

MEMORANDUM

TO : All Dealer's Representatives

FROM : The Management

DATE : 30 August 2018

SUBJECT : INTRADAY SHORT SELLING (IDSS) ACTIVITIES

Please note that with effect from 12 September 2018, your clients can apply to participate in the above activities.

Given below are the salient points which must be complied with:

- The client would need to complete the following documents:
 - a. Application for IntraDay Short Selling (IDSS) Activity
 - b. Securities Borrowing & Lending Agreement (SBL)
- To comply with Bursa Malaysia Securities Berhad (BMSB) "Know Your Client" guidelines, we would require the client to have experience in intraday activities with a gross intraday trading volume of at least RM2,000,000 for the past 3 months.
- The client is required to have collateral in his trading account and tagged as a 'Collateralised Client'. The multiple given for the securities in the trading account are : Cash – 2X / Shares – 1.5 X. No value will be given for warrants and structured warrants.
- Short selling of Approved Securities must be **closed off** with a buy position **on the same day** as the selling. This is regardless of the available shares in the client's CDS account.
- Failure to close off on the same day is a **breach** of the Rules of BMSB.
- IDSS cannot be executed:
 - a. in the Margin account and External Financier Account;
 - b. during the period of 21 days immediately following a takeover announcement involving the issuer of an Approved Securities;
 - c. where the Approved Securities have been declared as Designated Securities by BMSB; and
 - d. where the client is associated with the body corporate that issued or made available the Approved Securities to which the IDSS is to be entered.

- The Company reserves the right to take the following action by 4.00 pm of each trading day (the Company may vary the timing as it deems fit) in respect to the followings:
 - a. Stop all IDSS orders;
 - b. Cancel the balance of unmatched IDSS quantity/orders; and
 - c. Carry out 'buy back' of any balance quantity to close off the IDSS position. In the event it is not possible to close off the IDSS position on the same day, for whatever reasons, buying-in would apply as per the Rules.
- IDSS cannot be executed for TA Enterprise Berhad (4898) and TA Global Berhad (5158).
- In the unlikely event where the client needs to borrow securities, the client would need to provide collateral as security for the borrowing, the minimum borrowing cost per securities is RM600.00 and the relevant transfer fees. The borrowed securities must be returned within 6 days from the date of the borrowing.
- The Company reserve the right to suspend or withdraw the client's IDSS trading should the client violates any Rules of BMSB or any regulation in relation to IDSS and/or when the Company may think fit at its discretion. The client will not hold the Company responsible for any losses suffered arising from the suspension or withdrawal of the IDSS trading.

For further information, please refer to the Application Form where all the terms and conditions are listed.

If you need further clarification, please contact either Ms Ooi Gaik Hoo ext 9226 or Richard Anthony ext 9693 at Principal Office or the respective Head of Branch/Operation.

Thank you.

