

**CLIENT AGREEMENT  
(Individual)**

CLIENT NAME : \_\_\_\_\_

CLIENT CODE : \_\_\_\_\_



**PHILLIP FUTURES SDN BHD (362533-U)**

(A Trading Participant of Bursa Malaysia Derivatives Berhad)

(Capital Market Services Licence No: CMSL/A0233/2008)

B-2-6, Block B, Level 2, Unit 6, Megan Avenue II

No 12, Jalan Yap Kwan Seng

50450 Kuala Lumpur

Tel no: (+603) 2162 1628 Fax no: (+603) 2162 1678

## **CLIENT AGREEMENT (Individual)**

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**AN AGREEMENT** made on the day and year stated in Section 1 of the First Schedule hereto

BETWEEN

**PHILLIP FUTURES SDN BHD** (Company No. 362533-U) a company incorporated under the laws of Malaysia having its registered address at 3-1 Jalan Indrahana 2, off Jalan Kuchai Lama, 58200 Kuala Lumpur (hereinafter referred to as the "Broker") of the one part;

AND

The party whose name and other particulars are stated in Section 2 of the First Schedule hereto (hereinafter referred to as the "Client") of the other part.

#### **WHEREAS**

- (A) The Broker is a holder of a Capital Markets Services Licence who carries on the business of Trading in Futures and Options Contracts under the Act (as hereinafter defined) and is a Trading Participant of Bursa Malaysia Derivatives Berhad (as hereinafter defined).
- (B) The Client requests the Broker to:-
  - (a) undertake Trading in Futures Contracts (as hereinafter defined) on the Futures Markets (as hereinafter defined) in accordance with the Client's instruction; and
  - (b) provide or procure the provisions of clearing services in respect of Trading in Futures Contracts (as hereinafter defined) executed by or on behalf of the Broker or any other Trading Participant (as hereinafter defined) of the Exchange (as hereinafter defined).
- (C) In connection with the provision of such services, the Client is desirous of maintaining a Client Account (as hereinafter defined) with the Broker for which the Broker agrees to open, operate and maintain the Client Account for the Client in accordance with the provisions of this Agreement.

#### **1. DEFINITIONS**

In this Agreement, unless the context otherwise requires:-

"Act"	The <b>Capital Markets and Services Act 2007</b> including any statutory modification, replacement or re-enactment thereof.
"Agreement"	means this agreement, as may be varied or modified from time to time in accordance with its provisions and including its appendices, schedules, and all other documents or instruments made supplemental to it.
"Allocations Notice"	means a notice to be given in accordance with <b>Clause 4.2</b> .
"AMLATFPUAA"	means the Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.
"Approved Securities"	means any securities approved by the Board of Directors of the Clearing House and which shall be valued at such manner prescribed by the said Board from time to time in its absolute discretion.
"Broker"	means Phillip Futures Sdn Bhd (Company No. 362533-U), having its registered address at 3-1 Jalan Indrahana 2, off

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Jalan Kuchai Lama, 58200 Kuala Lumpur or the Registered Representative of Phillip Futures Sdn Bhd.

“Business Day”	means any day on which the Exchange is open for trading.
“Business Rules”	has the meaning assigned to it in <b>Section 2(1) of the Act</b> and in relation to a Specified Exchange, the articles, rules, by-laws, regulations, customs and practices of the Specified Exchange.
“Call”	has the meaning assigned to it in <b>Clause 7.1(b)</b> .
“Capital Markets Services Licence”	means a licence that is granted or renewed under <b>Section 61 of the Act</b> .
“Clear” or in any other grammatical form	means the registration of Futures Contract with the Clearing House in the name of Clearing Participant.
“Clearing House”	means the <b>Bursa Malaysia Derivatives Clearing Berhad (Company No. 358677-D)</b> and/or any other company or entity providing clearing services to any Futures Market as may be appointed by the Exchange Company and/or and Specified Exchange, as the case may be.
“Clearing Participant ”	means a Trading Participant or an Associate Participant as defined in the Business Rules, who is a participant of the Clearing House for the clearing, settlement and exercise of the Futures Contract.
“Client”	The party whose name and other particulars are stated in Section 2 of the First Schedule hereto.
“Client Account”	means in respect of a Broker, an account of any client of the Broker maintained with that Broker for the purpose of Trading in Futures Contracts by that client.
“Direct Market Access” or “DMA”	has the same meaning assigned to it in Rule 200 of the Business Rules.
“DMA Infrastructure”	has the same meaning assigned to it in Rule 200 of the Business Rules.
“DMA Operations Directive”	means the operations directive relating to DMA issued by the Exchange.
“DMA Order”	means Direct Market Access order.
“Electronic Broking Facilities”	means telecommunication, computer or electronic network, broking and information facilities and software packages as may be offered by the Broker to the Client (excluding DMA Infrastructure) which shall be strictly utilised for trading as approved by the Exchange and which may enable the Client to:-  (a) transmit orders to the Broker, a third party network, or straight to an exchange trading engine of the Exchange;  (b) access market information, indicators and real time prices as well as information on the Client Account and other services; and

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- (c) engage in any other activities and services of the Broker may include as part of the Electronic Broking Facilities.

"Exchange"	means <b>Bursa Malaysia Derivatives Berhad (Company No. 261937-H)</b> or other Specified Exchange or any other companies, which may from time to time be, recognized as a company, which has been approved to establish a Futures Market under <b>Section 8</b> of the Act.
"Explanatory Document and Risk Disclosure Statement"	means document prepared by or on behalf of the Broker that (i) explains the nature of the Futures Contracts, (ii) explains the nature of the obligations assumed by the Client when the Client instructs the Broker to trade in Futures Contracts on behalf of the Client, (iii) sets out the specifications and details of the essential terms of each kind of Futures Contracts in which the Broker will trade and (iv) sets out the risks associated with Trading in Futures Contracts.
"Futures Contract"	has the same meaning assigned to it in <b>Section 2</b> of the Act.
"Futures Market"	has the same meaning assigned to it in <b>Section 2</b> of the Act.
"I.D."	means the unique identity designation assigned to the Client.
"Margin"	means the aggregate amount/value of cash and collateral as may from time to time be required by the Broker from the Client to meet the Client's obligation pursuant to or arising from Trading in Futures Contracts and which shall not be less than the margin stipulated by the Clearing House.
"Market"	has the same meaning assigned to it in Rule 200 of the Business Rules
"PFSB"	means Phillip Futures Sdn. Bhd.
"Registered Representatives"	means persons who hold the Capital Markets Services Representatives License to carry on Trading in Futures Contracts and who are nominated by a Clearing Participant to be registered and whose registration has not been terminated.
"Specified Exchange"	has the meaning assigned to it in <b>Section 2</b> of the Act.
"Third Person"	means a Participant other than the Broker and/or the Exchange.
"Trading in Futures Contract"	has the meaning assigned to it in <b>Section 2 and Part 2 of Schedule 2</b> of the Act and "Trading" or "Trade" shall have corresponding meaning.
"Trading Participant"	means, unless otherwise specified, a participant of the Exchange for the time being falling within any of the classes of participants set out in Rule 301 of the Business Rules.
"Unlawful Activity"	has the meaning assigned to it in <b>Section 3(1) of the AMLATFPUAA.</b>

