



**General Terms and Conditions and Risk Disclosure Statement  
– Futures Broking V1.1/1120**

## CLIENT AGREEMENT

## DEFINITIONS

In this Agreement, the following expressions shall have the meanings set out hereunder:

**“Account Application Form”** means the application form(s) by which the Client applies to open one or more accounts with the Broker.

**“the Act”** means the Capital Markets and Services Act 2007 including all rules made thereunder, any amendments, modifications and re-enactments thereof in force as may be made at any time and from time to time.

**“Affiliates”** means (i) a related corporation (as defined in the Companies Act 2016) of the Broker, (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.

**“Agreement”** means this Client Agreement (as may from time to time be varied or modified in accordance with its provisions) and includes the Account Application Form, Terms and Conditions of Trading, its appendices, and all other documents or instruments made supplemental to it including but not limited to this Client Agreement.

**“the Broker”** means CGS-CIMB Futures Sdn Bhd, a holder of the Capital Markets Services License who carries on the business of regulated activity of trading in futures contract under the Act and a trading participant of Bursa Derivatives.

**“Bursa Derivatives”** means Bursa Malaysia Derivatives Berhad.

**“Bursa Clearing”** means Bursa Malaysia Derivatives Clearing Berhad.

**“Business Day”** means a day on which the Broker is open for business or a day on which the Exchange on which the futures contract are carried out is open for trading.

**“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).

**“the Clearing House”** means any trading in futures contract which will be cleared through a clearing house as may be appointed by Bursa Derivatives from time to time.

**“clearing organization”** means the Clearing House and or any other clearing organizations that clear and settle futures contract.

**“the Client”** means the account holder whose name and address appear in the Account Application Form.

**“the Exchange”** means Bursa Derivatives and any other recognized futures exchange.

**“futures contract”** has the meaning given in Section 2 of the Act.

**“open contract”** means a futures contract between the Broker and Bursa Clearing which has not been extinguished or terminated in accordance with the rules of Bursa Clearing.

#### 1. APPOINTMENT OF BROKER

The Client appoints the Broker and the Broker accepts the appointment, upon the terms and conditions of this Agreement, 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.

#### 2. APPLICATION OF MONEY & PROPERTY

All money and property deposited with the Broker by the Client or which is received by the Broker for or on behalf of the Client shall be segregated and invested by the Broker in accordance with the Act and the business rules of the Exchange.

#### 3. ACKNOWLEDGMENT

The Client acknowledges that trading in futures contract incurs the possibility of a deficit balance, risk of loss as well as the prospect of profit.

#### 4. COMMISSION & FEES

The Client shall pay commission and fees at such rates as is determined from time to time by the Exchange, or in the absence of such determination, at the rates as notified by the Broker to the Client in writing from time to time. All stamp duty, costs and expenses incurred for, or to be incurred on behalf of the Client shall be paid by the Client as invoiced by the Broker.

Without prejudice to any other provision herein, the Client shall be liable for any taxes in connection with or arising out of this Agreement or any services in connection therewith.

## 5. DEPOSITS & MARGINS

The Client shall maintain with the Broker a deposit (the "Deposit Amount") in the account and pay such margins or lodge or deposit such acceptable securities (to be determined by the Broker in its absolute discretion) as may be required by the Broker from time to time in connection with the trading by the Client in futures contract. The Client agrees and acknowledges:

- (a) that the liability to pay margin accrues at the time the margin requirement comes into existence regardless of when a call is made;
- (b) that 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;
- (c) that the Client's liability in respect of margin calls is not limited to the Deposit Amount;
- (d) that upon a call being made by the Broker for payment of additional Deposit Amount or margin (by whatever terms those obligation are described) or for the deposit or lodgment of securities as the Broker, in its absolute discretion, in its opinion necessary to protect itself from the personal obligation incurred by the Client dealing in futures contract, the Client shall forthwith make such further payments and/or deposits with the Broker and do all such acts and things and execute all such instruments and documents as may be requested by the Broker pursuant to the call made by the Broker;
- (e) that the time for payment of margins is of the essence and the Broker shall have the discretion to close out all or any open position of a Client at any time where the Client fails to comply with a demand for margin after a margin call has been made by the Broker; and
- (f) in relation to trades conducted on the Exchange and registered with the clearing organization on the Client's behalf, that the Client has no rights whether by way of subrogation or otherwise against any person or corporation other than the Broker.

## 6. FURTHER AGREEMENT

The Client further agrees and acknowledges:

- (a) that the Client and the Broker are bound by the Act, the Capital Markets and Services Regulations 2007 and any instrument issued in accordance with the Act, the business rules and customs, usages and practices of the Exchange, the business rules and the customs, usages and practices of the clearing organization;
- (b) that the Broker will be trading as a principal at all times (and accordingly be liable to the Exchange as such principal) notwithstanding that the Broker will be carrying out the instructions of the Client as the Client's agent. 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 organization is personal to the Broker and need not be passed by the Broker to the Client;
- (c) that in relation to all trading in futures contract on the futures market of the Exchange on behalf of the Client or pursuant to his instructions and all contracts registered by the Broker with the clearing organization relating to those trades, the Client hereby waives and shall have no right or cause of action or remedy against the Exchange, the clearing organization or any broker save for the Broker who conducted the trade on behalf of the Client or on his instructions, except as permitted by the Act;
- (d) that clauses 6(b) and (c) shall not affect any right, entitlement or remedy of the Broker against the Client or vice versa;
- (e) that the Client will promptly obtain and communicate to the Broker all information and deliver or cause to be delivered to the Broker all documents with respect to dealings by the Client in futures contract, which are requested by the Exchange or the clearing organization and also irrevocably authorises the Broker to produce the information or documents to the requesting party;
- (f) that the Client hereby irrevocably and unconditionally authorises the Broker to disclose to the Exchange, clearing organization or any entity who has the authority or power to require disclosure of the same, full details of the Client's positions with the Broker and any other information in relation to the Client with respect to trading futures contract on the Exchange;
- (g) that dealing in futures contract may create an obligation to give or take delivery or make cash settlement in accordance with the terms of trading of such futures contract;
- (h) that the Client has the power and all the requisite approvals to enter into this Agreement with the Broker and to trade in futures contract and that the actions of the persons empowered to act on the Client's behalf have been authorised by all necessary and appropriate corporate actions;
- (i) that the Broker has the right (subject to Section 99 of the Act), either on its own account or on behalf of other clients, to take opposite positions to the positions taken by the Client in futures contract;
- (j) that the contents of contract notes, open position statements and other statements, unless objected to by the Client in writing within **TWO (2) BUSINESS DAYS** of being served shall be prima facie evidence of the correctness of its contents;
- (k) that the Broker shall not be in any way liable for damages, loss, costs or expenses of any kind suffered or incurred by the Client except in respect and to the extent of any gross negligence, fraud or dishonesty of the Broker or any claim which under any applicable law it is not lawful to exclude;
- (l) that the Client's conversations with the Broker may be recorded by the Broker;

