



Account : **Futures / CFD**  
 Branch : \_\_\_\_\_  
 AE/CMSRL : \_\_\_\_\_  
 Date : \_\_\_\_\_

**Important Note:** (i) Pursuant to Rule 4.12 (1)(a) of the Rules of Bursa Malaysia Derivatives Berhad on Opening a Client Account, Phillip Capital Sdn. Bhd. ("PCSB") shall obtain all essential information about the Client, including the Client's investment objectives, knowledge and experience in dealing in derivatives, financial situation and whether the Client is associated to an employee, a director or a Representative of Trading Participants.

(ii) Pursuant to the Personal Data Protection Act 2010 ("ACT"), PCSB is committed to protect the privacy of the investors in conducting derivatives broking business. "Personal Data" is information that identifies or relates to the account holder. In this form, PCSB describes how the provided Personal Data is collected through this form and other means (eg: written instructions, telephone calls, e-mails, and other communications or correspondences with us and derivatives broking agents) and this should not be considered to be an exhaustive list.

1. Please write in **BLOCK LETTERS**.
2. All relevant information must be completed. Any field that is not applicable must be crossed or stated as N/A. Any amendments shall be legible and duly countersigned by the Applicant.
3. Incomplete, illegible or defaced forms in any way may result in the application being rejected.
4. Kindly enclose the following **MANDATORY DOCUMENTS**: (i) A copy of NRIC / Passport (must be clear and legible) (ii) Latest Pay Slip / EA Form Latest Bank Statement / Other relevant documents

**SALUTATION**      ☐ Mr.      ☐ Mdm.      ☐ Ms.      ☐ Others, please specify:

[illegible]

**NATIONALITY** ☐ Malaysian ☐ Others : **Malaysian PR (Foreigner Only)** ☐ Yes ☐ No

[illegible][illegible]

**PERMANENT ADDRESS\***      ☐ Owned      ☐ Leased      ☐ Mortgage      ☐ Others, please specify: \_\_\_\_\_

[illegible]

**CORRESPONDENCE**      ☐ Owned      ☐ Leased      ☐ Mortgaged      ☐ Others, please specify: \_\_\_\_\_

[illegible][illegible][illegible][illegible][illegible]

**GENDER**      ☐ Male      ☐ Female      **BUMIPUTERA STATUS**      ☐ Yes      ☐ No

**ETHNIC** ☐ Malay ☐ Chinese ☐ Indian ☐ Others, Please specify: \_\_\_\_\_

**MARITAL STATUS**      ☐ Single      ☐ Married      ☐ Divorced      ☐ Widowed

[illegible]

**EMPLOYMENT / BUSINESS**    ☐ Self-Employed    ☐ Employed (Contract / Permanent)

[illegible][illegible][illegible][illegible]

**NATURE OF BUSINESS** ☐ Banking / Finance ☐ Construction ☐ Education

☐ Hotel / Food & Beverage Services    ☐ Manufacturing    ☐ Real Estate

☐ Telecommunications      ☐ Transportation & Logistic      ☐ Others: \_\_\_\_\_

**OCCUPATION**

\*(If you are currently a Homemaker/Unemployed/Retiree, please indicate your previous occupation as well)

**DESIGNATION**

**YEARS IN EMPLOYMENT / BUSINESS**   Month / Year

**CURRENT ANNUAL INCOME** ☐ Up to RM 25,000 ☐ RM 25,001 – RM 50,000 ☐ RM 50,001 – RM 100,000  
☐ RM 100,001 – RM 300,000 ☐ Above RM 300,000

**ESTIMATED NET WORTH** ☐ Up to RM 100,000 ☐ RM 100,001 – RM 500,000 ☐ RM 500,001 – RM 1,000,000  
☐ RM 1,000,001 – RM 3,000,000 ☐ Above RM 3,000,001

**SOURCE OF FUNDS** (you may tick more than 1 choice) ☐ Employment ☐ Business ☐ Investment ☐ Inheritance ☐ Others: \_\_\_\_\_

**SOURCE OF WEALTH** (you may tick more than 1 choice) ☐ Employment ☐ Business ☐ Investment ☐ Inheritance ☐ Others: \_\_\_\_\_

**ESTIMATED CAPITAL INJECTION**

### C. SPOUSE / NEXT OF KIN INFORMATION

**SALUTATION** ☐ Mr. ☐ Mdm. ☐ Ms. ☐ Others, please specify: \_\_\_\_\_

**NAME** (As per NRIC/passport)

**NATIONALITY** ☐ Malaysian ☐ Others : \_\_\_\_\_ **Malaysian PR (Foreigner Only)** ☐ Yes ☐ No

**NRIC / PASSPORT NO.**

**DATE OF BIRTH**

**GENDER** ☐ Male ☐ Female

**RELATIONSHIP**

**OCCUPATION**

**CONTACT INFORMATION** Office/Home  Mobile

### D. SUPPLEMENTARY INFORMATION

1. **BANKING DETAILS (1)**  
NAME OF BANK \_\_\_\_\_ BRANCH \_\_\_\_\_  
ACCOUNT TYPE \_\_\_\_\_ ACCOUNT NO. \_\_\_\_\_

**BANKING DETAILS (2)**  
NAME OF BANK \_\_\_\_\_ BRANCH \_\_\_\_\_  
ACCOUNT TYPE \_\_\_\_\_ ACCOUNT NO. \_\_\_\_\_

2. **DO YOU HAVE ANY TRADING EXPERIENCE?**  
☐ Derivatives \_\_\_ years ☐ Equities \_\_\_ years ☐ Margin Trading \_\_\_ years ☐ Leveraged Forex \_\_\_ years ☐ Others: \_\_\_/\_\_\_ years

3. **INVESTMENT OBJECTIVES**  
☐ Arbitrage ☐ Hedge ☐ Speculation  
☐ Source of Income ☐ Net Worth Growth ☐ Capital Preservation

4. **RISK TOLERANCE**  
☐ Low ☐ Medium ☐ High

5. **HOW DO YOU KNOW ABOUT PHILLIP CAPITAL SDN BHD?**  
☐ Advertisement ☐ Friend ☐ Seminar ☐ Website ☐ Others : \_\_\_\_\_

6. **DO YOU HAVE ANY ACCOUNT WITH PHILLIPCAPITAL GROUP?**  
☐ YES ☐ NO If yes, state details? \_\_\_\_\_

7. **DO YOU HAVE ANY IMMEDIATE FAMILY MEMBER WHO IS A STAFF OF PHILLIP GROUP?**  
☐ YES ☐ NO If yes, state name(s) and relationship? \_\_\_\_\_

