



Version No: V.1.2009.11.02

## TERMS AND CONDITIONS FOR SECURITIES TRADING

### **AmlInvestment Bank Berhad (23742-V)**

A member of AmlInvestment Bank Group (A Participating Organisation of Bursa Malaysia Securities Berhad)

**Registered Office** 22<sup>nd</sup> Floor, Bangunan AmBank Group, 55 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia  
Tel: (603) 20362633 Fax: (603) 20783162

**Head Office** 15<sup>th</sup> Floor, Bangunan AmBank Group, 55 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia  
Tel: (603) 20362633 Fax: (603) 20783162

### **Branch Offices**

**Batu Pahat** 3<sup>rd</sup> Floor, Penggaram Complex, 1 Jalan Abdul Rahman, 83000 Batu Pahat, Johor Darul Takzim, Malaysia  
Tel: (607) 4342282 Fax: (607) 4327982

**Damansara Utama** 4<sup>th</sup> Floor, Plaza Damansara Utama 2, Jalan SS 21/60, 47400 Petaling Jaya, Malaysia  
Tel: (603) 77106613 Fax: (603) 77107708

**Penang** 3<sup>rd</sup> Floor, Menara Liang Court, 37 Jalan Sultan Ahmad Shah, 100500 Pulau Pinang, Malaysia  
Tel: (604) 2261818 Fax: (604) 2297634

**Johor Bahru** 18<sup>th</sup> Floor, Selesa Tower, Jalan Dato' Abdullah Tahir, 80300 Johor Bahru, Malaysia  
Tel: (607) 3343699 Fax: (607) 3343633

**Kuching** No 164, 166 & 168, 3<sup>rd</sup> Floor, 1<sup>st</sup> Floor, Jalan Abell, 93100 Kuching, Sarawak, Malaysia  
Tel: (6082) 244791 Fax: (6082) 244718

### **Amsec Nominees (Tempatan) Sdn Bhd (102918-T)**

### **Amsec Nominees (Asing) Sdn Bhd (258515-D)**

**Registered Office** 22<sup>nd</sup> Floor, Bangunan AmBank Group, 55 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia  
Tel: (603) 20362633 Fax: (603) 20783162

**Website** [www.ambankgroup.com](http://www.ambankgroup.com) [www.amesecurities.com](http://www.amesecurities.com)

- |                                      |                                |                           |                    |                   |
|--------------------------------------|--------------------------------|---------------------------|--------------------|-------------------|
| • Corporate Finance                  | • Islamic Markets              | • Treasury & Derivatives  | • Funds Management | • Private Equity  |
| • Debts Markets & Structured Finance | • Equity Markets & Derivatives | • Stocks & Future Broking | • Trustee Services | • Private Banking |

# TERMS & CONDITIONS FOR SECURITIES TRADING

## WARRANTIES AND UNDERTAKINGS

A. The Client hereby :

1. requests AmlInvestment Bank Berhad ("**the Company**"):-
  - (a) to open an account for trading in **Securities** ["Securities", which shall have the meaning assigned to it under the Capital Markets and Services Act 2007 ("**CMSA**") and shall be securities traded on the Bursa Malaysia Securities Berhad ("**Bursa Securities**"), or any Malaysian stock exchange designated by Bursa Securities from time to time] through the Company under the account name set out in the Securities Trading Application Form ("**Application Form**") or in such manner as the Company deems fit, to provide services and to open and administer any accounts in relation to the services provided/rendered ["**Account(s)**"];
  - (b) to open a foreign trading account for trading and / or such other accounts ["**Foreign Account(s)**"] to facilitate trading in and safekeeping of securities in other stock exchanges recognised by the Bursa Securities ("**Recognised Exchanges**") in such manner as the Company shall at its discretion deem fit under the terms set out in Clause 13 (Foreign Securities Trading) and without limitation to aforesaid to open and to administer any accounts as it may deem fit for and on behalf of the Client including those for holding **Securities** or other securities in **Recognised Exchanges** ("**Foreign Securities**") in any clearing agency, settlement system or depository (including any entity that acts as a system for the central handling of **Foreign Securities** in the country where it is incorporated or organised or that acts as a international system for the central handling of **Foreign Securities**), computerized book-entry and settlement system in any jurisdiction ("**Clearing System**").
2. and where applicable, requests AMSEC Nominees (Tempatan) Sdn Bhd / AMSEC Nominees (Asing) Sdn Bhd ("**Custodian**"), as the case may be , a company incorporated under the laws of Malaysia whose registered office is at 22nd Floor, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur and having its business address at 11<sup>th</sup> Floor, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur as **Authorised Nominees** as defined in the Securities Industries (Central Depositories) Act 1991 ("**SICDA**"):-
  - (a) to provide such services, where applicable, to hold, to administer and to facilitate the trading of **Securities** and / or **Foreign Securities** subject to the terms and conditions as set out in herein;
  - (b) and without limitation to sub Clause 2(a) above, to open and to administer any accounts as it may deem fit for and on behalf of the Client including those for holding securities in any **Clearing System**.
3. acknowledges that in reliance of the particulars, information and declaration in the **Application Form** and in consideration of the Company and / or the Custodian agreeing to open any applicable account and/or continue to allow the Client to operate the accounts or in agreeing to the Client utilising any of the facilities and/or services provided by the Company and / or the Custodian at the Client's costs and expenses; the Client hereby authorises the Company and / or the Custodian to carry out any and all necessary acts to accomplish the trade, purchase, sale, transfer and acceptance or delivery of transfers and safe-keeping of the securities and / or any activities in relation to the **Client's Securities Account (s)** (hereinafter defined) subject to the terms and conditions herein.

B. In the event that any account or accounts are opened by the Custodian, such account opened by the Custodian shall be known as **Custodian Account(s)** and the securities therein shall be known as **Custodian Securities**. And in the event that any account is opened or accounts opened for and on behalf of the Client either by the Company and / or the Custodian under the terms herein, such accounts shall collectively be known as the **Client's Securities Account**, which expression shall refer to one or more of the accounts where the context so permits.

## 1. GENERAL

1.1 For the avoidance of doubt the provisions and contents herein and the Application Form shall continue to apply and subsist notwithstanding the opening of any of the **Client's Securities Accounts** and / or the utilization of any facilities or services by the Client.

1.2 The **Application Form** and all particulars, information and declaration in the **Application Form** shall form an integral part of this Agreement. This Agreement shall also be deemed to include any terms or conditions relating to any matters addressed herein posted at the Company's site ("**Website Terms**") which delivers content on or through the internet address at [www.amesecurities.com](http://www.amesecurities.com) or such other internet address as may be designated by the Company from time to time ("**Company's Website**") (including but not limited to variations, amendments, modifications, supplements, substitution and replacement made from time to time).

Any reference to this "**Agreement**" shall include the aforementioned Sections, the **Application Form** and the **Website Terms** regardless of whether the Client executed this Agreement or any other requisite document. The Client shall be deemed to have agreed to the terms set out in this Agreement and the terms shall be applicable and effective as soon as the Client utilizes any of the facilities and/or services provided by the Company and / or the Custodian.

1.3 The rights obligations and the terms between the Client and the Company; and between the Client and the Custodian are several and not joint. The terms in the Agreement are to be read as if there exists two separate and distinct agreements between each of them with the Client. The Company and the Custodian are not partners and are not responsible for the other in respect of their respective duties and obligations, neither shall one be in any manner be deemed as the agent of the other unless expressly and specifically so appointed.

For avoidance of doubt, neither the Company nor the Custodian shall be deemed to be affected with notice of the other and neither the Company nor the Custodian can be deemed to be affected by any act or thing of the other's subsidiary, associate or agents in the course of them carrying out their respective obligations and services contemplated hereunder.

1.4 This Agreement supersedes any other agreement, letters, correspondence (oral or written or expressed or implied) entered into prior to this Agreement in respect of the matters dealt with in this Agreement.

