Scenario 2 - If Share Price Moves Down + Leg 2 Takes Place

Leg 1

Date, T=0	31-Dec-14
No. of TNB shares, Q	100.00
Price/ unit (MYR), MPt	8.00
Sale Price (MYR), SP	800.00 (Deferred)
Total Fee (MYR), MI	100.00
Total Dividend (MYR), D	100.00
Expected Maturity Date	31-Dec-15
Value of Collateral pledged (MYR) on T=0	800.00 (Mark-to-Market) [X]

Party A sells 100 TNB shares to Party B @ MYR8/ unit

A --- >B

Party B pledges MYR800 worth of collateral

A <--- B

Party B needs to pay Party A Sale Price (Deferred) of MYR800

A <--- B

Sale Price   = MPt x Q
            = MYR8 x 100
            = MYR800 ------------------------> collateral value = MYR800
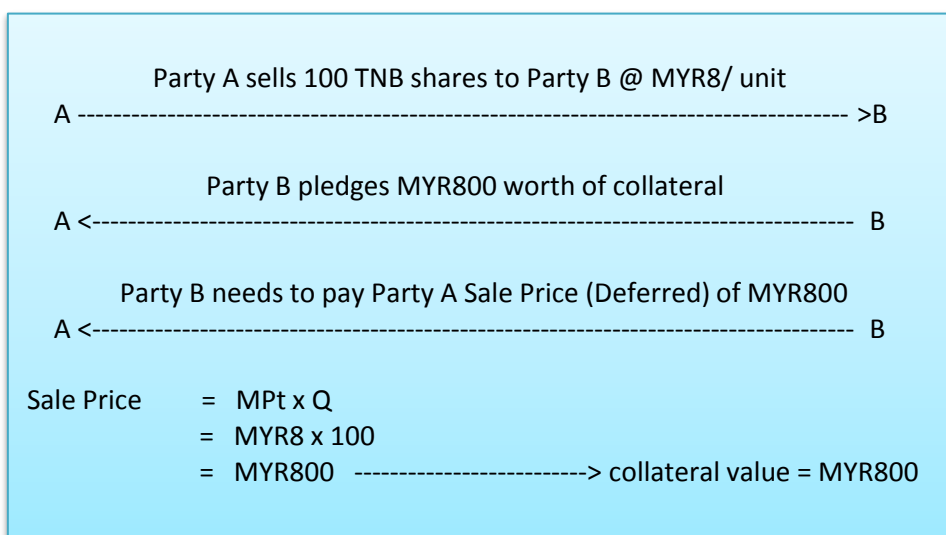
Date, T=181	30-Jun-15	
TNB Share Price/ unit (MYR), MP	5.00	
*Collateral top-up, (MP x Q) - (MPt x Q)	-300	[Y]
Collateral value (MYR), [X] + [Y]	500.00	

readjustment of collateral value, Party A returns excess value to Party B

Leg 2 happens

Date, T=365	31-Dec-15
No. of TNB shares, Q	100.00
Price/ unit (MYR), MP	5.00
Sale Price (MYR), SP	800.00
Total Fee (MYR), MI	100.00
Total Dividend (MYR), D	100.00
Value of Collateral pledged (MYR) on T=365	500.00

Based on prevailing MP, Party B is selling 100 TNB shares to Party A @ MYR5/ unit

B --- >A

Party A needs to return MYR500 worth of collateral

B <-- A

Party B needs to pay Party A Sale Price of MYR800

B --- > A

Party A needs to pay Party B Exercise Price of MYR600

B <-- A

Ex Price = (MPt x Q) - MI - D
= MYR800 - MYR100 - MYR100
= MYR600

Net-off = MYR800 - MYR600