**8. ARE YOU A DIRECTOR, PARTNER OR EMPLOYEE OF ANOTHER MEMBER OF THE EXCHANGE?**☐ YES☐ NO

If yes, with whom? \_\_\_\_\_

**E. DECLARATION****1. FATCA Declaration**

Do you own any of the following:

US Identification No.	<input type="checkbox"/> YES	<input type="checkbox"/> NO	Standing instructions for fund transfer to a US account	<input type="checkbox"/> YES	<input type="checkbox"/> NO
US Place of Birth	<input type="checkbox"/> YES	<input type="checkbox"/> NO	Power of Attorney of Signatory with the US address	<input type="checkbox"/> YES	<input type="checkbox"/> NO
US Phone No.	<input type="checkbox"/> YES	<input type="checkbox"/> NO	US "In-Care-of" or "Hold Mail Address"	<input type="checkbox"/> YES	<input type="checkbox"/> NO
US Address	<input type="checkbox"/> YES	<input type="checkbox"/> NO			

**Remark:-** It is the responsibility of a US Person to declare the legitimate interest, information on foreign financial accounts and offshore assets to the regulators pursuant to *Foreign Account Tax Compliance Act (FATCA)*. PCSB will not be liable for any claims, demands, losses, penalties, fines, damages, costs and/or expenses resulting from misinterpretation with regards to the tax declaration if any.

**2. Directorship Declaration**Are you a director of any listed corporation, wherever incorporated? ☐ YES ☐ NO

Pursuant to 317 (A) Capital and Markets Services Act 2012, a director or an officer of a listed corporation or any of its related corporations shall not do or cause anyone to do anything with the intention of causing wrongful loss to the listed corporation or any of its related corporations irrespective of whether the conduct causes actual wrongful loss. "Director" includes a person who is a director, chief executive officer, chief operating officer, chief financial controller or any other person primarily responsible for the operations or financial management of a company, by whatever name called.

If yes, please provide the details as follow:-

Company Name	Designation	Shareholding	Country

**3. Politically-Exposed Person (PEP) Declaration**Are you a PEP as defined below? ☐ YES ☐ NO

PEP means:

- Foreign PEP i.e. individual who is or who has been entrusted with prominent public functions by a foreign country
- Domestic PEP i.e. individual who is or has been entrusted domestically with prominent public functions
- Person who is or has been entrusted with a prominent function by an international organization which refers to member of senior management
- Family members of PEP (related to a PEP either directly (consanguinity) or through marriage)
- Close associates of PEP (an individual reasonably known to the reporting institution to be closely connected to a PEP, either socially or professionally)

If yes, please provide the details as follow:-

Name	Relationship with Client	Occupation / Designation	Employer / Country

**Remarks:-** Pursuant to the Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries, Enhanced Customer Due Diligence (ECDD) is to be conducted on clients who are classified as PEP. Therefore, it is the responsibility of the client to declare whether he/she is a PEP. PCSB will not be liable for any claims, demands, losses, penalties, fines, damages, costs and/or expenses resulting from the non-declaration of the above.

**4. Declaration and Undertaking on Domestic Borrowing Pursuant to Rules of Bank Negara Malaysia: Foreign Exchange Administration (Applicable to Malaysian Residents Only)**

\*Kindly tick box (a) if you have domestic borrowing or box (b) if you do not have domestic borrowing or box (c) if you are not Malaysian Resident

- I/We hereby declare that pursuant to Foreign Exchange Administration Policies issued by Bank Negara Malaysia ("BNM"),

**(a) ☐ I/We am/are Malaysian Resident with domestic borrowing\***

I/We further declare that my/our investments abroad, shall and does not at any time exceed RM 1,000,000.00 (Ringgit Malaysia One Million) per calendar year, where it involves conversion of Ringgit Malaysia into foreign currency.

I/We undertake to seek specific approval from BNM if my/our currency conversion for the purpose of foreign investment is to exceed RM1,000,000.00 in a calendar year and I/we further undertake to deliver to PCSB a copy of the specific approval granted to me/us by BNM.

I/We shall promptly inform PCSB in the event where there is such currency conversion made by me/us that exceeds the amount of RM 1,000,000.00, or such other amount as approved by BNM, within a calendar year.

**(b) ☐ I/We am Malaysian Resident with no domestic borrowing\***

I/We hereby undertake to notify PCSB immediately in writing should there be any subsequent domestic borrowing.

**(c) ☐ I/We am NOT Malaysian Resident.**

- I/We undertake to obtain any approval from BNM or other relevant regulatory authority(s), if required, in relation to trading in foreign futures contracts. I/We hereby consent PCSB to disclose to or inform BNM or other relevant regulatory authority(s), if the same is required, following the disclosure made by me/us to PCSB in accordance with the above clauses, and I/we shall indemnify the Company for any penalty that may occur arising from my/our declaration to the above clauses.

- In the event there are changes to the circumstances and/or details contained in this declaration and undertaking, I/we undertake to update PCSB of the changes immediately, failing which you may proceed to take any actions you deem fit without further reference to me/us.

\*Not limited to any conventional and/or Islamic advances, loan, trade financing, hire purchase, factoring, leasing facilities, redeemable preference shares, or similar facilities in whatever name or form in Ringgit Malaysia, excluding but not limited to inter-company credit facilities within corporate group in Malaysia, trade credit terms extended by a supplier for all type of goods and services, forward exchange contracts entered with licensed onshore banks and approved merchant banks, one personal housing loan and one vehicle loan obtained from residents, credit card and charge card facilities and the list is by no means exhaustive.

## 5. Common Reporting Standard ("CRS") Self-Certification Form

For individual and Corporate, please complete declaration below.

I/We declare that I/We are

☐ Tax resident in Malaysia ONLY. \*\*Please leave the following table empty.

☐ Foreign tax resident (other than Malaysia). Please list ALL the countries in which you are foreign tax resident in the following table:

Name	Country of Tax Residence	Tax Identification No.

### Declaration

I/We declare that I have examined the information on this form and to the best of my knowledge and belief, it is true, correct, and complete.

I/We hereby acknowledge and consent that Phillip Capital Sdn Bhd (PCSB) shall have the right to provide my/our personal data and information to regulatory authorities in accordance with the requirements of Common Reporting Standard (CRS) for the Automatic Exchange of Financial Account Information as may be stipulated by applicable laws, regulations, agreement or regulatory guidelines or directives.

If there is any update to the account information/tax residency status or if updates reveal any change of tax residency status, I/We hereby agree to notify and furnish PCSB with the relevant documentary evidence within 30 days of such change.

I/We certify that I/we am/are the Account Holder (or am authorized to sign for the Account Holder) of all the account(s) to which this form relates.