## 2. DEFINITIONS

2.1 In this Agreement, unless there is something in the subject or context inconsistent with such construction or unless it is otherwise expressly provided:

2.1.1 words denoting one gender include all other genders and words denoting the singular include the plural and vice versa;

2.1.2 words denoting persons include corporations, and vice versa;

- 2.1.3 words and phrases, definitions of which are given in the Companies Act 1965 and the **CMSA**, shall be construed as having the meaning thereby attributed to them;
- 2.1.4 where a word or phrase is given a defined meaning in this Agreement any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning;
- 2.1.5 where a word or phrase indicates an exception to any of the provisions of this Agreement and a wider construction is possible, such word or phrase is not to be construed ejusdem generis with any foregoing words or phrases and where a word or phrase serves only to illustrate or emphasize any of the provisions of this Agreement such word or phrase is not to be construed, or to take effect, as limiting the generality of such provision;
- 2.1.6 any reference to a recital, sub-paragraph, paragraph, sub-clause, clause or party is to the relevant recital, sub-paragraph, paragraph, sub-clause, clause or party of, or to, this Agreement and any reference to this Agreement or any of the provisions hereof includes all variations, amendments, modifications, supplements, substitution and replacement made to this Agreement from time to time in force;
- 2.1.7 any reference to a statutory provision includes any modification, consolidation or reenactment thereof for the time being in force, and all statutory instruments or orders made pursuant thereto;
- 2.1.8 any reference to “**pay**”, or cognate expressions, includes payments made in cash or by way of bank drafts (drawn on a bank licensed to carry on banking business under the provisions of the Banking and Financial Institutions Act 1989) or effected through inter-bank transfers to the account of the payee, giving the payee access to immediately available, freely transferable, cleared funds whether or not in Ringgit Malaysia and the expression “**Ringgit Malaysia**” and the abbreviation “**RM**” mean the lawful currency of Malaysia;
- 2.1.9 any reference to a “**day**” is to a market day as defined in the **Rules of Bursa Securities** (hereinafter defined) in respect of **Securities** traded on the **Bursa Securities** or any Malaysian stock exchange designated by the Bursa Securities from time to time or as defined in the respective **Recognised Exchanges’ Rules** (hereinafter defined) in respect of **Foreign Securities** and any reference to a “day”, “week”, “month” or “year” is to that day, week, month or year in accordance with the Gregorian calendar;
- 2.1.10 any reference to “**Securities**” or “**Foreign Securities**” shall include all shares and stocks deposited or credited and/or which may be from time to time deposited or credited and all other shares and stocks, securities, interest, rights, benefits which may at any time be derived from, accrued on or offered in respect of these securities as well as all dividends or other moneys received under the securities and where the context so permits and requires, shall include any part(s) thereof;
- 2.1.11 if any period of time is specified from a given day, or the day of a given act or event, it is to be calculated exclusive of that day and if any period of time falls on a day, which is not a market day, then that period is to be deemed to only expire on the next market day;
- 2.1.12 words denoting an obligation on a party to do any act, matter or thing includes an obligation to procure that it be done and words placing a party under a restriction include an obligation not to permit infringement of the restriction;

- 2.1.13 no rule of construction or interpretation shall apply as against the party preparing this Agreement; and
- 2.1.14 the headings are inserted for convenience only, have no legal effect and shall not affect the construction of this Agreement.

### 3. COMPLIANCE WITH LAWS AND GUIDELINES

3.1 The Client shall abide by all laws, by-laws, regulations, rules, orders, directives, notices, requests prescribed by any regulators or any government agency (whether or not having the force of law) in any jurisdiction relating to :-

- 3.1.1 the operation of the **Client's Securities Account** and to the Client's trading activities ;
- 3.1.2 the provision of the Company's and / or the Custodian's services ;and
- 3.1.3 to all matters related to the transactions contemplated herein;

including without limitation the rules of **Bursa Securities** ("**Rules Of Bursa Securities**"), rules of Bursa Malaysia Depository Sdn Bhd ("**Bursa Depository**") ("**Rules of Bursa Depository**"), the business rules of Bursa Malaysia Derivatives Berhad ("**Bursa Derivatives**") ("**Rules of Bursa Derivatives**"), the rules of Bursa Malaysia Securities Clearing Sdn Bhd ("**Bursa Clearing**") ("**Rules of Bursa Clearing**") and the rules of Recognised Exchanges ("**Recognised Exchanges' Rules**"), regulations, directives, policies issued by Bank Negara Malaysia ("**BNM**") or any regulatory bodies and authorities and includes any additions, amendments or revisions that may from time to time be introduced and enforced. The Rules of Bursa Securities, Rules of Bursa Depository, Rules of Bursa Derivatives, Rules of Bursa Clearing, Recognised Exchanges' Rules shall collectively be known as the **Exchanges' Rules**, which expression shall refer to one or more of the set of rules where the context so permits and requires.

3.2 The Client agrees to comply with all policies, procedures, guidelines, rules, directives and/or instructions of whatsoever nature presently and from time to time issued, given, made and/or established by the Company and / or the Custodian.

### 4. INSTRUCTIONS

4.1 The Company and / or the Custodian :-

- 4.1.1 reserves the absolute right to refuse to act on the instructions of the Client and/or on instructions on the Client's behalf where applicable, if in its / their absolute opinion, there are grounds for doing so and shall not be bound to furnish the Client with any reason thereto.
- 4.1.2 shall, in the absence of or delay in receiving instructions from the Client in response to a request for the same, refrain from acting without any liability to the Client.

4.2 Instructions or orders can only be given by the Client during trading hours of the **Bursa Securities** or such other **Recognised Exchanges** (as the case may be) ; and if on **Electronic Trading** subject always to the **DR** assigned having activated his ordering system on the **ElectronicTrading**. Notwithstanding the above, the Company and/or the Custodian as the case may be shall have the absolute discretion to vary and alter the time period of such instructions or orders.

4.3 The Client hereby irrevocably and unconditionally authorises the Company and / or the Custodian to act on and/or accept all instructions, communications and/or orders given, made or issued by the Client's agents or representatives notwithstanding that such instructions, communications and/or orders may have been given without the Client's

authority through any mode of communication whatsoever (including without limitation in person, telephone, facsimile, telex, cable, electronic mail through the use of **Access Codes** on the **Electronic Trading** ("Access Codes" and "Electronic Trading" are as defined in Clause 8 or by post) to any Capital Markets Services Representatives Licensed Holder ("**DR**") of the Company, employee, officer, and/or agent of the Company and / or employee, officer, and/or agent of the Custodian. The Client agrees not to withdraw, cancel, vary or revoke any of such instructions or orders when such instruction or order has been acted upon or accepted by the Company's **DR**, the Company, the Custodian or any of the Company's or Custodian's employee, officer, or agent.

- 4.4 The Company and / or the Custodian shall be entitled, at its / their respective discretion but not obliged to, accept instructions believed by it / them to have emanated from the Client or the Client's authorised person(s) and, if the Company and / or the Custodian acts in good faith on such instructions, such instructions shall be binding on the Client. Further, the Company and / or the Custodian shall not be liable for doing so, whether or not the instructions were given by the Client or the authorised person(s) and the Company and / or the Custodian shall not be under any duty to verify the identity of the person(s) giving those instructions or the accuracy or truth of such instructions.
- 4.5 In the case of corporate Client, the Client shall forthwith inform the Company and/ or the Custodian as the case may be, in writing of any changes to person(s) authorised to transact, act, give any instructions or communications and / or orders on his behalf. Until and unless such change is notified and the notice of which has been duly received by the Company and / or the Custodian, the Company and / or the Custodian as the case may be, shall be entitled to accept instructions, communications and/or orders given, notwithstanding the fact that such person's authorisation may have been cancelled or revoked by the Client.

## 5. OPERATION OF CLIENT'S SECURITIES ACCOUNT(S)

- 5.1 The Client hereby irrevocably and unconditionally authorises the Company and / or the Custodian to, to the extent permitted by law:-
- 5.1.1 debit any of the **Clients' Securities Account** in respect of any **Indebtedness** (hereinafter defined);
  - 5.1.2 set off against any **Clients' Securities Account** in or towards settlement of the **Indebtedness** or any part thereof,
  - 5.1.3 suspend or close any of the **Clients' Securities Account** with or without giving any reasons whatsoever;
  - 5.1.4 offset, assign, hypothecate or otherwise deal with any securities, or any **Clients' Securities Account** with a credit balance, including cash or securities, held on margin accounts or such securities pledged / charged (whether legally or equitably) as collateral under the provisions of Clause 7. The Client hereby further authorizes, the Company and the Custodian to utilise part or all of any monies as may be held by the Company and / or the Custodian under any trust relating to **Client's Monies** [as hereinafter defined (including monies paid into the trust account pursuant to Section 111 of the **CMSA** )] to set-off the debit balance in any of **Clients' Securities Account**; and
  - 5.1.5 place the Client's name on the Defaulter's List with Bursa Securities and/or any **Recognised Exchanges** pursuant to any of the **Exchange Rules**.
- 5.2 The Client agrees that all the **Clients' Securities Account** and/or the securities therein or any part thereof will be subject to conditions imposed or to be imposed by the Company and / or the Custodian including without limitation credit limits imposed on the

trading activities of the Client and/or the limits imposed on the DR assigned to the Client and/or RM conversion limit for settlement or payment purposes.

