

**Moomoo Financial Singapore Pte. Ltd.**

**Client Agreement**

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## General Terms and Conditions

### 1. Definitions and Interpretation

1.1 **Definitions:** In these Terms, the following expressions, unless the context requires otherwise, shall have the following meanings:

**"Access Service"** has the meaning given to it in Clause 8.8 (*Acknowledgments by Client*);

**"Account"** means any one or more accounts of any nature, including without limitation the Securities Accounts, Margin Accounts, Futures Accounts and Fund Accounts, howsoever integrated or separated, from time to time opened and maintained in the name of the Client with the Company or any of its Affiliates through which the Client may obtain services and/or effect Transactions, as the same may be re-designated, re-numbered, re-located or otherwise modified from time to time;

**"Account Opening Form"** means any and all account opening forms, client information sheets and documents completed by the Client from time to time in such form as the Company may prescribe or accept including any notes and statements relating to or accompanying any account opening form or document, as may be amended from time to time in accordance with the Agreement;

**"Action Date"** has the meaning given to it in Clause 32 (*Automatic Postponement*);

**"Accredited Investor"** has the meaning ascribed to it in the SFA;

**"Affiliate"** means, in relation to a party, an individual, a corporation, a partnership or any other form of entity directly or indirectly controlling, controlled by or under common control with such party or any of such entities' directors, officers or employees. A person is in "control" of a company, if:

- (a) it is in accordance with such person's directions or instructions that the directors of the company or of another company of which it is a subsidiary are accustomed to act; or
- (b) such person, either alone or with any Associate, is entitled to exercise, or control the exercise of, more than 25% of the voting power at general meetings of the company or of another company of which it is a subsidiary;

In particular, in relation to the Company, an Affiliate includes any subsidiaries, related companies, holding companies, offices, branches, or representative offices of the Company and their respective successors and assigns.

**"Agreed Signing Arrangement"** has the meaning ascribed to it in Clause 4.1 (*Giving Instructions*);

**"Agreement"** comprises these Terms, the appendices to these Terms, the Account Opening Form, the Security Documents and the Miscellaneous Documents;

**"Applicable Regulations"**, in relation to the Company or any other person, means any law, regulation or order, or any rule, direction, guideline, code, practice, procedure or custom (whether or not having the force of law) of any regulatory authority, tax authority, governmental agency, Exchange, Clearing House, Clearing System or professional body in Singapore or elsewhere to which the Company or such other person (as the case may be) is subject;

**"Associate"**, in relation to any person, means: (i) his spouse, reputed spouse, person cohabiting with him as a spouse, his brother, sister, parent, step-parent, child (natural or adopted) or step-child (**"Family Interests"**); (ii) the trustees, acting in its capacity as such trustees, of any trust of which he or any of his Family Interests is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in the equity capital of which he and/or his Family Interests taken together are directly or indirectly interested so as to exercise or control the exercise of more than 25% of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company;

**"Authorized Person(s)"** means, in the case of an individual Client, the Client and any person specified as such in the Account Opening Form, or, in the case of a corporate Client, any person specified as such in the Account Opening Form, and in either case such other person(s) appointed in substitution therefor or in addition thereto and notified in writing to the Company by the Client from time to time and such appointment shall be effective from the time of actual receipt of such notification by the Company;

**"Business Day"** means a day (other than a Saturday or Sunday or public holiday) on which banks are open for business in Singapore;

**"CDP"** means the Central Depository (Pte) Ltd, which operates as a central securities depository and is also the operator of the clearing and settlement system for securities listed on SGX-ST;

**"Charged Assets"** means:

- (a) all Investment Products, receivables, monies and any other property in the Account from time to time;
- (b) all other Investment Products, receivables, monies and property of the Client which are now or shall in the future come into the possession, custody or control of the Company or any of its nominees or Affiliates for any purpose whatsoever;
- (c) all additional or substituted Investment Products; and
- (d) all dividends, distributions or interest paid or payable, rights, interests, monies, entitlements, other payments or property accruing or offered at any time by way of redemption, bonus, preference, option or otherwise on or in respect of all of the above,

which are from time to time the subject of Clause 16.1 (*Charge*) or any other Encumbrance created or granted by or on behalf of the Client in favour of the Company and/or its Affiliates;

**"Clearing House"**, in relation to any Market, means the entity (including CDP and SGX-DC) which provides clearing and/or settlement services from time to time for any Securities or Contracts traded;

**"Clearing System"**, in relation to any Market, means the clearing and settlement system (including SGXClear) from time to time used in connection with Transactions in which Securities or Contracts are traded;

**"Client"** means the person who has opened and maintains an Account (in its own name) in accordance with the provisions of these Terms, and shall include the Authorized Person(s) where the context permits. And:-

- (a) in the case of an individual, the Client shall include the individual and its personal representatives, receivers or trustees whether in bankruptcy or otherwise;
- (b) in the case of a sole proprietorship, the Client shall include the sole proprietorship itself and its personal representatives, receivers or trustees whether in bankruptcy or otherwise and the successors to the business;
- (c) in the case of a partnership firm, the Client shall include all the partners of the partnership from time to time and their respective personal representatives, receivers or trustees whether in bankruptcy or otherwise and the successors to the business; and
- (d) in the case of a company, the Client shall include the company itself, its successors and assigns;