### Definitions:

- (1) The term "Financial Institution" means a Depository Institution, Custodial Institution, Investment Entity or a Specified Insurance Company. Please refer to the CRS guidance available in Lembaga Hasil Dalam Negeri (LHDN) website for further information.
- (2) The term "NFE" refers to "Non-Financial Entities", which means entity that is not a Financial Institution.
- (3) The term "Active NFE" means entities that :
  - (a) DO NOT primarily receive passive income or primarily hold amounts of assets that produce passive income (such as dividends, interest, rents etc.).
  - (b) include entities that are publicly traded (or related to a publicly traded entity), Governmental Entities, International Organizations, Central Banks, or a holding NFEs of non-financial groups.
- (4) The term "Passive NFE" means any NFE that is not an Active NFE. An Investment Entity located in a Non-Participating Jurisdiction is treated as a Passive NFE for purposes of the CRS.
- (5) The term "Controlling Person" means a natural person who exercise control over an entity. If the Controlling Person(s) of Passive NFE who hold directly/indirectly more than 25% of the shares/ voting rights are foreign tax resident(s), please list all the countries in which the Controlling Person(s) are foreign tax resident(s).
- (6) A U.S. citizen is considered a tax resident of the United States even if he / she is a tax resident of another jurisdiction. If you are a tax resident of the United States, please provide your U.S. TIN using Form W-9.

## F. DECLARATION, ACKNOWLEDGEMENT AND AUTHORIZATION

### DECLARATION AND AUTHORISATION

1. I/We hereby declare that I/we have read and fully understood the contents of this Declaration and Authorization ("DA") and all the Terms and Conditions attached herein, Risk Disclosure Statement and Explanatory Statement. I/We acknowledge that I/we have received a copy of the Terms and Conditions and the Other Documents (Risk Disclosure Statement and Explanatory Statement). I/We agree to be bound by the DA, the Terms and Conditions and the terms under the Other Documents (whichever relevant) and any amendments, variations or modifications thereto as may be made and/or imposed by PCSB from time to time, and I/we am/are deemed to have been notified of such amended, varied or modified DA, Terms and Conditions and the terms under the Other Documents (whichever relevant) upon the same being made available on the website(s) of PCSB or being made available at the premises of PCSB. I/we am/are deemed to have accepted such amendments, variations, or modifications in the event where I/we continue with my/our trading or investment with PCSB. I/We further declare that I/We have read and fully understood the contents of the Risk Disclosure Statements and the respective documents attached thereto, which have been explained to me/us.
2. I/We solemnly declare I/we am/are the principal for dealing in derivatives in respect of my/our derivatives trading account.
3. I/We declare I/we am/are over 18 years old and that have not been adjudicated or declared a bankrupt and have not committed an act of bankruptcy and have no knowledge of any bankruptcy petition presented against me/us in any court of competent jurisdiction.
4. I/We declare that all particulars and information given herein are true and correct and that I/we have not withhold any material facts or information from PCSB. PCSB is entitled to fully rely on such information for all purposes unless PCSB receives notice in writing from me/us informing otherwise. I/We further undertake to furnish PCSB with additional particulars as PCSB may require from time to time.
5. I/We undertake to notify PCSB in writing of any changes in the information provided herein by me/us. I/We agree that such changes shall be effective seven (7) business days after PCSB's receive my/our notice.
6. I/We agree to be bound by the Rules and Regulations of Bursa Malaysia Derivatives Berhad ("Bursa Derivatives") and Bursa Malaysia Derivatives Clearing Berhad ("Bursa Clearing") and the Rules of the Specified Exchanges and any other relevant regulatory body(ies) governing dealing in derivatives quoted on Bursa Derivatives or other exchanges, as the same may be in force from time to time at any time. PCSB reserves the right to reject any application which does not conform to the requirements of the policies and guidelines set by PCSB.
7. I/We agree that PCSB shall be entitled to act upon and I/We shall accordingly be bound by any notice or other communication received by PCSB and believed by PCSB to have been given or made by a person authorized by me/us and the transaction executed pursuant to such instructions shall accordingly be binding on me/us. Where any instruction is ambiguous or inconsistent with any other instruction, PCSB shall be entitled either not to act upon the instruction or to rely and act in accordance with any reasonable interpretation thereof which any officer of PCSB believes in good faith to be the correct interpretation.
8. PCSB shall not be liable to me/us for acting upon any instruction communicated or purportedly communicated by me/us to PCSB over the telephone or in writing and signed or purportedly signed by me/us or given or transmitted purportedly or given or transmitted by facsimile or electronic mail notwithstanding that it is subsequently shown that such instruction was not given by me/us. Any risks of misunderstanding, any error or loss resulting from instruction given by unauthorized persons or any error, loss or delay resulting from the use of the post, facsimile or electronic mail are entirely my/our risk for which PCSB shall not be liable for.
9. I/We am/are aware that signatures on facsimile or electronic mail instruction may be superimposed fraudulently or without proper authority when transmitted to PCSB and I/we shall give PCSB facsimile or electronic mail instruction assuming such risks. PCSB shall not be held liable for any losses, damages, expenses, claims or liabilities suffered by me/us as a result of PCSB acting upon facsimile or electronic mail instruction so long as the signatures appearing on any such facsimile or electronic mail instruction appear on verification to be or purported to be in accordance with my/our specimen signature. For the purpose of assessment of this application and thereafter for any other purpose required as long as my/our account is opened, I/we authorize PCSB to conduct independent verification and/or inquiries in respect of any information that I/we have declared or furnished or will declare or furnish to PCSB from time to time with any authorities and/or credit reference agencies and/or any other organizations deemed relevant by PCSB whether in Malaysia or elsewhere and I/we undertake to furnish any additional information that PCSB may require for its assessment of the application and from time to time after the application had been approved. I/we further consent and authorize the relevant authorities and/or credit reference agencies or any other relevant organizations whether in Malaysia or elsewhere to disclose my/our information to PCSB.
10. I/We hereby undertake to fully, unconditionally and irrevocably indemnify PCSB and keep PCSB indemnified at all times from and against all actions, proceedings, claims, demands, losses, penalties, fines, damages, costs, charges and/or expenses which PCSB may sustain, incur or be liable to, in consequence of, or attributable to or arising from, any breach by me/us of my/our obligations including any costs reasonably and necessarily incurred by PCSB in collecting any debts due to PCSB or in connection with the closure of the trading accounts, or any appointment made by me/us, and/or any request or authorization given by me/us, and/or any false declaration(s) on my/our part in the Terms and Conditions howsoever arising. The right of indemnity shall continue in full effect notwithstanding the suspension, termination or closure of my/our account with PCSB. Neither PCSB or its associates, or related companies of PCSB's holding company nor any of its agents shall be liable for any direct, indirect, special or consequential damages which may be suffered by me/us such as, but not limited to, loss of anticipated profits or other anticipated economic benefits, whatsoever or howsoever caused, whether in contract or in tort, arising directly or indirectly with or arising out of this DA, and/or the Terms and Conditions herein. I/We further undertake to indemnify PCSB and/or its associated, or related companies of PCSB from being liable in any proceedings (whether civil, criminal or otherwise) arising from any breach by me/us pursuant to the Terms and Conditions and/or the DA stated herein.