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1.1 In this agreement unless the context otherwise requires: -

- (a) all terms are as defined in the Business Rules of the Clearing House, the Exchange and/or under the Companies Act 1965 or, in the case of Futures Market to which the Business Rules of the Clearing House, the Exchange and/or the Companies Act 1965 do not apply, the defined terms shall have the meaning given to the equivalent terms in the Business Rules of the Clearing House and/or the Exchange of the Specified Exchanges;
- (b) the singular includes the plural and vice versa;
- (c) words importing a gender include every other gender;
- (d) words denoting persons shall include firms and bodies corporate and unincorporated or vice versa;
- (e) headings are for convenience of reference only and shall not affect the construction of this Agreement;
- (f) references to any legislation include any modifications, amendments or supplements thereto or re-enactment of, or any legislative provision substituted for, or dealing with the subject matter as such legislation;
- (g) unless otherwise stated, a reference to a clause, sub-clause, schedule or appendix is a reference to a clause or a sub-clause of, or a schedule or an appendix in this Agreement;
- (h) the schedule and appendices shall form an integral part of this Agreement;
- (i) clients named, as a part, if more than one (1) shall be jointly or severally liable under the terms of this Agreement; and
- (j) this Agreement shall be binding upon and enforceable to the benefit of the respective successors-in-title and assigns of the Broker and successors in title and permitted assigns of the Client.

## **2. APPOINTMENT OF BROKER**

2.1 The Client hereby appoints the Broker and the Broker hereby accepts the appointment, upon the terms and conditions of this Agreement which shall form an integral part of this Agreement and shall be taken read and construed as an essential thereof, as the Client's Broker in relation to Trading in Futures Contract and to maintain and operate accounts with the Broker in relation to Trading in Futures Contract.

## **3. ACKNOWLEDGMENTS**

The Client hereby agrees and acknowledges that:-

- (a) the Broker has given the Client and the Client has received copies of the Explanatory Document and Risks Disclosure Statement and/or other such documents which:-
  - (i) explains the nature of Futures Contracts;
  - (ii) explains the nature of the obligations assumed by the Client when the Client instructs the Broker to trade in and/or enter into Futures Contract on behalf of the Client;
  - (iii) sets out a risk disclosure statement the contents of which have been read by the Client or explained by the Broker and understood by the Client and the Client has executed a duplicate of that risk disclosure statement after reading and/or having the same explained by the Broker; and
  - (iv) sets out the specifications and details of the essential terms of each kind of Futures Contracts in which the Broker trades.

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AND FURTHER the Client acknowledges that the Client has read and understands the contents of the aforesaid document. Where necessary, the Client has sought explanation, clarification and/or has sought other professional advice and the Client fully understands the nature and contents of the Explanatory Document and Risks Disclosure Statement;

- (b) the Client has received a copy of this Agreement. Prior to the execution of the Explanatory Document and Risk Disclosure Statement and this Agreement, the Client has considered the Client's own objectives, financial situation, needs and the risks involved and has formed the opinion that Trading in Futures Contract is suitable for the Client and hereby acknowledges of the Client's awareness that Trading in Futures Contracts involves/carries the risk of loss as well as the prospect of the profit;
- (c) that the Broker acts as the Client's agent for the purpose of Trading in Futures Contracts and the Broker will trade, or will instruct a Third Person to trade on behalf of the Client, in Futures Contracts on a Futures Market;
- (d) where the Broker instructs a Third Person to trade in Futures Contracts on a Futures Market the Broker may share the commission or such other amount relating to the Futures Contract, with those persons as the Broker thinks fit;
- (e) the Client and the Broker are bound by the provisions of the Act and any instruments issued in accordance with the Act, the Business Rules, customs, usages and practices of the Exchange and the Clearing House. Nothing in this paragraph shall be construed to change the proper law of this Agreement. Howsoever, in the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Act and the Business Rules, the latter shall prevail;
- (f) the Client will take all reasonable steps to obtain and communicate to the Broker all information and deliver or cause to be delivered to the Broker all documents with respect to Trading in Futures Contracts which are requested by the Exchange, the Clearing House or any person having a right under the Act, the Business Rules or any Exchange, or otherwise, to request for such information or documents. The Client authorizes the Broker to pass on all such information and deliver or cause to be delivered all such documents to the person so requesting;
- (g) the Client will indemnify and keep indemnified the Broker from and against all sums of money, actions, proceedings, suits, claims, demands, damages, costs, expenses and any other amount whatsoever claimed against the Broker resulting from a failure by the Client to comply with **Paragraph (f)**;
- (h) Trading in Futures Contracts may create an obligation to give or take delivery of an underlying instrument or make a cash adjustment in accordance with the terms of the relevant Futures Contract;
- (i) that the Client has the power and all the requisite approvals to enter into the Agreement with the Broker and to trade in Futures Contracts;
- (j) The Broker will incur a personal obligation when Trading in Futures Contracts on behalf of the Client (without limiting the obligations of the Client under this Agreement or any Futures Contract);
  - (i) any benefit or right obtained by the Broker or other Clearing Participant upon registration of a Futures Contract with the Clearing House by way of assumption of liability of the Clearing House under any Futures Contract or any legal result of such registration is personal to the Broker or other Clearing Participant and the benefit of such benefit or right or other legal result does not pass to the Client;
  - (ii) in relation to all trades conducted on any Futures Market by the Broker and all Futures Contracts registered by the Clearing House, the Client has no rights whether by way of subrogation or otherwise against any person or corporation other than the Broker;

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- (k) the Broker on behalf of the Client may require the buying or selling of foreign currency and the exchange rate which shall apply is the exchange rate applicable at the time the Client's money is exchanged by the Broker, the Broker's bankers or the Clearing House and at which the Client's money (or a sum which the Broker determines represents the same) is actually exchanged, unless otherwise agreed in writing between the parties;
  - (i) If, for any purpose, the Client is required to convert any amount due to the Broker into a currency other than that in which it would otherwise have been due the Client shall pay the Broker such additional amounts as are necessary to ensure that when received and reconverted, the Broker will receive the full amount in the original currency as it would have received had no such conversion taken place;
  - (ii) Unless otherwise agreed in writing, the Client agrees to pay the Broker and authorizes the Broker to debit the Client's account for the purpose of payment, of fees incurred in managing the Client's account, including administrative fee or fees charged by the Broker for any conversion (made upon request by the Client), of the amount due to the Broker from:-
    - i. Ringgit Malaysia to any foreign currency, and vice versa;
    - ii. Foreign currency to another foreign currency, and vice versa.
- (l) a notice signed by any one of the Broker's directors, managers or other authorized employees, stating the amount of money due and payable by the Client to the Broker in respect of any matter or trading pursuant to this Agreement or any Futures Contracts shall be prima facie evidence of the correctness of its contents save for manifest errors;
- (m) that each employee and Registered Representatives, whether or not they are employees of the Broker, shall at all times act as agents of the Broker in connection with the Broker's business of Trading in Futures Contracts and the Broker shall be responsible for such acts of the agents;
- (n) the Broker in Trading in Futures Contracts as the Client's agent on a Futures Market shall be entitled to transmit funds and receive funds in respect of Futures Contracts notwithstanding that the Broker is not providing the clearing services for the Futures Contracts;
- (o) the Broker and all its directors, employees and agent shall not in any way liable for damages, losses, costs or expenses of any kind suffered or incurred by the Client or the Broker pursuant to this Agreement:-
  - (i) any misinterpretation of any information provided by the Broker, relating to a transaction entered into or proposed to be entered into by the Client or the Broker pursuant to this Agreement;
  - (ii) misinterpretation of any information, directions or instructions which the Client, or any person purporting to act on behalf of the Client may have given or claims to have given to the Broker in relation to any transaction;
  - (iii) the non-performance of its obligations hereunder by reason of any cause beyond the Broker's control, including, without limitation, transmission or computer delays, errors or omissions, strikes and similar industrial action or the failure of any of the Clearing Members, the Exchange or Clearing House to perform its obligations;
  - (iv) any advice, forecast, opinion, statement of intention to the Client in relation to price movements or positions or the likely or possible profitability of any transaction or any Futures Contracts;
  - (v) any Trading in Futures Contract or the relationship established by this Agreement except and to the extent of willful default;
  - (vi) any breach by the Client in connection with its obligations to the Broker or the terms of this Agreement;
  - (vii) any actions or failure by the Broker to place or activate a stop loss order; and