- (m) that should the Broker have notice of any act of bankruptcy of the Client (in the case of an individual) or of the presentation of any petition for the winding-up of the Client (in the case of a corporate client) or should the Client fail to meet any call for payment of deposit or margin (or to lodge any securities acceptable to the Broker) then the Broker may (without prejudice to any other rights or powers available to it) in its absolute discretion, and without creating an obligation to do so, close out without notice, all or some of the Client's futures contract;
- (n) that the Client is responsible to pay in cash any deficit owing to the Broker after close out of any of the Client's futures contract or closure of the Client's account and that if the Client defaults in payment of such deficit, the Broker may realise any deposit and securities held by the Broker and apply the proceeds against the deficiency;
- (o) that the Broker reserves the right to refuse to deal or trade on behalf of the Client in relation to any dealings, in futures contract (other than closing out existing positions held on behalf of the Client) or limit the number of open positions held on behalf of the Client or both. The Broker will however, inform the Client of any refusal at or before the time of the Client placing any further orders with the Broker or as soon as possible thereafter;
- (p) that the deposit, margin and any securities deposited with the Broker may be utilised in meeting any obligations of the Client in respect of futures contract traded by or on behalf of the Client;
- (q) that the Broker may retain, for the benefit of the Broker and without any obligation to account to the Client, any interest the Broker receives from the Client's monies deposited in the Client's account (the "**Client's Monies**"). The Client further consents to the Broker withdrawing the Client's Monies and any interest received on the Client's Monies from the Client's account. The Broker may in its sole and absolute discretion, taking into account any withholding tax and any administrative expenses incurred by the Broker in maintaining the Client's account, pay any interest received on the Client's Monies to the Client. The Client agrees and acknowledges that any interest paid by the Broker to the Client may be less than that received by the Broker;
- (r) that the Broker, its directors, agents, employees or persons related to any of the foregoing may trade in futures contract on their own account;
- (s) that the Client agrees to abide by any position and exercise limits set by the Exchange or clearing organization as notified by the Broker to the Client;
- (t) that the Broker will use reasonable endeavours to execute or arrange the execution of the Client's instruction, but the Broker will not be responsible for delay or error in the transmission or execution of the Client's instruction save through the Broker's own wilful act or omission, or gross negligence, fraud or dishonesty;
- (u) that the Broker is entitled to assume the genuineness and authenticity of any instructions given or purportedly given by or on behalf of the Client and that the Broker shall not be obliged to make any enquiry and shall be entitled to act and the Client hereby instructs the Broker to act upon any such instructions believed by it to be genuine;
- (v) that the Broker will incur a personal obligation when dealing in contracts on behalf of the Client;
- (w) that the Client shall indemnify and keep indemnified the Broker against any and all liabilities, losses, damages, actions or proceedings and reasonable costs and expenses incurred or suffered by the Broker in connection with or arising out of any act or thing duly done by the Broker under or in pursuance of this Agreement and against any and all liabilities, losses, damages, actions and proceedings, and reasonable costs and expenses incurred or suffered by the Broker as a result of any breach of obligations of the Client under this Agreement including reasonable legal fees on a solicitor-client basis, incurred or suffered by the Broker in the enforcement of any of the provisions of this Agreement or by reason of 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 the Exchange, the clearing organization or other regulatory authority. This clause shall not apply to the extent of the Broker's negligence, fraud or wilful default in respect of any such liabilities, losses and otherwise;
- (x) that the Broker may (but is not obliged to) request confirmation in writing from the Client in respect of orders made through the telephone or other means, electronically or otherwise by the Client. If such confirmation in writing is requested by the Broker, the Broker will not be obliged to act on any verbal notices, instructions or communications until receipt of the requested confirmation in writing by the Broker;
- (y) that all notices, instructions and other communication given by letter, fax transmission or other electronic means (including e-mail and text messages sent through any short message service or any messaging application including but not limited to Whatsapp) must be sent to or left at, in the case of the Broker, the e-mail address or contact number of the Broker or its officers, employees or agents, or the business address (in the case of letters) of the Broker (as applicable) at the relevant time and in the case of the Client, the address or contact number (as applicable) stated in any agreements entered into between the Broker and the Client or as notified in writing to the Broker by the Client from time to time. All such notices, instructions or other communications given by the Broker to the Client as aforesaid will be deemed to have been duly received by the Client upon delivery if delivered by hand, or if by post three (3) days after posting, or in the case of delivery by electronic means, upon transmission;
- (z) that if instructions, funds or documents are not received by the Broker within the requisite time, the Broker may, without notice to the Client, either liquidate the Client's contracts, or make or receive delivery on behalf of the Client upon such terms and by such methods which the Broker deems to be proper;
- (aa) that each employee and registered representative of the Broker acts as the agent of the Broker in connection with the Broker's business of trading in futures contract and the Broker is liable for all such acts of the agent; and

- (bb) that the Broker may amend, vary or supplement any terms or conditions hereunder or any specific terms or conditions relating to this Agreement by notice to the Client by any means the Broker deems fit and any such amendment, variation or supplement shall take effect as from the date of such notice or the date specified in such notice (as the case may be).

## **7. EVENTS 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 is likely to be, suffered by the Broker;
- (b) any guarantee of or security for the Client's obligations is, without the consent of the Broker, withdrawn or becomes defective or insufficient;
- (c) the Client fails to meet margin call for deposit or margin or (where acceptable to the Broker) lodge such acceptable securities in lieu thereof;
- (d) the Client fails to effect delivery or effect acceptance of a delivery of and make payment for an underlying interest of the futures contract under the terms of the relevant futures contract;
- (e) 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;
- (f) the conduct of the Client is such that a reasonably prudent broker would be of the view that the Client is, would be or is likely to be unable to comply with all of the Client's obligations under this Agreement, including, without limitation, strict compliance with any time provision;
- (g) the Client (if being a company) convenes a meeting of its creditors or proposes or makes any arrangement or composition with or any assignment for the benefit of its creditors; or
- (h) a petition is presented or a meeting is convened for the purpose of considering a resolution or other steps are taken for making an administration order against or for the winding up of the Client or an administration order or a winding-up order is made against the Client (other than for the purpose of and followed by a solvent reconstruction);

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

- (i) close out, exercise or leave it to expiry any / all futures contract not yet exercised;
- (ii) take such other action as a reasonably prudent futures broker would take in the circumstances to protect the personal obligation or satisfy the personal liabilities incurred when trading on behalf of the Client;
- (iii) 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 acceptable 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;
- (iv) exercise any other power or right which it may have under this Agreement or in law or equity; and
- (v) terminate this Agreement forthwith.

The costs, expenses and charges incurred by the Broker in exercising or enforcing any of its rights and powers under this Agreement shall be borne by the Client and may be recovered by the Broker as a debt immediately due and payable.

The termination of this Agreement for whatever reason shall not affect any other rights or remedies available to the Broker in this Agreement or in law, in particular but without limitation, the right to recover damages against the Client.

## **8. TERMINATION**

Either party may terminate this Agreement at any time by giving the other notice in writing of seven (7) days to that effect. Upon termination of this Agreement (which shall take effect on expiry of the notice period), unless otherwise agreed in writing, the Broker will close out all the Client's futures contract and close out, leave it to expiry and exercise any options not yet exercised.

## **9. ATTORNEY AND/OR AGENT**

The Client in relation to dealings on Bursa Derivatives appoints 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 positions held by the Broker on the Client's behalf to another broker where the participanship of the Broker has been suspended or terminated.

## **10. RISK DISCLOSURE STATEMENT**

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

## 11. DEFENCES, WAIVERS & RELEASE

- (a) Every exemption from liability, defence 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. For the purpose of this clause, the Broker shall be or shall be deemed to be acting as agent on behalf its employees, agents or representatives.
- (b) 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.
- (c) 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 disclosure not set out or referred to in this Agreement, other than in respect only of the gross negligence, fraud or dishonesty of the Broker.