[English Language Version] : Personal Data Protection Act ("ACT")

11. In order for PCSB to discharge its functions under this Terms and Conditions or pursuant to the relevant laws or regulations, I/we hereby acknowledge that PCSB may engage service providers or such other persons via an outsourcing arrangements to provide services to PCSB (including mailing services, information technology services, data processing statistical and risk analysis and other services determined from time to time). I/We hereby acknowledge that in the course of providing the services to PCSB, such service providers or such other persons may have access to certain information and documents relating to my/our trading account and thereby I/we agree that such disclosure of information and documents is permissible.
12. In addition to the above, I/we hereby authorize and permit PCSB to divulge, reveal or disclose any information relating to my/our account to:
  - a. any assignee or transferee or prospective assignees or transferees of PCSB's credit facilities, business and undertaking or such part thereof;
  - b. any person with whom PCSB may enter into (or may potentially enter into) any participation or sub-participation in relation to any transaction or service hereunder;
  - c. any persons or entities participating in the merger/acquisition or proposed merger/acquisition of PCSB or its holding company/another company; and
  - d. any other persons at anytime:
    - i) which PCSB or any officers in good faith considers appropriate for any purpose in connection with the Terms and Conditions; or
    - ii) where such particulars of my/our account was inadvertently divulged, revealed or disclosed to/or accessed by such persons through no wilful default of PCSB or its officers.
13. I/We hereby allow PCSB and/or its authorized agents, service providers or sub-contractors to obtain or be granted access to my/our information or documents relating to my/our affairs in particular, my/our account (for example account particulars, balances and/or transactions) maintained with the relevant authorities (whether locally or abroad), agents and/or service providers. This consent is irrevocable and I/we shall not hold PCSB and/or its authorized agents, service providers or sub-contractors liable for any losses arising thereof.
14. I/We authorize PCSB to process, use, record, store, share with or disclose my/our information/data pertaining to my/our trading account to the following parties including without limitation, any members of PCSB's group of companies, its parent company and/or its related companies, PCSB's vendors, contractors, service providers, enforcement agencies, regulators, authorities or other parties authorized and/or required by law or regulation, as and when required whether in Malaysia or elsewhere in relation to the provision of products and services offered by or through PCSB for the following purposes including but not limited to:-
  - i) soliciting margin contributions for my/our derivatives trading account.
  - ii) entering into business transactions with me/us.
  - iii) delivering the necessary notices, services and/or products in accordance with PCSB agreement with me/us.
  - iv) communicating with me/us as part of PCSB's client-business relationship.
  - v) sending important information to me/us regarding changes of PCSB's policies, other terms and conditions and other administrative information.
  - vi) assessing my/our eligibility for suitable derivatives trading strategies plans, and processing my/our funds and other payments.
  - vii) preventing, detecting and investigating crime, including fraud and money laundering, and analyzing and managing other commercial risks.
  - viii) providing marketing information to me/us (including information about other products and services offered by companies within the Phillip Capital Malaysia group and selected third-party partners) in accordance with preferences I/we have expressed.
  - ix) allowing me/us to participate in contests, prize draws and similar promotions, and administering these activities. Some of these activities have additional terms and conditions, which could contain additional information about how PCSB uses and discloses my/our personal data, which I/we undertake to read carefully.
  - x) complying with internal policies and procedures such as for auditing, finance and accounting, IT systems, data and website hosting, business continuity records, document and print management.
  - xi) resolving complaints and handling requests for data access or correction.
  - xii) complying with legal process and responding to requests from public regulatory and governmental authorities.
  - xiii) establishing and defending the legal rights, privacy, safety or property of PCSB and/or related companies and pursuing available remedies or limiting PCSB's damages.
15. I/We further authorize PCSB to disclose any information relating to my/our account to PCSB or any CMSRL holder nominated by me/us or appointed by PCSB, to PCSB's branches and its related group of companies.
16. I/We further authorize and consent to the disclosure by PCSB of any information relating to my/our account upon the demand, order or request by Bursa Derivatives or any other authority(ies) having jurisdiction over PCSB, or any government authority, statutory body or court of law, PCSB's auditors, legal counsels and other professional advisors.

[Malay Language Version] : Akta Perlindungan Data Peribadi 2010

17. Bagi membolehkan PCSB untuk melaksanakan fungsinya di bawah Terma dan Syarat ini atau mengikut undang-undang dan peraturan yang berkaitan, saya dengan ini mengakui bahawa PCSB berhak untuk menemui penyedia perkhidmatan atau mana-mana pihak lain yang seumpamanya melalui khidmat pihak ketiga untuk menyediakan perkhidmatan kepada PCSB (termasuk perkhidmatan mel, perkhidmatan teknologi maklumat, pemrosesan data statistik dan analisis risiko dan lain-lain perkhidmatan yang ditentukan dari masa ke masa). Saya disini mengakui bahawa dalam usaha menyediakan perkhidmatan tersebut kepada PCSB, penyedia perkhidmatan terbabit atau pihak-pihak lain yang seumpamanya boleh mengakses kepada maklumat dan dokumen tertentu yang berkaitan dengan akaun dagangan saya dan dengan itu saya bersetuju bahawa pendedahan maklumat dan dokumen seperti yang sedemikian adalah dibenarkan.
18. Tambahkan kepada yang di atas, saya dengan ini memberi kuasa dan membenarkan PCSB dan pegawainya untuk memaparkan, mendedahkan dan menunjukkan maklumat berkaitan dengan akaun saya kepada:
  - e. mana-mana pihak yang dilantik atau yang dipindahkan atau pihak yang dilantik secara prospektif atau pihak yang dipindahkan tugasnya berkaitan kemudahan kredit, perniagaan dan pelaksanaan sebahagian tugas-tugas lain milik PCSB;
  - f. mana-mana orang perseorangan yang PCSB boleh menyertai (atau mempunyai potensi untuk menyertai) dalam apa jua bentuk penyertaan atau sub-penyertaan berkaitan dengan apa jua transaksi atau perkhidmatan seperti yang diterangkan selanjutnya;
  - g. mana-mana orang perseorangan ataupun entiti yang menyertai dalam penggabungan / pengambil alihan PCSB atau syarikat dibawahnya dengan / bersama syarikat lain; dan
  - h. mana-mana pihak lain pada bila-bila masa:
    - i) yang PCSB atau mana-mana pegawai beranggapan ianya sesuai untuk apa jua tujuan yang selaras dengan Terma dan Syarat; atau
    - ii) yang mana butiran dalam akaun saya tersebut dipaparkan, didedahkan atau ditunjukkan kepada / atau diakses secara tidak sengaja oleh perseorangan tersebut yang bukan atas kehendak PCSB atau pegawainya.
19. Saya mengakui bahawa PCSB dan / atau ejennya yang diberi kuasa, penyedia perkhidmatannya atau / sub-kontraktornya boleh mendapatkan atau diberikan akses kepada maklumat atau dokumen saya yang berkaitan dengan hubungan saya dengan akaun saya (sebagai contoh butiran akaun, baki dan / atau transaksi) yang dijaga oleh pihak berkuasa yang berkaitan (sama ada dalam mahupun luar negara),

