



CGS-CIMB Futures Sdn Bhd

(Company Registration Number 199301002937 (257674-P))
A Trading Participant of Bursa Malaysia Derivatives Berhad

PRODUCT HIGHLIGHTS SHEET CONTRACTS FOR DIFFERENCE (“CFD”)

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of CGS-CIMB Futures Sdn Bhd (“**CGS-CIMB Futures**”) and they have collectively and individually accepted full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other facts, which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENTS OF DISCLAIMER

The relevant information and document in relation to the CFD, including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia. The lodgement of the relevant information and document in relation to the CFD, including this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the CFD or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The CFD is not allowed to be offered to retail investors.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of CGS-CIMB Futures responsible for the CFD and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

STATEMENT OF RISK

Investors are warned that the price/level of the underlying instruments and CFD may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore make sure they understand the terms and conditions of the CFD offered, the risk factors involved, and where necessary seek professional advice before investing in the CFD.

The CFD constitute general unsecured contractual obligations of the CFD provider and of no other person. Therefore, if you purchase the CFD, you are relying on the creditworthiness of the CFD provider and have no recourse/rights against the underlying corporation/index provider.

List of Version

No.	Remarks	Effective Date
1.	First Issued	11 February 2020
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3.	Second Revision	17 September 2021

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This Product Highlights Sheet only highlights the key features and risks of this unlisted capital market product. Investors must not invest in the CFD based on this PHS alone. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

PRODUCT HIGHLIGHTS SHEET

CONTRACTS FOR DIFFERENCE

BRIEF INFORMATION ON THE CFD PROVIDER

1. DESCRIPTION OF THE PROVIDER

CGS-CIMB Futures is a wholly owned subsidiary of CGS-CIMB Securities Sdn Bhd following a strategic partnership between CIMB Group Holdings Bhd and China Galaxy Securities Co. Ltd.

Incorporated in Malaysia on 5 February 1993, CGS-CIMB Futures with a paid up capital of RM10,000,000 is a holder of a Capital Market Services Licence to carry on the business of dealing in derivatives. CGS-CIMB Futures is also a trading participant of Bursa Malaysia Derivatives Berhad ("**BMDB**") and a clearing participant of Bursa Malaysia Derivatives Clearing Berhad. CGS-CIMB Futures provides full brokerage services for BMDB's broad range of exchange listed derivatives products and facilitates trading in recognized foreign exchange listed derivatives products.

The business model that CGS-CIMB Futures adopts for the offering of CFD is the Direct Market Access ("**DMA**") model as it offers transparent pricing structures to investors. DMA allows CFD pricing and liquidity to be identical to the underlying exchange. Investors enter into CFD at the underlying market price and all orders are executed in real time, assuring investors that what they get are true market prices.

CGS-CIMB Futures has entered into a white label arrangement to rebrand and leverage on the trading platform and back office system provided by CGS-CIMB Singapore. CGS-CIMB Singapore is also a hedge provider to CGS-CIMB Futures for CFDs where the underlying instruments are shares listed on a securities exchange outside Malaysia and indices where constituents of the index are listed on a securities exchange outside Malaysia ("Foreign Shares and Index CFD").

CGS-CIMB Futures and its Affiliates are engaged in a wide range of derivatives and stockbroking activities. In the ordinary course of our businesses, any member of CGS-CIMB Futures or its Affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own Account or the Account of our other clients. This is a result of our businesses generally acting independent of each other, and accordingly there may be situations where CGS-CIMB Futures, its Affiliates and/or its clients now have or in the future, may have interests, or take actions, that may conflict with your interests. Conflicting interests or duties may arise and CGS-CIMB Futures and its Affiliates have put in place and maintain organisational and administrative arrangements (including those known as Chinese Walls) to restrict the flow of information and to assist with the identification, monitoring and management of such conflicts.