## 12. CONTINUING OBLIGATIONS

All the terms and provisions of the Agreement shall be continuous and (i) shall apply to all transactions in the Client's account(s) with the Broker, now existing or hereafter opened, from the original opening to the time of final closing, including all renewals or reopenings thereof however numerous and at whatever intervals, (ii) shall remain in full force and effect until terminated in accordance with Clause (8). The Client hereby ratifies all transactions with the Broker effected prior to the date of this Agreement and agrees that the rights and obligations of the Client in respect thereto shall be governed by the terms of this Agreement.

## 13. GOVERNING LAW & JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of Malaysia. The Client hereby submits to the non-exclusive jurisdiction of the courts of Malaysia in respect of any legal proceedings in connection with this Agreement. The Client agrees that nothing herein precludes the right of the Broker to bring proceedings in any other court or courts of competent jurisdiction as the Broker may elect and that legal proceedings in any one or more jurisdiction shall not preclude legal proceedings in any other jurisdiction.

## 14. PERSONAL DATA

- (a) To process, administer and/or manage the Client's relationship and/or account with the Broker, and to provide the Client with the services and products of the Broker and their continuing operation, the Broker will necessarily need to collect, use, disclose and/or process the personal data about the Client and/or (where applicable) the personal data of the Client's next of kin, individual guarantors and dependents (where Client is an individual) or personal data of the Client's directors, individual shareholders, officers, personnel, individual guarantors and security providers (where the Client is a corporation, including the Client's financial condition, the transactions relating to futures undertaken by or on behalf of the Client and information in connection with the Account.
- (b) Such personal data will be collected, used, disclosed and/or processed by the Broker for one or more of the following purposes:
  - (i) processing the Client's enquiries and application for account opening, services and products by the Broker;
  - (ii) providing the Client with the services and products of the Broker and the Broker's Affiliates, business partners and related companies;
  - (iii) administering and/or managing the Client's relationship with the Broker and/or the Account;
  - (iv) carrying out the Client's instructions or responding to any enquiries by the Client;
  - (v) carrying out due diligence, monitoring or other screening activities (including background checks) in accordance with legal or regulatory obligations, internal compliance requirements or risk management procedures (including but not limited to those designed to combat financial crime, "know-your-customer", anti-money laundering, counter-terrorist financing or anti-bribery), that may be required by law or that may have been put in place by the Broker or its Affiliate;
  - (vi) dealing in any matters relating to the services and/or products which the Client is entitled to under these terms and conditions (including the printing and mailing of correspondence, statements, invoices, confirmations, advices, information, reports or notices to the Client, which could involve disclosure of certain personal data about the Client or the Client's personnel to bring about delivery of the same as well as on the external cover of envelopes/ mail packages);
  - (vii) the recovery of any and all sums that may from time to time become due to the Broker or any other party appointed by the Broker including all fees, commissions, brokerage charges, principal, costs (including legal costs on a solicitor and client basis), expenses and other amounts owing to the Broker arising under or in respect of (i) the services provided to the Client by the Broker under this Agreement or such other agreement as the Broker may from time to time prescribe or (ii) the performance or non-performance of any of the Client's obligations to the Broker, whether under these terms and conditions or otherwise;
  - (viii) the process of reviewing and approving the Client's account with the Broker, and the conduct of initial and anticipatory credit checks and assessments, relevant checks, ongoing assessment and verification of ongoing credit worthiness and standing;
  - (ix) preventing, detecting and investigating fraud, misconduct, any unlawful action or omission, whether relating to the application or any other matter relating to the Client's account with the Broker, and whether or not there is any suspicion of the aforementioned;
  - (x) managing the Broker's infrastructure and business operations, and complying with policies and procedures that may be required by law or that may have been put in place by the Broker, including those relating to auditing, finance and accounting, billing and collections, IT systems, data and website hosting, training, testing, business continuity, and records, document and print management;

- (xi) security, surveillance and/or identity verification purposes and managing the security of the Broker's premises including but not limited to carrying out CCTV surveillance, audio recordings of the Client's instructions or conversations over the telephone or during face to face communications with the Broker's employee;
  - (xii) if consented to by the Client or any of the Client's authorised person (as may be applicable) via the Client's registration or participation in any contest, lucky draw, campaign, promotion, event, survey or questionnaire, to administer and facilitate the Client's participation in such activities. Some of these activities are governed by additional terms and conditions, which could contain additional information about how the Broker uses and discloses the Client's personal data or that of the Client's personnel (where applicable), so the Client should read these carefully;
  - (xiii) complying with applicable law in administering and managing the Client's relationship with the Broker; and/or
  - (xiv) if consented to by the Client in the application form(s), account opening document(s) and/or other methods of consent notification, provide for the despatch of marketing information relating to financial or investment services or products offered by the Broker and its Affiliates, business partners and related companies (whether by the Broker, its Affiliates, business partners or related companies) which the Broker thinks is of benefit or interest to the Client via the Client's agreed methods of communication  
  
(collectively, the "**Purposes**").
- (c) Without prejudice to anything else in these terms and conditions, in carrying out one or more of the above Purposes, the Broker may need to disclose the Client's personal data and/or (where applicable) the personal data of the Client's next of kin, individual guarantors and dependents (where Client is an individual) or personal data of the Client's directors, individual shareholders, officers, personnel, individual guarantors and security providers (where the Client is a corporation) to certain third parties, whether located within or outside Malaysia, as such third parties would then be processing such personal data for one or more of the above Purposes. The Client confirms that it/he/she has obtained their consent or is otherwise entitled to provide their personal data and information to the Broker and hereby acknowledges and agrees that such personal data will/may be disclosed by the Broker to the following third parties (whether located within or outside Malaysia) for one or more of the above Purposes and for the said third parties to subsequently process such personal data for one or more of the above Purposes:
- (i) the Broker's Affiliates and between each of them;
  - (ii) the Broker's (or any of its Affiliates) third party service providers or agents including but not limited to those who provides administrative, telecommunications, computer, payment or securities clearing or other services to the Broker in connection with the operation of its business, mailing houses, telecommunication companies, marketing agents, call centres, data processing companies and information technology companies;
  - (iii) any credit reference agency, rating agency, business partner, insurer or insurance broker, direct or indirect provider of credit protection, bank or financial institution, and, in the event of default, to debt collection agencies;
  - (iv) any fund management companies, private equity companies and managers, other financial companies (e.g. for structuring/provision of services), external asset managers, service providers (e.g. alternative investment service providers) and financial service providers;
  - (v) any credit bureau and/or its compliance committee and for such credit bureau and/or its compliance committee to disclose the personal information to third party or parties, including but not limited to its member banks or financial institutions;
  - (vi) the Broker's (or any of its Affiliates) auditors and professional advisors including its solicitors;
  - (vii) any person to whom the Broker is under an obligation to make disclosure under the requirements of any law binding on the Broker or any of the Broker's Affiliates or branches or under and for the purposes of any guidelines issued by regulatory or other authorities with which the Broker or any of the Broker's Affiliates or branches are expected to comply with;
  - (viii) any person to whom disclosure is permitted or required by any statutory provision or law;
  - (ix) any permitted assigns;
  - (x) the Broker's successors in title; and/or
  - (xi) any local or foreign regulatory body, government agency, statutory board, ministry, departments or other government bodies and/or its officials.
- (d) If the Client (or where applicable, any of the Client's next of kin, individual guarantors and dependents (where the Client is an individual) and/or the Client's directors, individual shareholders, officers, his personnel, individual guarantors and security providers (where the Client is a corporation)) does not wish for the Broker to use the submitted personal data or disclose the submitted personal data for any of the above Purposes, the Client may withdraw the consent at any time by written notice to the Broker, pursuant to the Personal Data Protection Act, however, depending on the circumstances and the nature/extent of the withdrawal, the withdrawal of consent may result in the Broker inability to provide the Client with the services and products under this Agreement and hence may result in the termination of the Client's relationship and/or account(s) with the Broker or other consequences of a legal nature which may arise by virtue of the Client's legal relationship with the Broker.
- (e) The Client agrees to ensure the personal data and information of third parties furnished to the Broker are accurate and agrees to update the Broker in writing in the event of any change to such personal data and information. To the extent that the applicable law allows, the Client may request access to, and correction of, the personal data. The Client acknowledges that some personal data may be exempt from such access and correction rights in accordance with local personal data protection laws. The Client may wish to contact the Broker at 03-26356868 or email should the Client wish to request such access to, and/or correction of, the Client's personal information.