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- (viii) any breach of the Act by the Client or any person who purports to act on behalf of the Client.

except in respect and to the extent of any negligence, fraud or dishonesty of the Broker or any claim which under any applicable law it is not lawful to exclude.

- (p) the Business Rules of the Exchange and the Business Rules of the Clearing House shall be incorporated by reference into this Agreement.

### **4. DEALING AND CLEARING**

#### **4.1 Executing of Orders**

- (a) The Client may, either orally or in writing, give instructions to the Broker to trade in Futures Contract on its behalf. Where such instructions are given orally, the Broker may in its absolute discretion refuse to comply with those instructions unless and until such instructions have been duly confirmed by the Client in writing.
  - (i) Unless specific written instructions are given to the Broker at the time instructions are given to trade in Futures Contracts on its behalf the Broker allocates all Futures Contracts for clearing.
  - (ii) If the Client does not want the Broker to allocate Futures Contracts for clearing purpose it shall, when giving written instructions to the Broker, specify the name of the Clearing Participant to whom the confirmed Futures Contracts is to be allocated for clearing.
  - (iii) Upon execution of the Client's instructions, the Broker shall allocate the relevant confirmed Futures Contract to the Clearing Participant accepting that trade.
  - (iv) Where the Client instructs the Broker to allocate a Futures Contract to a Clearing Participant and that Clearing Participant refuses to accept the allocation, the Client shall make alternative arrangements failing which the Broker may at its absolute discretion accept the allocation. In event that the Broker decides not to accept the allocation, the Client shall be in default under **Clause 8**.
- (b) The Client shall indemnify the Broker against all losses, costs, charges, expenses, liabilities, outgoing and payments which the Broker is liable to pay or sustain as a result of any Clearing Participant refusing to accept the allocation of a Futures Contract for the account of the Client.

#### **4.2 Clearing of Futures Contracts**

- (a) Subject to the provision of **Clause 4.2 (b)** hereof the Client hereby nominates the Broker as the Clearing Participant to whom Futures Contract entered into by the Broker are to be allocated and cleared through a Clearing House duly appointed by the Exchange.
- (b) Whenever the Client wishes a Clearing Participant other than the Broker to accept the allocation of Futures Contracts it shall, within two (2) hours of the Broker entering into the Futures Contracts on behalf of the Client, give to the Broker an allocation notice signed by the Client.
- (c) The Broker may accept the allocation of Futures Contracts on behalf of the Client as notified to it. Upon acceptance of the allocation of the Futures Contracts by the Broker the Client shall be bound by the terms and conditions of this Agreement.
- (d) The Broker is not obliged to accept the allocation of any Futures Contracts on behalf of the Client.



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### **4.3 Reasonable Endeavors**

The Broker will use its reasonable endeavors to execute or arrange the execution of the Client's instructions, but the Broker will not be responsible for any delays or errors in the transmission or execution of the Client's instructions save through the Broker's own gross negligence willful default, fraud or dishonesty, or those of any agent appointed by the Broker under **Clause 3 (c)**.

### **4.4 Validity of Instructions**

The Client's instructions to the Broker in respect of Trading in Futures Contracts shall be valid only for the day on which the instructions are given unless otherwise agreed between the Client and the Broker.

### **4.5 Contract Notes and Monthly Statements**

- (a) The Broker shall issue to the Client the contract notes, monthly statements of account and any other statements containing all the information in accordance with the provisions of the Act and the Business Rules of the Exchange.
- (b) The contents of the contract notes and statements of account, open position statements, unless objected to by the Client within four (4) working days of being served pursuant to **Clause 18** hereof shall be prima facie conclusive evidence of all information as set out therein.

## **5. RECORDING OF CONVERSATIONS**

### **5.1 Recording by Broker**

The Client hereby acknowledges and agrees to the use of voice recording devices by the Broker or by the Exchange on behalf of the Broker of any telephone conversation between the Broker and the Client without an automatic tone warning device in order to permit the Broker to verify data concerning any matters relating to the trading.

### **5.2 Recording to be made available**

The Broker agrees to make available to the Client, on request, a copy of any recording pertaining to the Client's trades in the event of a dispute or anticipated dispute with respect to the Client's trades. The Client hereby agrees that it shall bear all costs incurred thereto.

## **6. PRINCIPAL TRADING**

### **6.1 The Client agrees and acknowledges that:-**

- (a) the Broker may trade as principal on its own account;
- (b) the Broker's directors, agents, employees or persons related to any of the foregoing may from time to time trade on their own account;
- (c) subject to the Provisions of the Act and the Business Rules and provided that the trades are executed competitively in accordance with the Business Rules of the Exchange governing the relevant Futures Market, the Broker may knowingly or unknowingly either as principal or on behalf of another person take the opposite side to the Client in Futures Contracts and the Client acknowledges the Broker's rights to do so and to charge such amounts as are permitted by **Clause 9** as if the Broker had not taken the opposite side to the Client;
- (d) the Broker will be Trading in the Futures Markets conducted by the Exchange or by other exchange companies at all times as a principal notwithstanding that in certain trades the Broker will be carrying out the instructions of the Client as the Client's agent; and

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- (e) any benefit or rights accruing to the Broker in relation to its dealings with the Exchange or in relation to any registration of a futures contract with the Clearing House is personal to the Broker and need not be passed by the Broker to the Client.

