"Trading Account" means any trading account or trading accounts opened in the name of the Client with RHBIB pursuant to this Terms and Conditions; and

"Trading Participant" means a trading participant of the Exchange from time to time.

2 APPOINTMENT

- 2.1 The Client appoints RHBIB and RHBIB accepts the appointment, upon the terms and conditions of this Terms and Conditions, as the Client's broker in relation to trading in Derivatives and to maintain and operate Trading Account(s) with RHBIB in relation to trading in Derivatives.
- 2.2 RHBIB may rely on the instructions of the Client which RHBIB believes to be given by the Client or any person authorized by the Client without verifying the identity of the person purporting to give such instructions and the Derivatives executed pursuant to such instructions shall accordingly be binding on the Client. Where any instruction is ambiguous or inconsistent with any other instruction, RHBIB shall be entitled either not to act upon the instruction or to rely and act in accordance with any reasonable interpretation thereof which any officer of RHBIB believes in good faith to be the correct interpretation. The Client shall not hold RHBIB liable in any way for acting on inconsistent, ambiguous or incomplete instructions.
- 2.3 RHBIB shall not be liable to the Client for acting upon any instructions communicated or purportedly communicated by the Client or any other persons authorised to trade on behalf of the Client to RHBIB notwithstanding that it is subsequently shown that such instruction was not given by the Client or any other persons authorised to trade on behalf of the Client. Any risks of misunderstanding, any error or

loss resulting from instructions given by unauthorized persons or any error, loss or delay resulting from the transmission of the instructions are entirely the risk of the Client for which RHBIB shall not be liable for.

- 2.4 The Client is aware that signatures on facsimile or electronic mail instructions may be superimposed fraudulently or without proper authority when transmitted to RHBIB and the Client shall give RHBIB facsimile or electronic mail instructions assuming such risks. RHBIB shall not be held liable for any losses, damages, expenses, claims or liabilities suffered by the Client as a result of RHBIB acting upon facsimile or electronic mail instructions so long as the signatures appearing on any such facsimile or electronic mail instructions appear on verification to be or purport to be in accordance with the Client's specimen signature.
- 2.5 Nothing in Clauses 2.2, 2.3 and 2.4 above shall be construed to limit the liability of RHBIB for any negligence, fraud or dishonesty in relation to RHBIB's activities herein.

3 RHBIB'S AUTHORITY AND RESPONSIBILITY

- 3.1 The Client acknowledges that due to the rapid changes in the prices of Derivatives that frequently take place, there may, on occasion, be a delay in making prices or in dealing and RHBIB may not always be able to trade at the prices or rates quoted at any specific time or "at best" or "at market". RHBIB shall not be liable for any loss whatsoever arising by reason of its failing, or being unable, to comply with the terms of any limit order undertaken on behalf of the Client. Where RHBIB is for any reason whatsoever unable to perform the Client's order in full, it may in its discretion effect partial performance only.
- 3.2 The Client authorises RHBIB to purchase and sell Derivatives contract, as agent for the Client's Trading Account in accordance with the oral or written instructions of the Client or persons authorised in writing to act, or persons reasonably believed by RHBIB to be acting, on the Client's behalf. The Client acknowledges that any employee or agent of RHBIB acting in the capacity of a registered representative acts as an agent of RHBIB in executing any trades on the Client's behalf and RHBIB save and except under Clause 15.2 hereof is liable for all such acts of the agent. Unless the Client specifies to the contrary, RHBIB is authorised to execute all orders on any exchange or other market where such business is conducted which may be deemed by RHBIB, in its sole and absolute discretion, to be appropriate. The Client hereby waives any defence that any such instructions was not in writing, as may be required by any law, rule or regulation. RHBIB agrees to provide the services contemplated hereunder in a commercially reasonable manner.

The Client authorises RHBIB or its agents to investigate the Client's credit standing and in connection therewith to contact such banks, financial institutions and credit agencies as RHBIB shall deem appropriate to verify information regarding the Client.

4 COMMISSION, FEES AND EXPENSES

- 4.1 The Client shall pay commission and fees at such rates as determined from time to time by the Exchange, the Specified Exchange and the Clearing House, or in the absence of such determination, at the rates as notified by RHBIB to the Client in writing from time to time. All stamp duty, other taxes, fees, charges, liabilities, costs and expenses incurred for, or to be incurred on behalf of the Client, shall be paid by the Client as invoiced by RHBIB.
- 4.2 The Client shall pay all commissions due to RHBIB on demand and RHBIB may deduct such commission, fees and charges from any funds held by RHBIB on the Client's behalf.
- 4.3 RHBIB may share commission, fees and charges with its associated companies or other third parties, or receive remuneration from them in respect of transactions carried out on the Client's behalf. Details of any such remuneration or sharing arrangements will not be set out on the relevant contract note.

5 DEPOSIT AND MARGIN

- 5.1 The Client shall pay and maintain with RHBIB a deposit in the Client's Trading Account in such amount and such form as RHBIB may from time to time require, in excess of the Client's indebtedness or obligations to RHBIB and pay such margins, premiums and / or other amounts or lodge such securities (acceptable to RHBIB) as may be required by RHBIB from time to time in connection with the trading and operation by the Client of the Client's Trading Account. The Client agrees and acknowledges that the Client's liability in respect of margin calls for additional cash or collateral to guarantee performance of a Derivatives contract is not limited to the amount of the deposit and RHBIB may call for payment of a further deposit or margin (by whatever terms those obligations are described) or call for the lodgment of securities (acceptable to RHBIB) or impose more stringent requirements in respect of such liabilities than those required by law, or any applicable Rules as RHBIB, in its absolute discretion feels is necessary to protect itself from the personal obligation incurred by dealing in the Derivatives contract on behalf of the Client. Such payments are due and payable on demand.
- 5.2 The Client shall meet the call and make the payment of initial margin and maintenance margin within one (1) hour of the call or such other time as may be stipulated by RHBIB and is permitted by the Rules of the Exchange.
- 5.3 That the time for payment of margin is of the essence then as prescribed by RHBIB to the Client from time to time and when the Client fails to comply with the prescribed time for payment, the Client shall pay penalty interest thereon at such rate as RHBIB may in its sole discretion prescribe.
- 5.4 That the obligation and / or liability to pay margin accrues at the time the margin requirement comes into existence regardless of when a margin call is made.
- 5.5 That in respect of trading in Derivatives, the obligation and / or liability to pay the premium accrues at the time the trade is executed regardless of when a demand for payment for the same is made.
- 5.6 In relation to trades conducted on the Exchange and registered with the Clearing House on the Client's behalf, that the Client has no rights whether by way of subrogation or otherwise against any person or corporation other than RHBIB.
- 5.7 All payments to be made by the Client to RHBIB shall be made in freely transferable, cleared and available funds free from all encumbrances in such currency and to such account(s) as RHBIB may from time to time specify. If the Client is compelled by law to make the payment subject to any withholding or reduction of any type, the Client undertakes to pay such additional amounts as may be

necessary to ensure that RHBIB receives the net amount equal to the full amount which it would have received had payment not been made subject to such reduction or withholding.

- 5.8 Time for payment of margin is of the essence and all cash payments in excess of RM50,000 shall if requested by RHBIB be made by telegraphic transfer or banker's draft to be received by RHBIB or its bankers prior to the beginning of the next trading day.
- 5.9 The deposit, margin and any collateral deposited with RHBIB may be utilized in meeting any obligations of the Client in respect of Derivatives traded by or on behalf of the Client.
- 5.10 Unrealised profits or credit entries in respect of any particular transaction may be used against any deposit or initial or additional margin payment which may be requested or made by RHBIB if the Rules permit.
- 5.11 The Client understands that RHBIB may with or without notice to the Client exercise any of the remedies listed in Clause 8.2 hereof if the Client fails to maintain adequate margin or if any occurrence of the event of default.

6 ALLOCATION OF DERIVATIVES CONTRACTS

- 6.1 In respect of every Derivatives contract made between RHBIB and the Client for allocation to another market or clearing participant specified by the Client:-
 - (a) in the event that such other clearing participant accepts the allocation, RHBIB shall (without prejudice to any claim RHBIB may have for commission or other payment) upon such acceptance cease to be a party to the Derivatives contract and shall have no obligation to the Client for its performance;
 - (b) in the event that such other participant declines to accept the allocation, RHBIB shall be entitled at RHBIB's option and without prior reference to the Client either to confirm the Derivatives contract with the Client or to liquidate it by such sale, purchase, disposal or other transaction or cancellation as RHBIB may in its discretion determine, whether on the market or exchange or by private contract or any other feasible method and any balance resulting from such liquidation shall be promptly settled between RHBIB and the Client in accordance with and subject to the terms and conditions of this Terms and Conditions.
- 6.2 Allocation of Derivatives contract on delivery or exercise will be effected in accordance with Rules of the Clearing House and Exchange, and in the absence of such Rules, RHBIB may at its discretion allocate in any other manner.
- 6.3 In the event RHBIB at its sole discretion elects to accept for clearing any Derivatives contract executed by another Trading Participant to be cleared under the Client's Trading Account, the acceptance thereof shall not breach any position or other limits applicable to Client's Trading Account. The Client further acknowledges that clearing of such Derivatives Contract under the Client's Trading Account shall be governed by this Terms and Conditions and such other applicable Rules and regulations.