- (f) The Client hereby confirms that the Client has read, understood and agrees to be bound by CGS-CIMB Group Privacy Notice (which is available at [www.cgs-cimb.com.my](http://www.cgs-cimb.com.my)) ("Privacy Notice") and the clauses therein, as may relate to the processing of the Client's personal information. For avoidance of doubt, the Client agrees that the said Privacy Notice shall be deemed incorporated by reference into this Agreement.
- (g) For the avoidance of doubt, in the event that Malaysian personal data protection law permits an organisation such as the Broker to collect, use or disclose the Client's personal data without the Client's consent, such permission granted by the law shall continue to apply.
- (h) The Client agrees that where the Client's written permission is required by law or otherwise for any such disclosure by the Broker, the signing of the application form(s), account opening document(s), and/or any other methods of consent notification, as well as in any other manner permitted by law shall constitute and be deemed to be sufficient written permission for such disclosure.
- (i) The Broker's rights under this Clause shall be in addition to and without prejudice to the Broker's other rights of disclosures available pursuant to any other statutory provision and in law and nothing herein is to be construed as limiting any of these other rights.

## 15. DISCLOSURE OF INFORMATION

- (a) The Client hereby expressly authorises and permits the Broker and each of its authorised representatives (including but not limited to its officers, employees and agents) to divulge, reveal or disclose any or all of the particulars of the Client's account under this Agreement, including but not limited to information relating to any transaction or dealings between the Client and the Broker (except that where such information contains personal data regulated by the Personal Data Protection Act, such personal data shall be disclosed in accordance with Clause 14 above):
  - (i) to any current or future Affiliate, or entity currently or which in the future may be associated with the Broker, including representative and branch offices, and their respective authorised representatives (including but not limited to its directors, employees and agents) ("**Authorised Parties**");
  - (ii) to the auditors, legal advisors and other professional advisors of the Broker and the Authorised Parties;
  - (iii) to any person or organisation participating in the provision of electronic or, without limitation, other services in connection with services utilised by the Client, whether in Malaysia or elsewhere for the purpose of the operation of the Services including but not limited to investigating discrepancies or claims;
  - (iv) to any third party printer, agent or storage or archival service provided (including but not limited to any provider of microfilm service or any electronic storage, archival or recording facility) for the purpose of making, printing, mailing, storing, microfilming and/or filing personalised statements of accounts, labels, mailers or any other document or items on which the Client's name and/or other particular appears, or any data or record of any document whatsoever;
  - (v) to the police or any other public officer or any representative of any governmental or regulatory body conducting an investigation in connection with any offence;
  - (vi) to any Exchange, government or regulatory body or governmental (including quasi-governmental) authority or tribunal or courts of Malaysia or other jurisdictions, including the jurisdictions in which the Client has traded or where any of the Broker's overseas business operations are situated;
  - (vii) to any person to whom disclosure is required or permitted to be made pursuant to due legal process, any applicable laws or rules or regulations or any order of court;
  - (viii) to any of the Authorised Parties for risk management purposes, for monitoring credit exposure of the Broker and/or any of its Affiliates, for purposes of centralisation of operations within the Broker and/or any group in which the Broker or any of its Affiliates is a member thereof, for purposes in connection with business planning, restructuring and strategy and for the purpose of promoting, marketing or cross-selling of financial products and services to the Client;
  - (ix) to any credit bureau (including the members of such credit bureau of which the Broker is a member), rating agency, insurer, or any other provider of credit protection to the Broker and/or any of the Authorised Parties;
  - (x) to any counterparty transacting with the Broker or any of the Authorised Parties for the purposes of or in connection with any transactions undertaken by or on behalf of the Client;
  - (xi) to any assignee or transferee or prospective assignees or transferees of the Broker's credit facilities, business and undertakings or such part thereof;
  - (xii) to any person with whom the Broker may enter into (or may potentially enter into) any participation or sub-participation in relation to any transaction or service under, pursuant or otherwise in connection with, these terms and conditions;
  - (xiii) to any person or entity participating in the merger/acquisition or proposed merger/acquisition of the Broker or its holding company with/by another company; and



(xiv) to any other person or entity at any time:

(1) which the Broker or any of its authorised representatives considers appropriate for any purpose in connection with these terms and conditions; or

(2) where such particulars of the Client's account were inadvertently divulged, revealed or disclosed to/or accessed by such persons or entities through no wilful default of the Broker or its authorised representatives.

(b) The Client recognizes and acknowledges that the Broker is irrevocably authorised to disclose to the Client's futures dealer's representative(s) (whether present or in future) appointed by the Client, authorised officers and the Broker's employees or any other person as the Broker may think fit or necessary, information in relation to all the Client's accounts, details of transactions entered into by the Client, as well as shareholdings held beneficially or owned by the Client (including but not limited to providing such persons with statements of account pursuant to any balance enquiries and/or requests for such statements). For the avoidance of doubt, this authorisation will remain in full force unless revoked by the Client in writing to the Broker (with a copy of such revocation given to the Broker),

**AND** the Client hereby agrees that the Client will not hold the Broker or any of its officers, employees, agents, representatives or dealer's representatives liable for disclosure of such information, or for any loss or damage arising out of such disclosure, whether by reason of any misstatement, error, negligence, omission, delay or any matter in connection thereto.

(c) The Client hereby authorises the Broker to make such enquiries and carry out such credit checks on the Client and to obtain from any third party (including any credit bureau or credit agency) any and all of the Client's information with such third party as the Broker may in its sole and absolute discretion deem fit, and undertake to execute and deliver such document as the Broker may require for the purposes of such enquires, credit checks and assessments and the obtaining of such information, including but not limited to, a letter of authorisation in such form as the Broker may require.

(d) The Client agrees to provide any information as the Broker may require and/or as is necessary to verify the Client's identity and do all things necessary to enable the Broker to comply with applicable anti-money laundering and "know your client" laws and regulations. Without prejudice to any provision herein, the Client agrees that the Broker shall be held harmless against any loss arising as a result of any delay or failure to process any application or transaction if such information and documentation as has been requested by the Broker has not been provided by the Client.