- ejen dan / atau penyedia perkhidmatan. Pengakuan ini tidak boleh dibatalkan dan saya tidak akan meletakkan tanggungjawab ke atas PCSB untuk menanggung sebarang kerugian yang timbul hasil dari perkara tersebut.
20. Saya memberi kuasa kepada PCSB untuk memproses, menggunakan, merekodkan, berkongsi dengan atau mendedahkan maklumat / data saya yang berkaitan dengan akaun dagangan saya kepada pihak-pihak berikut tanpa sebarang had, termasuklah mana-mana ahli kumpulan syarikat PCSB, syarikat induknya dan / atau syarikat yang berkaitan dengannya, vendor PCSB, kontraktor, penyedia perkhidmatan, agensi penguatkuasaan, pengawal selia, pihak berkuasa atau lain-lain pihak yang diberi kuasa dan / atau diperlukan oleh undang-undang dan peraturan, seperti dan apabila dikehendaki sama ada di Malaysia ataupun tempat lain berhubungan dengan peruntukan produk dan perkhidmatan yang ditawarkan oleh atau melalui PCSB untuk tujuan-tujuan yang tidak terhad kepada hanya yang berikut, termasuklah:-
- i) mengutip sumbangan margin untuk akaun dagangan kontrak hadapan dan derivatif anda
  - ii) memasuki transaksi perniagaan dengan anda
  - iii) menghantar notis, perkhidmatan dan / atau produk mengikut persetujuan bersama antara kami dan anda.
  - iv) komunikasi dengan anda sebagai sebahagian dari hubungan pelanggan-perniagaan kami.
  - v) menghantar maklumat penting kepada anda berkaitan perubahan polisi, lain-lain terma dan syarat dan maklumat pengurusan kami yang lain.
  - vi) mengukur kelayakan anda bagi plan strategi dagangan kontrak hadapan dan derivatif yang sesuai, dan memproses dana anda dan pembayaran lain.
  - vii) menghalang, mengesan dan menyiasat jenayah, termasuklah fraud dan pengubahan wang haram, dan menganalisis dan menguruskan risiko-risiko komersil lain.
  - viii) menyediakan maklumat pemasaran kepada anda (termasuklah maklumat berkenaan produk-produk lain dan dan perkhidmatan-perkhidmatan yang ditawarkan oleh syarikat-syarikat dalam kumpulan Phillip Capital Malaysia dan pasangan pihak ketiga yang terpilih) selaras dengan keutamaan yang anda telah nyatakan.
  - ix) membolehkan anda untuk mengambil bahagian dalam pertandingan, cabutan bertuah, dan promosi yang seumpamanya, dan mengendalikan aktiviti-aktiviti ini. Beberapa aktiviti ini mempunyai terma dan syarat tambahan, yang boleh mengandungi maklumat tambahan berkenaan bagaimana kami gunakan dan dedahkan data peribadi anda, yang anda mesti baca dengan teliti.
  - x) mematuhi polisi dalaman dan prosedur seperti pengauditan, kewangan dan perakaunan, sistem IT, data dan hosting laman web, rekod kesinambungan perniagaan, dokumen dan pengurusan cetakan
  - xi) menyelesaikan aduan dan mengendalikan permintaan untuk akses dan pembetulan data.
  - xii) mematuhi proses undang-undang dan membalas permintaan daripada pihak-pihak yang berkuasa awam undang-undang dan kerajaan
  - xiii) mewujudkan dan mempertahankan hak undang-undang privasi, keselamatan dan harta syarikat kami dan/ atau syarikat berkaitan dan melaksanakan langkah pembaikan yang ada atau menghadkan kerosakan kami.
21. Saya juga memberi kuasa kepada PCSB untuk mendedahkan apa jua maklumat berkaitan dengan akaun saya yang boleh diakses oleh PCSB atau CMSR yang dicalonkan oleh saya atau dilantik oleh PCSB, kepada cawangan PCSB dan kumpulan syarikat yang berkaitan.
22. Saya juga memberi kuasa dan membenarkan PCSB untuk mendedahkan apa jua maklumat berkaitan dengan akaun saya apabila diperlukan, diarah atau diminta oleh Bursa Derivatif atau mana-mana pihak berkuasa lain yang mempunyai hak bidang kuasa ke atas PCSB atau mana-mana pihak berkuasa kerajaan, badan berkanun atau undang-undang mahkamah, juraudit milik PCSB, penasihat undang-undang dan penasihat profesional lain.
- 
23. I/We agree and accept that PCSB has a legal obligation under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") (including any amendments, variations, and/or modifications as may be made at any time and from time to time) and any guidelines issued by any regulators, authorities and/or statutory bodies including the AMLATFPUAA Sectorial Guidelines 1 for Banking and Financial Institutions to report transactions that PCSB may have reason to suspect, involving proceeds of any unlawful activity. In this regard, where any suspicion of money laundering and/or financing of terrorism arises, PCSB is therefore authorized to report its suspicions to the Financial Intelligence Unit in BNM or to such any other regulatory bodies without first obtaining my/our approval. I/We agree that I/we shall not hold PCSB liable in any proceedings (whether civil, criminal or otherwise) for disclosure of any information in any suspicious transaction report made by PCSB in good faith, nor for any delay and/or refusal by PCSB in carrying my/our instructions in the event deemed necessary by PCSB. I/We further agree to abide and comply with any directives or orders which may be issued and imposed by the respective regulators, authorities and/or statutory bodies for the purpose of complying with the respective anti-money laundering legislation in the applicable jurisdiction where transactions are to be executed from time to time. I/We further agree to comply with any requests from PCSB made to comply with the AMLATFPUAA and to provide such satisfactory documents in relation to my/our account.
24. I/We undertake and confirm that I/we am/are not involved/engaged in any activity(ies) relating to export, transshipment or bringing into transit of any strategic items (dual-use items, including arms and related material) either as broker, trade exporter, cargo agent, carrier, freight forwarder, feeder operations, logistic or service provider of technology, that will facilitate the design, development and production of weapons of mass destruction and their delivery systems as legislated and/or prohibited by the Strategic Trade Act 2010 ("STA"), such activity(ies) to be known as "STA related activities". I/We understand that PCSB may use all information gathered in relation to the account with PCSB for verification purposes to ensure compliance with the STA. In the event that I/We subsequently become involved in the STA related activities, I/we undertake to immediately notify PCSB in writing of such involvement/engagement. I/We acknowledge and agree that PCSB shall take such action as is deemed necessary in relation to my/our trading account, including notifying the regulators of the STA (which include but not limited to the Ministry of International Trade and Industry) of my/our involvement/engagement in the STA related activities. I/We accept that PCSB may at its discretion decline my/our application for opening of account or closing/terminating my/our trading account as the case may be, without any further reference to me/us. I/We agree and acknowledge that PCSB is absolved of all and any liabilities to me/us in this regard.
25. In the event of any requirement pursuant to any local or foreign law or regulation that requires PCSB to withhold any of the proceeds arising from the trades or transaction herein, I/we irrevocably consent to such withholding by PCSB.
26. I/We hereby confirm that I/we give consent to PCSB on using electronic means to provide trade contract notes and other statements of account to me/us in respect of the trading account opened with PCSB. In this connection, I/we understand and accept that any statements issued to me/us via the email address specified by me/us shall be effective when transmitted and I/we shall accept all risk of non-delivery, late and/or non-delivery associated with electronic mailing.
27. I/We acknowledge that the contract specifications for any products associated with trading of derivatives can be found on the website of Bursa Derivatives or the respective websites of the specified exchanges. I/We undertake to read and understand the contents of such contract specifications and agree to be bound by all the Terms and Conditions therein prior to my/our execution with PCSB any transaction(s) thereof. I/We understand that a copy of such contract specifications shall be made available to me/us upon my/our request.
28. I/We authorize PCSB to distribute and/or apportion my/our trading limit for derivatives trading transaction(s) at the absolute discretion of PCSB.
29. I/We authorize PCSB to convert the appropriate amount of my/our fund to compensate any deficit corresponding to my/our trading in foreign currencies denominated products and/or initial margin of my/our account (on the next trading day of such occurrence). I/We further acknowledge and agree that there will be interest charged at prevailing rate determined by PCSB on any negative equity, initial margin and/or margin deficit in my/our account. I/We further agree that PCSB may impose any reasonable charges and fees as allowed by Bursa Derivatives or other relevant authorities including for the administration and management of my/our account.
30. I/We agree that PCSB shall not be responsible or liable to me/us in the event the agents or entities appointed by PCSB to perform any obligations as stated in the Terms and Conditions goes into liquidation or insolvency and further agree that PCSB shall not be liable in respect of the acts or omission of any entity providing any services including clearing, settlement facilities and/or custodian services.
31. I/We undertake to further indemnify PCSB for any loss, cost (including legal costs), claims, liabilities or expenses arising out of or connected with any transaction or instruction that may be carried out by PCSB on behalf of me/us having to act on my/our instruction or at my/our request, breach by me/us of my/our obligations, including but not limited to any costs reasonably and necessarily incurred by PCSB in buying-in or selling-off or collecting any debts due to PCSB or in connection with the closure of the trading account, and breach, failure or omission of the foreign broker/agent custodian appointed on my/our behalf. This obligation to indemnify PCSB survives the termination of these Terms and Conditions.
32. I/We hereby acknowledge and agree that PCSB prohibits (i) any payments for my/our account to be made by a third party, (ii) for my/our payments to be made to any account held by an individual, irrespective of whether the individual is a CMSRL holder, and (iii) where I/we have multiple accounts, for any payment made by me/us to be credited into more than one account I/we hereby undertake to ensure that this is complied with during the tenure of my/our account, and failure of which may be an event of default.
33. I/We acknowledge that this application is subject to the approval of PCSB and PCSB has the absolute discretion to approve or reject this application without assigning any reasons thereto.
34. I/We hereby declare that for as long as my/our account remains opened with PCSB, the consents given hereunder shall be irrevocable.
35. Upon the occurrence of any event of default including non-repayment of losses, breach of contract or declaration of bankruptcy, I/we agree and undertake to immediately cease trading and shall forthwith notify PCSB in writing of the occurrence of such event(s). I/We agree that until written notice of such event is given to PCSB, all orders carried out by me/us under my/our trading account shall be valid and enforceable against me/us.