### **7. DEPOSITS AND MARGINS**

#### **7.1 Calls**

The Client shall maintain with the Broker a deposit in the account as stated in **Appendix 1** hereto and pay such margins or lodge such securities (acceptable to the Broker) as may be required by the Broker from time to time in connection with the trading by the Client in Futures Contracts. In particular, the Client agrees and acknowledges that:-

- (a) the Client's liability in respect of margin calls is not limited to the amount of the deposit;
- (b) the Broker may call (orally or in writing) for payment of deposits or margin (by whatever terms those obligations are described) (a "Call") such money or property including but not limited to foreign securities and/or currency, (or, in its discretion, call for or accept the lodgment of Approved Securities in lieu thereof) as the Broker in its absolute discretion considers necessary to protect itself from the personal obligation incurred by Trading in Futures Contracts on behalf of the Client;
- (c) the time for payment of margins is of the essence and if no time is stipulated by the Broker prior to calling a margin then the Client is required to comply before the start of trading on the following business day;
- (d) the liability to pay margin accrues at the time the margin requirement comes into existence regardless of when a Call is made;
- (e) in respect of trading in options, the liability to pay the premium accrues at the time the trade is executed regardless of when a demand for payment of the same is made;
- (f) the Broker may (in accordance with the Business Rules of the Exchange) deem one (1) hour a reasonable time to comply with a demand for payment of margins;
- (g) in relation to trades conducted on the Exchange and registered with the Clearing House on the Client's behalf, the Client has no rights whether by way of subrogation or otherwise against any person or corporation other than the Broker; and
- (h) the deposit, margin and any securities deposited with the Broker may be utilised in meeting any obligations of the Client or obligations incurred by the Broker in dealing in Futures Contracts on behalf of the Client, in respect of futures contracts traded by or on behalf of the Client and registered with the Clearing House.

#### **7.2 Failure to meet Call**

If the Client fails to meet a Call (or, where acceptable to the Broker, lodge Approved Securities), the Broker may (without prejudice to any other rights or powers the Broker may have under this Agreement or otherwise) in its absolute discretion and without creating an obligation to do so, close out, without notice, any or all of the Client's open Futures Contracts in respect of which demands for margins have not been met.

#### **7.3 Time for Satisfaction**

Each Call shall be satisfied within the time stipulated by the Broker (in its absolute discretion) for satisfaction of the Call or, in the absence of such stipulation, the Client is required to comply before the commencement of trading in the following day on which the Exchange, as applicable are open for business. The Broker may in accordance with the Business Rules of the Exchange, deem one (1) hour a reasonable time to comply with a demand for payment of a Call.

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### **7.4 Deposit**

The Client shall at the discretion of the Broker be liable to open an account and pay a deposit into the said account at the time of the execution of this Agreement.

### **7.5 Margins**

The Client is liable to pay a margin at the time the loss (realized or unrealized) in respect of Futures Contracts entered into on behalf of the Client arises or the margin comes into existence. The liability to pay margin accrues whether or not a Call is made and, if a Call is made, irrespective of the time the Call is made. The Client's liability in respect of Calls is not limited to the amount (if any) deposited with the Broker.

### **7.6 Payment in Cash**

The Client is liable to pay in cash any deficit owing to the Broker after close out of any of the Client's futures contracts or closure of the Client's account and that if the Client defaults in payment of such deficit the Broker may realize or liquidate any Approved Securities or any other securities or offset any amount standing to the credit of any account held by the Broker of the Client or any related corporation of the Client and apply the proceeds against that deficiency.

### **7.7 Other Clearing Participant**

**Clauses 7.1, 7.2, 7.3 and 7.6** inclusive shall not apply in respect of a Futures Contract that has been allocated to and cleared by a Clearing Participant other than the Broker.

## **8. CLIENT'S DEFAULT AND POWERS OF BROKERS**

### **8.1 Event of Default**

If:-

- (a) the Client makes any representation that is incorrect or misleading in any material way with the result that loss or damage is, or likely to be, suffered by the Broker;
- (b) any guarantee of or securities for the Client's obligations is, without the consent of the Broker, withdrawn or becomes defective or insufficient;
- (c) the Client fails to pay when due any sum payable under this Agreement including, without limitation, where the Client fails to meet a Call for deposits or margin or (where acceptable to the Broker) lodge Approved Securities in lieu thereof within the due time;
- (d) the Client fails to make or take delivery of any offset when required under a Futures Contract;
- (e) the Client dies or is made a bankrupt or presented with a petition in bankruptcy or suffers his goods to be taken in execution or becomes insolvent or compounds with or makes similar arrangement with his creditors or does any act frustrating his ability to fulfill his obligations under this Agreement;
- (f) in the absence of the Client making alternative arrangement satisfactory to the Broker, the Client is not at any time contactable by the Broker within twenty-four (24) hours, in order for the Broker to obtain instructions;
- (g) the Clearing Participant to whom a Futures Contract is allocated by the Client pursuant to the provision of **Clauses 4.1 (a) (i)** and/or **4.1 (a) (iv)** does not accept the allocation;
- (h) the Client breaches or threatens to breach any other agreement, arrangement or understanding, whether enforceable or not, between the Client and the Broker or any related corporation of the Broker;
- (i) the conduct of the Client is such that a reasonably prudent Futures Broker (as defined in the Act) would be of the view that the Client is, would be or is likely to be unable to comply with

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all of the Client's obligation under this Agreement, including, without limitation, strict compliance with or observance of any provisions of the Act and Business Rules;

- (j) any representation or warranty made in or in pursuance of this Agreement or in any certificate, statement or other document delivered to the Broker being or be becoming incorrect in any material respect;
- (k) any of the consents, authorization, approvals, licenses, or board resolution by the Client to enter into this Agreement or any of the Client's Futures Contracts being modified in a manner unacceptable to the Broker or being wholly or partly revoked, withdrawn, suspended or terminated or expiring and not being renewed or otherwise failing to remain in full force and effect; or
- (l) the client fails to renew any guarantee and/or security or replace the same with other acceptable and equivalent security/collateral and/or fails to deliver to the Broker the renewed/replacement guarantees and/or security not later than fourteen (14) days before the expiration of the said guarantees and/or security.

The Broker shall be entitled in its absolute discretion without notice to the Client (but shall endeavor to the extent practicable give such notice), at such times and in such manner as it, in its absolute discretion deems fit, to do any or all of the following:-

- (i) close out any or all of the Client's Futures Contracts;
- (ii) close out, cancel, exercise or abandon any Futures Contracts not yet exercised;
- (iii) cover Futures Contracts positions by entering into further Futures Contracts;
- (iv) take such other action as a reasonably prudent Futures Broker and/or Clearing Participant would take in the circumstances to protect the personal obligation to satisfy the personal liabilities incurred when Trading in behalf of the Client;
- (v) sell or otherwise trade with any or all of the Client's property as agent for the Client (for which this clause shall constitute sufficient and irrevocable authority) in the Broker's discretion and on such terms and conditions as the Broker thinks fit and may complete any blanks in any instrument and do all such acts and execute all such instruments as may be necessary or desirable to exercise the powers referred to above in respect of such property, which shall include, without limitation, any Approved Securities lodged with the Broker and to apply the proceeds of such sale by way of set off to satisfy any liability of the Client to the Broker;
- (vi) utilise any money, securities or property including but not limited to foreign securities and/or currency from the Client's account to set off or cover any shortfalls and/or to settle any outstanding sums due to the Broker;
- (vii) exercise any other power or right which it may have under this Agreement or in law or equity or otherwise whatsoever; or
- (viii) terminate this Agreement forthwith without affecting any existing obligations or liabilities prior or such termination;

The costs, expenses and charges of the Broker when exercising any of the powers conferred in **Paragraph (i) to (viii)** above shall be met by the Client and may be recovered by the Broker as a debt immediately due and payable by the Client to the Broker.