INFORMATION ON THE PRODUCT

2. WHAT AM I INVESTING IN?

CFD is a contract made between a buyer and seller to gain exposure in the allowable underlying instrument whereby differences in settlement are made through cash payments. CFD is a leveraged derivative product. CFD is derivative because its value is derived from the value of another asset. CFD involves a high degree of leverage and there is potential for significant gains as well as significant losses arising from fluctuations in the price of the underlying instrument.

CFD is not standardized and each CFD provider has their own terms and conditions.

2.1 TYPES OF CFD

CGS-CIMB Futures offers CFD where the underlying instruments are:

- (i) shares listed on the Main Board of Bursa Securities;
- (ii) shares listed on a securities exchange outside Malaysia; and
- (iii) indices where constituents of the index are listed on a securities exchange outside Malaysia.

The list of CFD offered by CGS-CIMB Futures is available in <https://www.cgs-cimb.com.my/en/cfd>.

Currently, CFD is offered to sophisticated investors (i.e. any person who falls within any of the categories of investors set out in Part 1 of Schedule 6 and 7 of the CMSA) only.

2.2 TENOR OF ISSUE

The CFD offered by CGS-CIMB Futures has no expiry date. As long as your Account has sufficient funds to meet the margin requirements, you can roll over your open positions daily until you choose to close the position.

2.3 MAXIMUM LOSS / GAIN

CFD is a leveraged derivative product and involves significant risks. It allows you to outlay a small amount of money to secure a larger exposure in the underlying instrument. There is no maximum gain on your trading position if the market moves in your favour. If the market moves against you, you may lose more than you have deposited in the Account.

2.4 REPRESENTATION AND WARRANTIES

The information presented herein does not constitute investment, legal, accounting, tax or financial advice. It does not take into account the specific investment objectives, financial situation or particular needs of any person, and any information contained herein should be verified independently and advice should be sought from a professional adviser regarding the suitability of any investment, taking into account the specific investment objectives, financial situation or particular needs of the investor, before the investor makes a commitment to transact in any investment.

Nothing in this Product Highlights Sheet is an express or implied endorsement by CGS-CIMB Futures of an investment in any CFD.

2.5 SHORTSELLING RESTRICTION

Even though you are allowed to enter short positions for CFD, selling restrictions for certain CFD may apply due to restrictions of shortselling in the underlying instrument. Under such circumstances, you may be restricted from entering sell positions.

2.6 MARGIN REQUIREMENTS

When you open a CFD trade, you will need to pay a margin which will be a percentage of the contract value.

Margin represents a security deposit that you are required to provide when you first open a position and thereafter throughout the term of the CFD. Margin is the amount of money that must be maintained in your Account to avoid position in deficit. Below is the minimum margin required to trade in CFD as prescribed by the Securities Commission Malaysia:

Type of CFD	Minimum Margin
Single shares CFD	<ul style="list-style-type: none"> • 10% for index shares • 20% for non-index shares
Index CFD	<ul style="list-style-type: none"> • 5%

The margin requirements for CFD offered by CGS-CIMB Futures is available in <https://www.cgs-cimb.com.my/en/cfd> and may vary at any time. CGS-CIMB Futures may at its sole discretion request from you margins above the minimum required by the Securities Commission Malaysia.

Example on Computation of Margin						
CFD Name	Long /Short	CFD Quantity	End of Day Closing Price	Contract Value	Margin Rate %	Margin Required
XYZ Shares	Long	1,000	\$10	\$10,000	10%	\$1,000
ABC Shares	Short	500	\$8	\$4,000	50%	\$2,000
X Index	Short	1	\$2,000	\$2,000	5%	\$100
Total Margin Required						\$3,100
Margin Required = Quantity * End of Day Closing Price * Margin Rate %						

If your Account does not have enough money, you will get a margin call from CGS-CIMB Futures. You must place the amount of margin immediately or within a specified period of time which may be less than 2 Business Days after the giving of such notice by CGS-CIMB Futures.

However, if at any time during the stipulated period your Account position deteriorates and may be at further risk of negative Total Equity, CGS-CIMB Futures may at its discretion liquidate your open positions to rectify the shortfall position.