7 GENERAL TERMS

- 7.1 The Client's Account and all transactions and the Terms and Conditions in respect of the Client's Trading Account shall be subject to:
 - (a) the Act, the Rules of the Exchange, and any rules, regulations, orders and interpretations promulgated there under by the SC, Bank Negara or any other relevant authorities;
 - (b) the constitution, by-laws, rules, regulations, orders and interpretations of the Exchange and the Clearing House on which such transactions are executed and cleared. All such provisions, rules, regulations, orders, interpretations, constitutions, by-laws, customs and usage are hereinafter collectively referred to as "Applicable Law"; and
 - (c) the customs, usage and practices of the Exchange and the Clearing House, except to the extent inconsistent with subsection 7.1 (a) and 7.1 (b) above.
- 7.2 The Client understands that (i) the Client may be trading in the Derivatives contract and such trading is highly speculative, (ii) prices of Derivatives contract are subject to upward and downward movements, (iii) price fluctuations may result in losses which substantially exceed the capital in the Client's Trading Account, (iv) on trading days on which the subject of the Client's trading reaches its permissible exchange price limit, trading may cease, as a result of which the Client may be locked into substantial losses, and (v) in transactions on exchanges on which foreign currency is used, any profit or loss may be affected by exchange rate fluctuations.
- 7.3 That RHBIB will be trading in the market of the Exchange or the Specified Exchange as a principal at all times (and accordingly be liable to the Exchange / Specified Exchange as such principal) notwithstanding that RHBIB will be carrying out the instructions of the Client as the Client's agent. Any benefit or rights accruing to RHBIB in relation to its dealings with the Exchange / Specified Exchange or in relation to any registration of Derivatives with the Clearing House is personal to RHBIB and need not be passed by RHBIB to the Client. Without prejudice to the generality of the foregoing, RHBIB may, without reference to the Client, aggregate the Client's Derivatives with the Derivatives of other clients and / or other directors, officers, or employees of RHBIB, and may receive and retain for RHBIB's own benefit any commission, fee, rebate or other preferential treatment offered by any person through whom any Derivatives is affected.
- 7.4 The Client agrees that in relation to Derivatives contract transacted under the Specified Exchange, the Client may be exposed to additional risk and may be subject to regulation, which may offer different or diminished investor protection. Domestic regulatory authorities may be unable to compel the enforcement of the Rules in other jurisdiction.
- 7.5 That the Client hereby waives and shall have no right or cause of action or remedy against the Exchange, the Clearing House or any Trading Participant save for RHBIB who conducted the trade on behalf of the Client or on his instructions, except as permitted by the Act.
- 7.6 That Clauses 7.3 and 7.5 above shall not affect any right, entitlement or remedy of RHBIB against the Client and vice-versa.
- 7.7 That the Client will take all reasonable steps to obtain and communicate to RHBIB all information and deliver or cause to be delivered to RHBIB all documents with respect to dealings by the Client in Derivatives, which are requested by the Exchange / Specified Exchange or

the Clearing House or a person having a right to request such information or documents and also authorises RHBIB to produce the information or documents to the requesting party.

- 7.8 That dealing in Derivatives may create an obligation to give or take delivery or make cash adjustment or settlement in accordance with the terms of trading of such Derivatives.
- 7.9 That RHBIB has the right (subject to Section 99 of the Act), either on its own account or on behalf of other clients, to take opposite positions to the positions taken by the Client in Derivatives contact.
- 7.10 That the Client is responsible to pay in cash any deficit owing to RHBIB after close-out of any of the Client's Derivatives or closure of the Client's Trading Account and that if the Client defaults in payment of such deficit, RHBIB may realise any deposit and securities held by RHBIB and apply the proceeds against the deficiency.
- 7.11 All orders may be placed by the Client through post, facsimile, telephone or in person or any other electronic means allowed by RHBIB from time to time. Telephone conversations between the Client and RHBIB may be recorded by RHBIB or the Exchange, however the Client shall have the right to listen to any recording made in the event of a dispute or anticipated dispute. RHBIB shall be entitled to require that oral instructions be given, or be confirmed in writing. RHBIB will be entitled to rely on all such instructions which it believes to be genuine without further enquiry. Subject to Clause 9 below, RHBIB will be under no obligation to confirm instructions and accepts no liability for errors in any confirmation made, howsoever arising. Instructions terminating RHBIB's authority to act for the Client must be given by the Client in writing.
- 7.12 That RHBIB reserves the right to refuse to deal on behalf of the Client in relation to any dealings in Derivatives (other than closing-out existing positions held on behalf of the Client) or limit the number of open positions held on behalf of the Client or both RHBIB will, however, inform the Client of any refusal at or before the time of the Client placing any further orders with RHBIB or, as soon as possible, thereafter. RHBIB will use its reasonable efforts to notify the Client accordingly, but RHBIB shall not in any circumstance whatsoever be liable in any way, except where RHBIB has been negligent, fraudulent or dishonest, for any loss of profit or gain, damage, liability, cost, fee or expense suffered or incurred by the Client arising out of, or in connection with, RHBIB's declining to act on such instruction or omitting so to notify the Client.
- 7.13 If at the request of a Client, RHBIB transacts any business in a name other than of that Client, the Client accepts full liability in respect of all such transactions.
- 7.14 That unless otherwise agreed in writing, RHBIB shall be entitled to any interest on money belonging to the Client segregated or invested by RHBIB.
- 7.15 That RHBIB, its directors, agents, employees or persons related to any of the foregoing may trade in Derivatives on their own account.
- 7.16 That the Client agrees to abide by any position and exercise limits set by the Exchange or Clearing House as notified by RHBIB to the Client.
- 7.17 That except where RHBIB has been negligent, fraudulent or dishonest, RHBIB shall not be liable to the Client for any losses, damages, events, actions or omissions howsoever arising which are beyond RHBIB's control, including but without limitation to any breakdown or failure of transmission of communication or computer facilities, postal or other strikes or similar industrial action and the failure of the Exchange and / or RHBIB or any bank with whom RHBIB maintains a margin account to perform its obligations for any reasons.
- 7.18 In order for RHBIB to discharge its functions under this Terms and Conditions or pursuant to the relevant laws or regulations, the Client hereby acknowledges that RHBIB will engage service providers or such other persons via an outsourcing arrangement or any other arrangements to provide services to RHBIB (including mailing services, information technology services, data processing, statistical and risk analysis and other services determined from time to time). The Client hereby acknowledges that in the course of providing the services to RHBIB, such service providers or such other persons may have access to certain information and documents, relating to the Client's Derivatives, and thereby, the Client agrees that such disclosure of information and documents is permissible.
- 7.19 All Derivatives purchased by or on behalf of the Client are at the sole risk of the Client who should arrange any insurances that the Client may deem necessary against such risk.
- 7.20 In the event that RHBIB takes delivery of any assets for the Client's Trading Account, the Client:-
- (a) without limitation to the generality of Clause 15 hereof agrees to hold harmless and indemnify RHBIB on account of any cost, loss or damage of the type referred to in sub-clause 7.23 below which it may suffer as a result of a decline in value, for whatever reason, of the said property;
 - (b) authorises RHBIB to charge to the Client's Trading Account the amount of any storage, insurance, taxes, delivery charges and service fees in respect of any transactions effected for and on behalf of the Client and the Client agrees to pay such amounts so charged immediately on demand;
 - (c) for the avoidance of doubt and without prejudice to the generality of Clause 5 above, the Client is advised that RHBIB may require from the Client (and the Client shall provide) at any time prior to the delivery of any property, or where any such item is to be offered by tender by RHBIB, at any time prior to such tender, immediate cash payment (to be made in accordance with Clause 5 above) of the full contract value of the relevant property;
 - (d) The Client agrees that RHBIB may not provide physical delivery of some of the Derivative contract save and unless confirmed in writing by RHBIB. The Client further agrees that prior to any transaction, the Client must first confirm with RHBIB whether physical delivery is available;
 - (e) In the event RHBIB does not provide for the delivery of the Derivatives contract transacted, the Client shall then close the position before the expiry of the contract or by such date as notified by RHBIB.