#### **16A. PHYSICALLY DELIVERED CONTRACTS**

Where settlement of a futures contract is by physical delivery of the underlying interest of the futures contract, the Client acknowledges and agrees:

(a) to comply with the rules of the Exchange and the Clearing House, whether the rules apply directly or indirectly to the Client;

(b) where the Client is a buyer, the Client's obligation under the futures contract is to take delivery and make payment; and

(c) where the Client is a seller, the Client's obligation under the futures contract is to make delivery of the underlying interest of the futures contract.

#### **16. BURSA DERIVATIVES' CRUDE PALM OIL ("CPO") FUTURES**

For the avoidance of doubt, the following terms and conditions as set out herein shall be applicable in respect of futures trading in Bursa Derivatives' CPO futures contracts entered into between the parties in addition to and not in derogation of the terms and conditions as set out in this Agreement:

(a) The parties agree that a spot month CPO futures contract can only be traded by an institutional client who is in the business of an oil plantation or palm oil refinery or such other client as the Broker may at its absolute discretion to decide. For the avoidance of doubt, a "spot month" means "at any point in time, the nearest month a futures contract may become deliverable" for CPO futures contract.

(b) The Client who is successful in the tender of a CPO futures contract, as determined by Bursa Clearing, shall pay the tendering proceeds together with the tender fee charged by Bursa Clearing to the Broker by the next Business Day following the day of tender. For the avoidance of doubt, "day of tender" means "the day on which Bursa Clearing determines that the Client has been allocated the tender" for a CPO futures contract.

(c) With respect to the Client who is a buyer, the electronic negotiable storage receipt ("eNSR") shall only be delivered to the Client upon the Broker receiving full payment from the Client. In the event that the Client fails to make full payment to the Broker by the next Business Day following the day of tender, the Client hereby agrees that:

(i) the Client shall be liable to pay to the Broker interest based on the cost of funds of the Broker or such other rate as the Broker may reasonably determine until the Broker receives the full payment payable by the Client; and

(ii) the eNSR shall belong to and be the property of the Broker, who shall have the sole and absolute discretion and right to deal with, sell or transfer the eNSR to any purchaser therefor for valuable consideration and utilise the proceeds thereof towards settlement of the tendering proceeds payable or paid by the Broker to Bursa Clearing. In the event that the proceeds from the sale of the eNSR is insufficient to settle the amount payable or paid by the Broker to Bursa Clearing, the Client hereby agrees to indemnify the Broker in full and shall be liable to pay for such shortfall to the Broker.

- (d) With respect to the Client who is a seller:-
- (i) the Client who wishes to have CPO appraised for possible delivery to the market shall deliver the CPO to a port tank installation;
  - (ii) upon a request by the Client, the port tank installation owner shall arrange for the CPO to be appraised in accordance with the procedures laid down by Bursa Derivatives from time to time;
  - (iii) once the CPO has been appraised, the port tank installation owner shall issue a eNSR in the form approved by Bursa Derivatives from time to time, for all deliverable CPO. The eNSR shall state the name of the port tank installation owner, the date of appraisal and whether the appraised CPO meets the requirements of the Exchange's specifications with respect to delivery. Each lot of twenty-five (25) metric tons of CPO shall bear a separate eNSR;
  - (iv) in the event that the Client fails to deliver the eNSR to the Broker by 10 a.m. on the last tendering day, the Client shall be liable to and shall indemnify the Broker for all losses incurred by the Broker (arising from the Client's failure to deliver the eNSR), as charged by Bursa Clearing.

The Client further agrees and acknowledges that in relation to all trading in CPO futures contract on the futures market of Bursa Derivatives on behalf of the Client or pursuant to the Client's instructions and all futures contracts registered by the Broker with Bursa Clearing relating to those trades, the Client hereby waives and shall have no right or cause of action or remedy against Bursa Derivatives, Bursa Clearing or any broker save for the Broker who conducted the trade on behalf of the Client or on his instructions, except as permitted by the Act.

## 17. BURSA DERIVATIVES' 5-YEAR MALAYSIAN GOVERNMENT SECURITIES ("FMG5") FUTURES

For the avoidance of doubt, the following terms and conditions as set out herein shall be applicable in respect of futures trading in Bursa Derivatives' FMG5 futures contracts entered into between the parties, in addition to and not in derogation of the terms and conditions as set out in this Agreement:

- (a) The parties agree that a spot month FMG5 futures contract can only be traded by an institutional client who is in the financial institution business or such other client as the Broker may at its absolute discretion to decide. For the avoidance of doubt, a "spot month" means "at any point in time, the nearest month a futures contract may become deliverable" for FMG5 futures contract.
- (b) With respect to any open contracts:-
  - (i) the Client agrees and undertakes to comply with any direction issued by Bursa Clearing, including but not limited to the physical delivery and settlement of the underlying interest of the open contract;
  - (ii) the Client agrees and undertakes to perform physical delivery and settlement of the underlying interest of the open contract as agent of the Broker;
  - (iii) the Client will facilitate the Broker's cooperation with Bursa Clearing in respect of any actions that Bursa Clearing may direct or take, including pursuant to an event of default or default proceeding under the rules of Bursa Clearing:
    - (A) the Client agrees and undertakes that the events of default and default proceedings under the rules of Bursa Clearing shall apply instead of any other rules or requirements governing the physical delivery and settlement of the underlying interest of the open contract; and
    - (B) where an event of default occurs including in relation to the physical delivery and settlement of the underlying interest of the open contract, the Client agrees and undertakes to accept any decision or action taken by Bursa Clearing that is made in accordance with the rules of Bursa Clearing and the Client further agrees and undertakes not to make or pursue any claim, cause of action, suit or other proceeding against Bursa Clearing under any other rules or requirements governing the physical delivery and settlement of the underlying interest of the open contract;
  - (iv) the Client agrees and undertakes that in the event of disputes relating to the open contract, the Client will not seek a resolution under any other rules or requirements governing the physical delivery and settlement underlying interest of the open contract and instead will only seek a resolution in accordance with the rules of Bursa Clearing, including agreeing to submit to arbitration and comply with the arbitration award; and
  - (v) the Client agrees and undertakes that the liability of Bursa Clearing, Bursa Malaysia Berhad or any person acting on behalf of Bursa Clearing or Bursa Malaysia Berhad, in respect of any damage, loss, cost or expense of whatever nature suffered or incurred by the Client or any other third party in relation to the open contract, including in relation to physical delivery and settlement of the underlying interest of the open contract, is limited in accordance with the rules of Bursa Clearing, and the Client further agrees and undertakes to be bound by such limitation in any claim, cause of action, suit or other proceeding relating to the open contract including in relation to the physical delivery and settlement of the underlying interest of the open contract.

## TERMS AND CONDITIONS OF TRADING

The Client hereby

1. undertakes to abide by the rules, regulations, by-laws, directives of the exchanges or other relevant authority and any subsequent new rules and/or regulations, amendments or revisions that may be brought into force from time to time. The Client also undertakes to at all times comply with all margin requirements prescribed by the Broker or otherwise notified to the Client;
2. declares that the information given herein are true and correct and that the Client has not withheld any material fact or information from the Broker. The Client authorises the Broker to verify, in any manner with any third party, the information furnished herein or from time to time as the Broker deems fit and the Client further undertakes to furnish the Broker with such further additional information as the Broker require at any time or from time to time.