2.7 IMPACT OF CORPORATE ACTION

Corporate actions on the underlying shares will affect the share price and/or quantity, and as a result will impact the CFD price and/or CFD position in your Account.

The various types of corporate actions that are applicable to CFD are as listed below. For those corporate actions not mentioned below, CGS-CIMB Futures reserves the right to close all positions relating to the underlying instrument before the ex-date.

Dividend

Cash dividends are credited (for long positions) or debited (for short positions) from the Account on ex-dividend date if the Account is holding CFD positions of the underlying share at the close of the trading day immediately preceding the ex-dividend date.

CFD long position holders receive net cash dividend (after tax) and CFD short position holders pay gross cash dividend. CGS-CIMB Futures pays net cash dividend to long position holders after deducting tax based on the tax rate applied by hedge providers.

All cash dividends are credited (for long positions) or debited (for short positions) in the settlement currency of the CFD. CGS-CIMB Futures may, in its absolute discretion apply foreign exchange rate in cases where the dividend announced currency is different from the CFD settlement currency.

CFD long position holders are not entitled for stock dividend option but the stock dividend option will automatically be converted to cash dividend which will be credited into their respective Account. CFD short position holders may be liable for stock dividend in cases where long position holders in the hedge provider's book elect for stock dividend.

Bonus Issue

CFD long position holders are entitled for CFD bonus issues if the Account is holding CFD positions of the underlying share at the close of the trading day immediately preceding the ex-bonus date. A long position adjustment will be reflected in the CFD holdings on the date the bonus issue is paid, whereby the position adjustment is equivalent to the ratio of bonus issue on the underlying shares.

CFD short position holders are liable for CFD bonus issues if the Account is holding CFD positions of the underlying share at the close of the trading day immediately preceding the ex-bonus date. A short position adjustment will be reflected in the CFD holdings on the date the bonus issue is paid, whereby the position adjustment is equivalent to the ratio of bonus issue on the underlying shares.

Share Split and Reverse Share Split

CFD long and short positions are applicable for share splits and reverse share splits if the Account is holding CFD positions of the underlying share at the close of the trading day immediately preceding the exercise date.

For share splits and reverse share splits, quantity and traded prices will be adjusted on the ex-split date.

Rights Issue

CFD long position holders are entitled for CFD rights issues if the Account is holding CFD positions of the underlying share at the close of the trading day immediately preceding the ex-rights date. CGS-CIMB Futures may notify the Account holder about rights election option and other necessary details within a reasonable time. CFD long position holder can choose to exercise the CFD rights, sell the CFD rights (if applicable) during the rights trading period or let it lapse.

CFD short position holders will be liable for CFD rights issues if the Account is holding CFD positions of the underlying share at the close of the trading day immediately preceding the ex-rights date. CGS-CIMB Futures may notify short position holder if their rights are liable for the exercise of the CFD rights within a reasonable time. In that case, CFD short position will be adjusted in the Account at rights subscription price.

2.8 TRADING PLATFORM

CGS-CIMB Futures provides an online CFD trading platform called "IRESS Viewpoint". This trading platform allows you to place CFD orders, view your Account Balance summary and portfolio position details in real time (depends on market data subscribed by you). The trading platform also supports different order types including stop orders. CGS-CIMB Futures does not guarantee that a stop order will limit your loss or secure your profit.

All CFD orders submitted via IRESS Viewpoint are subjected to pre-trade risk controls determined by CGS-CIMB Futures.

You can place your orders via CGS-CIMB Futures online CFD trading platform as well as by telephone call to your Registered Representative or CGS-CIMB Futures' dealing desk.

2.9 SETTLEMENT CURRENCIES

All CFD is settled in their respective settlement currencies. Profits, losses and charges, arising from trades are held in your Account in the respective currencies. They are not automatically converted to your preferred Base Currency, although the equivalent amount of which will be shown on the trading platform. To check how much of each currency is in your Account, please refer to your statements. You can inform your Registered Representative if you wish to perform any foreign currency conversion.