- 7.21 RHBIB shall be authorised to advise on the merits or suitability or transactions in the Derivatives contract or to recommend particular transactions, but shall be under no obligation to do so. Whilst any advice given will be given in good faith, each transaction shall be deemed to have been entered into by the Client in reliance upon its own judgement and neither RHBIB nor any of its directors, employees or agents will be responsible or liable in any manner whatsoever in respect of such advice in the absence of negligence or wilful default. Any advice may be given orally or in writing.
- 7.22 Should RHBIB be unable to meet its obligations under any Derivatives contract as a result of any default by any third party or by reason of any other matter outside its control or in the event of the introduction of any new Rules or any modification, amendment, change or addition to the existing Rules after the date on which any Derivatives contract is entered into and prior to the date on which it is performed in full, the Client acknowledges and agrees that the Derivatives contract between RHBIB and the Client may be amended and / or cancelled automatically to take account of such events and the Client shall indemnify RHBIB in respect of any liability or loss it may incur as a result of entering into any such Derivatives contract.
- 7.23 If, at any time, the Client shall be unable to deliver any assets sold by RHBIB on the Client's behalf, the Client authorises RHBIB in its absolute discretion to purchase or acquire the same on such terms as RHBIB in its absolute discretion thinks fit and deliver the same and the Client shall immediately pay RHBIB for any cost, loss or damage (including consequential costs, losses and damages) which may be incurred by RHBIB in so doing.
- 7.24 RHBIB may combine the Client's order with its own orders and those of Associated Company and of other clients. Aggregation of the Client's orders with those of other clients may operate on some occasions to the Client's disadvantage.
- 7.25 RHBIB reserves the right to make such currency conversions if in its absolute discretion considers desirable or necessary for the purpose of lessening any currency exposure to RHBIB or for the purpose of Clause 8.2; the Client agrees that the Client shall at all times bear the foreign currency exchange risk arising from transactions effected on the Client's behalf.

8 EVENTS OF DEFAULT

- 8.1 The occurrence of any of the following shall constitute an event of default:-
- (a) the Client fails to comply with any of its obligations, representations, warranties or undertakings under this Terms and Conditions or such representations, warranties, or undertakings contained in this Terms and Conditions proves to be incorrect in any material respect;
 - (b) the Client fails to meet any call for payment of deposit or margin (or to lodge securities acceptable to RHBIB);
 - (c) the Client fails to make all or any payments referred to in this Terms and Conditions fully and within the time limits set out in this Terms and Conditions or as otherwise notified by RHBIB to the Client;
 - (d) any steps are taken or proceedings are initiated or protection sought under any applicable bankruptcy, reorganization or insolvency law by the Client, in respect of the Client or against the Client;
 - (e) the Client uses, or the Client allows the Trading Account to be used for the purpose of money laundering or in breach of applicable money laundering regulations;
 - (f) the Client fails to discharge any indebtedness as it falls due or any action is initiated against the Client to enforce any security or payment of any debt;
 - (g) where the Client is a trust, any of the above occurs in respect of the trustee.
 - (h) if individual, in the event of the Client's death or if the Client commits any act of bankruptcy or becomes bankrupt or stops or suspends any payment or delivery;
 - (i) if corporate, if a petition is presented for its administration or the Client convenes a meeting of its creditors or proposes to make any arrangement or composition with or any assignment for the benefit of its creditors, or any order is made or a petition is presented for its winding up or a meeting is convened for the purpose of considering a resolution or other steps are taken for its winding up;
 - (j) any such other reasons and circumstances as permitted by the Rules or the laws of any applicable jurisdiction;
 - (k) where RHBIB having used reasonable endeavours has failed to obtain any instructions from the Client in respect of any transaction;
 - (l) where the Client triggers any event of defaults in all or any of the accounts maintained by the Client with RHBIB and / or subsidiaries and / or associated companies of RHBIB and RHBIB's holding company.
- 8.2 Without prejudice to any other rights which RHBIB may have by law, RHBIB shall upon the occurrence of any of the events stipulated under Clause 8.1 above, be entitled at its discretion to take such action as it deems necessary or desirable with or without any reference to or consent of the Client, including, but not limited to, the following:-
- (a) to decline to take further instructions from the Client in respect of Derivatives to close-out, settle, liquidate or give-up some or all of the Derivatives to which the Client is a party;
 - (b) to enter into any contract(s) for the purpose of hedging risk to which it is exposed as a result of the Client's default;
 - (c) to make, on an exchange or otherwise, any contract for the sale, purchase or other acquisition or disposal of any securities, Derivatives or commodities for the purpose of meeting obligations, or of hedging risk to which it is exposed, in relation to the Client's default;

- (d) to realise some or all of any non-cash collateral or other securities held for or on behalf of the Client, in such manner as RHBIB deems fit, and whether or not on the open market; and apply the proceeds thereof plus any cash held for or on behalf of the Client to all outstanding balances of the Client owing to it;
- (e) cancel any or all outstanding orders or contracts or any other commitments made pursuant to instructions from a Client;
- (f) to transfer funds, collateral and assets to and from all or any of the Client's accounts (including the Client's Trading Account) with RHBIB and / or RHBIB's subsidiaries and / or associated companies, so as to settle, extinguish or diminish all or any part of any or all of the Client's liabilities;
- (g) to demand that the Client undertakes to pay to RHBIB any balance which may then be due in the event that subsequent to the exercise by RHBIB of its rights under this clause there remains insufficient funds to cover the whole of the Client's indebtedness and liabilities to RHBIB;
- (h) deemed to be the Client's attorney for the purposes of executing all such transfers, powers of attorney and other documents as RHBIB may require to vest all or any of the Client's collateral and assets in RHBIB or any purchaser or transferee;
- (i) to charge interest on any debit balance outstanding in the Client's Trading Account at 1.5 per cent (1.5%) per month or such higher rate as RHBIB may from time to time notify to the Client;
- (j) to request that the Client undertakes to reimburse RHBIB, and authorises RHBIB to debit its account or accounts with all charges, costs and expenses which may be incurred by RHBIB or its agents, representatives or correspondents in connection with the realisation of all or any of the Client's assets maintained or kept with RHBIB; and
- (k) call upon any guarantees and letters of credit which may have been issued to, or in favour of RHBIB as security for performance of the Client's obligations under or pursuant to this Terms and Conditions.

8.3 In the event that:-

- (a) any occurrence of the events specified at Clause 8.1 (h) or 8.1 (i) , all Derivatives shall be settled automatically on the early settlement date which shall be the date of death or of the order or resolution specified therein and all other sums due or to become due to RHBIB shall become immediately due and owing; or
- (b) any other acceleration event occurs, RHBIB may by notice in writing require early settlement of any or all Derivatives to take place on the early settlement date stipulated in such notice, being not earlier than the date of such notice, and all sums due or to become due to RHBIB shall become immediately due and owing.

9 STATEMENT OF ACCOUNT

- 9.1 RHBIB will provide the Client with contract notes and monthly statement of account in relation to the Derivatives entered into by the Client in accordance with the Rules of the Exchange or as required by the Act and as soon as practicable upon the Client's request. In the latter case, the Client shall pay the reasonable cost thereof.
- 9.2 All contract notes, statements of account and other documents relating to the account of the Client ("Documents") may be sent by RHBIB to the Client by electronic means, addressed to the Client at the Client's last known electronic address provided by the Client as appearing in RHBIB's records. All such Documents sent to the Client including by way of electronic means, shall be deemed to have been received by the Client within twenty-four (24) hours of the time sent by electronic means. The Client shall be deemed to have accepted the accuracy of any Documents sent by electronic means to the client if no dispute is raised by the client thereon within twenty-four (24) hours following the expiry of the aforesaid twenty-four (24) hours.
- 9.3 If the Client chooses electronic means as one of the modes of delivering all contract notes to the Client, the Client hereby accepts and assumes the inherent risks in RHBIB issuing and delivering the contract notes to the Client via e-mail. In the event of RHBIB's system failure, the Client further authorises RHBIB to issue and deliver the contract notes to the Client by ordinary post or by way of facsimile at the number stated herein. The Client further agrees that the instructions for the e-mail address(s) herein furnished shall remain valid until written instructions are given by the Client and received by RHBIB for revocation and / or amendment of the said instructions, as the case may be.
- 9.4 The Client agrees to review carefully each contract note / statement RHBIB sends to the Client and shall notify RHBIB immediately if the confirmation contains any trades that the Client did not authorise.

10 CLIENT'S ASSETS

- 10.1 All money or other assets received by RHBIB from the Client or from any other person (including the Clearing House) for the Trading Account of the Client shall be held by RHBIB as trustee, segregated from RHBIB's own assets and paid into a segregated bank account.
- 10.2 All collateral deposited with RHBIB by the Client, or received by RHBIB for, or on behalf of the Client, shall be segregated by RHBIB and paid into the Client's segregated account and RHBIB may invest such collateral in accordance with the Act and the Rules to the extent that the Act and the Rules apply to such collateral.
- 10.3 RHBIB may within the limits of the Rules pass on the Client's money to registered representatives who may be Associated Company of RHBIB including where appropriate overseas brokers, Specified Exchanges and clearing houses to pay sums (including margin) due in respect of transactions effected with or through such persons on the Client's behalf.
- 10.4 That RHBIB shall be under no duty or obligation to inquire into the purpose or propriety of any instruction given and shall be under no obligation to see to the application of any funds delivered by the Client in respect of any Client's Trading Account.
- 10.5 The Client further agrees jointly and severally that all or any Derivatives contracts, collaterals and assets which RHBIB may at any time be holding or carrying for any of the Client no matter whether in the said joint account or otherwise shall be subject to lien in favour of

RHBIB for the discharge of the obligations of the joint account to RHBIB, such lien to be in addition to and in substitution of the right and remedies RHBIB otherwise would have.