**And I make this solemn declaration conscientiously believing the same to be true.**

**SUBSCRIBED and SOLEMNLY declared by the abovementioned**

**This \_\_\_\_\_ day of \_\_\_\_\_ (month), \_\_\_\_\_ (year)**

**Signature of Client : \_\_\_\_\_**

**Name : \_\_\_\_\_**

**NRIC / Passport No. : \_\_\_\_\_**

**Signature of Witness : \_\_\_\_\_**

**Name : \_\_\_\_\_**

**NRIC / Passport No. : \_\_\_\_\_**

**FOR OFFICE USE ONLY**

**i) Know-Your-Client ("KYC")**

No.	Details	Yes	No	Remarks
1.	Have you known the Client for more than 6 months?	<input type="checkbox"/>	<input type="checkbox"/>	If No, please indicate duration :
2.	Did you get to know the Client through your personal contact / social networking?	<input type="checkbox"/>	<input type="checkbox"/>	If No, please specify :
3.	Do you have previous dealing with the Client?	<input type="checkbox"/>	<input type="checkbox"/>	
4.	Does the Client have sound financial viability and credibility?	<input type="checkbox"/>	<input type="checkbox"/>	
5.	Have you sighted the Client's original NRIC / Passport?	<input type="checkbox"/>	<input type="checkbox"/>	
6.	Have you explained the contents of the Declaration and Authorization, Explanatory Statement and Risk Disclosure Statement to the Client?	<input type="checkbox"/>	<input type="checkbox"/>	
7.	Is the Client actively involved in any political activities or government or political linked?	<input type="checkbox"/>	<input type="checkbox"/>	
8.	Face to face verification for account opening	<input type="checkbox"/>	<input type="checkbox"/>	If No, please indicate alternatives:
9.	Is the Client referred by Marketing Representative?	<input type="checkbox"/>	<input type="checkbox"/>	If Yes, please indicate:- MR Name : Agent Code : Firm Name :

**ii) Declaration by CMSRL holder**

I, the Capital Markets Services Representative's License holder of this client, hereby declare that the given information is true to the best of my knowledge and I am of the opinion that the client is fully aware of the risk and nature of dealing in derivatives contracts. I recommend that a trading account to be opened for this client and I hereby agree to accept the above named person as PCSB's client. By signing below, I agree to abide by the Terms and Conditions with PHILLIP CAPITAL SDN BHD.