Listed Shares CFD

Country Exchange	Settlement currency
Malaysia Bursa Securities	MYR
Singapore SGX	SGD – SGD denominated shares HKD – HKD denominated shares USD – USD denominated shares
United States NAS, NYS	USD
Hong Kong HKE	HKD
Australia ASX	AUD

Index CFD

Index name Country	Settlement currency
Australia 200 Australia	AUD
H-Shares Hong Kong	HKD
China A50 China	USD
Euro 50 Europe	EUR
France 40 France	EUR
German 30 Germany	EUR
Hong Kong 50 Hong Kong	HKD
Japan 225 Japan	JPY
MSCI Singapore Singapore	SGD
UK 100 United Kingdom	GBP

Index name Country	Settlement currency
US 30 United States	USD
US 500 United States	USD
US 100 United States	USD

3. IS THE PRODUCT TRADABLE?

CFD is traded over the counter and has no liquid secondary market. If there is lack of liquidity i.e. insufficient trades in the market for an underlying asset, you may not be able to trade CFD over that asset. This means that it may become difficult or impossible for you to close out a position within a reasonable time.

In the case of a CFD where the underlying shares cease to remain listed on the relevant securities exchange, CGS-CIMB Futures may offer to close out the CFD trade should there be an over-the-counter price quotes which may be lower than your initial investment.

At any point in time, if the trading of the underlying share is halted or suspended on the securities exchange indefinitely or will be delisted, we may require you to post full margin on such positions, close the positions, or perform any other action which CGS-CIMB Futures deems fit in the circumstances.

4. PRICING MECHANISM

As CGS-CIMB Futures adopts the DMA model for trading in listed shares CFD, this means that all CFD prices and liquidity is the same as the underlying shares listed on the relevant exchanges. Therefore when you place a CFD order through CGS-CIMB Futures' trading platform, a corresponding underlying share of the CFD order will be sent to the relevant securities exchange.

For index CFDs offered by CGS-CIMB Futures, they are not listed on any securities exchange and their underlying are cash indices on major global exchanges. Index CFDs give you an option to trade based on opinion of the overall stock market direction without having to pick individual shares. CGS-CIMB Futures receives prices from a panel of index liquidity providers (or market makers) and streams it to investors on the CFD platform. You can view real time Bid/Ask quotes of index CFDs on the CFD platform at any time during index trading hours. Prices for index CFDs can substantially move during volatile market conditions. Various market factors such as foreign exchange, interest rates, news/announcements, market risk and illiquidity affects index CFDs prices.

5. DOES THE CFD PROVIDER ENTER INTO A CORRESPONDING POSITION IN THE MARKET FOR THE UNDERLYING INSTRUMENT?

CGS-CIMB Futures as DMA CFD provider fully hedges each client's CFD trade. All listed shares CFD trades are executed in the relevant securities exchanges.

CGS-CIMB Futures hedges each trade of Foreign Shares and Index CFDs with CGS-CIMB Singapore which in turn hedges all positions into the relevant underlying markets.

CGS-CIMB Futures hedges each trade of Bursa Securities share CFDs by sending corresponding share orders directly to Bursa Securities via CGS-CIMB Securities Sdn Bhd, a securities brokerage firm related to us.

6. WHAT ARE THE POSSIBLE OUTCOMES OF MY INVESTMENT?

CFD allows you to trade in price movement of the underlying instrument while only outlaying a small amount of money to secure a large exposure to the underlying instrument. You are essentially predicting on whether the price of an underlying instrument is going to rise or fall in the future compared to what it was when the contract was executed.

Going 'long' means buying a CFD with the prediction that the underlying instrument will increase in value. Going 'short' means selling a CFD with the prediction that the underlying instrument will decrease in value. In both cases, when you close the contract, you hope to gain the difference between the closing price and the opening price.

CFD is dependent on the market condition of the underlying asset, even though you do not have ownership of the underlying instrument. A CFD does not entitle you to own or have any rights in the underlying instrument.