11 RIGHTS OVER CLIENT'S ASSETS

- 11.1 The Client hereby pledges, charges and grants to RHBIB a fixed first priority security interest in all of the Client's rights and interests in and to all securities (whether comprising collateral or otherwise) and other assets (other than margin provided in the form of cash and dividend or interest payments) provided by the Client to RHBIB hereunder as a continuing security for the performance of its margin and other obligations to RHBIB hereunder and under each Derivatives. RHBIB shall have (to the greatest extent permitted by, and without restriction imposed under, applicable law) all of the rights of a secured party in respect of such securities and other assets. The Client agrees to provide such further documents and to take such further steps as RHBIB may reasonably require to protect such security interest.
- 11.2 The Client agrees that the assets returned to the Client may be equivalent but not identical to the assets originally deposited with RHBIB.
- 11.3 In respect of securities held for the Client (whether as collateral or otherwise), RHBIB is not required to notify the Client, to vote on its behalf or to forward voting notices or any other notices to the Client. RHBIB will have complete discretion as to whether or not to act on any instructions and RHBIB will not be liable for any loss however caused in connection with its acting or not acting on any such instructions.
- 11.4 RHBIB shall be entitled to exchange, pledge or otherwise grant a security interest over any securities over which it has a security interest under the terms hereof (whether comprising collateral or otherwise), and may sell or loan the same, and whether as principal or as agent on behalf of the Client. RHBIB shall be entitled to retain all profits and other benefits accruing to it as a result of its exercising its rights hereunder only to the extent of securing performance of its margin and the Client's obligations to RHBIB.

12 SET-OFF, LIEN AND A COMBINATION OF TRADING ACCOUNT(S)

Without prejudice and in addition to any other rights and remedies, RHBIB shall be entitled:

- 12.1 to a general lien over all or any part of the assets of the Client (other than cash) coming into the possession or control of RHBIB or its associated companies insofar as there remains outstanding any money or amount due from the Client to RHBIB in respect of the Trading Account(s).
- 12.2 at any time without notice to the Client, to apply any credit balance to which the Client is entitled on any account with RHBIB or its associated companies in or towards satisfaction of all or any part of any money or amount due from the Client to RHBIB in respect of the Trading Account.
- 12.3 notwithstanding any provision in this Terms and Conditions or any other Terms and Conditions between RHBIB or any Associated Company and the Client or any associate of the Client, RHBIB may at any time set-off or retain for such purpose any amounts owing by it to the Client against any amounts owing by the Client to RHBIB or any Associated Company and shall be without prejudice to the obligations of the Client to satisfy in full all liabilities of the Client to RHBIB. RHBIB shall be entitled to make such currency conversions as may be necessary to effect such set-off.

13 CLIENT REPRESENTATIONS AND WARRANTIES

The Client hereby represents, warrants and undertakes to RHBIB on a continuing basis, as follows:-

- 13.1 if individual, the Client is not (i) a partner, officer, director, agent, associated person, or employee of a futures broker firm, (ii) a member of an exchange or a director or employee of an exchange or regulatory or self-regulatory organisation, or (iii) engaged individually or as an employee in the business of dealing, as broker or principal, in futures, physicals, forwards, or option contracts, in commodities, futures contracts, financial instruments, currencies, indexes, and if the Client becomes so employed or engaged the Client will promptly notify RHBIB in writing.
- 13.2 if the Client is an individual, that the Client is legally capable of validly entering into and performing this Terms and Conditions and that the Client has attained the age of 18 years and is of sound mind, legal competent and is not a bankrupt.
- 13.3 that no person other than the Client has or will have an interest in the Client's Trading Account except as otherwise disclosed in writing to RHBIB.
- 13.4 the Client hereby warrants that it is and remains the beneficial owner of all the collateral and assets delivered to RHBIB for sale, management or security, free from all liens, charges, options and third party rights whatsoever and the Client undertakes to indemnify RHBIB against all claims, costs or demand made by any person claiming to be entitled to such collateral and assets as aforesaid or any interest thereon and all costs and expenses incurred by RHBIB as a result thereof.
- 13.5 if the Client is a company, the execution and delivery of this Terms and Conditions and the performance of any of the transaction contemplated herein will not contravene a default under or cause to exceed any limitation on the company or the powers of the company's directors imposed or contained in:
 - (a) any law or order or decree of any authority to which the company is subject;
 - (b) the Memorandum and Articles of Association of the company; or
 - (c) any Terms and Conditions to which the company is a party or which is binding on it or any of its assets.
- 13.6 the Client is neither engaged in any unlawful activity nor are the Client's monies obtained from any illegal source or related to any illegal activity.

- 13.7 the information given by the Client or on the Client's behalf to RHBIB in connection with the opening of the Trading Account (including the information contained in the Account Opening Application Form) is true and complete and RHBIB shall be entitled to rely on such information until RHBIB receives written notice from the Client of any changes thereto.
- 13.8 the Client will ensure that all applicable constitutive documents and other documents evidencing authority delivered to RHBIB are true and accurate and in full force and effect.
- 13.9 the Client has sufficient income and liquid assets to meet its obligations in respect of the Derivatives proposed and that such activity is suitable for the Client.
- 13.10 no event of default as specified under Clause 8 has occurred or is occurring.
- 13.11 the Client has and will at all times maintain any necessary licences, regulatory approvals or other authorisations or permissions and has taken all steps required by any governmental or other authority to enable it to enter into this Terms and Conditions and each contract.
- 13.12 this Terms and Conditions and all Derivatives entered constitute legal, valid, binding and enforceable obligations of the Client.
- 13.13 by entering into this Terms and Conditions and any Derivatives, the Client is not violating any Terms and Conditions to which it is a party or breaching any obligation or restriction to which it is subject.
- 13.14 the Client is and will be the sole beneficial owner with full title guaranteed of any margin or collateral provided to RHBIB hereunder free from all liens, charges, options and third party rights whatsoever and the Client undertakes to indemnify RHBIB against all claims, costs or demand made by any person claiming to be entitled to such assets as aforesaid or any interest thereon and all costs and expenses incurred by RHBIB as a result thereof.
- 13.15 the Client shall abide by any position limits set by the Exchange or Clearing House and / or RHBIB as notified by RHBIB to the Client.
- 13.16 the Client shall be responsible for obtaining in advance and maintaining any governmental or other consents required in connection with the Client entering into this Terms and Conditions or any Derivatives contract or RHBIB effecting any transaction in connection with this Terms and Conditions. The Client shall further comply with the relevant foreign exchange control laws including but not limited to those imposed by Bank Negara Malaysia or any other applicable authorities in the particular jurisdiction from time to time.
- 13.17 the Client shall agree that the ability to trade in the Specified Exchanges and / or other approved markets is not restricted when Bursa Malaysia Derivatives Berhad is closed for trading.
- 13.18 the Client shall notify RHBIB of any material change in the information supplied in or pursuant to the Account Opening Application Form.
- 13.19 the Client shall at all times adhere to and comply with the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 ("AMLA") with respect to all transactions or matters whatsoever and howsoever arising whether directly or indirectly with RHBIB, and in particular:-
 - (a) shall disclose to RHBIB the particulars of the ultimate beneficial owner of the Trading Account in the event the Client is not the ultimate owner of the said Trading Account;
 - (b) shall provide RHBIB with all relevant information and documents, as and when requested, for purposes of identification of the Client and verification of the source of funds under the "Know Your Client" principles;
 - (c) RHBIB may, at its sole and absolute discretion, (i) refrain from acting until such information is furnished by the Client to it, and (ii) verify such information received from the Client to its satisfaction;
 - (d) RHBIB may, in the exercise of its duties under the laws for the time being in force, refrain from doing anything as a result of such information that would or might in its opinion be contrary to any relevant law, directive or regulation and may do anything that is in its opinion necessary to comply with such laws, directives or regulations.

14 JOINT AND SEVERAL LIABILITY

The Client hereby represents and warrants that where there are two or more persons included in the expression "the Client" or a partnership:-

- 14.1 that the liability of each such person hereunder shall be joint and several.
- 14.2 that any one of them shall have full authority to give any instructions with respect to any Client's Trading Account or any Derivatives contract including but not limited to instructions with respect to buying or selling or withdrawals of excess funds; to receive demands, notices, confirmations, reports, statements and other communications of any kind and execution of any additional forms or documents as maybe required by RHBIB from time to time; it is understood and agreed that such demands, notices, confirmations, reports, statements and other communications, forms or documents if addressed to the Client shall be binding on each of them notwithstanding that they have not been sent or received by every one of them; generally to deal with RHBIB in connection herewith as fully and completely as if the other joint account holder or holders had no interest herein.
- 14.3 that RHBIB shall be under no duty or obligation to inquire into the purpose or propriety of any instruction given and shall be under no obligation to see to the application of any funds delivered by the Client in respect of any the Client's Trading Account.
- 14.4 that notwithstanding any other arrangements which may have been made between them the rule of survivorship shall apply to the joint account hereunder and on the death of any one of them the collateral and assets whatsoever for the time being standing to the credit of the joint account and anything held by RHBIB whether by way of security or for sale, custody or collection or any other purpose whatsoever shall be held to the order of the survivor(s) of them.
- 14.5 the Client further agrees jointly and severally that all or any Derivatives contracts, collaterals and assets which RHBIB may at any time be holding or carrying for any of the Client no matter whether in the said joint account or otherwise shall be subject to lien in favour of

RHBIB for the discharge of the obligations of the joint account to RHBIB, such lien to be in addition to and in substitution of the right and remedies RHBIB otherwise would have; and

- 14.6 in the event of the death of any of the Client, the survivor(s) shall immediately give written notice thereof to RHBIB and RHBIB may before or after receiving such notice, take such proceedings, require such papers, retain such portion of and / or restrict transactions in the Client's Trading Account as RHBIB may deem advisable to protect RHBIB against any tax, liability, penalty or loss under any present or future law or otherwise. The estate of the Client who shall be liable, and the survivor(s) shall continue to be liable to RHBIB for any debit balance or loss in the said joint account in any way resulting from the completion of transactions initiated prior to the receipt by RHBIB of the written notice of such death, or the liquidation of the Client's Trading Account or the adjustment of the interests of the respective parties.