- 5.3 In the event that the outstanding position or sums owed by the Client to the Company and / or the Custodian exceeds/ breaches the conditions and / or exceeds the limits imposed, the Client will not dispute it and accepts the indulgence granted to the Client.
- 5.4 As investment in any securities involves risk, the Client agrees that the Company and / or the Custodian shall have the right at any time to limit purchases or sales requested or ordered by the Client. The Client agrees that the Company and / or the Custodian shall not be liable for any loss (actual or contingent) arising from any limit on purchases or sales requested or ordered by the Client.
- 5.5 The Client accepts and acknowledges that the Client's instructions or orders shall not be taken to have been received, executed, fulfilled or matched by the Company until confirmation has been given to the Client. In the event of dispute, the official records of the Company shall, in the absence of manifest error, be final, conclusive and binding on the parties hereto for all purposes, including legal proceedings. Confirmation by **DR** (whether verbal or written) of the Company shall not be regarded as official confirmation by the Company.
- 5.6 The Client authorises and empowers the **DR** assigned to handle any of the **Client's Securities Account(s)** and the said DR's agents and representatives ("**DR Authorised Agents**") which expression shall include their substitutes unless repugnant to the context, to carry out the following functions in the name of the Client and on behalf of the Client or otherwise, in the name(s) of the **DR's Authorised Agents** to do and execute either jointly or severally as and when the **DR's Authorised Agents** shall either jointly or severally deem fit to :
  - 5.6.1 collect from the Company and / or the Custodian cheques, monies and/or any other form of payment in respect of monies payable by the Company and / or the Custodian to the Client ;
  - 5.6.2 effect and/or make payment to the Company and / or the Custodian for securities purchased by the Client through the Company and / or the Custodian as the case may be ;
  - 5.6.3 carry out all and any other matters (administrative or otherwise) relating to the **Clients' Securities Account(s)**; and
  - 5.6.4 substitute and appoint from time to time one or more person(s) as the **DR's Authorised Agent(s)** with the same or less powers.
- 5.7 In consideration of the Company acknowledging the authorisation given by the Client to the **DR's Authorised Agents** as set out in Clause 5.6, the Client agrees to the following:
  - 5.7.1 the Client will not make any claims against the Company and / or the Custodian and the Company and / or the Custodian shall not be held liable or responsible for any loss/damage howsoever and whatsoever arising from all and any matters relating to the authorisation given in Clause 5.6;
  - 5.7.2 the Client declares that the authorisation in Clause 5.6 being given for valuable consideration shall be valid until written revocation is given by the Client to the Company and / or the Custodian and such notice of revocation is duly acknowledged by any of the Company's and / or the Custodian's authorised officer.
- 5.8 The Client may be trading by utilising an external share margin financing facility of a third party ("**Financier**"). In the event any of the trades executed under such an account (for the purposes of this clause, referred to as "**External Trading Account**") is not accepted (for the purposes of this clause, referred to as "**Rejected Trade**") by the

Financier for any reason whatsoever (irrespective of whether the reason for rejection by the **Financier** is attributed in part or in whole to the Company and / or the Custodian or its / their employee, officer or agent), the Client shall be deemed to be liable for any **Indebtedness** in respect of the **Rejected Trade**.

## 6. PAYMENT AND HANDLING OF SECURITIES

- 6.1 The Client shall pay to the Company and / or the Custodian as the case may be, all and any losses, charges, penalties, fees, commissions, brokerage charges, trading losses, fines, debts, interests (at such rate as may be determined by the Company and / or the Custodian from time to time before and after judgment), damages, expenses and costs (including solicitors' fees on a full indemnity basis) of whatever nature (whether actual or contingent) which the Company and / or the Custodian may at any time or from time to time sustain, incur or suffer by reason of or as a consequence of or arising in any way out of or in connection with or incidental to (i) the opening and operation of all or any of the **Clients Securities Account(s)** and/or (ii) the provision of any services and/or facilities hereunder; and/or (iii) any default by the Client in the due and punctual payment of any sum of any kind or nature whatsoever owing or payable pursuant to any of the account(s) and/or any matters whatsoever arising from this Agreement [including such amounts payable to the **Authorised Third Party** (hereinafter defined) or under Clause 19 (Indemnity)] ("**Indebtedness**").
- 6.2 The Client shall make payment on the due date and time for any securities purchased on the Client's behalf regardless whether these securities are suspended from trading subsequent upon such purchase.
- 6.3 The Client shall pay a deposit, if so required, on purchase contracts made on the Client's behalf, the balance of which (if any) will be paid immediately on due dates. Should the Client fail to comply, the Client agrees and understands that the Company and / or the Custodian will sell out, in accordance with such trade delivery and settlement system established under the respective **Exchange Rules** in order to clear the Client's position.
- 6.4 The Client undertakes that for any securities sold by the Client and/or sold on the Client's behalf, the Client will ensure that the securities are available in the **Client's Securities Accounts**, including but not limited to those under **SICDA** whether or not such securities account is a **Pledged Securities Account** designated under Section 40 of the **SICDA** on the due dates. Should the Client fail to comply, the Client understands that a "buying-in", will be effected (or other analogous method) and/ or other methods provided for or prescribed by the **Exchange Rules** will be effected.
- 6.5 The Client represents and warrants to the Company and / or the Custodian that the relevant securities in the **Client's Securities Account** are at all times within and will remain within the Client's own disposition and control and free from any restriction on transfer and from any prior mortgage, lien, security or other encumbrance whatsoever. For the avoidance of doubt, the Client represents and warrants that all relevant securities sold by the Client or on the Client's behalf are not stolen, forged, or misappropriated by any party howsoever.
- 6.6 All payments in any form whatsoever shall be made in favour of payee only i.e. either to the Company and / or the Custodian, as the case may be. In making payments in the form of cheque or banker's draft, the Client shall state clearly on the reverse side of the cheque/draft the Client's name, the relevant account(s) number and nature of the payment, e.g. contract number, quantity and name of securities, contra loss reference and such particulars as may be necessary to allow the identification of the purpose for which the payment is made. The Company and / or the Custodian shall not be held liable for any cheque(s)/draft(s) that may be lost, misplaced or misappropriated if such cheque(s)/draft(s) had been given by the Client to any employee, officer, **DR** or agent of the Company and / or the Custodian and / or **DR's Authorised Agent**.

- 6.7 In making payments by way of telegraphic transfer or by way of direct deposit of monies into the bank account of the Company and / or the Custodian or to such other designated account as may be requested by the Company or the Custodian, it shall be the responsibility of the Client to ensure that adequate and timeous notice is given to the Company and / or the Custodian regarding the effecting of such payment and such notification shall include the telegraphic transfer confirmation slip, the bank-in slip, the Client's name, the relevant account(s) number and nature of the payment, e.g. contract number, quantity and name of securities, contra loss reference and such particulars as may be necessary to allow the identification of the purpose for which the payment is made. The Company and / or the Custodian shall not be held liable for any payment effected by way of telegraphic transfer or direct deposit of monies into the bank account that may be erroneously credited into a third party's account or unaccounted for.
- 6.8 In making payments online or by any other mode of payment that may be made available to the Client from time to time the Client shall comply with any further terms and conditions, instructions or requests for information as required. It shall be the responsibility of the Client at all times to ensure that information required to effect such payment shall be accurately provided to the Company and / or the Custodian as the case may be, failing which, it shall be the responsibility of the Client to ensure that the Company and / or the Custodian is provided with the necessary details to effect such payment. The Company and / or the Custodian shall not be held liable for any errors howsoever and whatsoever occurring and/or any payment effected online or by any other mode of payment that may be erroneously credited into a third party's account or unaccounted for.
- 6.9 In the event the Client fails to provide adequate and clear particulars with regards to the nature and purpose of any of its payment referred to in Clauses 6.6, 6.7 and 6.8 above, the Company and / or the Custodian shall be absolutely entitled to apply the payment(s) in such manner as it / they may in its / their absolute discretion deem fit.
- 6.10 All cash payments must be in **RM** and made personally at the payment counter of the Company and / or the Custodian, and the Client must ensure that an official receipt of the Company or the Custodian is issued. Details stated in the official receipt shall be taken as correct and accurate unless before the Client leaves the payment counter, the Client has notified the Company and / or the Custodian of any discrepancy or inaccuracy. The Company and / or the Custodian shall not be liable for any claims of cash payment purportedly made unless such payment is evidenced by the official receipt.
- 6.11 The Client hereby authorises the Company and / or the Custodian:-
- 6.11.1 to deal, in any manner whatsoever as the Company shall deem fit, with all or any of the **Client's Securities Account(s)** including without limitation withholding or rejecting the transfer of the securities for or under any of the relevant account(s) for which the Client have remitted payment until cleared funds have been received by the Company and / or the Custodian as the case may be;
  - 6.11.2 to apply and/or utilise the proceeds of sale or disposal of securities irrespective of whether the sale or disposal was effected as a Ready Basis Contract or an Immediate Basis Contract (which shall have the meaning assigned to them respectively under the **Rules of Bursa Securities**);
  - 6.11.3 to sell or dispose the whole or any part of securities pledged by the Client as collateral (whether legally/equitably) or including but without limitation any securities designated as 'free securities' in the relevant account(s) at any time and/or utilise the proceeds of sale or disposal.
  - 6.11.4 to at any time deduct any **Indebtedness**.