### **8.2 No Repayment until satisfaction**

Notwithstanding any provision of this Agreement, the Broker shall not be obliged to repay any deposit or margin (or any part thereof) or any moneys which the Client has on deposit with or which stands to the credit of any account of the Client with it, or deliver up to the Client any Approved Securities lodged by the Client with it until all obligations of the Client under this Agreement and each Futures Contracts have been discharged or satisfied in full to the satisfaction of the Broker.

## **CLIENT AGREEMENT (Individual)**

### **8.3 Position and Exercise Limits**

The Client agrees to abide by any position and exercise limits set by an Exchange or the Clearing House notified by the Broker to the Client. If any Futures Contracts held by or on behalf of the Client exceeds any position and exercise limits notified to the Client by the Broker (determined in the Broker's discretion) in relation to Futures Contracts, the Broker shall be entitled as agent for the Client to terminate or close out any or all such Futures Contracts to the extent that the Broker reasonably considers necessary or desirable to ensure that the Futures Contracts held by or on behalf of the Client to comply with such position and exercise limits.

### **8.4 Failure to Deliver**

If the Client fails to take or make delivery of any underlying instrument pursuant to the expiration of any Futures Contract and in accordance with its terms, the Broker may do so on behalf of the Client and the Client agrees to pay all costs and expenses (including without limitation, the cost of acquisition and transaction cost and storage of any underlying instrument) of the Broker doing so.

### **8.5 Application of Client's Funds**

Subject to the Business Rules of the Exchange the Broker may apply any moneys or other property held by the Broker for or on behalf of the Client in paying and discharging any liability of the Client to it (including, but not limited to, any liability arising as a result of any Futures Contracts being closed out) and may set off any credit of the Client with it in one account with any debit of the Client with it in any other account.

## **9. COMMISSIONS, FEES AND EXPENSES**

9.1 The Client agrees to pay the Broker and authorises the Broker to debit the Client's account for:-

- (a) commission in respect of each Trading in Futures Contract at such rate and in such amount as prescribed by an Exchange from the time to time as well as any fee charged or levied by an Exchange and/or the Clearing House or in the absence of such determination, at such rates as shall be notified by the Broker to the Client in writing from time to time;
- (b) all stamp duties, transaction, registration and similar taxes and duties (including fines and penalties) which may be incurred for or on behalf of the Client payable to or determined to be payable in connection with the execution, delivery, performance and enforcement of this Agreement or any Futures Contract, or any payment or receipt or any other transaction contemplated by this Agreement, or any Futures Contract;
- (c) all amount payable as a result of making or taking delivery of any underlying instrument, or making a cash adjustment in accordance with the terms of a Futures Contract;
- (d) all amount incurred by the Broker as a result of the Client's default under the terms of the Agreement, any Futures Contract, the Act, any relevant Business Rules or otherwise, including without limiting the generality of the foregoing, all legal costs and expenses on a solicitor/client basis;
- (e) interest in respect of any unpaid amount required to be paid under this Agreement (including, without limitation, any amount due as a result of the Client's Futures Contracts being closed out) at a rate which shall be notified by the Broker from time to time, and such interest shall accrue and be calculated from the date when the amount was due (irrespective of any grace period) to the date of its final payment in full.

## **10. EXCHANGE RATE RISK**

### **10.1 Currency Conversion**

If the Client defaults under the terms of this Agreement, the Broker may elect to convert any amount owed by the Client to it (including any interest) into Ringgit Malaysia at the date of the Client's default or on the date which Client pays the amount owed to it in full or on any other date which the Broker

## **CLIENT AGREEMENT (Individual)**

reasonably considers appropriate for such conversion, at such currency exchange rates as the Broker reasonably elects to effect such conversion.

### **10.2 Buying-In**

- (a) The Client acknowledges that the Broker may, by reason of default by the Client in paying on or before the due date any sum due under this Agreement or any Futures Contract in respect of which any amount is required to be converted into a foreign currency or from a foreign currency into Ringgit Malaysia, suffer loss by reason of having to enter into such foreign exchange or other contracts as will enable it to discharge any obligations incurred by the Broker upon such default or which have been incurred by the Broker in anticipation that no such default would occur.
- (b) Without derogation from any right of action, claim, demand, right, power or otherwise in the Broker pursuant to this Agreement or otherwise, the Client agrees to compensate and indemnify the Broker against any loss, damage, cost or expense arising as a consequence (whether necessary or incidental) upon entering into any such foreign exchange or other contract or effecting such currency conversion.
- (c) The Broker may enter into any such foreign exchange or other contract with any third party in order to mitigate any loss suffered as a result of default or late payment by the Client without further notice to the Client (without creating an obligation to do so).
- (d) Tender of the amount of any payment due by the Client pursuant to this Agreement after due date for such payment shall not relieve the Client of its obligations or liabilities pursuant to this Clause.

## **11. SEGREGATED ACCOUNTS**

### **11.1 Segregated Account**

All the money and property deposited with the Broker by the Client, or received by the Broker for, or on behalf of the Client, shall be segregated by the Broker and paid into the Client's Segregated Account and the Broker may invest such money and property in accordance with **Section 118 of the Act** and the Business Rules of the relevant Exchange to the extent that the Act and those Business Rules apply to such money or property.

### **11.2 Interest**

Subject to **Clause 8.1, 8.2 and 9**, the Client may be entitled to interest on the money and property segregated and invested in accordance with **Clause 11.1** to the extent that such money or property is not applied by the Broker by way of deposit or margin (without limiting the Broker's right to do so) at such rate as the Broker may notify to the Client from time to time, but the Broker shall be entitled to any profits for such investment to the extent that such profits exceed such interest.

- (i) **Unless otherwise agreed in writing, the Broker shall be entitled to any interest on money and property segregated and invested by the Broker.**

### **11.3 Withdrawal**

The Client authorizes the Broker to withdraw from the Client's Segregated Account and to apply any monies paid by the Client to the Broker in accordance with **Section 118 of the Act**.

## **12. APPOINTMENT OF ATTORNEY**

- 12.1 The Client hereby appoints in relation to Trading in the Exchange, the Chief Executive Officer of the Clearing House as the Client's attorney and/or agent to do all things necessary to transfer any open position held by the Broker on the Client's behalf to another Participant where the participation of the Broker has been suspended or terminated.

## **CLIENT AGREEMENT (Individual)**

### **13. RIGHT OF A BROKER TO REFUSE TO TRADE**

- 13.1 The Broker reserves the right to refuse to trade on behalf of the Client in relation to any Trading in Futures Contracts (other than closing out existing open positions held on behalf of the Client) or to limit the number of open position, held on behalf of the Client or both. The Broker will inform the Client of any refusal at or before the time of the Client placing the order or as soon as reasonably possible thereafter, the Broker shall inform the Client of any refusal within two (2) hours of receiving an Allocation Notice from the Client. Such refusal shall be without prejudice to any other rights and powers of the Broker under this Agreement or otherwise.

### **14. INDEMNITY**

- 14.1 The Client indemnifies and agrees to keep indemnified the Broker and its employees, agents or representatives from and against all sums of moneys, actions, proceedings, suits, claims, demands, damages, costs, expenses and any other amounts whatsoever arising out of any default, whether by act or omission, of the Client under this Agreement or any Futures Contract or anything lawfully done by the Broker in accordance with pursuant or incidental to this Agreement or by reason of the Broker complying with any direction, request or requirement of an Exchange or the Clearing House or other regulatory authority.

