



Rules and Regulations of Futures and Options - Module 16 Preparatory Course

❖ *Securities Commission Malaysia*

INTRODUCTION

This 2 ½ -day preparatory course is an intensive course specially designed for candidates preparing for the Module 16 licensing examinations.

The topics covered are in accordance with the licensing examination outlines for Module 16 Rules and Regulations of Futures and Options. It provides a basic understanding of the rules and regulations governing the Malaysian futures and options market.

In order to fully benefit from this course, we highly recommend that participants read the relevant reading materials required for the Module 16 licensing examinations. This will ensure that participants are well equipped with basic understanding of the subject matters to appreciate the lessons taught and discussions held during the course.

KEY BENEFITS OF ATTENDING

At the end of this programme, participants will be able to:

- **Understand** the key areas covered in the Module 16 licensing examinations
- **Experience** computer-based examinations with a sample set

WHO SHOULD ATTEND

- Candidates preparing for Module 16 licensing examinations.
- New entrants to the capital market industry. Employees of futures brokers are also encouraged to attend.

Note: Participants are required to bring to this course:

- Capital Market and Services Act 2007
- Securities Commission Act 1993
- Rules of Bursa Malaysia Derivatives Berhad
- Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries
- Licensing Handbook

DAY ONE

8.30am	Registration
9.00 am	Overview of the Derivatives Market <ul style="list-style-type: none">• What are Derivatives?• The Futures Exchange• The Clearing House• Intermediaries in the Futures and Options Market• Users of Futures and Options - the Clients• Regulation of the Futures and Options Market
11.30 am	Refreshments
11.45 am	Regulation of Futures and Options <ul style="list-style-type: none">• Overview of Futures Industry Regulation• Establishment of Futures Markets• Futures Industry Participants• Trading Offences under the CMSA• Fidelity Fund
1.00 pm	Lunch
2.00 pm	Regulation of Futures and Options continued
3.00 pm	The Licensing Handbook <ul style="list-style-type: none">• Chapter 1: Introduction• Chapter 2: Licences under the CMSA• Chapter 4: Licensing Criteria• Chapter 7: Conditions and Restrictions of Licence Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries <ul style="list-style-type: none">• Definitions• General Description of Money Laundering• General Principles and Policies to Combat Money Laundering and Terrorist Financing• Customer Identification• Customer Due Diligence• Record Keeping• Suspicious Transactions

	<ul style="list-style-type: none"> • Confidentiality of Reporting • Appendix 2
4.00 pm	Refreshments
4.15 pm	Rules of Bursa Malaysia Derivatives Berhad Subsection 2A <ul style="list-style-type: none"> • Rule 200: Definitions and Interpretation • Rule 300: Participantship
5.15 pm	End of Day One

DAY TWO

9.00 am	Rules of Bursa Malaysia Derivatives Berhad Subsection 2A continued
10.30 am	Refreshments
10.45 am	Rules of Bursa Malaysia Derivatives Berhad Subsection 2B <ul style="list-style-type: none"> • Rule 500: Enforcement of Rules, Appeals, Arbitration and Audit • Rule 600: Participants' Conduct • Rule 700: Trading Rules • Rule 700B: Exchange of Futures for Physical
1.00 pm	Lunch
2.00 pm	Rules of Bursa Malaysia Derivatives Berhad Subsection 2B (continued)
3.00 pm	Rules of Bursa Malaysia Derivatives Berhad Subsection 2C <ul style="list-style-type: none"> • Rule 800: Stock Options Contract • Rule 900: Stock Index Futures Contract • Rule 1000: Stock Index Option Contract • Rule 1100: Single Stock Futures Contract • Rule 1200: Three Month KLIBOR Futures Contract

	<ul style="list-style-type: none"> • Rule 1300: Crude Palm Oil Futures Contract • Rule 1400: 5-Year MGS Futures Contract • Rule 1500: 3-Years MGS Futures Contract • Rule 1600: 10-Years MGS Futures Contract • Rule 1700: Crude Palm Kernel Oil Futures Contract • Schedules • Guidelines
5.00 pm	Summary and Quiz Hand out Sample Set
5.45 pm	End of Day Two

DAY THREE

9.00 am	Simulation with sample set
11.00 am	Refreshment
11.15 am	Revision and feedback session on sample sets
12.30 pm	End of Day Three