15 INDEMNITY

- 15.1 The Client undertakes to indemnify RHBIB and its officers, employees and agents for any loss, cost (includes legal costs), claim, liability or expense arising out of or connected with any breach by the Client of its obligations or the occurrence of any of the event under Clause 8 including any costs reasonably and necessarily incurred by RHBIB in collecting any debts due to RHBIB or in connection with the closure of the Trading Account.
- 15.2 The Client further undertakes to indemnify RHBIB and its officers, employees and agents for any loss, cost (includes legal costs), claim, liability or expense arising out of or connected with any default, whether by act or omission, by the Client under this Terms and Conditions or anything lawfully done by RHBIB in accordance with pursuant or incidental to this Terms and Conditions or by reason RHBIB complying with any direction, requirement of the Exchange, Specified Exchange, Clearing House or other regulatory authorities.
- 15.3 The Client also undertakes to indemnify and keep indemnified RHBIB against all demands, claims, actions, losses, damages, liabilities, costs and expenses arising out of, in relation to or in connection with (whether directly or indirectly) any failure by the Client to provide any margin or lodge any securities with RHBIB as and when requested by RHBIB.
- 15.4 The Client also agrees to pay promptly to RHBIB all damages, costs and expenses, including attorney's fees, incurred by RHBIB in the enforcement of any of the provisions of this Terms and Conditions.
- 15.5 The Client further agrees that RHBIB shall not assume any responsibilities or liabilities whatsoever for any direct or consequential loss arising from or in connection with the Client's use of any communication by electronic means when communicating with RHBIB.

16 NOTICES

- 16.1 Except where otherwise provided or as may otherwise be agreed between RHBIB and the Client, any demand, notice or other communication under this Terms and Conditions may be made or given by telex, facsimile transmission or letter. Any such demand, notice or other communication to be made or given to RHBIB shall be sent or delivered to the address of RHBIB as provided in the Terms and Conditions or such other address as RHBIB may from time to time notify to the Client for this purpose and shall be effected upon receipt by RHBIB.
- 16.2 Any such demand, notice or other communication to be made or given to the Client should be sent or delivered to the Client at its last known business address as set out in Account Opening Application Form or such other address as the Client may from time to time provide to RHBIB for this purpose and shall be effective, if sent by telex or facsimile transmission, upon dispatch or, if sent by ordinary mail, 24 hours after dispatch or, if sent by airmail (to an address outside Malaysia) seven (7) days after dispatch or, if sent by post, two (2) days after posting, or, if delivered personally, at the time of delivery.
- 16.3 RHBIB shall be entitled to act upon and the Client shall accordingly be bound by any notice or other communication received by RHBIB and believed by RHBIB to have been given or made by a person authorised by the Client.

17 MISCELLANEOUS

- 17.1 Notwithstanding that RHBIB may be authorised to accept instructions from an intermediary or agent, the Client remains liable to RHBIB as principal for the proper maintenance of all of the Client's Trading Account(s) with RHBIB and all payments of money due or payable to RHBIB will be made direct to RHBIB and not through the intermediary or agent who, in no circumstances, will have authority to give good receipt of such money on RHBIB's behalf.
- 17.2 RHBIB may subject to the Rules appoint any person, as agent or otherwise, to perform any of the rights, powers or obligations from time to time vested in it by this Terms and Conditions or to undertake, as the Client's agent or otherwise, anything in connection with the Client's Trading Account, on such terms or otherwise as RHBIB thinks fit.
- 17.3 No delay or omission by RHBIB in exercising any right, power or privilege under this Terms and Conditions, nor any indulgence or concession by RHBIB in respect thereof shall impair such right, power or privilege or be construed as a waiver of such right, power or privilege nor shall any single or partial exercise of any such right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege.
- 17.4 Each provision of this Terms and Conditions shall be separate and distinct from each other. If anyone or more of the provisions shall be illegal, invalid or unenforceable, that shall not affect the legality, enforceability or validity of any other provisions.
- 17.5 This Terms and Conditions and each contract shall constitute one agreement between RHBIB and the Client.

18 CONSENT TO DISCLOSURE

- 18.1 RHBIB is hereby authorised to disclose any information relating to the Client's Trading Account(s) accessible to RHBIB, Capital Markets and Services representative's licence holder assigned to the Client, and RHBIB's Associated Company. The Client further authorizes and consents to the disclosure by RHBIB of any information relating to the Client and / or the Client's Trading Account(s) upon the demand order or request of the Exchange or any other authority having jurisdiction over RHBIB or any government authority, statutory body or

court of law and further agrees and undertakes irrevocably and unconditionally to provide such information and documents as RHBIB may reasonably require for the purpose of complying with AMLA. The Client also acknowledges that RHBIB may transfer or disclose any information relating to the Client and / or the Client's Trading Account for the purpose of compliance and risk management to any regulatory body, its auditors, legal counsels and other professional advisors.

18.2 In order for RHBIB to discharge its functions under this Terms and Conditions or pursuant to the relevant laws or regulations, the Client hereby acknowledges that RHBIB may engage service providers or such other persons via an outsourcing arrangement or any other arrangements to provide services to RHBIB (including mailing services, information technology services, data processing, statistical and risk analysis and other services determined from time to time). The Client hereby acknowledges that in the course of providing the services to RHBIB, such service providers or such other persons may have access to certain information and documents relating to the Client's and the Client's Trading Account, and thereby, the Client agrees that such disclosure of information and documents is permissible.

18.3 In addition to the above, the Client hereby expressly authorise and permit RHBIB and its officers to divulge, reveal or disclose any information relating to the Client's Trading Account(s) to:

- (a) any assignee or transferee or prospective assignees or transferees of RHBIB's credit facilities, business and undertakings of such part thereof;
- (b) any person with whom RHBIB may enter into (or may potentially enter into) any participation or sub-participation in relation to any transaction or service hereunder;
- (c) any person or entity participating in the merger / acquisition or proposed merger / acquisition of RHBIB or its holding company with / by another company; and
- (d) any other person at any time:
 - (i) which RHBIB or any officer in good faith considers appropriate for any purpose in connection with these terms and conditions; or
 - (ii) where such particulars of the Client Account was inadvertently divulged, revealed or disclosed to / or accessed by such persons through no willful default of RHBIB or its officers.

Nothing in Clauses 18.3(d)(i) and 18.3(d)(ii) above shall be construed to limit the liability of RHBIB for any negligence, fraud or dishonesty in relation to the disclosure of information therein.

19 FORCE MAJEURE

Without prejudice to the generality of Clause 15, RHBIB will not be responsible for any loss suffered by the Client due to or resulting directly or indirectly from any governmental action, suspension of trading, any action, decision or ruling of any market, exchange or clearing house, any war, strike, national disaster, delays in postal services or other delay or errors or omissions, or inaccuracy in the transmission of orders or other information or the action of any other person or any other matter whatever beyond RHBIB's control (including floor broker, exchange or clearing house error). All price quotations given to the Client are also subject to change and errors as well as delays in reporting and the Client acknowledges that reliance upon such information is at the Client's own risk.

20 AMENDMENT

This Terms and Conditions and the documents referred to herein constitute the whole Terms and Conditions between the parties and RHBIB may with or without notice to the Client vary, alter or amend any of the terms of this Terms and Conditions from time to time or in order to conform with any Rules which affect or may affect RHBIB's activities or if RHBIB reasonably deems that any governmental, regulatory or judicial act or decision or any other event of whatever nature renders such action reasonably necessary or desirable.

21 ASSIGNMENT

RHBIB may at any time assign any or all of its rights or obligations under this Terms and Conditions to such other person as it deems fit. The Client shall not be permitted to assign any of its rights or obligations under this Terms and Conditions without the prior written consent of RHBIB, and the Client shall not be entitled, or purport, to mortgage, pledge, charge or otherwise deal with any of such Terms and Conditions otherwise than as envisaged by this Terms and Conditions.