Example of a CFD trade

You take a long CFD position on shares of XYZ and place an order to buy 10,000 units of XYZ CFD at \$5.00 with a required margin of 10%. This means that although the contract value is \$50,000 (10,000 units X \$5.00), the margin required is only \$5,000. The impact of market circumstances on your CFD trades is as follows:

Market Movement	Underlying Share Price	Profit / Loss [(Closing Share Price - Opening Share Price) X No. of Shares]
Up 15%	\$5.75	\$7,500
Up 10%	\$5.50	\$5,000
Up 5%	\$5.25	\$2,500
Up 2%	\$5.10	\$1,000
Unchanged	\$5.00	0
Down 15%	\$4.25	(\$7,500)
Down 10%	\$4.50	(\$5,000)
Down 5%	\$4.75	(\$2,500)
Down 2%	\$4.90	(\$1,000)

Based on the above example,

- When market moves up by 2%, you will have a profit of \$1,000.
- When market moves down 10%, you will lose all your initial margin of \$5,000.
- When market moves down 15%, you will lose \$7,500 which is more than what you put in as margin.

Note: This example assumes you close your trade at the indicated price. In practice, other factors such as commission, financing fees and other charges will affect your returns from trading CFD.

When you have an open position and the cash available in your Account falls below the margin required, a margin call will be triggered.

Example of a margin call

You deposit \$1,000 and buy 1,000 CFD units of ABC shares at \$10.00 with a required margin of 10%. At the end of trading day, ABC shares fell in value to \$9.50 which resulted in a margin call as follows:

Description	Value	Computation (end of day marked-to-market)
Unrealised Loss	(\$500)	Unrealised Loss = $(\$9.50 - \$10.00) \times 1,000$ units
Margin Required	(\$950)	Margin Required = $\$9.50$ (Closing Price) $\times 1,000$ units $\times 10\%$ margin
Commission @ 0.25%	(\$25)	Commission = $0.25\% \times \$10.00 \times 1000$ units
Financing Cost @ 4% Per year / 365 days	(\$1.04)	Financing Cost = $(1,000 \text{ units} \times \$9.50) \times 4\% \times 1/365$
Total Equity or Gross Liquidation Value ("GLV")	\$473.96	GLV = $\$1,000$ (Initial Deposit) $- \$500$ (Unrealised Loss) $- \$25$ (Commission) $- \$1.04$ (Financing Cost)
Margin Call	(\$476.04)	Margin Call = $\$473.96$ (GLV) $- \$950$ (Margin Required)

KEY RISKS

7. WHO IS THIS PRODUCT SUITABLE FOR?

CFD is not suitable for all investors because of the significant risks involved and you may lose more than you have deposited in the Account. CFD will not suit you if you are conservative in your investment style, risk averse or your objective is preservation of capital.

It is important you understand the key risks of CFD and consider whether CFD is suitable for you in relation to your personal circumstances, trading experience, financial objectives, tolerance toward volatile market conditions and risk appetite.

8. WHAT ARE THE KEY RISKS ASSOCIATED WITH THE PRODUCT?

Set out below are some important key risks of trading in CFD. This list is not exhaustive and does not represent all the risks associated with trading in CFD. Kindly refer to **Section 5 of the Disclosure Document** for more information on risk factors.

8.1 LEVERAGE RISK

When you buy a CFD over a share or index, you hope that the value of that underlying asset will rise and you can sell the CFD at a profit. Conversely, when you sell a CFD, you hope that the value will fall. However, the reality of investment markets means that views may be wrong and because CFD is a highly leveraged product, a small change in the market can have a big impact on your trading returns.

Trading in CFD may result in you incurring a total loss of your initial capital and any additional capital deposited to maintain your position. If the market moves against your position and you do not have sufficient margin, you may be called upon to top up additional margin on short notice. Should you fail to top up within the specified time, your position may be liquidated at a loss and you will be liable for the shortfall in your Account.

8.2 COUNTERPARTY RISK

Leveraged over-the-counter products such as CFD is not traded on a regulated exchange nor cleared on a central clearing house. You do not have the protections normally associated with trading on a regulated exchange.