## 7. CHARGED ASSETS AND LIEN

- 7.1 To the extent permitted by law, for the payment of any **Indebtedness**, all securities (whether or not in the Client's Securities Account), property, and/or monies held by the Company or in the Company's custody and control (including monies credited with any third party appointed by the Company) and/ monies or in the Custodian's custody and control (including monies credited with any third party appointed by the Custodian ("**Client's Monies**") from time to time shall be:-
- (a) charged to the Company and / or the Custodian respectively by way of equitable charge as a continuing security ("**Charged Assets**") and / or
  - (b) shall be subject to a general lien in favour of the Company and / or the Custodian as the case may be;
  - (c) permitted to be subjected to a lien, charge or security in favour of any **Authorised Third Party** (as hereinafter defined), in so far as it is in relation to the provisions of the facilities and the services contemplated herein.
- 7.2 The charge hereby created pursuant to the above provisions shall take priority over all other interests in the aforesaid securities, property and/or the **Client's Monies**.
- 7.3 Should the Client default in discharging on demand any of the **Indebtedness**, the Client shall not be entitled to withdraw any of the **Charged Assets**. The Company and / or the Custodian as the case may be, may at any time by giving seven (7) calendar days' notice or such timeframe as may it / they may determine to retain, apply, sell or otherwise dispose of or cause to be sold or otherwise dispose of all or any of the **Charged Assets** and apply the net proceeds thereof in or towards the discharge of the **Indebtedness** at such time and in such manner and generally on such terms as it / they may in its / their discretion think fit for which purpose it / they may respectively convert any monies or proceeds of sale into any currency at such rate of exchange as it / they may in its / their discretion think fit.
- 7.4 The Company and/ or the Custodian as the case may be shall be under no duty to the Client as to the price obtained or any losses or liabilities incurred or arising in respect of any such sale or disposal.
- 7.5 Further in respect of the **Charged Assets**, the Client hereby grants to the Company and / or the Custodian an irrevocable power of attorney for and on behalf of and in the name of the Client or otherwise to execute all documents and do all acts, matters and things necessary or appropriate to sell or dispose of or complete the sale or disposal of all right, title and interest to and in any of the **Charged Assets** liable to be sold or disposed
- 7.6 The charge and lien hereby created shall be in addition and without prejudice to any, right of retention or other rights to which the Company and / or the Custodian is or may become entitled under or by virtue of this Agreement or otherwise.

## 8. ELECTRONIC TRADING

- 8.1 "**Electronic Trading**" shall, for purposes of this Agreement and in particular this Clause, mean trading in any securities using any form of communication, whether between persons and persons, things and things, or persons and things, in the form of sound, data, text, visual images, signals or any other form or any combination of those forms ("**Communications**") (including without limitation using the Company's computer or telephonic services or systems, internet, private network, personal computers, mobile telephones, hand-held terminals, television, radio and pager) and includes service or information accessible through the Company's and / or the Custodian's (as the case may be) proprietary software and/or any other form of Communications.
- 8.2 The provisions set out in this Clause 8 relating to trading in securities shall be

applicable and are in addition to and without prejudice to the generality of the other terms and conditions herein contained, in the event the Client utilizes the **Electronic Trading**.

8.3 The Company and / or the Custodian shall be entitled, at any time and from time to time without notice and without assigning any reason therefore and without in any way being liable for any loss or damage whatsoever to the Client to:

8.3.1 amend, modify, suspend or terminate the operation or the Client's access or use of the **Electronic Trading**;

8.3.2 de-activate the **Access Codes** (as hereinafter defined).

8.4 The Client hereby agrees and undertakes at all times:

8.4.1 to keep strictly confidential:

(a) the Client's account number(s) and all passwords, identification, digital signature and other codes issued to the Client or by any certification authority or entity duly recognised by the Company and / or the Custodian as the case may be, for the purpose of enabling the Client to access the Electronic Trading and the Client's account ("**Access Codes**"); and

(b) all information available to the Client through the use of the **Electronic Trading** ("**the Information**");

8.4.2 to regularly change the password(s) and/or any other **Access Codes** that are permitted to be changed, and in any event not less than once every month or such other interval of period of time as may be notified by the Company and / or the Custodian as the case may be;

8.4.3 to immediately notify the Company and / or the Custodian as the case may be, if the Client suspects that the confidentiality of the **Access Codes** has been compromised or if any of the account(s) have been accessed or used without his authority;

8.4.4 to forthwith notify the Company and / or the Custodian of any inaccurate confirmation or of any failure to receive an appropriate response that an order initiated by the Client through the **Electronic Trading** has been received, executed, fulfilled and/or matched;

8.4.5 not at any time to copy, reproduce, disclose, distribute, re-transmit, disseminate, sell, publish, broadcast or exploit (whether for commercial benefit or otherwise) the Information, in whole or in part, in any manner whatsoever to any other person and not cause, suffer or permit to be done any of the foregoing;

8.4.6 at its/their own cost and expenses to acquire and maintain such hardware and other equipment as shall be necessary to enable the Client to access and use the **Electronic Trading**; and

8.4.7 upon suspension or termination of any of the relevant account(s) to forthwith cease the use of and immediately return the **Information** to the Company and/or dispose in such manner as the Company may direct all **Information** in whatever form or media, including copies thereof or derivations therefrom howsoever constituted in the Client's possession, custody or control.

8.5 The Client accepts and acknowledges that all intellectual property rights (whether by way of copyright or otherwise) in the **Information** and reports generated on the **Electronic Trading** vest solely in and shall remain the exclusive property of the

Company, Custodian and other third parties. The Client agrees and undertakes not to do anything that will violate or infringe intellectual property rights of the Company, Custodian or other third parties and will take all necessary measures to preserve and protect these rights.

- 8.6 The Client hereby agrees and undertakes to use the **Electronic Trading** strictly in accordance with the terms and conditions set out in this Agreement and shall procure that no person shall:
- 8.6.1 gain unauthorised access to or make unauthorised use of the **Electronic Trading**;
  - 8.6.2 tamper with, make any additions, modifications, adjustments or alterations to, or corrupt, any of the **Information** or any services available on the **Electronic Trading**;
  - 8.6.3 use any software (including but not limited to the Company's proprietary software) ("**the Software**"), **Access Codes** and/or equipment in a manner inconsistent with the terms and conditions of this Agreement;
  - 8.6.4 permit any equipment or software to be linked to or communicate in any manner or be used in connection with any other database, time-sharing or other system, computer bureau, data or telecommunication service or any other service or word-processing system or information distribution network whereby the **Information**, material or data obtained from the **Electronic Trading** may be accessed, used, stored or re-distributed by or through such other equipment or software; and the Client shall upon the suspension or termination of the relevant account(s) and/or the **Electronic Trading** immediately return the **Software** to the Company and/or dispose of the same in such manner as the Company may direct.
- 8.7 The Client hereby irrevocably authorises and consents the Company and / or the Custodian to make enquiries and/or extract the **Client's Securities Accounts'** balances for the purpose of generating and displaying the Client's stock portfolio via **Electronic Trading**.
- 8.8 The Client acknowledges that the Company and/or the Custodian as the case may be, **Bursa Securities** and any other regulatory bodies shall have the right to audit and inspect the personal computer or terminal operated by the Client in relation to the **Electronic Trading** as and when they shall deem fit and for such purpose thereof, the Company and / or the Custodian, **Bursa Securities**, such other regulatory bodies and their officers, servants and/or agents respectively shall have the right at all reasonable times to enter the Client's premises to carry out such audit and inspection.

## 9. INVESTMENT DECISIONS

- 9.1 The Client agrees and understands that the Company prohibits its **DR**, employees, officers or agents from giving or making any investment advice, suggestions, or recommendations and any such advice, suggestions or recommendations so given or made shall be deemed to have been made by the **DR**, employee, officer or agent concerned in his individual capacity. The Company shall have no liability or responsibility whatsoever in respect of any losses suffered or incurred by the Client as a result of or arising from such advice, suggestions, recommendations or information.
- 9.2 The Client further acknowledges and agrees, in relation to any information (including Information on the **Electronic Trading**), documents, recommendations or advice received by the Client either directly or indirectly from the Company and/or its **DR**, employee, officer and/or agent that:
- 9.2.1 no representation or warranty is made by the Company as to its accuracy,

completeness or correctness;

- 9.2.2 any opinion expressed therein are subject to change without notice;
- 9.2.3 any recommendation contained therein does not have regard to the specific investment objectives, financial situation or the particular needs of the Client or any other recipient of the recommendation;
- 9.2.4 shall not constitute an offer to trade any securities ; and
- 9.2.5 all such information, documents, recommendations and/or advice are for general information only and shall not be taken as an inducement or be relied upon by the Client to undertake any transaction.

9.3 The Company and / or Custodian is not acting as an investment manager or investment advisor to the Client. The Client shall at all times rely on its own assessment of the Information and the merits of any proposed transaction.

9.4 The provision of the services by either the Company or the Custodian does not constitute either of them as trustee and there shall be no trust arising from the terms and conditions herein.

## 10. CURRENCY AND FOREIGN EXCHANGE RISKS

10.1 The Client agrees and understands generally all transactions and monetary obligations relating to any **Clients' Securities Account** and / or relating to the provision of the securities herein and all accruals any of the account(s) shall be in **RM** unless otherwise agreed by the Company and / or the Custodian as the case may be.