22 TERMINATION

22.1 Either party may terminate this Terms and Conditions at any time by giving the other ten (10) business days' notice in writing to that effect. Upon termination of the Terms and Conditions, unless otherwise agreed in writing, RHBIB will close-out all the Client's Derivatives open positions, close-out, abandon or exercise any options not yet exercised provided all outstanding commissions, fees and other liabilities (including provisions for liabilities RHBIB may incur) shall have been settled. Termination shall not affect any obligations or liabilities between RHBIB and the Client that are existing or were created prior to termination pursuant to this Terms and Conditions.

22.2 Irrespective of Clause 22.1 above, RHBIB may withdraw its services and thereby terminate this Terms and Conditions with immediate effect by giving prior written notice to the Client in the following circumstances:

- (a) the Client fails to cooperate and provide assistance in the performance of its obligation herein;
- (b) where any of the representations, warranties, undertakings and / or statements made by the Client herein or in any certificate, statement, legal opinion or notice provided in connection herewith proves to be incorrect, or if repeated at any time with reference to the facts and circumstances, the then subsisting is inaccurate;
- (c) where the Terms and Conditions may, in RHBIB's view, results in contravention to any applicable law or regulation; or

- (d) there exists any other circumstances that prevent or purport to prevent RHBIB from rendering its services to the Client under the Terms and Conditions.

23 EXCHANGE RULES

The Client in relation to dealings on the Exchange appoints the Chief Executive Officer of the Clearing House as the Client's agent or attorney, applicable as the case may be, to do all things necessary to transfer any open positions held by RHBIB on the Client's behalf to another trading participant where the participation of RHBIB has been suspended or terminated.

24 RISK DISCLOSURE STATEMENT

The Client acknowledges receipt of a risk disclosure statement from RHBIB and after reading (or explanation by RHBIB) and understanding the same. The Client states that the Client has considered the Client's own objectives, financial situation, needs and risks involved and has formed the opinion that dealing in Derivatives Contracts is suitable for the Client.

25 ENTIRE TERMS AND CONDITIONS

The Client agrees that this Terms and Conditions governs the Client's trading relationship with RHBIB and must be read together with any other Terms and Conditions signed in so far as it relates to trading in Derivatives contract, between the Client and RHBIB and / or its subsidiaries and / or its authorised nominees.

26 CLIENT'S ACKNOWLEDGEMENT

The Client hereby acknowledges that it has received documents containing the following from RHBIB:

- 26.1 an explanation of the nature of the Derivatives;
- 26.2 an explanation of the nature of the obligations assumed by the Client who instructs a futures broker to enter into a Derivatives transaction;
- 26.3 a risk disclosure statement referred to in Clause 24. The Client further acknowledges that RHBIB has explained the contents of the risk disclosure statement; and

the Client further acknowledges and agrees that the Trading Account(s) shall be handled in accordance with the Rules and that the Client, whether acting alone or in concert with others, will not violate the position limit or the exercise limit as set by the Exchange from time to time.

27 ONLINE PORTAL

The information made available to the Client (including the pricing of the derivatives) from the online portal of RHBIB is provided solely on the basis that the Client will be responsible for making his or her own assessment of the information displayed and the Client is advised to verify all relevant information and obtain independent investment advice before acting on any information contained in the online portal. RHBIB shall not be responsible for any decision made or action taken by the Client in reliance upon the information displayed in the online portal and anything provided thereunder.

28 LAW AND JURISDICTION

- 28.1 This Terms and Conditions and all rights, obligations and liabilities hereunder shall be governed by and construed in accordance with the laws of Malaysia and may be enforced in accordance with the laws of Malaysia.
- 28.2 Disputes arising from this Terms and Conditions or from any contract shall, for RHBIB's benefit, be subject to the non-exclusive jurisdiction of the Malaysian courts to which both parties hereby irrevocably submit, provided however that RHBIB shall not be prevented from bringing an action in the courts of any other competent jurisdiction.
- 28.3 In the event of any discrepancy, inconsistency, conflict or ambiguity between the English and the Bahasa Malaysia versions of the Terms and Conditions, the English version shall prevail.

C) RISK DISCLOSURE STATEMENT

This brief statement does not disclose all the risks and other significant aspects of trading in Derivatives. In light of the risks, you should undertake such transactions only if you understand the nature of the Derivatives (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in Derivatives is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

1 RISKS ASSOCIATED WITH FUTURES CONTRACTS

1.1 EFFECT OF "LEVERAGE" OR "GEARING"

Transactions in Derivatives carry a high degree of risk. The amount of initial margin is small relative to the value of the Derivatives contract so that transactions are "leveraged" or "geared". A relatively small market movement will have proportionately larger impact on the funds you have deposited or will have to deposit – this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with RHBIB to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss as you will be liable for any resulting deficit.

1.2 RISK-REDUCING ORDERS OR STRATEGIES

The placing of certain orders (e.g. “stop-loss” orders, where permitted under the business rules of an exchange company) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions such as “spread” and “straddle” positions may be as risky as taking simple “long” or “short” positions.

2 RISK ASSOCIATED WITH OPTION CONTRACTS

2.1 VARIABLE DEGREE OF RISK

Transactions in option carry a high degree of risk. Purchasers and sellers of options should familiarise themselves with the type of options (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs.

The purchaser of option may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying instrument. If the option is on a futures contract, the purchaser will acquire a long or short position (as the case may be) in relation to the futures contract, with associated liabilities for margin. If the purchased options expire worthless, you will suffer a total loss of your investment (which is the option premium) in addition to incurring transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling (“writing” or “granting”) an option generally entails considerably greater risk than purchasing options. Although the premium received by a seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying instrument. If the option is on a futures contract, the seller will acquire a position in the futures contract with associated liabilities for margin. If the option is “covered”, for example by the seller assuming a corresponding long position in the underlying that is the subject of the option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

3 ADDITIONAL RISKS COMMON TO DERIVATIVES

3.1 TERMS AND CONDITIONS OF CONTRACTS

You should ask the derivatives broker with whom you deal about the terms and conditions of the specific Derivatives which you are trading and associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the underlying instrument of a Derivatives and, in respect of Derivatives that are eligible exchange-traded options or futures options (“options”), expiration dates and restrictions on the time for exercise). Under certain circumstances, the specification of outstanding contracts (including the exercise price of an option) may be modified by the Exchange or Clearing House to reflect changes in the underlying instrument or state of affairs that is the subject of the Derivatives.

3.2 SUSPENSION OR RESTRICTION OF TRADING AND PRICING RELATIONSHIP

Market conditions (e.g. illiquidity) and / or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or “circuit breakers”) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate / offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying and the Derivatives may not exist. This can occur when, for example, the absence of an underlying reference price may make it difficult to judge “fair” value.

3.3 DEPOSITED CASH AND SECURITIES

You should familiarise yourself with the protections accorded to money or other securities you deposit for domestic and foreign transactions, particularly in the event of a derivatives broker’s insolvency or bankruptcy. The extent to which you may recover your money or securities may be governed by specific legislation or local rules. In some jurisdictions, securities which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

3.4 COMMISSION AND OTHER CHARGES

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increases your loss.

3.5 CURRENCY RISKS

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

3.6 TRADING FACILITIES

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the

clearing house and / or derivatives brokers. Such limits may vary – you should ask the derivatives broker with which you deal for details in this respect.

3.7 ELECTRONIC TRADING

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware or software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

D) DIRECT MARKET ACCESS – TERMS AND CONDITIONS

1 DEFINITION

“Terms and Conditions”	the terms and conditions as stated herein governs the terms for trading in Derivatives;
“Applicable Regulations”	means (i) Capital Markets and Services Act, 2007 (“CMSA”) or any applicable laws, rules and regulations of the relevant regulatory authorities governing the activities of trading in Contracts as defined in the Terms and Conditions; and (ii) the Rules of the relevant Exchange or Specified Exchange; as are in force from time to time;
“RHBIB”	means RHB Investment Bank Berhad;
“Derivatives”	as defined in the General Terms and Conditions;
“Client”	as defined in the General Terms and Conditions;
“Trading’s Account”	means the client’s account described in the General Terms and Conditions for trading in Derivatives;
“DMA Service”	means any dealing, order routing or other services that is subject to the DMA T&C provided from time to time by RHBIB to the Client via the internet, electronic means or otherwise;
“DMA T&C”	means the terms and conditions governing the dealing, order routing or other DMA Services transacted via the DMA Service;
“Exchange”	as defined in the Terms and Conditions;
“Software”	means all computer programs (and any components thereof) which is part of the DMA Service made available by the system vendor(s) appointed by RHBIB.
“System”	means all computer hardware and software, equipments, network facilities and other resources and facilities needed to enable the Client to access the DMA Service;
“Users”	means persons authorised by the Client to use the DMA Service.

