

ANNEXURE 1

RULES OF BURSA MALAYSIA SECURITIES CLEARING SDN BHD

RULE AMENDMENTS IN RELATION TO ERROR TRADE POLICY

EXISTING PROVISIONS		AMENDED PROVISIONS
Interpretation	<p>“Cash Settlement Amount”</p> <p>The amount received by the buying Trading Clearing Participant in lieu of delivery of the relevant securities in the circumstances set out in Rules 5.2B(b) and 5.2C.</p>	<p>“Cash Settlement Amount”</p> <p>The amount received by the buying Trading Clearing Participant in lieu of delivery of the relevant securities in the circumstances set out in Rules 5.2B(b), and 5.2C <u>and 5.2D</u>.</p>
Rule 5.2	<p>Rule 5.2 <u>DEFAULT IN DELIVERY</u></p> <p>Where a Trading Clearing Participant, in respect of a Novated Contract, fails to deliver Securities to the Clearing House by the due settlement day and in the manner as prescribed under the Exchange Rules, the Clearing House may:</p> <p>(a) in the case of Securities sold in board lots (as defined in the Exchange Rules) (“Board Lot Securities”), institute buying-in against the Trading Clearing Participant concerned in accordance with Rule 5.2A; or</p> <p>(b) resort to any other mode of making good the default in delivery by the Trading Clearing Participants pursuant to the relevant Exchange Rules or in any other manner as it considers appropriate in the circumstances.</p>	<p>Rule 5.2 <u>DEFAULT OR POTENTIAL DEFAULT IN DELIVERY</u></p> <p><u>(a) Subject to these Rules, W</u>where a Trading Clearing Participant, in respect of a Novated Contract, fails to deliver Securities to the Clearing House by the due settlement day and in the manner as prescribed under these <u>Exchange</u> Rules, the Clearing House may:</p> <p>(a) in the case of Securities sold in board lots (as defined in the Exchange Rules) (“Board Lot Securities”), institute buying-in against the Trading Clearing Participant concerned in accordance with Rule 5.2A; or</p> <p>(b) resort to any other mode of making good the default in delivery by the Trading Clearing Participants pursuant to the relevant Exchange Rules or in any other manner as it considers appropriate in the circumstances.</p>

EXISTING PROVISIONS		AMENDED PROVISIONS
		<u>(b) Subject to these Rules, the Clearing House may take the action specified in Rule 5.2D in the event of a potential default in delivery of Securities in the circumstances as set out in Rule 5.2D.</u>
Rule 5.2C	<p>Rule 5.2C DEFAULT IN DELIVERY OF SECURITIES SOLD IN ODD LOTS</p> <p>Where a Trading Clearing Participant, having sold Securities in odd lot (as defined in the Exchange Rules) (“Odd Lot Securities”) in respect of a Novated Contract, fails to deliver the Odd Lot Securities to the Clearing House by the due settlement day and in the manner as prescribed under the Exchange Rules, the said contract for the Odd Lot Securities shall be settled by the selling Trading Clearing Participant paying in cash and the buying Trading Clearing Participant receiving a Cash Settlement Amount stipulated by the Clearing House in lieu of delivery of the Odd Lot Securities.</p>	<p>Rule 5.2C DEFAULT IN DELIVERY OF SECURITIES SOLD IN ODD LOTS</p> <p>Where a Trading Clearing Participant, having sold Securities in odd lot (as defined in the Exchange Rules) (“Odd Lot Securities”) in respect of a Novated Contract, fails to deliver the Odd Lot Securities to the Clearing House by the due settlement day and in the manner as prescribed under these Exchange Rules, the said contract for the Odd Lot Securities shall be settled by the selling Trading Clearing Participant paying in cash and the buying Trading Clearing Participant receiving a Cash Settlement Amount stipulated by the Clearing House in lieu of delivery of the Odd Lot Securities.</p>
Rule 5.2D	New provision	<p><u>Rule 5.2D POTENTIAL DEFAULT IN DELIVERY OF SECURITIES</u></p> <p><u>Notwithstanding anything in these Rules, the Clearing House may settle such contracts in Securities as may be prescribed by the Clearing House (“Relevant Contract”) by requiring the selling Trading Clearing Participant to pay in cash and the buying Trading Clearing Participant to receive a Cash Settlement Amount stipulated by the Clearing House in lieu of delivery of Securities if:</u></p> <p><u>(a) the Trading Clearing Participant, having entered into the Relevant Contract, makes a request to the Clearing House in such manner as may be prescribed by the Clearing House, for such Contract to be settled in the manner specified above; and</u></p>

EXISTING PROVISIONS		AMENDED PROVISIONS
		<u>(b) the Clearing House is satisfied that the Trading Clearing Participant would be unable to deliver the Securities for the Relevant Contract by the due settlement day or in the manner as prescribed under these Rules.</u>
Rule 5.2D	Rule 5.2D CASH SETTLEMENT AMOUNT The cash settlement amount referred to in Rules 5.2B and 5.2C may include such fee or charge as the Clearing House thinks fit, and calculated and paid in the manner the Clearing House specifies from time to time in the Clearing House's directives.	Rule 5.2DE CASH SETTLEMENT AMOUNT The e Cash s Settlement a Amount referred to in Rules 5.2B and 5.2C may include such fee or charge as the Clearing House thinks fit, and calculated and paid in the manner the Clearing House specifies from time to time in the Clearing House's directives.

[End of Rule Amendments]