When you buy or sell a CFD, the only asset you are trading is a contract issued by CGS-CIMB Futures who is the CFD provider and your counterparty. You will be relying on the CFD provider's creditworthiness.

Counterparty or credit risk is the risk that the CFD provider fails to fulfil its obligations to you due to insolvency or default, leading to your positions being liquidated or closed out without your consent.

8.3 MARKET RISK

Market volatility and rapid changes in price can cause the balance of your Account to change quickly and adversely affect the value of the CFD.

Positions are marked-to-market and you must maintain the minimum margin requirement on your open positions at all times. If you do not have sufficient funds in your Account to cover these situations, you may be called upon to make additional margin deposit. If the required margin is not made within the prescribed time, there is a risk that your positions will be force closed. You are advised to continuously monitor your Account and deposit additional funds or close some positions so that the funds in your Account cover the total margin requirement at all times.

8.4 LIQUIDITY, GAPPING AND EXECUTION RISK

CFD is traded over the counter and has no liquid secondary market. If there is lack of liquidity i.e. insufficient trades in the market for an underlying instrument, you may not be able to trade CFD over that instrument. This means that it may become difficult or impossible for you to close out a position within a reasonable time.

At any point in time, if the trading of the underlying share is halted or suspended on the securities exchange indefinitely, we may require you to post up full margin on such positions.

There is a risk that sudden market movements, known as “gapping” occurs when there is a significant change within a short period to the price of the underlying instrument, thereby affecting the price of the relevant CFD. This may lead to you being unable to close out or initiate new positions at a price of your choosing. Stop-loss orders may not always be filled and even if placed, may not limit your losses to the amount specified in the order.

When you place an order with CGS-CIMB Futures through our trading platform or over the telephone, there may be time delay between when you place your order and the time when your order is executed. If the market of the underlying asset moves during that time delay, this could result in your trade being executed at a worse price than expected, especially if markets are very volatile.

8.5 STOP ORDERS ARE NOT GUARANTEED

The placing of certain orders such as stop-loss orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. At times, it is also difficult or impossible to liquidate a position without incurring substantial losses.

CGS-CIMB Futures does not guarantee that a stop order will limit your loss or secure your profit.

8.6 CLIENT MONEY RISK

You should be aware that holding your money in a client segregated account does not necessarily protect you from a deficit in the client segregated account. **You may lose some or all of your money held with the CFD provider.**

8.7 TRADING IN CFD IS NOT THE SAME AS REFERENCE ASSET

When you buy a CFD, you are making an agreement with the CFD provider to trade the difference in the value of an underlying instrument (sometimes called the ‘reference asset’) between now and a future date. You are not the actual owner of the underlying instrument itself.

8.8 NO FIRST PRIORITY TO COLLATERAL REALISATION PROCEEDS

When trading in CFD, you are relying on CGS-CIMB Futures to accept and process the trades, make payments owed to you, credit any proceeds and pay the money out of your trading Account. If CGS-CIMB Futures gets into financial distress, it may be unable to meet its obligations to you.

8.9 CORPORATE ACTION PROCESSING

You should be aware of all corporate events with regards to the underlying financial instrument of the CFD. It is important to understand the risks of delayed processing due to market conditions, differences in time zones or unforeseen circumstances which may result in any acts or omissions.

The treatment you receive during a corporate action may be less favourable than if you owned the underlying instrument. Therefore, the time you have to make decisions could be considerably less, the options available may be more restrictive/less advantageous and may be such that there is no option for you to close the position. Given that corporate action(s) can often be announced at extremely short notice, you may have no opportunity or choice to close positions to avoid such consequences and such corporate action(s) may require you to provide more funds to cover margin at a very short notice.

8.10 SHARES RECALL RISK

To enable you to take a short CFD position, the hedge provider may need to borrow the shares of the underlying to conduct a short hedge. Lenders of the shares have the right to recall anytime. In the event of a recall, the shares may have to be returned at short notice and the hedge provider might no longer be able to maintain the short hedge. This may result in the CFD provider closing your short CFD positions immediately or at a short notice.