10.2 Should the Company and / or the Custodian agree to the transactions in the accounts and / or accruals in the account(s) to be received in a foreign currency, such transactions and / or accruals shall be converted to **RM** at such rate of exchange as may be decided by the Company and / or the Custodian.

10.3 For the purposes of transactions relating to non-**RM** securities and / or relating to foreign currency and / or should the Client be a non-resident, the Client declares that it / they shall comply with the Bank Negara Malaysia ("**BNM**") Foreign Exchange Administration ("**FEA**") Policy and all relevant rules and regulations issued by **BNM** applicable to him / them.

10.4 The Client further agrees and acknowledges that the following terms and conditions shall apply in respect of transactions relating to non-**RM** securities that are to be settled in **RM** :-

10.4.1 that the statements and representation made in the Client's Declaration of **BNM FEA** Policy in Section B 3 of the **Application Form** remains true and accurate at all material times;

10.4.2 that the Company and /or the Custodian shall be entitled :-

- (a) at any time to withhold or suspend settlement or trading in **RM** should the Client exceed the applicable conversion limit imposed by the **FEA** Policy,
- (b) to request for further documents or declaration prior to the acceptance of the trade or withhold or suspend taking any actions in respect thereof until receipt of such documents and declaration to its / their satisfaction,
- (c) to demand payment and settlement in the original currency of the non-**RM** Securities (instead of in **RM** despite the Client' request or instructions) should the Client be in excess of the applicable limit imposed by the **FEA** Policy. Further should the Client fail, neglect and / or ignore such demand, the Company and /or the Custodian is hereby

authorised to retain, apply or sell or otherwise dispose such non-**RM** Securities and deal with the proceeds in such manner as it / they may deem fit.

- (d) to terminate the Agreement or any part thereof in the event of the Client's misrepresentation and / or breach of the terms and obligations set out in the Client's Declaration of **BNM's FEA** Policy in Section B 3 of the **Application Form** or if the Client breaches any terms or obligations imposed by the **BNM FEA** Policy.

10.5 The provisions of Clause 10 above, are in addition to and without prejudice to the generality of the other terms and conditions contained in the Agreement.

#### **11. CUSTODIAN SERVICES BY AMSEC NOMINEES (TEMPATAN) SDN BHD / AMSEC NOMINEES (ASING) SDN BHD ("Custodian")**

11.1 In respect of the services rendered by the Custodian the following additional terms and conditions shall apply without prejudice to the generality of the other terms and conditions, in the event the Client utilizes the Custodian services. Provided that the Custodian may appoint and/or hold any such securities through any other custodian, nominee or broker, whether in or outside Malaysia, as it may in its discretion deem appropriate ("**Custodian's Appointee**") for the operation of the **Custodian Account(s)** and the holding of the **Custodian Securities**.

11.2 The Client hereby agrees to allow the Custodian to generally, act on and give effect to the instructions of the Client and to carry out and/or perform any or all actions whatsoever which the Client may have the power to do, carry out or perform in relation to the Custodian's services and/or the related Client's **Custodian Accounts** (if relevant), including without limitation to:-

- 11.2.1 executing all necessary documents and/or forms issued by or required by any **Clearing System**, any broker or any third party,
- 11.2.2 commence, prosecute, defend, continue and/or discontinue all actions, including without limitation to legal proceedings, claims and demands in respect of any of the matters set out relating to or arising from the provision of the Custodian services with power to compromise or to submit to judgment or order in any such actions or legal proceedings;
- 11.2.3 collect dividends, interest and other income or stock dividends, bonus shares or any other entitlements in respect of the **Custodian Securities**;
- 11.2.4 present for payment the **Custodian Securities** that are called, redeemed or reduced and to present all interests, coupons and other income items that call for payment upon presentation; and
- 11.2.5 to declare the Client as the beneficial owner of the **Custodian Securities** whenever such declaration of ownership is required;
- 11.2.6 pay for the Custodian fees and/or the **Custodian's Appointee** fees and other charges at such rates as may be determined by the Custodian and/or the **Custodian's Appointee** from time to time together with all expenses and disbursements incurred by the Custodian and/or **Custodian's Appointee**,
- 11.2.7 delegate to any other person, whether affiliated to the Custodian or otherwise, and whether in or outside Malaysia, for any period whatsoever,

11.3 The Custodian and the **Custodian's Appointee** shall not be required at any time to register the **Custodian Securities** or any of them whether or not such **Custodian Securities** are held electronically or otherwise and whether or not held in the name of the Custodian or in the **Custodian's Appointee**; Provided However that if the Custodian or the **Custodian's Appointee** (as the case may be), in its / their absolute

discretion, decides to register the **Custodian Securities**, the Client shall promptly sign and execute all necessary instruments of transfer and other documents and pay all fees and charges in connection with the said registration.

11.4 The Custodian may exercise its discretion to register any of the **Custodian Securities** in the name of the Custodian or the **Custodian's Appointee**, subject to the following conditions:-

11.4.1 that the securities have been deposited in the **Custodian's Account(s)**.

11.4.2 that the Client complies with such additional conditions and request for further indemnities and provisions for expenses as may be deemed necessary by the Custodian.

11.5 The Custodian shall be under no duty to investigate, participate in or take any action concerning attendance at meetings, voting or other rights or enforcement of rights of whatever nature attaching to or derived from the securities unless the securities are registered in the name of the Custodian or in the name of the **Custodian's Appointee** on terms and conditions set out hereinafter :-

11.5.1 the Custodian shall, upon its actual receipt of notice of any right or option ("**Subscription Rights**") to subscribe for stocks, shares, options, warrants, rights, moneys or property accruing or offered at any time by way of redemption, conversion, substitution, bonus, preference, option or otherwise to or in respect of any of the **Custodian Securities**, use its reasonable endeavours to notify the Client of the same.

11.5.2 the Client shall, if it wishes to exercise all or part of any **Subscription Rights**, give instructions to the Custodian accordingly; such instructions are to be accompanied by full payment (where applicable) that may be required for the exercise of the **Subscription Rights** in reasonably sufficient time and / or within the time stipulated in the Custodian's notification for the exercise of the **Subscription Rights** to enable the Custodian to exercise or procure the execution of such instructions; Provided However that the Custodian shall not be obliged to use more than its reasonable endeavours to carry out the Client's instructions aforesaid and Provided Further that the Custodian shall be under no liability whatsoever if notwithstanding its reasonable endeavours, the instructions are not executed for any reason And Provided Always that the Custodian shall not be liable for any non-exercise of all or any part of the **Subscription Rights** if for any reason whatsoever the Custodian does not receive notification of the **Subscription Rights** or if the Client fails to give the Custodian instructions within the time period, stipulated by the Custodian.

11.5.3 the Custodian shall have no duty or responsibility to notify the Client of any proxy or other documents received by it in respect of the **Custodian Securities** or to send any proxy or other documents to the Client; and

11.5.4 the Custodian shall have no duty or responsibility to attend any meetings or to exercise any vote on behalf of the Client save in accordance with any prior written instructions from the Client and upon such terms and conditions as shall have been agreed between the Client and the Custodian. Notwithstanding the aforesaid, the Custodian shall not in any event attend any meeting relating to the **Foreign Securities**.

11.5.5 In providing the services contemplated in this Clause 11, the Custodian shall maintain records which identify the securities attributable to the Client. The Custodian shall provide the Client with periodic written statements with full disclosure concerning the identity and quantity of the securities held by the Custodian as at the date of the statements or as at the date stated in the

statements and such other information as shall be mutually agreed upon between the Client and the Custodian. The reports shall be furnished at such intervals as agreed between the Custodian and the Client from time to time.

## 12. FOREIGN SECURITIES TRADING

Where the Company and / or the Custodian hold, administer **Foreign Securities** to facilitate the Client's trading at the **Recognised Exchanges** and / or open, maintain or administer any **Client's Securities Account** in relation thereto; the following additional terms and conditions shall apply without prejudice to the generality of the other terms and conditions.

12.1 The Client's order to trade in **Foreign Securities** shall be given to his **DR** authorised by the Company and / or the Custodian.

The Company and / or the Custodian shall not be responsible for ensuring the best execution of transactions on the Client's behalf. The Client shall in any event accept and be bound by dealings transacted for and on behalf of the Client.

12.2 The proceeds of each of the Client's sale of **Foreign Securities** shall be payable on the **second Business Day** ("**Business Day**" for the purpose of this Clause, shall mean a day on which the Company and / or the Custodian is open for official business) following the relevant dates prescribed by the relevant **Recognised Exchange(s)** from time to time as the date on which a transaction has to be settled (**the "Settlement Date"**) in respect of each and every particular sale transaction.

In respect of purchases of **Foreign Securities**, the purchase monies shall be payable the second **Business Day** following the date on which the transaction has been completed.

12.3 A consolidated statement of the **Foreign Securities** held in the custody of the Company and / or the Custodian as at month end shall be sent by post to the Client.