Signature : \_\_\_\_\_  
Name : \_\_\_\_\_  
NRIC No. : \_\_\_\_\_

Designation : \_\_\_\_\_  
Date : \_\_\_\_\_

**iii) Recommended trading limit: \_\_\_\_\_ (lots / overnight)**

**iv) Recommended commission rate (Futures):-**

**Recommended commission rate (CFD):-**

Commission Rates (per side)		
Products	E-trading	Call-in

Commission Rates (per side)		
Products	E-trading	Call-in

**APPROVAL BY EXECUTIVE DIRECTOR / AUTHORIZED AUTHORITY(IES)**

Status : Approved / Rejected

Approved Trading Limit : \_\_\_\_\_ (lots / overnight)

Remarks : \_\_\_\_\_  
\_\_\_\_\_

Authorised Signatory : \_\_\_\_\_  
Date : \_\_\_\_\_

**FOR OFFICE USE ONLY**

**Client's Background Checking**

	Pass	Fail	Remarks
Credit Check (Experian)			
Dow Jones Check			
US Indicia Check			
Others:			

**Account Opening Form Review**

	Reviewed By	Verified By	Reviewed By Compliance
Signature			
Name			
Designation			
Date			

**Account Creation**

	CQMY	BURSA-DCS
Data Entry By		
Verified By		
Approved By		
Date		

**Account Setup**

Beneficiary Bank : \_\_\_\_\_ Amount : \_\_\_\_\_  
Transaction Method : Cash Deposit / Online Transfer / ATM Transfer / Cheque / Telegraphic Transfer  
Transaction Details : \_\_\_\_\_ Commission Setup : \_\_\_\_\_

	CQMY	TRADING PLATFORM
Position Limit		
Percentage of Margin		

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**PHILLIP CAPITAL SDN. BHD. (199501033331/ 362533-U)**  
(A Trading Participant of Bursa Malaysia Derivatives Berhad &  
A Clearing Participant of Bursa Malaysia Derivatives Clearing Berhad)  
(Capital Markets Services Licence No: eCMSL/A0233/2008)  
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Tel no: (+603) 2162 1628 Fax no: (+603) 2162 1678

# EXPLANATORY STATEMENT

## Description

This document seeks to explain in general terms:-

- i) the nature of futures contracts
- ii) the obligation assumed by a client who instructs a futures broker to enter into futures contracts

This document contains other relevant information, however no document can exhaustively deal with all the matters relevant to a decision in trading futures contracts.

Before trading in futures contracts, you should be aware of risks involved and be satisfied that futures trading is suitable for your purpose. In particular, you should carefully read the risk disclosure statement attached to this document which you are required to sign.

Should you have any doubt as to the obligation or other risks involved, you should ask your futures broker or seek other professional advice.

## 1. The Nature of Futures and Option Contracts

### Futures Contracts

Futures contracts are standardized legal agreements to buy or sell a commodity or financial instrument at some time in the future. They aid traders in managing risks associated with price fluctuations of commodities and financial instruments. In addition to risk management, some traders (speculators) trade in the hope of profiting from the price fluctuations of the commodities and financial instruments

There are two kinds of futures contracts:-

- i) deliverable contracts, under which the seller agrees to deliver to the buyer, and the buyer agrees to take the delivery of the specified asset or commodity and its quantity as described in the contract; and
- ii) cash settlement contracts, under which the two parties would exchange the difference in the associated cash positions based on the difference between the agreed price and spot price of the asset on the settlement date

The terms and conditions of trading futures contracts are as set out in the rules and regulation of the exchange on which the contract was made. Information in this document is intended to refer to any futures contracts traded on any exchange, however there may be differences in the procedure and regulations of the market from one country to another and one exchange to another.

Futures contracts have standardized delivery/settlement dates for periods of up to two years in the future, although the vast majorities are for settlement within six months after the agreement is made. Note that deliverable contracts involve an obligation to deliver or take delivery at maturity, and it is not advisable to enter into such contracts in the last weeks before maturity unless actual delivery is intended.

The price of the commodity or security is determined in the market place by means of an open outcry system or an electronic system and it represents a consensus opinion as to what the price of the commodity should be at the specified future time.

All futures contracts are standardized and predetermined by their specific exchanges, thus the contracts are easily transferred from one party to another within the same exchange. A trader who holds a contract may cancel the obligation by taking up the opposite position of the same contract entered to offset/close the contract. In each case, there will be a profit or loss equal to the difference between buying and selling prices, multiplied by the standard contract value.

The Clearing House ensures that it is able to pay to traders by calling for margins or cash payments to cover any unrealized losses in the market. Margin must be paid to any traders whose contract is showing a loss, i.e. if the market falls after a purchase or rises after a sale. This margin ensures that the party to an opposite contract with the Clearing House wishes to offset the obligation before I do, the clearing house will have cash on hand to pay the resulting profit. If the market fails to before my contract matures, this margin will not be recovered, it would then become a realized loss.

Futures trader is obliged to deposit an amount of money known as initial margin in order to trade. The margins of futures contracts are standardized by the Clearing House and may vary from time to time according to the volatility of the market for the purpose of covering possible price fluctuations from daily maximum expected movement.

In the case of margin call, broker will call the client to inform the amount and other relevant requirements (requirements may vary based on the exchange). Deposits to answer the margin call shall be made as soon as possible or before the time stated by the broker and failure to comply will result in auto-liquidation of the Client's futures contract(s) to answer the margin call.

### Option Contracts

Options contracts are standardized legal agreements available on many exchanges in addition to futures contracts. An option is a contract between two parties in which one party (buyer) has the right, but not the obligation, to buy or sell a specified asset at a specified price, at or before a specified date, from the other party (seller).

There are two kinds of options contracts:

- i) A call option gives the option buyer the right but not the obligation to buy a specified asset at a specified price at or before a specified date. Upon exercise of that right, the option seller is obliged to sell the underlying asset to the option buyer.
- ii) A put option gives the option buyer the right but not the obligation to sell a specified asset at a specified price at or before a specified date. Upon exercise of that right, the option seller is obliged to buy the underlying asset from the option buyer.

There are two parties involved in entering an options contract: buyer (taker) and seller (grantor). When the option is exercised, it converts into futures contract which results in an obligation on the buyer to receive delivery of the underlying asset specified in the contract entered. Clients should note that different options contracts differ in terms of expiry where an option that may only be exercised at the expiry is known as European Style option whereas an option that may be exercised at any time before or at the expiry is known as American Style option. Clients should be aware of the exercising style of the option that they wish to enter as it may affect their obligations to receive or make delivery.

A trader who buys an option has limited loss to the premium paid, which is non-refundable. However, the trader who sells the option has similar potential liability to the holder of a futures contract, and will be called for margins if the price moves against the trader.