2 CLIENT’S RISK

The Client acknowledges and agrees that:

- 2.1 all decisions and / or orders made through the DMA Service are at the Client’s sole risk and any instructions received by RHBIB vide the DMA Service, RHBIB shall deem that such instruction is a valid instruction and is irrevocable and RHBIB is not obliged to enquire into the validity of any such instructions received and / or to take any steps to reject it unless so required by the Applicable Regulations.
- 2.2 if, for any reasons, RHBIB is not able to complete the transactions through the DMA Service, RHBIB may, without obligation, provide the Client with further information advising the Client other alternative means of transaction. However, the Client accepts and agrees not to hold RHBIB liable should RHBIB fail or delay in informing the Client of the alternative mode.
- 2.3 unless otherwise indicated or agreed, any prices shown on the DMA Service or elsewhere on RHBIB’s behalf are indicative at the time shown and are based on data that is subject to constant change. The execution price is that which is confirmed to the Client on the confirmation issued (whether on-screen or otherwise) after the Client order is executed and this price may, in certain cases, differ from the price appearing on the screen at the time the offer was made.
- 2.4 although RHBIB uses reasonable endeavors to ensure that the DMA Service remains accessible, there are risks in trading through the DMA Service. The Client’s access to the DMA Service cannot be assured in all circumstances as a result of communications and / or System failure, breakdown or other malfunction, including, without limitation, errors in computer programs and telecommunication systems. This System failure may result in, among other things, a delay in telecommunication to the Client, interrupted DMA Service, faults, inaccuracies in the provision of DMA Service or inaccuracies in general.
- 2.5 RHBIB shall not be liable for any losses, costs or other charges that the Client may incur or suffer arising from price fluctuations or otherwise during any period of unavailability of the DMA Service.
- 2.6 the Client understands and agrees that, depending on the jurisdiction where the Client access the DMA Service, not all Exchange, products or features of the DMA Service may be made available to the Client, if prohibited by local law or otherwise.
- 2.7 the DMA Service is not RHBIB’s proprietary system and has been licensed to RHBIB by the system vendor. Accordingly, RHBIB does not in any way endorse or recommend the DMA Service, and the Client’s use of the DMA Service is at all times by the Client’s own choice and risk.
- 2.8 the electronic nature of the DMA Service and the inherent risk that communications by electronic means may not reach their intended destination or may do so later than intended for reasons outside RHBIB’s control; and

- 2.9 the provision of the DMA Service may involve information being transmitted over the internet and / or other means of telecommunication tools including but not limited to leased lines. RHBIB take reasonable steps to avoid information being intercepted and read by third parties; however, it is not always possible to avoid someone other than RHBIB gaining access to information about the Client and the Client's dealings with RHBIB.

3 CLIENT'S RESPONSIBILITY FOR USE OF THE DMA SERVICE

- 3.1 The Client or Users shall enter orders and trade in compliance with the Applicable Regulations and / or any amendments to the Applicable Regulations.
- 3.2 The Client or Users will access the DMA Service solely for the Client's to trade for Derivatives and the Client or Users shall not utilize the DMA Service for any other purposes or business activities.
- 3.3 The Client hereby expressly authorises each Users to act for and on the Client's behalf when accessing and / or utilising the DMA Service.
- 3.4 The Client shall accept all responsibilities for trading using the DMA Service and for any trading or other decisions made by the Client or Users.
- 3.5 The Client is to ensure all Users are trained (at the Client's own costs), qualified and authorised to transact any Derivatives by accessing the DMA Service.
- 3.6 The Client shall ensure that all Users are familiar with and adhere to the DMA T&C and the operation of the DMA Service. The Client hereby expressly authorises each Users, on the Client's behalf, to receive information about the DMA Service and to accept any changes to the DMA T&C and all other relevant terms and conditions of operation.
- 3.7 The Client agrees and acknowledges that every person accessing the DMA Service (whether or not such person is, in fact, a duly authorised Users) will be deemed by RHBIB to be authorised to act on the Client's behalf and that the Client is responsible for all transactions executed under the Client's Trading Account.
- 3.8 The Client is to ensure all Users are being informed of any verbal instructions or directions given by RHBIB from time to time in respect of trading using the DMA Service.-
- 3.9 The Client is responsible for providing and maintaining the means by which the Client accesses the DMA Service including all equipment and networks and to ensure that no computer viruses, worms, malicious software or similar items are introduced into the hardware or software while accessing the DMA Service.
- 3.10 The Client is advised to maintain alternative method(s) to receive data, to convey or route orders and to receive reports or confirmations in the event the DMA Service is unavailable.
- 3.11 The Client agrees that the Client will not supply, show or make available or permit to be supplied, shown or made available any Exchange data to any third party in any manner without the prior written approval from RHBIB and that the Client will comply in full with the terms and conditions set out in any additional terms and conditions required by the RHBIB or the Exchange.

4 RHBIB'S AUTHORITY

- 4.1 RHBIB reserves the right to reject the Client's application for DMA Service without assigning any reason whatsoever.
- 4.2 RHBIB has the right to set limits and / or parameters or other controls on the order and size, total exposure or types of Derivatives that RHBIB considers appropriate to control the Client's ability to access the DMA Service which maybe amended or varied by RHBIB without notice.
- 4.3 RHBIB has the right to refuse any orders transmitted by the Client using the DMA Service at any time without notice.
- 4.4 RHBIB reserves the right to make such modifications, improvements or additions to the DMA Service or any part of parts thereof as RHBIB may deem fit. RHBIB will give the Client the notice of such modifications, improvements or additions.
- 4.5 RHBIB has absolute right to suspend, discontinue or withdraw temporarily or permanently or amend all or any part of the DMA Service and / or DMA T&C at any time or to summarily terminate the DMA Service for any of the following reasons (including but not limited to):
- (a) where the Client is in breach of any terms of the Terms and Conditions and the DMA Service or any other Terms and Conditions with the RHBIB (including any Exchange agreement) or with RHBIB's subsidiaries and / or associated companies and / or when RHBIB believes or have been informed on reasonable authority that the Client are not in compliance with the Applicable Regulations; and / or
 - (b) where RHBIB reasonably believes that it would be in the Client's or interests to do so or in response to an action by the Exchange and / or the relevant regulatory authority; and / or
 - (c) where RHBIB is unable to provide the DMA Service due to a withdrawal, defect in or failure of:
 - (i) systems owned or operated by RHBIB or any third party; and / or
 - (ii) network, communication or computer systems owned or used by the Client; and / or
 - (iii) RHBIB's network link to any Exchange.

5 THE RHBIB'S LIABILITY TO THE CLIENT

- 5.1 Without prejudice to any other term(s) of the Terms and Conditions and the DMA T&C relating to the limitation of liability, RHBIB will have no liability to the Client in relation to any loss or damage that the Client may suffer, whether directly or indirectly, as a result of any delay or defect in or failure whilst accessing the DMA Service.
- 5.2 RHBIB will have no liability to the Client, whether in contract or in tort, including negligence, in the event that any viruses, worms, malicious software or similar items are introduced into the Client's system via the link to the DMA Service or RHBIB's other software, provided that RHBIB has taken reasonable steps to prevent such introduction.
- 5.3 In no event will RHBIB be liable for any special, indirect, incidental, punitive or consequential loss or damage (including, without limitation, loss of business, loss of profit, failure to avoid a loss, loss or corruption of data, loss of goodwill or reputation or wasted management time) that may be incurred or experienced by the Client pursuant to the use of the DMA Service, even if RHBIB had prior knowledge or notice of the possibility of such damages arising.
- 5.4 Unless expressly stated otherwise in the DMA T&C, the DMA Service is provided to the Client on an 'as is' basis at the Client's sole risk and RHBIB makes no representation or warranty, express or implied, including (without limitation) any warranty of merchantability or fitness for a particular purpose, to the Client regarding the DMA Service, nor do RHBIB warrants that the operation of the DMA Service will be uninterrupted or entirely error free.
- 5.5 RHBIB, Bursa Malaysia Derivatives Berhad ("BMDB") and Bursa Malaysia Berhad ("BMB") (including its related companies, directors, connected parties and / or their employees) make no representation and / or warranty, express or implied or statutory, in respect of the DMA Service and / or the OMS Services.
- 5.6 In no event shall RHBIB, BMDB and / or BMB be liable for any claim or demand, whatsoever and howsoever arising, in relation to the DMA Service and / or the OMS Services, save in the case of fraud and willful default by RHBIB, BMDB and / or BMB. For the avoidance of doubt, RHBIB, BMDB and / or BMB shall not be liable for any losses or damages caused as a result of any inability to trade or curtailment of any trading opportunities howsoever arising, including, but not limited to the failure, malfunction and / or breakdown of the DMA Service and / or the OMS Services.

6 LOGIN NAMES AND PASSWORDS

- 6.1 In connection with the DMA Service, the RHBIB may give the Client a login name(s) and / or password(s). The Client accepts full responsibility for the use and protection of this login name(s) and password(s).
- 6.2 The Client agrees that RHBIB is unable to know whether someone other than the Client is accessing RHBIB's DMA Service when using the Client's login name(s) and password(s). It is the Client's obligation to maintain the Client's authorized Users' access to the DMA Service confidential and the Client is solely liable for the use of the DMA Service by anyone accessing it with the Client's login name(s) and password(s).

7 RESTRICTION IN USE OF DMA SERVICE

The Client acknowledges that access to and use of all or part of the DMA Service may be restricted or prohibited by the Applicable Regulations in certain jurisdictions. The Client acknowledges that RHBIB is not in a position to provide advice on any such restrictions and prohibitions. The Client undertakes that the Client and any Users acting on the Client's behalf is familiar with and adhere to such applicable restrictions and / or prohibitions.