12.4 The Company may, at the request of the Client, agree to hold any securities to the extent that it is permissible by the **Exchange Rules** ("**Company Custodial Securities**") on behalf of the Client Provided Always that the Company shall be entitled, at its absolute discretion, to refuse to take custody of any such securities without assigning any reason thereof and Provided Further that the Company may appoint and/or hold any such securities through any custodian, nominee or broker, whether in or outside Malaysia, as the Company may in its discretion deem appropriate ("**Company's Appointee**") for the operation of the Client's **Account(s)** and / or **Foreign Accounts** and the holding of the **Company's Custodial Securities**.

12.5 The provisions of Clauses 11.2, 11.3, 11.4 and 11.5 shall apply *mutatis mutandis* to the Company and / or the **Company's Appointee** in respect of any securities held in any of the Clients' **Account(s)** and/or **Foreign Accounts** opened and maintained for and on behalf of the Client.

## 13. APPOINTMENT OF THIRD PARTIES

13.1 The Client consents and accepts risks in dealing with the **Foreign Securities** and liabilities associated as necessary risk in dealing in foreign jurisdiction. This include the credit risk of the any third party appointed by the Company and / or Custodian (including but not limited to the **Company's Appointee** and / or the **Custodian's Appointee**) for the provision of services contemplated herein for and on behalf of the Client or risk that where such **Foreign Securities** if are required to be returned, retransferred or redelivered to the Client, the securities need not be the ones originally deposited transferred, delivered or charged but may be equivalent **Foreign Securities**.

13.2 Without limiting any of the provisions above, the Company and / or the Custodian shall have the right to appoint other stockbrokers, custodians, sub-custodians, sub-agents or other persons (including but not limited to the **Company's Appointee** and / or the

**Custodian's Appointee**) (collectively referred to as "**Authorised Third Party**") in connection with the performance of their respective services and facilities herein including but not limited to be able to use or participate in market infrastructures and any **Clearing System** used in connection with transactions relating to **Foreign Securities** and the Client hereby consents to such appointments to enable such appointees to be vested with the same authority empowered in the Company and / or the Custodian as the case may be.

- 13.3 The Company and / or the Custodian as the case may be shall act in good faith in the selection and continued appointment of the **Authorised Third Party** but shall otherwise have no responsibility for the selection, appointment or performance by the **Authorised Third Party** and shall not be liable for any loss, damages, costs or expenses incurred in relation to the appointment of the **Authorised Third Party**.
- 13.4 The Client hereby acknowledges and agrees that where the Company and / or the Custodian uses the **Authorised Third Party**, they may have to respectively accept sole and principal responsibility to the said third party, (notwithstanding that as between the Client and the Company, or the Client and the Custodian, the Company and / or the Custodian is in fact acting solely as the agent and / or for the benefit of the Client).
- 13.5 The Client acknowledges that the performance of the Custodian's and /or Company's services is subjected and also governed by the terms and conditions and internal policies of the **Authorised Third Party** ("**Third Party's Terms and Conditions**"). The Client further authorizes and consents to the Company and / or the Custodian, to deal with and hypothecate the **Client Monies** and / or the securities and / or the **Charged Assets** in such manner and terms as may be required by the **Authorised Third Party** for the provision of services contemplated herein and where required to be able to deal with the **Client's Monies** and / or the securities and / or the **Charged Assets** as if the Company and / or the Custodian are the owner of the securities and / or the monies.
- 13.6 The Client acknowledges and consents in some circumstances, the **Client's Monies**, securities deposited and credited with the **Authorised Third Party** and / or under the **Authorised Third Party's** possession and control may be subjected to the security, charges or lien that may be imposed by the **Authorised Third Party** in respect of liabilities, indemnities, claims, costs and expenses incurred in the provision of the services contemplated herein for and on behalf of the Client.
- 13.7 The Client further understands and agrees that the Company's and / or Custodian's performance of the terms and conditions and their provision of the services herein is subject to the relevant **Exchange Rules** that exist in the country in which any securities are held and /or customs and/or internal policies of the Company and / or the Custodian ("**Applicable Laws**"). The Company and/or the Custodian may do or cause to be done any act or thing in compliance with its duties and obligations under the **Applicable Laws** and/or the **Third Party's Terms and Conditions** or to prevent or remedy breach of the application of the aforementioned laws and terms and conditions.
- 13.8 The Client hereby agrees that the Company and / or the Custodian shall not be liable for any loss, damages, costs or expenses incurred in relation to the aforementioned limitations and conditions imposed by or arising from the **Applicable Laws** and / or **Third Party's Terms and Conditions** and shall indemnify and hold harmless, the Company and / or the Custodian against any and all acts and things taken and done by them as may be necessary, desirable or expedient to ensure that the Company and / or the Custodian will not be in default of its said principal obligation to the relevant **Authorised Third Party**.

#### 14. ACTING AS PRINCIPAL AND MONEY LAUNDERING

14.1 The Client hereby warrants to the Company and the Custodian that:

- 14.1.1 unless and until notified to the contrary in writing:

- (a) the Client is the underlying principal of all the **Client's Securities Account** and shall remain at all times the sole, ultimate and absolute beneficial owner of all the securities and the party entitled to all rights, title and interest in and to the securities that are held in all the relevant accounts.
- (b) all monies which will be paid to the Company and / or Custodian shall come from a lawful source of activity and not unlawful activities (as defined under the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 ("**AMLA**").

14.1.2 on notification that the Client is an intermediary for other persons:

- (a) the Company and / or the Custodian may require, and the Client agrees and undertakes to provide, verification of the identity of the beneficiary and such other documents or information as the Company and / or the Custodian may require and copies of such documents may thereafter be retained by the Company and / or the Custodian;
- (b) the Client further declares and certifies that the necessary "know-your-client" checks have been conducted including but not limited to the identity, existence, address and nature of the business of the beneficiary, it being confirmed by the Client that the funds are from a lawful source of activity and not unlawful activity as defined under **AMLA** ; and
- (c) it is further hereby clearly agreed and understood that the provision of details of the Client's beneficiary shall not make the Client's beneficiary a client of the Company and / or the Custodian and the Company and / or the Custodian shall be entitled at all times to hold the Client as the principal.

14.2 Notwithstanding Clause 14.1 hereof, the Client hereby agrees and undertakes irrevocably and unconditionally that

- 14.2.1 the Client shall advise the Company and / or the Custodian forthwith in writing of any change to the particulars of this **Agreement**, and in the **Account Application Form**;
- 14.2.2 pending receipt of information / document by the Company and / or the Custodian from the Client and until received and verified thereof to the satisfaction of the Company and / or the Custodian and or the relevant authorities, the Company and / or the Custodian shall neither be obliged to proceed with any transactions nor place any monies, funds or securities ("**Assets**") given by the Client and which is already in the possession of the Company and / or the Custodian and the Company and/ or the Custodian shall be entitled (and authorised) to retain the **Assets** for the time being; any **Assets** requested to be returned to the Client shall be returned to the Client after the Company and / or the Custodian receives satisfactory clearance from the relevant authorities; and
- 14.2.3 in no event shall the Company, Custodian or companies within the AmBank Group of Companies be liable for any direct, indirect, consequential or any losses whatsoever or howsoever arising or by reason of the Company's or the Custodian's exercise of its duties under the laws for the time being in force, in particular but not limited to its statutory duties under **AMLA**.

## 15. NOTICES

- 15.1 Any notice or communication by the Company and / or the Custodian to the Client including without limitation contract notes/statements, contra statements, statement of accounts and notices shall be deemed to have been duly served upon and/ or received by the Client:
- 15.1.1 if sent by registered mail or postage prepaid, on the 3rd business day falling after the date of the registration receipt given by the relevant postal authority;
  - 15.1.2 if posted on the Notice Board located at the Company's premises prior to 4.00 p.m. on a business day, at the time of posting on the Notice Board;
  - 15.1.3 if delivered by hand or courier to the Client or to a **DR** or such other person authorised by the Client in writing to receive such notice or communication, prior to 4.00 p.m. on a business day, at the time of delivery to the recipient;
  - 15.1.4 if transmitted by way of facsimile transmission prior to 4.00 p.m. on a business day, at the time of transmission;
  - 15.1.5 if transmitted electronically by way of the **Electronic Trading** system or posted at the **Company's Website** prior to 5.00 p.m. on a business day, at the time of transmission or posting;
- if any notice or communication is posted, delivered, couriered, or transmitted at any other time after the stipulated time as above, the notice or communication shall be deemed served or received at 9.00 a.m. on the next following business day.
- 15.2 Without prejudice to the generality of Clause 15.1 herein, records stored in the transaction log of the computer system of the Company and / or the Custodian or records kept by any one of them of any notice or communication sent by way of the **Electronic Trading** system shall be sufficient proof of such notice or communication being sent.
- 15.3 Any dispute on the accuracy of the information stated in any notice or communication served upon or given to the Client must be communicated in writing to any of the Company's and / or the Custodian's authorised officer within five (5) days from the date of the said notice or communication failing which, such notice or communication shall be deemed to be correct and accurate. The Client agrees that the Company and / or the Custodian reserves the absolute right to make any adjustment to the contents of any notice or communication sent arising from any technical or typographical error.
- 15.4 The Client shall forthwith notify the Company and the Custodian in writing of changes to any of the Client's addresses including without limitation the Client's correspondence and electronic mail addresses. Should the Client fail to notify the Company and the Custodian or should the Company or the Custodian fail to receive the Client's notification, any notice or communication issued or sent by the Company or the Custodian (as the case may be) to the address last known shall be deemed properly sent, transmitted, delivered or served on the Client.
- 15.5 Without prejudice to the generality of Clause 15.1 herein, any demand for payment or service of any legal process may be made or effected by prepaid registered or ordinary post addressed to the Client at the Client's address specified herein or at the Client's last known address/place of business and such demand or legal process shall be deemed to have been duly served on the third (3rd) day following that on which it was posted, notwithstanding that the said demand or legal process may subsequently be returned undelivered by the postal authorities.