Regulatory changes prohibiting short selling and share borrowing in specific shares or in the entire underlying market may also result in the CFD provider force closing your short positions.

FEES AND CHARGES

9. WHAT ARE THE FEES AND CHARGES INVOLVED?

Before you commence trading, you should obtain an explanation on all applicable commissions, fees and charges.

9.1 COMMISSION

Commission is charged on each CFD trade and is calculated as a percentage of the full contract value of the underlying share or index that is bought or sold. A minimum commission amount is charged if commission amount on the CFD trade is lower than the minimum commission charged by CGS-CIMB Futures.

9.2 OVERNIGHT FINANCING FEE

A financing fee is charged daily on any CFD positions held overnight. It is computed based on the end-of-day marked-to-market full contract value of your CFD portfolio. Overnight financing is charged at an effective rate in percentage and is debited or credited from your Account on a daily basis. There is no financing fee if the position is closed within the same day.

9.3 DATA FEED CHARGES

CGS-CIMB Futures enables delayed data on the trading platform for CFDs offered by CGS-CIMB Futures. You are required to subscribe to live data for CFD trading. There will be a monthly live data feed charges applied to your Account and charges will be debited in your CFD statement.

9.4 TRADING PLATFORM FEE

Additional monthly fees may apply in relation to the use of the CGS-CIMB Futures' trading platform.

9.5 SALES AND SERVICES TAX ("SST")

All commission paid is subject to 6% SST for each CFD trade.

9.6 REVISION OF FEES AND CHARGES

CGS-CIMB Futures may revise any commissions, charges and fees and/or introduce new fees if necessary.

For the current commissions, fees and charges schedule, please refer to our website <https://www.cgs-cimb.com.my/en/cfd>

10. HOW CAN I EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS INVOLVED?

In order to exit your CFD position, you are required to place closing CFD orders either in your CFD trading platform or through other means of communication provided. Placing closing orders does not guarantee the exit from CFD positions. Closing order execution will depend on the price, liquidity and trading status of the underlying share or index.

Risks associated with exiting positions:

(i) Price Risk

The price of the exit order is not guaranteed upon placement of the order. You may not exit your position at your intended price which may result in losses in the event the market moves against your CFD positions.

(ii) Liquidity Risk

Listed shares CFD mirror the liquidity of the underlying share. In the case where liquidity is not available on the relevant exchange, you may not be able to exit your CFD positions at the intended time or price. This may result in additional losses on your CFD positions or even an inability to exit positions.

The standard commission charges and SST will be applied on CFD exit trades.

CONTACT INFORMATION

11. WHO SHOULD I CONTACT FOR FURTHER INFORMATION OR TO LODGE A COMPLAINT?

11.1 For general enquiries, please contact us:

- (a) via phone to : (603) 2635 8908
- (b) via email to : futuresbroking.my@cgs-cimb.com
- (c) via letter to : Level 12, Menara Bumiputra-Commerce
No. 11, Jalan Raja Laut
50350 Kuala Lumpur
Wilayah Persekutuan
- (d) or visit our website : <https://www.cgs-cimb.com.my/en/cfd>

For internal dispute resolution, you may contact (603) 2635 8686 or email us at customerservice.my@cgs-cimb.com

11.2 If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

- (a) via phone to : (603) 2282 2280
- (b) via fax to : (603) 2282 3855
- (c) via email to : info@sidrec.com.my
- (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

You can also direct your complaint to the Securities Commission Malaysia even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the Securities Commission Malaysia's Consumer and Investor Office:

- (a) via phone to the Aduan Hotline at : (603) 6204 8999
- (b) via fax to : (603) 6204 8991
- (c) via e-mail to : aduan@seccom.com.my
- (d) via online complaint form : available at www.sc.com.my
- (e) via letter to : Consumer and Investor Office
Securities Commission Malaysia
No. 3 Persiaran Bukit Kiara
50490 Kuala Lumpur

GLOSSARY

“Account” means an Account with CGS-CIMB Futures for CFD trading. Each reference to “Account” shall be construed as a separate reference to each such account you have with us. All Accounts have separate account numbers or codes.