### **15. WARRANTIES AND REPRESENTATIONS AND UNDERTAKINGS**

- 15.1 The Client hereby represents and warrants that:-
- (a) the Client is legally capable of validly entering into and performing this Agreement and that it is of sound mind and legal competence and is not a bankrupt;
  - (b) the Client is trading in its own account and does not do so as nominee or trustee for any other person and there exist no arrangements whereby any other person has or will have any beneficial interest in this Agreement or any Futures Contracts made pursuant hereto;
  - (c) all necessary consent or authorizations, which may be required for the execution by the Client of this Agreement, have been obtained and are in full force and effect;
  - (d) the Client is trading in its own account and/or for and on behalf of his own clients as a licensed futures broker of an Exchange or the Specified Exchange;
  - (e) the Client understands the content of this Agreement and agree with it.

### **16. LEGAL RELATIONSHIPS**

- 16.1 (a) The Client acknowledges that any trading in futures contracts on the market of the Exchange and any dealings with the Clearing House, are conducted between and by Members as principals notwithstanding that in entering into such transaction they may be acting on behalf of or on the instructions of clients. Therefore the Client acknowledges that the Broker shall be acting as principal, in all trading in futures contracts on behalf of the Client or on its instructions, on the futures market of the Exchange and in any dealings with the Clearing House.
- (b) The Client acknowledges that, in relation to all trading in futures contracts of the futures market of the Exchange on behalf of the Client or pursuant to its instructions and all contracts registered by the Broker with the Clearing House relation to those trades, the Client hereby waives and shall have no right or cause of action or remedy against the Exchange, the Clearing House or any Participant save for the Participant who conducted the trade on behalf of the Client or on its instructions, except as permitted by the Act.
- (c) **Clause (a) and (b)** shall not affect any right, entitlement or remedy of the Broker against the Client and vice versa.

## **CLIENT AGREEMENT (Individual)**

### **17. TERMINATION**

#### **17.1 Notice of Termination**

Without affecting any existing obligations or liabilities, either party may terminate this Agreement at any time by giving the other party a notice in writing to that effect and all Futures Contracts at that time in existence entered into by the Broker on behalf of the Client shall be closed out, exercised, transferred or abandoned by the Broker as soon as is reasonably practicable thereafter provided that upon the giving of such notice by the Client, the Broker shall close out, exercised, transfer or abandoned such Futures Contract (as the case may be) at such time, in such manner and at such price as the Broker in its discretion thinks fit.

#### **17.2 No Release on termination**

Termination shall not release either party from liability for any breach (antecedent or subsequent) of any of the terms of this Agreement which remains unfulfilled or executory at the time of termination and the terms of this Agreement shall not merge at any time.

18.1 Any notice to be served by one party on the other (including legal process) pursuant to this Agreement shall be in writing and addressed to the last known address, telex number or facsimile number or the other party (as the case may be) and shall be deemed to have been duly served if given:-

- (a) by mail, two (2) Business Days after it is posted where the party's last known address is in Malaysia and five (5) Business Days after it is posted by airmail where the party's last known address is outside Malaysia;
- (b) by hand, at the time it is left at the party's known as place of residence or business;
- (c) by telex, upon receipt of the answer back;
- (d) by telegram, six (6) hours after dispatch; and
- (e) by facsimile transmission, at the time of transmission to the party's last known facsimile number, or earlier if acknowledged by the receiving party.

### **19. ANTI-MONEY LAUNDERING**

19.1 The Client hereby represents, warrants, undertakes and acknowledges that:-

- (a) unless and until the Client notifies the Broker to the contrary in writing, all monies which will be paid to the Broker shall come from a lawful source of activity and not Unlawful Activity.
- (b) the Client will notify the Broker in writing if the Client is an intermediary for other persons, and in such event, the Broker shall have the sole and absolute discretion on whether to agree to accept the Client acting as such and,
  - (i) the Broker may require, and the Client agrees and undertakes to provide verification of the identity of the beneficiary and such other information as the Broker may require, including but not limited to certified true copies of any authorisation to act or documents that may be required for the purposes of verifying the information provided by the Client, which the copies thereafter will be retained by the Broker;
  - (ii) the Client further declares and certifies that the necessary "know-your-client" checks will have been conducted including but not limited to the identity, existence, address and nature of the business of the beneficiary; and



## **CLIENT AGREEMENT (Individual)**

- (iii) the Client further agrees and understood that the disclosure and provision of details of the Client's beneficiary shall not make the Client's beneficiary a client of the Broker and the Broker shall be entitled to hold and deal with the Client as the principal.

19.2 Notwithstanding Clause 19.1 hereof, the Client hereby irrevocably and unconditionally agrees and undertakes that:-

- (a) the Client shall advise the Broker forthwith in writing of any change to the Client's particulars in this Agreement;
- (b) the Client shall disclose and furnish to the Broker any information required or deemed necessary and to the satisfaction of the Broker in a timely manner within the period specified by the Broker, whether or not for the purposes of complying with the laws, rules, regulations, directives and guidelines of Bank Negara Malaysia and/or given, made or established by the Broker;
- (c) pending receipt of information by the Broker from the Client and until received and verified thereof to the satisfaction of the Broker and/or the relevant authorities, the Broker shall not be obliged to proceed with any transactions; and
- (d) in no event shall the Broker and/or its related companies be liable or responsible for any direct or indirect consequences or any losses whatsoever or howsoever arising or by reason of the Broker's exercise of its duties under the laws for the time being in force, in particular but not limited to its statutory duties under AMLATFPUAA.

## **20. GENERAL**

### **20.1 Employees Protected**

Every exemption from liability, defense or immunity available to the Broker shall also be available to and extend to protect every one of its employees, agents or representatives or all or some of them.

20.2 The Client hereby irrevocably and unconditionally agrees that the Broker shall be entitled to disclose any information and document relating to this Agreement or on the Client Account (including any information or document relating to the affairs of its accounts and future accounts and/or the credit balances and transactions of such accounts) to:-

- (a) any joint account holders (if any);
- (b) the Broker's auditors, accountants, legal counsels and/or other professional advisers;
- (c) agents or representatives or service providers or data processing centres of the Broker;
- (d) the Broker's head office, other branches and offices and holding, subsidiary, related or associated companies or to such companies which in future may be a related or associated company of the Broker and that such companies shall also be entitled to make such disclosure to the Broker and/or to the other said related or associated companies;
- (e) any person or entity pursuant to any law, regulation, governmental directive or request or order of court; and/or
- (f) any other party whomsoever as the Broker may, in its sole and absolute discretion deem fit (provided that the Broker shall procure and ensure that such other party must keep confidential any information supplied to it by the Broker);

and the Client hereby expressly consents to such disclosure and hereby confirms and declares that no further consent from the Client is necessary or required in relation thereto and that the Broker shall be under no liability whatsoever for furnishing such information or documents as aforesaid, whether before or after the date of this Agreement.

## **CLIENT AGREEMENT (Individual)**

### **20.3 Failure to Exercise Rights**

No failure, delay relaxation or indulgence on the part of the Broker in exercising any power or right conferred upon it under this Agreement or otherwise shall operate as a waiver of such power or right, nor shall any single or partial exercise of such power or right preclude any future exercise thereof.