The Client also authorises the Broker to make any checks and/or obtain any information and/or confirmation, with or from any credit reference agencies, and/or from any financial institutions, on the Client or any other person, individual and/or entity as the Broker may deem fit, for any purposes which the Broker deems fit;

3. agrees that the Broker may have the absolute discretion to close the Client's account without giving any reasons and that the Broker may impose such other terms and conditions upon approval and from time to time, if deem necessary;
4. undertakes to pay the Broker promptly the outstanding debit balance of the Client's account and pay all relevant fees, and charges including legal fees incurred by the Broker on a solicitor and client basis in the enforcement of any of the Client's obligations and liabilities;
5. agrees that the Broker shall not be liable for any losses or damages as a result of any act of God, act of public enemy, war, insurgency riot, labour disputes, strike, power failure or any disturbances arising out of matters beyond the Broker's control;
6. agrees that the Client shall not hold the Broker or any of its officers, employees or agents responsible or liable for whatever losses incurred as a result of the acts, representation and/or omission of the said representative in carrying out his/her duties in connection with this account;
7. agrees that all orders made through the telephone shall be deemed to be confirmed and binding on the Client without the requirement to furnish any proof on the Broker's part and that the Broker operates the Client's account in accordance with the Client's oral or written instructions that are believed to be genuine and to have been given by such one or more person(s) as notified by the Client from time to time in writing and the Broker shall not be made responsible or liable for any loss that may result from unauthorised instructions;
8. agrees that the Broker shall have the right at any time to refuse or limit the Client's orders;
9. declares that

Individual : The Client is not a bankrupt and there is no pending bankruptcy proceedings against the Client at the date hereof;

Corporate : No winding-up proceedings has commenced against the Client as at the date hereof;

10. authorises the Broker to sell or dispose off the whole or part of the stocks/shares/securities pledged by the Client as collateral at any time without notice to the Client and utilise the proceeds to offset and discharge all the Client's liabilities and obligations with the Broker;
11. authorises the Broker at any time and from time to time during the existence of this Agreement without prior notice to the Client, to transfer from or to (as the case may be at the Broker's discretion require) any of the Client's other accounts held with the Broker or its Affiliates any of the money, securities or other property of the Client (where held alone or jointly with others) as the Broker may deem to be reasonably required for margin in any of the Client's accounts or to reduce or satisfy in full any of the Client's indebtedness to the Broker in such account, provided that the Broker shall within a reasonable time after making any such transfer send a written confirmation thereof to the Client;
12. declares and agrees that all communication, notice, demand or other document required to be given to the Client, shall be deemed to be served for all purpose if left by hand or sent by facsimile, courier services or postal services at the Client's address as stated in the application form or the last known address;
13. agrees that the failure or delay by the Broker to insist on compliance with any of these undertakings, terms and conditions or any continued course of such conduct by the Broker shall not be construed or constituted as a waiver or relinquishment generally or specifically by the Broker of any rights, power, privileges or remedies accruing to the Broker;
14. declares that if any undertakings, terms and conditions herein contained, shall be held to be invalid, unenforceable, illegal or otherwise the invalidity, unenforceability and illegality shall not affect or impair the remaining terms and conditions herein;
15. acknowledges that all provisions of this Agreement shall be binding upon all the Client's heirs, executors, administrators, personal representatives, successors, receivers, trustees in bankruptcy and assigns;
16. declares that all the agreements and undertakings herein obtained and the rights and obligations therefrom shall be governed by and construed in all respects accordance with the law of Malaysia and agree to submit to jurisdiction of the court of Malaysia; and
17. undertakes to confirm accuracy of the Client's details in the Broker's client database within 15 days of receipt of the Broker's notification of account opened.

**ELECTRONIC TRADING FACILITIES  
SUPPLEMENTAL TERMS AND CONDITIONS OF TRADING**

This Supplemental Terms and Conditions of Trading is supplemental to and forms part of the terms and conditions set out in the Trading Agreements (as hereinafter defined) between CGS-CIMB Futures Sdn Bhd (the "Broker") and the Client.

In consideration of the Broker agreeing to grant the Client the Electronic Trading Facilities (as hereinafter defined) and to use the Electronic Trading Facilities provided by the Broker in respect of trading in futures contracts (as defined in the Capital Markets and Services Act 2007), the Client hereby agrees to the Terms and Conditions set out herein.

**1. Definitions**

In these Terms and Conditions, the following words and expressions shall have the meanings set out hereunder unless the context otherwise requires:-

**Affiliates** means (i) a related corporation (as defined in the Companies Act 2016) of the Broker, (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;

**Applicable Laws** includes, but is not limited to, any rules, regulations, orders, decisions, procedures and other requirements whatsoever whether having legal force or otherwise of any applicable regulatory body, exchange, clearing house, governmental or other authority to which a party or the execution and/or clearing of any transactions under the Trading Agreements is subject to;

**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);

**Connected Exchange** means Bursa Malaysia Derivatives Berhad and any other recognized futures exchange;

**Electronic Orders** means orders to buy and sell futures contracts using the Electronic Trading Facilities to be transmitted to the Connected Exchange;

**Electronic Trading Facilities** means transmission of the Electronic Orders using any types and means of electronic communication (including without limitation using the Broker's telecommunication, computer or electronic network or systems, internet, personal computers and mobile device) and includes service or information accessible through the Broker's system made available or provided to the Client, either directly or through third parties, trading through a Direct Market Access Infrastructure (as defined in the Rules of Bursa Malaysia Derivatives Berhad) ("DMA") or trading by any other medium of electronic communication which the Broker may adopt or introduce for use to its clients;

**Trading Agreements** means any and all documentation between the Client and the Broker and includes without limitation client agreements, as agreed or amended from time to time.

**2. Pre-requisite Requirements**

2.1 If the Client wishes to use the Electronic Trading Facilities, the Client must establish and maintain a telecommunication device/line/network.

2.2 If the Broker makes the Electronic Trading Facilities available to the Client, the Client acknowledge that:

- (a) there may be delays in the processing, execution, amendment or cancellation of the Electronic Order entered through the Electronic Trading Facilities;
- (b) the execution of the Electronic Order placed through the Electronic Trading Facilities may be delayed by trading restrictions that the Broker may establish or revise from time to time at Broker's discretion (the "Filters") or other electronic features of the electronic system;
- (c) the Broker is not responsible for the installation and operation of equipment (including telecommunication lines) necessary to access the Electronic Trading Facilities in order to use the Electronic Trading Facilities; and
- (d) the use of the Electronic Trading Facilities is subject to the disclaimers, notices, acknowledgements and other conditions placed or otherwise accessible in the Electronic Trading Facilities.

2.3 The Client shall provide the Broker such information as the Broker may request to set up the Client's reference data for the provision of the Electronic Trading Facilities.

**3. Execution Limit**

3.1 The Client covenants to observe the trading conditions imposed or to be imposed by the Broker on the Client from time to time, including without limitation credit limits imposed on the trading activities of the Client. In the event the trading limits imposed on the Client are breached at any time, the Client shall take all steps necessary to rectify the position and to ensure that it is within the allowed limits. In the event the Client fail to do so, the Broker shall, and is hereby authorised to take such steps as is necessary to ensure that the Client remain within the permitted trading limits, without liability to the Client in respect of any losses thereby sustained.

3.2 The Client acknowledges and agrees that the Broker and/or the Connected Exchange may set specific parameters defining the orders that may be entered by the Client, including restriction to specific instruments or size of orders, and the Broker shall have the right to reject orders that do not fall within the designated parameters of authorised orders.