Option buyer may, at the time of entering the contract, pay the full premium amount. However, if the buyer pays only the initial deposits, the buyer may be called upon to pay margins up to the full value of the premium (but not more).

Provided the underlying futures market moves in favour of the buyer, profit can be realized by selling the contracts in future at a higher premium, or exercising the contracts and closing out the resulting futures contracts. The profit is potentially unlimited and depends on the movement of the underlying futures market.

On the other hand, option sellers have limited profit potential whereby it is limited to the premium amount of the option sold, and have unlimited potential for loss.

## 2. The Nature of Futures and Option Contracts

Client(s) of futures brokers (who under the exchange's rules must enter into a written agreement with their Clients), having given instructions to the broker to enter into derivatives contracts on their behalf must be prepared for the followings:

- i) Pay a deposit for each contract upon execution of an order to not less than the minimum deposit set by the relevant exchange or clearing house of the contract. A broker is entitled to call for a higher deposit than a minimum set in order to protect its position as principal.
- ii) Margin calls should be paid on demand on any calls made by the broker (see section 1.1 above) to maintain the futures position (i.e. Contracts or set of contracts) held by the Client(s).
- iii) Receive delivery or deliver, and pay the contract in full for, the commodities or securities described in specifications of any deliverable contract(s) held by the Client(s) which is/are still in force at the close of trading on the last day of the trading.
- iv) Pay up any losses incurred as a result of a mandatory cash adjustment made on a cash settlement contract held by the Client which is still in force at the close of trading on the last day of trading in the relevant market.
- v) Waive any interest on funds deposited with the broker, whether the deposits or margins or deposited for the purpose of trading in derivatives, unless the written agreement between the broker and the Client(s) stipulate(s) that interest is to be paid on such funds. (Note that interest is not paid on margins under such an agreement).
- vi) Take up the opposite position in the futures market from the resulting position held by the buyer of an option, if the Client has sold (i.e. granted) an option is exercised by the option buyer)



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No 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia.

## **RISK DISCLOSURE STATEMENT**

The Risk Disclosure Statement is as prescribed in the Capital Markets and Services Regulations 2007. All Trading Participants must furnish to all clients a document containing at minimum the terms prescribed in the following statement.

This brief statement does not disclose all of the risk and other significant aspects of trading in futures contracts. In light of the risks, you should undertake such transactions only if you understand the nature of the futures contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures contracts 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.

### **RISK ASSOCIATED WITH FUTURES CONTRACTS**

**1. Effect of Leverage or Gearing**

Transactions in futures contract carry a high degree of risk. The amount of the initial margin is small relative to the futures contract so that transactions are "leverage" or "geared". A relatively small market movement will have proportionately larger impact on the funds you have deposited or will have deposit; this may work against you as well as for you. You may sustain a total loss of initial margins funds and any additional fund 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, as 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 the business rules of an exchange company) 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 as risky as taking simple "long" or "short" positions.

**3. Terms and Conditions of Contracts**

You should ask the Futures Broker with which you deal about the terms and condition of the specific futures contracts which you are trading and associated obligations (e.g. the circumstances under which you may become obligated to make or to take delivery of the underlying instrument of a futures contract and, in respect of futures contracts that are eligible exchange-traded options or future options ("options"), expiration dates and restrictions on the time of exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the Exchange or clearing house to reflect changes in the underlying instrument or state of affairs that is subject of the futures contract.

**4. 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 transaction or liquidate/offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying that is a subject of a futures contract and the futures contract, may not exist. This can occur when, for example, the absence of an underlying reference price may make it difficult to judge "fair" value.

**5. Deposited Cash and Securities**

You should familiarize yourself with the protections accorded to money or other securities you deposit, 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.

**6. 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.

**7. Currency Risks**

The profit or loss in transactions in foreign currency-denominated contracts will be affected by the fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

**8. Trading Facilities**

Most open-outcry and electronics trading facilities are supported by the computer-based component system for the order routing, execution, matching, registration or clearing of trades. As with all facilities and system, 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 provided, 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.

**9. 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 system. If you undertake transactions on an electronic trading system, you will be exposed to risk 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 instruction or is not executed at all.

### **ADDITIONAL RISKS ASSOCIATED WITH OPTIONS**

**10. Variable Degree of Risk**

Transactions in option carry a high degree of risk. Purchasers and sellers of the options should familiarize 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 option must increase for your position to become profitable, taking into account the premium and all transaction.

The purchaser of the options may offset or exercise the options or allow the options to expire. The exercise of an option results either in the cash settlement or in the purchaser acquiring or delivering the underlying instrument. If the option is on a futures contract, the purchaser will acquire a long position or short position (as the case may be) in relation to the futures contract, with associated liabilities for margin. If the purchased options expire worthless, you will suffer a total loss of your investment (which is the option premium) in addition to incurring 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 a seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably. 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 instrument. If the option is on futures contract, the seller will acquire a position in the futures contract with associated liabilities for margin. If the option is 'covered', for example by the seller assuming a corresponding long position in the underlying that is the subject of the option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.



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## **ACCOUNT OPENING GUIDELINE FOR FUTURES ACCOUNT**

### **1. Account Opening Form**

- Tick on appropriate boxes
- Sign on Page 6
- For US Citizen or Selected Person, please fill in the FATCA columns on Page 3

### **2. Client Agreement (2 sets)**

- Sign on Page 43

### **3. Important Notes**

Please provide required documents below for account opening process

- A copy of NRIC
- Latest statement for 1 month : Pay Slip or EA Form or Bank Statement
- Third Party Cheque and Company Cheque are **NOT** allowed

### **4. Phillip Capital Sdn. Bhd. Segregated Account**

- TELEGRAPHIC TRANSFER INSTRUCTIONS

Please make payment beneficiary name as

: **Phillip Capital Sdn. Bhd.**

Bank SWIFT Code (For International Bank Transfer)

: **MBBEMYKL**

PAY TO		
BENEFICIARY BANK	CURRENCY	ACCOUNT NUMBER
<b>MALAYAN BANKING GROUP MAYBANK KUALA LUMPUR MAIN SSC</b>	<b>MYR</b>	<b>514011-003146</b>
	<b>USD</b>	<b>714011-007416</b>
	<b>AUD</b>	<b>714011-007631</b>
	<b>JPY</b>	<b>714011-007654</b>
	<b>SGD</b>	<b>714011-007677</b>
	<b>EUR</b>	<b>714011-007691</b>
	<b>GBP</b>	<b>714011-007713</b>
	<b>HKD</b>	<b>714011-007780</b>
<b>PUBLIC BANK</b>	<b>MYR</b>	<b>3-1839875-13</b>