### **20.4 Release**

The Client releases the Broker from actions, claims, demands, suits and liabilities whatsoever which the Client may have or claim to have or but for this release might have had against the Broker arising out of any warranty, representation or disclosures not set out or referred to in this Agreement, other than in respect only of the negligence, fraud or dishonesty of the Broker.

### **20.5 Severability**

Each part of this Agreement is severable from the balance of this Agreement and if any part this Agreement is illegal, void, invalid or unenforceable, then that would not affect the legality, effectiveness, validity or enforceability of the balance of this Agreement.

### **20.6 Joint and Several Obligations**

If the Client consists of two (2) or more persons their obligation shall be joint and several and the Broker shall be entitled to accept instructions and give receipts and for all purposes deal with any one of them as agent for all of them in the absence of any written instructions to the contrary and any payments made to anyone such person shall be valid and complete discharge whether such payments be made before or after the death of any one or more of such persons.

### **20.7 Assignment**

In the event that the Broker surrendersells its Participantship of the relevant Exchange or business, the relevant Broker shall be entitled to assign the benefit of this Agreement and to assign or provide any information in relation to the Client, the Client's Trading in Futures Contract or the Client's financial position in the possession or knowledge of the Broker and the Client consents to each assignment or provision.

### **20.8 Time of Essence**

Time is of the essence of this Agreement.

### **20.9 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of Malaysia and each party submits to the non-exclusive jurisdiction of the Courts of Malaysia.

### **20.10 Amendment**

No alteration, amendment, variation, waiver or modification of any provisions of this Agreement shall be effective unless in writing and signed by the Client and for and on behalf of the Broker. Notwithstanding the foregoing, in the event such alteration, amendment, variation, waiver or modification is required to meet the relevant authorities' guidelines or to be in line with the current laws, the Broker reserves its right to change, amend, or delete any provision in this Agreement without notice to the Client, and the Client shall be deemed bound by such amendment.

## **21. FORCE MAJEURE**

21.1 The Broker shall not be liable to the Client for any partial performance, delay in performance or non-performance of any of its obligations under this Agreement or any other agreement with the Client by the reason of any cause beyond the Broker's control including but not limited to any act of force majeure, breakdown or failure of transmission, communication or computer facilities, strike or other industrial action, the failure or any Exchange Company, Futures Market or Clearing House to perform its obligations, war, hostilities, riot, civil commotion, requisition by any government or regional or local authority or any agency thereof, or any law, regulation, edict, executive order or mandate of any such body or any act of God, fire, flood, frost, storm or explosion.

## **CLIENT AGREEMENT (Individual)**

### **22. SUCCESSORS**

22.1 This Agreement shall be binding upon the Client and its successors-in-title.

#### **FIRST SCHEDULE**

<b>Section No</b>	<b>Item</b>	<b>Particulars</b>
1	<b>The day and year of this Agreement</b>	
2	<b>Name and other particulars of the Client</b>	

(end of First Schedule )

#### **SECOND SCHEDULE**

(in the case where the Client subscribes to the Direct Market Access, this Schedule shall be deemed incorporated in the Agreement.)

### **1 SUBSCRIPTION TO DIRECT MARKET ACCESS**

1.1 In consideration of the mutual obligations herein contained, the Broker hereby agrees to provide Direct Market Access to the Client, as approved by the Exchange, in accordance to the DMA Operations Directive and the Client hereby agrees to subscribe to the Direct Market Access provided by the Broker subject to the terms and conditions herein contained.

### **2. USER IDENTITY DESIGNATION AND PASSWORDS**

2.1 The Broker shall issue to the Client a unique user identity designation (hereinafter referred to as "I.D") which shall be used by the Client to sign-on for the purpose of an authorised entry into the DMA Infrastructure as governed by the access privileges granted to the Client.

2.2 The Client hereby unconditionally agree to keep the I.D. and password assigned to its confidential and not to disclose it to any other parties nor shall the Client allow any other parties to use the same.

2.3 The Client also agrees that he shall be solely responsible for the DMA Order and for the monitoring of his account.

### **3 PARAMETER FOR DMA ORDER**

3.1 The Client shall only enter DMA Order and trade in compliance with:-

- (a) the Business Rules and other applicable regulatory requirements; and
- (b) the parameter as set out in Section 4 of the First Schedule hereto.

3.2 The Broker shall have the full authority and right to reject any DMA Order which is not in compliance with Clause 3.1 herein.

### **4 DUTIES, OBLIGATIONS AND RIGHTS**

4.1 Broker's Duties, Obligations and Rights

(a) The Broker shall train and impart knowledge to the Client in respect of:-

- (i) the processes of entering DMA Order and trading through the DMA Infrastructure;

## **CLIENT AGREEMENT (Individual)**

- (ii) the requirements in the Business Rules in relation to trading on Market; and
  - (iii) the knowledge of the relevant laws pertaining to trading on the Market.
- (b) The Broker shall communicate to the Client promptly in respect of any revisions and updates to the laws and rules which affects this Agreement and Direct Market Access.
  - (c) The Broker has the unfettered right to reject any DMA Order for any reason.
  - (d) The Broker has the right to change or remove any DMA Order in the order book and has the right to cancel any trade by the Client for any reason.
  - (e) The Broker has the right to discontinue accepting DMA Order from the Client at any time without prior notice.

### **4.2 Client's Duties, Obligations and Rights**

- a) The Client shall abide by and comply with and adhere to the provisions of the Act and any instruments issued in accordance with the Act, the Business Rules, customs, usages and practices of the Exchange.
- (b) The Client shall immediately notify the Broker in writing if there is any change in the information mentioned in the account opening form provided by the Client to the Broker at the time of opening of the account or at any time thereafter.
- (c) The Client shall only enter DMA Order and/or trade in accordance to Clause 3 herein.
- (d) The Client shall be assigned with at least one Registered Representative.

## **5 GENERAL**

### **5.1 Liability**

The Broker shall not be liable for any loss resulting from DMA Infrastructure failure, breakdown of electronic or mechanical equipment or communication lines, telephone or other interconnection problems, unauthorized access to the Client's user ID and/or password, the Client's operating errors or any other condition over which the Broker does not otherwise control.

(end of Second Schedule )

## **THIRD SCHEDULE**

(in the case where the Client subscribes to the Electronic Broking Facilities strictly for trading as approved by the Exchange, this Schedule shall be deemed incorporated in the Agreement.)

### **1. SUBSCRIPTION TO ELECTRONIC BROKING FACILITIES**

- 1.1 In consideration of the mutual obligations herein contained, the Broker hereby agrees to provide Electronic Broking Facilities to the Client and the Client hereby agrees to subscribe to the Electronic Broking Facilities provided by the Broker subject to the terms and conditions herein contained.

### **2. AUTHORISED USE**

- 2.1 The Client has the sole responsibility and shall be liable for the security and safekeeping of the Client's user ID, password and/or PIN issued by the Broker to the Client. Accordingly, the Client shall be fully responsible and liable for any orders placed with the Broker through the use of the Electronic Broking Facilities.
- 2.2 The Client agrees that the Broker shall be entitled to rely on the correct entry of a PIN in order to ascertain whether any order given to the Broker is that of the Client's and to act on that assumption. The Client shall be liable for all such orders placed with the Broker.