- 3.3 For the avoidance of doubt, the Client's Electronic Orders will be subject to the Filters, including (without limitation) the Filters whose object is to:
- (a) prevent a breach of the Applicable Laws; or
  - (b) prevent the Electronic Orders being registered with a trading platform where the price at which the Electronic Order is submitted through the Electronic Trading Facilities is too far from the prevailing market price for the relevant futures contract; or
  - (c) ensure that the Electronic Trading Facilities does not interfere with the efficiency and integrity of the market conducted by the Connected Exchange.

3.4 The Broker has, and accepts, no responsibility or liability to the Client or any person claiming through the Client for failing to register such Electronic Orders with the trading platform.

#### **4. Authorised Access**

The Client hereby agrees and undertakes at all times:

- (a) to keep strictly confidential and safeguard any and all user names, passwords, identification or other access codes issued to the Client by the Broker for the purpose of enabling the Client to access the Electronic Trading Facilities (the "Security Features"); and
- (b) to immediately notify the Broker if the Client suspects that the confidentiality of the Security Features has been compromised or if the Client's account has been accessed or used without his authority.

#### **5. Placing of Electronic Orders through the Electronic Trading Facilities**

- 5.1 The Client shall enter orders and trade in compliance with the Applicable Laws.
- 5.2 The Broker shall be entitled to treat any instruction and/or communication transmitted via the Electronic Trading Facilities as genuine and the Broker shall be under no duty to verify the authenticity of such instruction or communication.
- 5.3 The Client shall be responsible for any accidental, fraudulent or unauthorised instruction or communication transmitted to the Electronic Trading Facilities. Upon notice or suspicion of any accidental, fraudulent or unauthorised transmission of instruction or communication, the Client shall immediately notify the Broker.
- 5.4 The Client shall be liable for and accept the consequences for all transactions transmitted by accessing the Electronic Trading Facilities even if any such transactions are incorrect, originate from a person other than the authorised persons or are miscommunicated due to a malfunction of the Electronic Trading Facilities. The Client shall not assert the absence of additional controls as a reason for rejecting commitments arising from Electronic Orders transmitted via the Electronic Trading Facilities.

#### **6. Acceptance of Order**

- 6.1 An Electronic Order will only be accepted by the Broker and/or the Electronic Trading Facilities for transmission to the Connected Exchange if the Client has provided all the following information :-
- (a) contract code;
  - (b) contract month;
  - (c) buy/sell;
  - (d) order quantity;
  - (e) limit price (if applicable); and
  - (f) such other information as may be requested by the Broker and/or the Electronic Trading Facilities.
- 6.2 The Client agrees to check the details of an Electronic Order before transmission as it may not be possible to cancel the Electronic Order once transmitted. The Client acknowledges that a request to cancel or amend an Electronic Order is only possible before such Electronic Order is executed and the Client agrees to accept full responsibility for any full or partial execution of a Electronic Order whether or not the Client purport to, or otherwise have attempted to, cancel or amend such Electronic Order.
- 6.3 An Electronic Order may be rejected automatically by the Electronic Trading Facilities, and the Broker shall be entitled in its absolute discretion (without any liability to the Client) to change or remove an Electronic Order, stop or cancel an Electronic Order, for any reason whatsoever, including, if the conditions described in Clause 6.1 are not fulfilled or in the Broker's sole opinion, the execution of such Electronic Order would be in breach of any Applicable Laws or otherwise adversely affect the Broker's interests or those of its Affiliates.
- 6.4 Notwithstanding the above, the Broker shall be entitled to discontinue accepting orders from the Client at any time without notice.
- 6.5 The Broker shall be entitled, at any time without notice to the Client and without in any way being liable for any loss or damage whatsoever to the Client to:-
- (a) amend, modify, suspend or terminate the operation of the Electronic Trading Facilities; and/or
  - (b) suspend or terminate the Client's access to and use of the Electronic Trading Facilities.
- 6.6 The Client shall be deemed to have received and shall be bound by any notification or acknowledgement given by the Broker or by the Connected Exchange (as the case may be) on the Electronic Trading Facilities concerning the carrying out or execution of the Client's instructions or orders notwithstanding that such notification or acknowledgement may not actually have been received by the Client.

## **7. Notice by the Client**

The Client shall notify the Broker immediately upon its becoming aware of either of the following:-

- (a) any unauthorised use of the Electronic Trading Facilities; or
- (b) any failure by the Client to receive a receipt acknowledgement, statement, confirmation, advice and/or other appropriate response in the ordinary course of business that any Electronic Order has been received and/or executed or if the Client receives a receipt acknowledgement, statement, confirmation, advice and/or response relating to an Electronic Order which the Client did not place.

## **8. Distribution and Intellectual Property**

8.1 The Client agrees to keep all information available to the Client through the use of the Electronic Trading Facilities (including any reports sent to the Client by the Broker) (the "Information") secure and confidential and not allow any person to have access to them other than the Broker's authorised personnel who require such access to operate the services extended to the Client herein.

8.2 The Client shall not:-

- (a) modify, reproduce or create in any manner any derivative works of the content in, under or to the Electronic Trading Facilities for use, transmission, distribution or display on the Electronic Trading Facilities or any other websites without the Broker's prior written consent;
- (b) retransmit, disseminate, sell, distribute, publish, broadcast, circulate or commercially exploit the Information in any manner whatsoever without the Broker's prior written consent; and
- (c) use the Information obtained from the Electronic Trading Facilities for any illegal purposes or in such a manner as to encourage illegal activities;

8.3 The Client accepts and acknowledges that all intellectual property rights (whether by way of copyright or otherwise) in the Information vests solely in and shall remain the exclusive property of the Broker and/or other third parties. The Client agrees and undertakes not to do anything that will violate or infringe intellectual property rights of the Broker and/or other third parties and will take all necessary measures to preserve and protect these rights.

## **9. Representations, Warranties and Undertakings**

9.1 The Client represents and warrants to the Broker:-

- (a) that these Terms and Conditions are legal, valid and binding obligations of the Client, enforceable against the Client;
- (b) that the Client has all authorisations, consents, licences or approvals (whether under the Applicable Laws or otherwise) required to accept and agree these Terms and Conditions, to access and use the Electronic Trading Facilities;
- (c) that any Electronic Orders placed are solely and exclusively based on the Client's own judgment and after the Client's own independent appraisal and investigation into the risks associated with such Electronic Orders or dealings;
- (d) that any person(s) empowered to act on the Client's behalf have been duly authorised;
- (e) that the Client and each of the authorised persons has the knowledge of the process for the submission of orders through the Electronic Trading Facilities, including through the use of DMA, the laws and rules in relation to trading on the Connected Exchange, is familiar with, understand, and will keep themselves updated on the Applicable Laws;
- (f) that the Client shall, when requested by the Broker and/or the Connected Exchange, furnish to the Connected Exchange the Client's written confirmation ("the said Confirmation") that the Client, and its authorised persons, has requisite knowledge of the requirements set out in Clause 9.1(e), such said Confirmation to be in a format acceptable to the Connected Exchange; and
- (g) that the Client's relationship with the Broker pursuant to these Terms and Conditions is limited to the access to and use by the Client of the Electronic Trading Facilities, and the Client acknowledge that the Electronic Trading Facilities provided by the Broker in respect of a relevant market is subject to the Applicable Laws and the Client shall be responsible for compliance with the Applicable Laws.

9.2 The above representations, warranties, agreement and undertakings shall be deemed repeated whenever the Client transmits Electronic Orders using the Electronic Trading Facilities.