## 16. EVENTS OF DEFAULT

- 16.1 Each of the following shall be an Event of Default, whether it is within or beyond the control of any party to this Agreement:
- 16.1.1 failure on the part of the Client to observe or perform any of the terms and conditions or breach or non-compliance of any provision of this Agreement (including undertakings, covenant or declaration); or
  - 16.1.2 failure on the part of the Client to pay any sum of any kind or nature whatsoever (whether actual or contingent); or
  - 16.1.3 any misrepresentation or warranty or declaration given or made by the Client in the which proves to be incorrect or misleading or inaccurate; or
  - 16.1.4 if any provision contained in this Agreement becomes, for any reason whatsoever, invalid or unenforceable; or
  - 16.1.5 an encumbrancer takes possession of, or a trustee or administrator or other receiver or similar officer is appointed in respect of, all or any part of the business or assets of the Client; or
  - 16.1.6 any security interest which may for the time being affect any of the Client's assets becomes enforceable; or
  - 16.1.7 the Client becomes or is declared insolvent or is deemed unable to pay its debts within the meaning of Section 218(2) of the Companies Act 1965 or any analogous events in any jurisdiction or becomes unable to pay its debts as they fall due or suspends or threatens to suspend making payments with respect to all or any class of its creditors,
  - 16.1.8 the Client 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 a petition is presented or a meeting is convened for the purpose of considering a resolution for the winding-up of, or other steps are taken for making of an administration order against the Client (other than for the purpose of reconstruction); or
  - 16.1.9 the Client, being an individual, becomes or is adjudged or declared bankrupt or commits an act of bankruptcy or has a bankruptcy petition presented (or any analogous event) against him in any court of competent jurisdiction, or dies or becomes insane; or
  - 16.1.10 any legal proceedings, suit or action is instituted against the Client or any judgment or order is made against the Client, which is in the opinion of the Company or the Custodian could or would have a material adverse effect on the Client, or distress or any form of execution is levied or instituted against any of the assets of the Client; or
  - 16.1.11 any governmental authority or any person or entity acting or purporting to act under any governmental authority shall have taken any action in order to condemn, seize, appropriate or assume custody or control of the Client, or all or any substantial part of its assets or to curtail its authority in the overall conduct of its business or operations; or
  - 16.1.12 if an event or events has or have occurred or a situation exists or arises which in the opinion of the Company or the Custodian may or will affect the ability of the Client to duly perform or observe any of its other obligations in this Agreement or any part thereof ; or
  - 16.1.13 a material adverse change in the financial condition of the Client or in all or

any part of the affairs, investments, business or operations of the Client that has in the Company's and / or the Custodian's opinion occurred, or any event occurs or circumstances arise which in the Company's and / or the Custodian's opinion gives reasonable grounds for believing that the Client may not be able to perform or observe any one or more its obligations in this **Agreement** or any part thereof.

16.2 If an Event of Default shall occur or be continuing, the Company and / or the Custodian as the case may be shall have the absolute discretion to do any one or more of the following:

- 16.2.1 suspend and/or close any or all of the account(s) and / or terminate or determine all the services and facilities provided or any part thereof ;
- 16.2.2 demand full payment of all **Indebtedness** from the Client; and
- 16.2.3 sell or dispose in any manner as the Company and / or the Custodian in its / their sole discretion deem fit all securities held in any of the account(s), and the **Charged Assets** (as referred to in Clause 7.1) and apply the net proceeds of any sale or disposal towards settlement of all monies owing to the Company and / or the Custodian, as the case may be.

## 17. TERMINATION

17.1 Any termination of the Agreement or any part thereof (with or without cause) and any withdrawals of securities, whether or not following termination, shall be without prejudice to the right of the Company and / or the Custodian to settle any transactions entered into or to settle any liability incurred on behalf of the Client prior to termination at the discretion of the Company and / or the Custodian. The Company and / or the Custodian shall only be entitled to cancel any unexecuted instructions. The Client shall remain liable for all resulting cost and expenses incurred.

17.2 In respect of the termination of any accounts, the Company and / or the Custodian shall transfer or cause to be transferred any of the securities to a successor designated by Client; at the Clients' costs and expense. Such transfer is to be effected no later than three (3) months from the date of termination. Should the Client fail, ignore and / or neglect to nominate a successor or to effect the transfer within the three (3) months period, the Company and / or the Custodian shall be entitled to charge or levy fees as may deem appropriate.

## 18. INDEMNITY

18.1 In consideration of the Company and / or the Custodian agreeing to the opening, holding and administering of **Client's Securities Account** and / or the provision of services and facilities by the Company and / or the Custodian, the Client shall (and hereby unconditionally and irrevocably undertakes to and agrees with the Company and / or the Custodian and each of their respective officers, employees, or any **Authorised Third Party** that it will) at all times and from time to time and at any time ON FIRST DEMAND duly, punctually and fully indemnify and save harmless the Company and / or the Custodian and each of their respective officers, employees, or any **Authorised Third Party**, from and against any and all actions, suits, proceedings, claims, liabilities, demands, losses, charges, penalties, fees, fines, debts, interests, damages, expenses and costs (including all costs on a solicitor client basis) of whatever nature as may at any time or from time to time sustain, incur or suffer by reason or as a consequence of or arising in any way out of or in connection with or incidental to:

- 18.1.1 the opening and operation of the **Client's Securities Account(s)**;
- 18.1.2 the provision of the Company and / or Custodian services,

- 18.1.3 any default by the Client in the due and punctual payment of any **Indebtedness** or
  - 18.1.4 the Company and / or Custodian's reliance on any of the Client's declarations, undertakings, covenants, representations and warranties ;
  - 18.1.5 any matters whatsoever arising from this **Agreement**.
- 18.2 The indemnity referred to in Clause 18 shall be and separate and independent obligation and shall survive the termination of these terms and conditions.

## 19. LIMITATION OF LIABILITY

- 19.1 The Company and / or the Custodian shall not be answerable or liable for all and any loss, damage, expense, liability, cost or claim whatsoever and howsoever caused or arising including but not limited to:
- 19.1.1 any failure, downtime, crash, breakdown or malfunction of or defects, bugs or glitches in any software, computer system (including the **Electronic Trading** and the **Software**) or electronic or mechanical or telecommunication equipment of the Company, the **Bursa Securities, Bursa Depository, Bursa Derivatives** or any **Recognised Exchanges, any Clearing System, market, clearing house, any telecommunication network operator, any internet service provider or any operator, vendor, supplier or provider of any Communications** used by the Company and / or the Custodian;
  - 19.1.2 any telecommunication or interconnection defects, faults or problems, system crashes, software errors or defects, operator errors, sabotage or unlawful access, any loss or unauthorised use of the **Access Codes**, any unauthorised use of or access to the **Electronic Trading**;
  - 19.1.3 any delay in the execution of the Client's instructions any delay, fault, failure or loss of access to or unavailability of the **Electronic Trading** or orders due to any reason whatsoever including without limitation due to inefficiency, failure, refusal or neglect on the part of the **DR** assigned to the Client or any errors in the transmission of the Client's instructions or orders through the **Electronic Trading**;
  - 19.1.4 any direct, indirect, consequential or incidental loss (including but not limited to loss of profits, trading and other losses) arising out of or in connection with the Company's and / or the Custodian's failure, neglect or omission to carry out or execute any order or instruction given by the Client;
  - 19.1.5 any direct, indirect, consequential or incidental loss (including but not limited to loss of profits, trading and other losses) arising out of or in connection with the exercise or execution of any power, right, privilege and remedy conferred on the Company and / or the Custodian in this **Agreement** or law provided or available;
  - 19.1.6 any action by any regulatory authorities in any jurisdiction whether or not in the exercise of their regulatory or supervisory functions over the Company and / or the Custodian ;
  - 19.1.7 any losses, delays or claims over any securities accepted for registration on the Client's behalf or for any payment in respect of securities sold by the Client or for delivery of certificates or documents of titles of securities purchased by the Client in the event that the Client has authorised its **DR** or any other person to collect payments, transfer deeds and certificates or documents of titles of securities on the Client's behalf from the Company and / or the Custodian ; and

- 19.1.8 any and all decisions made by the Client in respect of purchase or sale of securities, or the abstinence therefrom.