## **CLIENT AGREEMENT (Individual)**

- 2.3 In placing orders using the Electronic Broking Facilities, the Client hereby agrees that any such orders are only considered as having been received by the Broker upon the Broker sending a notification to the Client through the Electronic Broking Facilities of its receipt and informing the Client that the order has been either accepted or rejected for execution. Any such notification shall be deemed to have been received by the Client when the same is issued by the Broker and the Client shall be bound thereby notwithstanding bear the sole responsibility of keeping records of the same.

### **3. DISTRIBUTION AND INTELLECTUAL PROPERTY**

- 3.1 The Client is not entitled to and shall not reproduce, transmit, disseminate, sell, distribute, publish, broadcast, circulate and/or exploit (whether for commercial benefit or otherwise) the information and/or reports obtained from or through the use of the Electronic Broking Facilities, except with the express written consent of the Broker. The Client shall also not use such information and/or records for any wrongful or illegal purpose.
- 3.2 In requesting the Broker to provide the Electronic Broking Facilities, the Client accepts and acknowledges the fact that all intellectual property rights (whether by way of copyright or otherwise) in the information and reports available from the generated on the Electronic Broking Facilities as well as the Electronic Broking Facilities itself vest solely in and shall remain the exclusive property of the Broker. The Client therefore agrees not to do anything that will violate or infringe the Broker's intellectual property rights and shall take all necessary measures to preserve and protect these rights.

### **4. TRANSMISSION OF ELECTRONIC DATA**

- 4.1 The Broker shall not be liable to the Client for any loss suffered or incurred by the Client due to any inability of the Client to access the Electronic Broking Facilities for any reason whatsoever, or for any errors, defect, malfunction or failure (whether total or partial) of the Electronic Broking Facilities (or any part of thereof) or interruption or delay in response time of the Electronic Broking Facilities whether resulting or arising from any repair or servicing of the Electronic Broking Facilities; any damage, destruction, breakdown, mechanical or other defect, howsoever caused, to the Electronic Broking Facilities (or any part thereof); any corruption or damage to the Electronic Broking Facilities (or any part thereof); any failure by the Broker; its officers, employee, agents or servants to receive the Client's instructions or order notwithstanding that the instruction or Order has been received by the Electronic Broking Facilities; or any other cause whatsoever.

### **5. DISCLAIMER**

- 5.1 The Broker makes no warranty, guarantee or representation of any kind, express or implied, as to the quality or the merchantability or fitness for any particular use in relation to the information furnished under the Electronic Broking Facilities or any other features or aspect of the Electronic Broking Facilities, including but not limited to investment advice and/or access to information and/or the execution of any buy or sell recommendation and/or the cancellation or amendment of the same.
- 5.2 The Broker may, through the Electronic Broking Facilities, provide quotes on prices at which the Broker may be prepared to transact with the Client. The Client acknowledges that it is possible that errors may occur in any such prices so quoted by the Broker. In such circumstances, without prejudice to any rights it may have under statute or common law, neither party will be bound by any transaction purported to have been entered into (whether or not confirmed by the Broker) at a price which was, or ought reasonable to have been known to either party to be materially incorrect at the time of the transaction. The party asserting that such transaction is avoided under this Clause shall give notice to the other within 7 Business Days of the Transaction. If the Client gives notice to the Broker under this Clause, the Broker shall determine, act reasonably, whether the price quoted was materially incorrect. Except in the case of fraud, the Broker does not accept any liability for any loss or damage suffered by the Client as a result of the Client's reliance on a price which the Client knew, or ought reasonably to have known, to be materiality incorrect.
- 5.3 The Broker shall not be responsible in any way whatsoever for the content, accuracy, timeliness or completeness of any information, data or other services provided through the Electronic Broking Facilities. As such, any information, data or services provided through the Electronic Broking Facilities should not be relied upon in relation to any investment decision, trading activities or orders placed by the Client who shall, at all times, rely on its own assessment and judgment in respect of any investment decision or proposed transaction.

## **CLIENT AGREEMENT (Individual)**

5.4 The Broker shall not be under any obligation to review the status of the Client Account for compliance with any applicable margin requirements. Notwithstanding this, the Broker may, in its sole and absolute discretion, review the status of a Client Account for the purposes of ensuring compliance with any applicable margin requirements provided that the Broker shall bear no liability whatsoever for any such review.

### **6. RIGHTS OF ACCESS**

6.1 The Broker shall bear no liability and shall not be responsible for any Loss or inconvenience that may be suffered by the Client as a result of any action by any regulatory body in the exercise of its regulatory or supervisory functions over the Broker. The Client shall permit the Broker and/or any regulatory body to have access to such terminals as the Broker and/or the regulatory body may request, and the Client shall co-operate in answering any of their queries in relation to any aspect of the Electronic Broking Facilities.

### **7. SECURITY**

7.1 The Client shall at all times ensure that the integrity and the security of the Electronic Broking Facilities are preserved and maintained. Accordingly the Client shall ensure, inter alia, that there is no unauthorised use of the Client's user ID, password and/or PIN. The Client shall forthwith on being aware of any unauthorised access or theft of the PIN(s) or security code(s) notify the Broker and provide such particulars as the Broker may require.

7.2 The Client shall bear the sole responsibility of complying with the obligations under this Clause. In the event that the Client breaches its obligations under this Clause, the Client shall indemnify the Broker for any loss that the Broker may suffer as a consequence of such unauthorised access and use.

### **8. RISK WARNING**

8.1 The Client hereby represents and declares that he understands and accepts the following associated with trading using the Electronic Broking Facilities:

- (a) that electronic trading and order routing systems differ from traditional open outcry pit trading, and that transactions undertaken using an electronic system are subject to the rules and regulations of the exchange(s) offering the system and/or listing the contract. In this connection, the Client hereby undertakes, prior to engaging in such transactions to familiarise itself with, and from time to time to keep itself updated on, the rules and regulations of the relevant exchange(s) offering system's and/or listing the relevant futures contracts, and to understand, among other things, the system's order matching procedure, opening and closing procedures and prices, error trade policies and trading limitations or requirements; and
- (b) trading through an electronic trading or order routing system exposes the Client to risks associated with system or component failure. Such systems or component failure may result in the inability to enter new Order, execute existing Orders, or modify or cancel Orders previously entered, as well as a loss of Order or order priority.

(end of Third Schedule )

## **APPENDIX 1**

<b>No</b>	<b>Item</b>	<b>Particulars</b>
1	Deposit Amount	

**CLIENT AGREEMENT (Individual)**

**EXECUTION PAGE**

**IN WITNESS WHEREOF** the parties hereto have hereunto set their hands and seal the day and year first above written.

Signed by

In the presence of:

\_\_\_\_\_

\_\_\_\_\_

Name:  
Title:  
NRIC No :

Name:  
Title:  
NRIC No :

Signed for and on behalf of  
The Broker )  
)  
)

Phillip Futures Sdn. Bhd.  
B-2-6, Megan Avenue II, 12, Jalan Yap Kwan Seng,  
50450 Kuala Lumpur, Malaysia.

\_\_\_\_\_

\_\_\_\_\_

Name:  
Head of Operations  
NRIC No :

Name:  
Authorised Signatory  
NRIC No :

**CLIENT AGREEMENT (Individual)**

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