8 TITLE AND LICENCES

- 8.1 The DMA Service may include software provided by the system vendor(s) appointed by RHBIB. The Client and its Users will not, in any circumstances, obtain any titles and / or interest including rights in intellectual property in the Software and databases contained in the DMA Service.
- 8.2 The Client may use the Software or databases contained in the DMA Service solely to the extent necessary for the use of the DMA Service in accordance with the DMA T&C. The license is personal, non-exclusive, non-transferable and will expire on the termination of the DMA Service for any reason. In particular (including but not limited to):
 - 8.2.1 the Client may not sell, lease, sub-licence, store, retransmit, redistribute, reproduce or provide, directly or indirectly, the whole or any part of the DMA Service or Software to any third party;
 - 8.2.2 the Client may not amend, modify, reverse engineer, decompile, disassemble or re-engineer the Software in any way otherwise than in connection with the normal use of the DMA Service.
- 8.3 If RHBIB makes available to the Client any equipment in connection with the DMA Service:
 - 8.3.1 the equipment will remain RHBIB's property;
 - 8.3.2 RHBIB will be responsible for the maintenance of the equipment but the Client will pay RHBIB's costs of such maintenance where the maintenance has been made necessary by any of the Client's acts or omissions; and
 - 8.3.3 the Client will return all equipment to RHBIB upon termination of the DMA Service, in accordance with RHBIB's reasonable instructions.

9 NON LIABILITY ON 3RD PARTY WEBPAGES AND PRODUCTS

The use of any third party products, services, websites or networks is not an endorsement of such products, services, the websites or networks. RHBIB may allow the Client to access websites and networks provided by persons other than RHBIB, RHBIB's subsidiaries and / or

the associated companies via a hypertext or other link. RHBIB accepts no responsibility or liability of any kind in respect of any materials on any websites or networks.

10 MAINTENANCE, MODIFICATIONS AND UPGRADES

- 10.1 The Client will be responsible for the provision of all equipment and network DMA Services necessary for carrying out electronic trading with RHBIB using the DMA Service. When the Client install the Software the Client will be responsible for ensuring that the Software is compatible with the Client's system.
- 10.2 The Client will be responsible for all maintenance and support DMA Services required in order for the Client to gain access to the DMA Service, with the exception of maintenance and support DMA Services relating to the Software.
- 10.3 The Client will, from time to time, run such tests and provide such information to RHBIB as RHBIB reasonably considers necessary to establish the functionality of access to the DMA Service.
- 10.4 RHBIB reserves the right to make such modifications, improvements or additions to the DMA Service or any part of parts thereof as RHBIB may deem fit. RHBIB will give the Client the same notice of such modifications, improvements or additions as RHBIB gives to all other Users.
- 10.5 The Client will accept any updates or modifications to the Software and / or the System that RHBIB considers reasonable or necessary in respect of the DMA Service. For the avoidance of doubt, the latest version / iteration of the Software and / or System will, subject to the Applicable Regulations, be made available to the Client no later in time than that provided generally to other Clients.

11 INDEMNITY

- 11.1 The Client shall not hold RHBIB and / or any of RHBIB's officers, employees and agents responsible or liable for whatever losses incurred as a result of the acts, representations and / or omissions of RHBIB's officers, employees and agents in carrying out their duties in connection with the Client's Account.
- 11.2 The Client agrees to indemnify and hold RHBIB harmless against any and all costs of any kind the Client may sustain due to:
 - 11.2.1 any breach by the Client of the DMA T&C including any representations or warranties hereunder; and / or
 - 11.2.2 any claims related to or arising out of a financial transaction commenced by any third party against RHBIB based on the Client's use of the DMA Service, unless such claim is caused by RHBIB's gross negligence or willful misconduct; and / or
 - 11.2.3 RHBIB's early termination of the Terms and Conditions and the DMA Service because of the Client's breach of any provision hereunder or because RHBIB's agreement with the system vendor is terminated; and / or
 - 11.2.4 the Client's early termination of the Terms and Conditions and the DMA Service for any reason.

12 REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS AND UNDERTAKINGS

- 12.1 The Client represents and warrants to RHBIB that all relevant laws, regulations, directives, market requirements regarding the use of the DMA Service have been complied with.
- 12.2 The Client undertakes to perform such acts, sign and execute such other documents as and when required by RHBIB.
- 12.3 The Client agrees to be bound by the DMA T&C and agrees that the DMA T&C must be read together with the Terms and Conditions executed by the Client. The terms in the DMA T&C shall be considered supplementary to the Client's Terms and Conditions and / or equivalent written Terms and Conditions with RHBIB.
- 12.4 The Client acknowledges and agrees that RHBIB and / or other regulatory bodies reserve the right to access to the Client's terminals for supervisory purposes at any such time RHBIB and / or the regulators deem fit.
- 12.5 The Client declares that the Client fully understood and is aware of the process for submission of orders and the laws, rules and / or regulations of the DMA governing such submission(s).

13 NOTIFICATION BY THE CLIENT

The Client must notify RHBIB immediately after any:

- 13.1 unauthorised use of the DMA Service;
- 13.2 loss or theft of the Client's password or login ID;
- 13.3 unauthorised use of any of the Client's password, the DMA Service or any information;
- 13.4 failure to receive confirmation through the DMA Service that an order by the Client had been received or executed;
- 13.5 receipt of confirmation of an order which the Client did not place; and
- 13.6 receipt of inaccurate report, information, contract note or any other document from RHBIB containing errors or the contents of which the Client disputes.

14 FORCE MAJEURE

RHBIB shall not be liable if failure to perform any of its obligations hereunder is caused by supervening conditions beyond RHBIB's reasonable control, including acts of God, civil commotions, strikes, labor disputes, wars, terrorist activities, governmental demands or suspensions and limitation imposed by the relevant Exchanges or regulators.

15 TERMINATION

- 15.1 The DMA Service may be terminated by either party upon three (3) months written notice.
- 15.2 Upon termination of the DMA Service, the Client will continue to be liable for any costs of the network RHBIB may have provided to the Client upon the Client's request to access the DMA Service and the costs of the DMA Service charged by the system vendor. Upon termination of the DMA Service, the Client shall cease to use the DMA Service, and upon RHBIB's request, the Client shall return to RHBIB or destroy, all Software, all security features and documentation RHBIB may have provided the Client with, in connection with the DMA Service and shall provide to RHBIB upon RHBIB's request a written statement certifying that the Client has satisfied to the Client's obligations hereunder.
- 15.3 Termination of the DMA Service or of the Client's use of the DMA Service for any reason shall have no impact on RHBIB's rights or the Client's obligations under the Terms and Conditions and / or any other Terms and Conditions with RHBIB or with RHBIB's subsidiaries and / or associated companies.

16 WAIVER AND AMENDMENT

- 16.1 A single or partial exercise or waiver of a right relating to this terms and conditions does not prevent any other exercise of that right or the exercise of any other right.
- 16.2 No party shall be liable for any loss or expenses incurred by another party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.
- 16.3 RHBIB may at its absolute discretion amend, delete or substitute any of the terms herein or add new terms without having to give the Client any prior written notice.

17 INCONSISTENCY

In case of a conflict between a term in the DMA T&C and the Terms and Conditions related to the Client's use of the DMA Service, the terms in the DMA T&C shall prevail.

18 SEVERABILITY

If any provision of these terms and conditions or part thereof is rendered void, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

19 GOVERNING LAW

The DMA T&C is governed by the laws as specified in the Terms and Conditions.

E) DECLARATION AND ACKNOWLEDGEMENT FOR DAY TRADING ACTIVITIES

I / We hereby request for lower intraday margin requirement to conduct day trading activities and in consideration thereto, I / we agree to abide by the following terms and conditions stated herein:

- 1 Day trading activities applies to trade of particular derivatives contract where the outstanding positions are settled against opposite positions of the same derivatives contract when the contracts are transacted on the same contract date.
- 2 The intraday margin requirement shall be a percentage of the full initial margin requirement for respective contracts. RHBIB reserves the right to vary the said percentage from time to time as and when deemed reasonable.
- 3 RHBIB is at liberty to liquidate all or part of my / our outstanding position at RHBIB's discretion if I / we fail to close the outstanding positions on the same trading day.
- 4 RHBIB may terminate this lower intraday margin requirement without further reference to me / us if I / we hold intraday positions overnight without full overnight margin requirement.
- 5 RHBIB reserves the right not to accept day trading orders if my / our trading account is on margin call.
- 6 RHBIB may amend the Terms and Conditions at its absolute discretion with or without notice.
- 7 I / We further confirm herein that I / we shall continue to be bound by all the terms and conditions stipulated in the Terms and Conditions - and the trading of derivatives contracts shall be subject to any additional terms and conditions imposed and / or to be imposed and / or revised by RHBIB at its absolute discretion with or without notice.



RHB INVESTMENT BANK BERHAD 19663-P
(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participating of Bursa Malaysia Derivatives Berhad)

Level 9, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
TEL +603 9285 2233 FAX +603 9284 7658