“Account Balance” means at any given time, the Base Currency amount of funds in the Account after all credits and debits have been made including unrealised profits and losses.

“Affiliates” means (i) a related corporation (as defined in the Companies Act 2016) of CGS-CIMB Futures, (ii) CGS-CIMB Securities International Pte Ltd and its related corporations (as defined in the Companies Act 2016), (iii) a member of the CGI Group, and/or (iv) a member of the CIMB Group.

“Ask” is the lowest price that a seller of a security is willing to accept.

“Banking Day” is a day on which banks in Kuala Lumpur are open for business.

“Base Currency” is the currency that your Account is denominated in.

“Bid” is the highest price that a buyer of a security is willing to pay.

“BMDB” means Bursa Malaysia Derivatives Berhad.

“Board” refers to the Board of Directors of CGS-CIMB Futures.

“bonus issue” is an offer of free additional shares to existing shareholders.

“Bursa Securities” means Bursa Malaysia Securities Berhad.

“Business Day” is a day on which CGS-CIMB Futures is open for business or a day on which the exchange on which the CFD is carried out is open for trading.

“CFD” means contracts for difference.

“CGS-CIMB Futures” means CGS-CIMB Futures Sdn Bhd.

“CGI Group” means China Galaxy International Financial Holdings Limited and its related corporations (as defined in the Companies Act 2016).

“CIMB Group” means CIMB Group Sdn. Bhd. and its related corporations (as defined in the Companies Act 2016)

“CGS-CIMB Singapore” means CGS-CIMB Securities (Singapore) Pte Ltd.

“Chinese Wall” describes an information barrier within an organization intended to prevent exchanges or communication of information that could lead to conflicts of interest.

“CMSA” refers to the Capital Markets and Services Act 2007 including all rules made thereunder, any amendments, modifications and re-enactments as may be made from time to time;

“corporate action” means any action taken by an issuer in relation to or arising from its securities including payment of dividend, issue of bonus shares and other rights and interests associated with such securities, capital restructuring and share consolidation.

“derivatives” are financial instruments, traded on or off an exchange, the price of which is dependent upon the value of an underlying asset.

“dividend” means the distribution of profits by a company to its shareholders.

“DMA” means Direct Market Access.

“ex-bonus date” is the first day of trading when the buyer of a share is no longer entitled to the most recently declared bonus issue.

“ex-dividend date” is the first day of trading when the buyer of a share is no longer entitled to the most recently declared dividend.

“ex-rights date” is the first day of trading when the buyer of a share is no longer entitled to the most recently declared rights.

“ex-split date” is the first day of trading when the buyer of a share is no longer entitled to the most recently declared split.

“Gross Liquidation Value (GLV)” carries the same meaning as “Total Equity” and means the aggregate of the balance of your Account less your unrealised profits or losses.

“Index CFD” means a CFD offered by CGS-CIMB Futures based on share indices rather than individual equities.

“long” means buying a CFD with the expectation that the underlying asset will increase in value.

“margin” is the amount used to open and maintain CFD positions set out in Clause 2.7.

“open position” is any CFD contract(s) current on your Account that has not already been closed, expired or liquidated.

“Over-the-counter” refers to securities transactions taking place outside of a financial exchange system.

“reverse share split” is when the issued shares of a company are merged based on a predetermined ratio.

“rights issue” is an invitation to existing shareholders to purchase additional new shares in the company at a discount to the market price on a stated future date.

“share split” is when existing shares of a company are split based on a predetermined ratio into multiple shares.

“short” means selling a CFD with the expectation that the underlying asset will decrease in value.

“stop-loss order” is an order placed with the aim of limiting the potential loss on an open position.

“Total Equity” carries the same meaning as “GLV” which is the aggregate of the balance of your Account less your unrealised profits or losses.

“white label” is an arrangement whereby CGS-CIMB Futures rebrands and uses the trading platform and back office system provided by CGS-CIMB Securities (Singapore) Pte Ltd.

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