## 20. STATEMENT & CERTIFICATES

- 20.1 All or any statement/statement of accounts or certificate by the Company and / or the Custodian as to any fact, matter and / or **Indebtedness** shall, in the absence of manifest error, be final, conclusive in respect of the contents therein and binding on the parties hereto for all purposes, including legal proceedings.
- 20.2 Notwithstanding the foregoing, the Company and / or the Custodian shall be entitled at any time to correct any discrepancy, error and / or mistakes in the statements.

## 21. COSTS AND EXPENSES

- 21.1 The costs of and incidental to this **Agreement** including stamp duty shall be borne and paid by the Client.
- 21.2 The Client agrees:-
- 21.2.1 to pay all **Indebtedness**,
  - 21.2.2 upon the notice from the Company and / or the Custodian, to pay to the **Authorised Third Party** and/or reimburse them respectively for all other costs and expenses incurred for and on the Client's behalf.
  - 21.2.3 in respect of the **ForeignSecurities Trading**, the Client shall additionally pay a prescribed fee per contract, as may be determined from time to time at the discretion of the Company and / or the Custodian.
  - 21.2.4 The Client shall also pay interest for late payment at the Company' prevailing rate or such rate as may be determined by the Custodian as the case may be, on all **Indebtedness**, outstanding contracts and on any debit balance in the relevant **Client's Securities Account** from the date the amount is due until full settlement thereof. Such interest rates to be subject to change by the Company and / or the Custodian from time to time.
  - 21.2.5 All payments and/or reimbursements shall, unless otherwise determined by the Company and / or the Custodian, be in **RM**.

## 22. INTEREST

The Company and / or the Custodian will not pay any interest on the **Client's Monies** or other monies received by or held on the Client's behalf unless prior written agreement has been obtained from the Company and / the Custodian as the case may be.

## 23. TAXES

The Company and / or the Custodian may withhold any monies held or received by the Company or the Custodian and may thereafter apply the monies in satisfaction of any taxes, levies, charges, assessments, deductions, withholdings and related liabilities imposed in relation to the transactions made or executed in relation to the holding or in any manner arising from any securities or services or facilities rendered. The Client shall remain liable for any deficiency.

## 24. NO WAIVER AND CUMULATIVE RIGHTS

- 24.1 No failure or delay on the part of the Company and / or Custodian in exercising nor any omission to exercise any right herein upon any default on the part of the Client, shall impair any such right, power, privilege or remedy or be construed as a waiver thereof or an acquiescence in such default nor shall any action by the Company and / or Custodian in respect of any default or any acquiescence in any such default, affect or

impair any of their respective rights, powers, privileges or remedies in respect of any other subsequent default.

24.2 The rights and remedies provided by this **Agreement** are cumulative, and are not exclusive of any rights or remedies of the parties provided at law.

## 25. CHANGES TO THE AGREEMENT

25.1 The Company and / or the Custodian shall be entitled at any time and from time to time to vary, amend, add, review, supplement, substitute or replace all or any of the terms and conditions of this **Agreement** by way of notification to the extent that is applicable and relevant to them respectively.

25.2 Such changes shall take effect from the date specified in the notice. The notice shall be given in the manner provided herein and the Agreement shall be deemed to have been so varied, amended, added, supplemented, substituted and replaced accordingly and shall be read and construed as if the changes had been incorporated and formed part of the **Agreement**.

25.3 No change to the Agreement shall bind the Company and / or Custodian unless agreed to in writing by the Company and / or the Custodian respectively to the extent that the terms are applicable and relevant to them.

## 26. FORCE MAJEURE

26.1 The Company and / or the Custodian shall not be liable to the Client for any partial performance, delay in performance or non-performance of any of its obligations under the **Agreement** or any part thereof or any other agreement with the Client by reason of any cause beyond the Company's and / or the Custodian's control including but not limited to any act of force majeure, breakdown or failure of transmission, communication or computer facilities, strike or other industrial action, expropriation, currency restrictions, the failure of any exchange, market or clearing house or the failure of any relevant correspondent or other agent for any reason to perform its obligations, war, nationalisation terrorism, insurrection, revolution hostilities, riot, civil commotion, requisition by any government or regional or local authority or any agency thereof, or any law, regulation, edict, executive order or mandate of any such body or any act of God, fire, flood, frost, storm or explosion.

26.2 The Client agrees that any and all securities documents and/or other property hereafter deposited with or held by the Company and / or the Custodian, whether held by themselves Company or their respective **Authorised Third Parties**, are at the Client's sole risk as regards loss, destruction or damage.

## 27. RECONSTRUCTION & SUCCESSORS IN TITLE

The rights and obligations created by this **Agreement** shall continue to be valid and binding for all purposes whatsoever notwithstanding any change by amalgamation reconstruction or otherwise which may be made in the constitution of the Company and / or the Custodian or of any company by which the business of the Company and / or the Custodian may for the time being be carried on shall be binding upon and inure for the benefit of the Company's and / or the Custodian's heirs, personal representatives, successors-in-title or assigns, as the case may be.

## 28. SEVERABILITY

Any term, condition, stipulation, provision, covenant or undertaking in this **Agreement** which is illegal, void, prohibited or unenforceable for any reason whatsoever shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions hereof and any such illegality, voidness, prohibition or unenforceability shall not invalidate or render illegal, void or

unenforceable any other term, condition, stipulation, provision, covenant or undertaking herein contained.

## 29. ASSIGNABILITY

The Client shall not assign or transfer all or any part of its respective rights in this **Agreement** or delegate its performance in this **Agreement** without the prior written approval of the Company and / or Custodian, and any assignment, transfer or delegation which is made without such prior written approval shall constitute a breach on the part of the Client. The Client hereby consents to and the Company and / or the Custodian is permitted to assign or transfer all or any the rights and obligations under this **Agreement**.

## 30. TIME SHALL BE OF THE ESSENCE

Time wherever mentioned shall be of the essence of this **Agreement**.

## 31. DISCLOSURE OF INFORMATION

- 31.1 The Client agrees that the information and / or documents given in the **Application Form** and any other information pertaining to the securities and/or to the conduct of all the **Client's Securities Account(s)** may be made available to the Company's agents or advisors, Custodian's agents or advisors, the **Authorised Third Parties**, the companies related to the Company, Custodian, the companies related to the Company's and / or Custodian's agents, or advisors or **Authorised Third Parties** respectively, in so far as such information is necessary for the provision of the services or facilities herein, the **Recognised Exchanges, Bursa Securities, Bursa Derivatives, Bursa Depository, Bursa Clearing**, the **Securities Commission** and any regulatory, governmental authorities and to any courts of competent jurisdiction or any other party as the Company and / or the Custodian shall deem fit and/or as required by any law, regulation or directive, whether or not having the force of law.
- 31.2 The Client further agrees to disclose and furnish to the Company and / or the Custodian any information required or deemed necessary and to the satisfaction of the Company and / or Custodian in a timely manner within the period specified by the Company and / or the Custodian, whether or not for purposes of complying with **Exchange Rules** or any directions given, request made or policies established by the Company and / or the Custodian.

## 32. NON-EXCLUSIVITY

32.1 Nothing herein shall prevent:

- 32.1.1 the Company or the Custodian or any of their respective subsidiary or associate company from acting in any other capacity whatsoever for any other company or body or persons on such terms as it may arrange and the Company and / or the Custodian shall not be deemed to be affected with notice of or to be under any duty to disclose to Client any act or thing which may come to their knowledge or any such subsidiary or associate or any of their servants or agents on the course of so doing or in any manner whatsoever,
- 32.1.2 the Company and / or the Custodian or any subsidiary or associate of the Company and / or the Custodian from contracting or entering into any financial, banking, commercial, advisory or other transaction with any company or body any of whose shares, stocks or bonds shall for the time being form part of the securities held for and on behalf of the client or from being interested in any such contract or transaction and neither the Company and / or the Custodian nor any such subsidiary or associate shall be liable to

account the Client for any profits or benefits made or derived by or in connection with any such contract transaction or dealing.

### **33. APPLICABLE LAW**

This Agreement shall be governed by and construed in accordance with the laws of Malaysia and the parties hereby irrevocably agree to submit to the non-exclusive jurisdiction of the Courts of Malaysia, and waive any objection to any legal actions or proceedings arising out of or in connection with this **Agreement** in any such court on the grounds of venue or on the grounds that such action or proceedings have been brought in an inconvenient forum.

### **34. DECLARATION BY CLIENT**

34.1 The Client hereby declares that it has read the contents of this **Agreement** and the Client fully understands the terms and conditions contained in this **Agreement** irrespective of whether the Client has signed or initialed every page of this **Agreement**.

34.2 The Client further covenants and declares that it has been advised to seek independent legal advice on the effects and consequences of this **Agreement** and the Client agrees that the provisions contained herein shall be binding on the Client regardless of whether the Client has resorted to such advice.