

SECTION 1

PARTICIPANTS

All transactions pertaining to an Account Holder in the CDS shall be carried out only through a CDS Participant.

1.1 Eligibility for appointment as a Participant

The following persons are eligible for appointment as a Participant:

- (i) Stockbroker,
- (ii) Stock dealer,
- (iii) Custodian Bank,
- (iv) Such other category of persons/institutions as may be determined by the CDS at its sole discretion.

1.2 Application to be appointed as a Participant

An application to be appointed as a Participant shall be submitted by the applicant to the CDS in the form prescribed by CDS from time to time.

1.3 Grant of Participant Status

Grant of Participant status shall be subject to such terms and conditions as may be determined by the CDS from time to time and communicated to such Participant in writing, at the time of granting the Participant Status.

1.4 Participant code

For ease of identification, each Participant shall be assigned a Participant code by the CDS, which shall be used when making reference to such Participant.

1.5 Persons authorized to act on behalf of a Participant

Each Participant shall nominate to CDS, under the hand of the Chief Executive Officer, persons who are authorised to act on behalf of such Participant. Such nominees shall be the contact persons and shall have the authority to instruct CDS in respect of matters concerning such Participant. Participants shall ensure that any change pertaining to such authorised persons shall be communicated in writing to CDS immediately upon a decision being made in that respect.

1.6 Participant fees

Upon being formally admitted as a Participant, such Participant shall pay fees, charges and reimbursement of expenses in respect of the services and facilities offered by the CDS as may be specified from time to time by the CDS.

1.7 Reconciliation of Records

Each Participant shall, on a daily basis, reconcile its books with the CDS's records, in relation (but not limited) to:

- (a) the Settlement Schedule for a Trade Day;

- (b) records pertaining to payments made in connection with Trades executed;

If any discrepancy between the CDS's and the Participant's records is noted, the Participant must inform the CDS and if required rectify the discrepancy immediately.

1.8 Reporting of Adverse Events

A Participant shall immediately notify the CDS if:

- (a) it is experiencing an emergency or potentially debilitating situation that threatens its operations;
- (b) it is insolvent or wound-up, or has had an insolvency or winding-up application presented, or an order made by a court of competent jurisdiction, or any step is taken or a resolution passed, for its winding-up, dissolution, judicial management, a compromise with its creditors or administration; or
- (c) it has had any attachment, distress, execution or legal process instituted against its assets, or has had any liquidator, receiver or any similar person appointed (or an application has been made for the appointment of such person) in respect of any of its assets.