## **10. Confidentiality**

10.1 Both parties undertake not to disclose to any person or persons any confidential information and/or documents of the other party that it may acquire in the course of its access and use of the Electronic Trading Facilities; provided, however, that such confidential information may be disclosed (i) to the extent required by the Applicable Laws, or (ii) to the extent reasonably required for the performance of its obligations under these Terms and Conditions, or (iii) pursuant to a subpoena or order of a court or regulatory, self-regulatory or legislative body of competent jurisdiction or (iv) in connection with any regulatory report, audit or inquiry, or (v) where requested by a regulator with jurisdiction over a party. For the avoidance of doubt, the Broker may disclose any confidential information to such of its affiliates and related companies' directors, officers, employees and agents who need to know such confidential information in connection with the use of the Electronic Trading Facilities.

10.2 The restrictions set out in Clause 10.1 on both parties shall not apply to information or knowledge which:-

- (a) is publicly available or becomes publicly available through no act or omission or otherwise default of a party; or
- (b) is previously known to the disclosing party (which must be demonstrable) without an obligation of confidentiality; or
- (c) independently developed by the disclosing party outside of these Terms and Conditions; or
- (d) rightfully obtained by the disclosing party from third parties without an obligation of confidentiality.

For the avoidance of doubt, this is a continuing obligation and will survive the termination of these Terms and Conditions.

## 11. Exclusion and Limitation of Liability

- 11.1 The Client acknowledges that the Electronic Trading Facilities is provided on an "as is" basis. The Broker and its Affiliates make no warranty, guarantee or representation of any kind, express or implied, and to the extent permitted by the Applicable Laws, expressly disclaims all statutory or implied warranties in relation to the Electronic Trading Facilities (and any results to be obtained from its use), including but not limited to warranties of satisfactory quality, quality or fitness for a particular purpose or use, accuracy, completeness, warranties arising from course of performance, course of dealing and usage of trade or their equivalents under the laws of any jurisdiction, and warranties that its functions will meet the Client's requirements, that its operation will be timely, accessible, secure, complete, reliable, uninterrupted or error-free, or that it will be free of viruses or harmful components.
- 11.2 The Broker shall not be liable or have any responsibility whatsoever for any delays, errors, interruptions or failure in transmission of Electronic Orders caused by or arising from the Electronic Trading Facilities.
- 11.3 The Client expressly acknowledges and agrees that the Broker have made no recommendation with respect to the Electronic Trading Facilities or any transactions in connection with the Electronic Trading Facilities and that the Broker and any third party service providers selected by the Broker to provide the Electronic Trading Facilities on an "as is" basis at the Client's sole risk.

## 12. Indemnity

The Client agrees to indemnify and hold the Broker harmless from and against all losses, liabilities, obligations, damages, claims, judgments, costs, expenses or disbursements of any kind (including reasonable legal fees and expenses) which may be incurred or suffered by or asserted against the Broker resulting from:-

- (a) the use by the Client of the Electronic Trading Facilities;
- (b) any breach by the Client's duties or obligations under the any of the Trading Agreements, including these Terms and Conditions;
- (c) failed settlement of transactions through the Electronic Trading Facilities as a result of the Client's default, negligence or fraud or that of the Client's clearing broker; or
- (d) failure by the Client to pay margin (as defined in the Trading Agreements) as and when required by the Broker (if applicable).

For the avoidance of doubt, this is a continuing indemnity and will survive the termination of these Terms and Conditions.

## 13. Regulatory Supervision

The Broker shall have no liability, and shall not be responsible, for any prejudice, loss or inconvenience which the Client may suffer 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, computer systems or equipment in respect of the Electronic Trading Facilities as the Broker and/or the regulatory body may request and the Client shall co-operate in answering any of their queries and render all reasonable assistance to the Broker and/or any regulatory body in relation to any aspect of the Electronic Trading Facilities.

## 14. Fees and Charges

The Client agrees and undertakes to :-

- (a) pay to the Broker such deposit, subscription fees, access fees, usage charges and other costs, charges and expenses as may be imposed by the Broker from time to time for the use of the Electronic Trading Facilities;
- (b) pay such taxes, levies or charges whatsoever now or hereafter imposed by law or required to be paid and to promptly reimburse the Broker for any such payment made by the Broker on behalf of the Client;
- (c) maintain a minimum credit balance in the Client's account as may be imposed by the Broker from time to time for the use of the Electronic Trading Facilities; and
- (d) permit the Broker to debit the Client's account for all the aforesaid charges.

## 15. Term and Termination

- 15.1 Either the Broker or the Client shall be entitled to terminate these Terms and Conditions by giving the other notice in writing of seven (7) days to that effect.
- 15.2 For the avoidance of doubt, termination of these Terms and Conditions shall not affect the rights and liabilities of the parties that have accrued prior to such termination.

**16. General**

- 16.1 The Client confirms that the Client shall not assign any rights, titles or interests under these Terms and Conditions to any party without prior written consent from the Broker.
- 16.2 These Terms and Conditions supplement and/or amend and are to be read together with the Trading Agreements. In the event of any inconsistency between these Terms and Conditions and the Trading Agreements, these Terms and Conditions shall prevail.
- 16.3 The Client agrees and acknowledges that these Terms and Conditions shall be for the benefit of the Broker and each and every member of its Affiliates and can be enforced against the Client by each of the members of its Affiliates as if they were a party to these Terms and Conditions.
- 16.4 These Terms and Conditions and the relationship between the Client and the Broker shall be governed by, and construed in accordance with, the laws of Malaysia. The parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Malaysia.

**17. Amendment**

The Broker shall be entitled to amend, add to, delete or otherwise vary these Terms and Conditions as its absolute discretion and the Client shall be bound by such variation.

The Broker may vary the functionality and trading rules of the Electronic Trading Facilities without notice.



## RISK DISCLOSURE STATEMENT

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

### FUTURES

#### 1. Effect of “Leverage” or “Gearing”

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

#### 2. Risk-Reducing Orders or Strategies

The placing of certain orders (e.g. “stop-loss” orders, where permitted under local law, or “stop-limit” 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. Strategies using combinations of positions, such as “spread” and “straddle” positions may be risky as taking simple “long” or “short” positions.

### OPTIONS

#### 3. Variable Degree of Risk

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

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

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

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

### ADDITIONAL RISKS COMMON TO FUTURES AND OPTIONS

#### 4. Terms and Conditions of Contracts

You should ask the Futures Broker with which you deal about the terms and conditions of the specific futures contract or options which you are trading and associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the Exchange or clearing organization to reflect changes in the underlying interest.

#### 5. Suspension or Restriction of Trading and Pricing Relationship

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

Further, normal pricing relationships between the underlying interest and the futures, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge “fair” value.

#### 6. Deposited Cash and Securities

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

## **7. Commission and Other Charges**

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

## **8. Transactions in Other Jurisdictions**

Transactions on markets in other jurisdictions including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade you should inquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the Futures Broker with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

## **9. Currency Risks**

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

## **10. Trading Facilities**

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or Futures Brokers. Such limits may vary, you should ask the Futures Broker with which you deal for details in this respect.

## **11. Electronic Trading**

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

## **12. Off-Exchange Transactions**

In some jurisdictions, and only then in restricted circumstances, Futures Brokers are permitted to effect off-exchange transactions. The Futures Broker with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with applicable rules and attendant risks.