**"Collateral"** means any:

- (a) Encumbrance created by the Client under the Agreement; and
- (b) other existing or future Encumbrance granted by the Client,

in favour of the Company and/or its Affiliates to secure the payment or discharge of the Liabilities;

**"Commodity"** means a commodity as defined under the SFA and/or any commodity acceptable to the Company for the purposes of the Agreement whether or not capable of being delivered, including without limitation agricultural commodities, metals, currencies, shares, interest rates, indices (whether stock market or otherwise), or other financial contracts, energy, right or authority, and where the context requires includes a Contract in respect of any of the above, and **"Commodities"** shall be construed accordingly;

**"Company"** means Moomoo Financial Singapore Pte. Ltd. (License No. CMS101000), a company incorporated in Singapore and holding a capital markets services licence issued by the MAS, and its successors and assigns including, where the context requires, its agents, nominees, representatives, officers and employees;

**"Contract"** means any option contracts howsoever described in Appendix III (*Options Trading*), a Futures Contract (as defined in Appendix VII (*Futures Trading*)) and/or an Option Contract (as defined in Appendix VII (*Futures Trading*)) as the context may require, and **"Contracts"** shall be construed accordingly;

**"Deficit"** means the negative balance in any Account whatsoever and howsoever arising from time to time;

**"Dispute"** has the meaning given to it in Clause 40.2 (*Jurisdiction*);

**"Dissolution"** of a person also includes the dissolution, winding-up, liquidation or bankruptcy of that person, and any equivalent or analogous procedure under the law of any jurisdiction in which that person is incorporated, domiciled, or resident or carries on business or has assets and **"dissolved"** shall be construed accordingly;

**"Electronic Services"** means any computer or electronic services, systems or facilities (including without limitation the website of the Company and algorithmic trading services) made available by the Company and/or on behalf of the Company for the purpose of providing its

services to the Client, including without limitation such services that enable the Client to issue electronic Instructions for Transactions and to receive information and communications, whether in Singapore or elsewhere;

**"Encumbrance"** means any mortgage, charge, pledge, debenture, lien, assignment by way of security, financial lease, deferred purchase, sale-and-repurchase or sale-and-leaseback arrangement, hypothecation, retention of title by a vendor, third party right or interest, or other encumbrance or security interest of any kind given or arising in respect of any assets, or any arrangement the effect of which is to prefer any creditor or any agreement over any other creditor or agreement, and includes any agreement or obligation to create or grant any of the above;

**"Event of Default"** means any event described as such in the Agreement, including without limitation, any of the events listed in Clause 21.1 (Default) of the Terms and Clause 11.1 (*Default*) of Appendix VII (*Futures Trading*) and the event specified in Clause 3.5 (*Failure to Meet a Margin Call*) of Appendix I (*Margin Financing*);

**"Exchange"**, in relation to any Market, means the exchange on which Investment Products are traded;

**"FIDReC"** means Financial Industry Disputes Resolution Centre Limited;

**"Fund"** means any unit trust, investment fund, mutual fund or any other collective investment scheme distributed by or otherwise made available through the Company;

**"Fund Account"** means an Account with the Company primarily for the purchase, subscription, switching, transfer redemption or sale of any unit in any Fund, and dealing with any related proceeds or moneys as the Client may from time to time instruct the Company to effect;

**"Futures Account"** means an Account with the Company primarily for the purchase, investment, sale, trading, entering, exchange, acquisition, holding, transfer, making, clearing, settlement, disposal or otherwise dealing in, of and with the Commodities, and/or the Contracts as the Client may from time to time instruct the Company to effect;

**"Instruction"** means any authorisation, request, application, instruction or order (in whatever form and howsoever sent) given or transmitted to the Company by the Client or any Authorized Person via whatever means (including but not limited to oral, phone, fax, email, internet or any other electronic means (including via the Electronic Services) or any written form) or which the Company reasonably believes to be the authorisation, request, application, instruction or order of the Client or any Authorized Person, and includes any authorisation, request, application, instruction or order to revoke, ignore or vary any previous authorisation, request, application, instruction or order;

**"Investment Product"** means Securities, Contracts, Commodities and any other financial or investment product howsoever described;

**"Investor Compensation Fund"** means the Fidelity Fund established under section 176 of the SFA;

**"IP Rights"** has the meaning given to it in Clause 14.9(b) (*Intellectual Property*);

**"IP Rights Holders"** has the meaning given to it in Clause 14.9(a) (*Intellectual Property*);

**"Liabilities"** means all monies, indebtedness, liabilities and obligations, whether actual or contingent, present or future, primary or collateral, secured or unsecured, now or from time to time due, owing or incurred from or by the Client to the Company, or any of its Affiliates in connection with any Account or the Agreement or for which the Client may otherwise be or become liable to the Company, in any manner or currency whatsoever (whether as principal debtor or surety and whether alone or jointly with any other person and in whatever name, capacity, style or form), including all pecuniary obligations arising out of currency, stock broking, margin Securities trading and other financial transactions, together with interest (from the applicable due date or otherwise the date of demand up to and including the date on which the Company receives actual and unconditional payment in full), legal costs and all other costs, charges and expenses incurred by the Company or any of its Affiliates in connection with such monies, indebtedness, liabilities and/or obligations (including without limitation any foreign exchange losses and expenses incurred in the recovery or attempted recovery of such monies, indebtedness, liabilities and/or obligations or the enforcement of the Company's rights and powers under the Agreement);

**"Login Identifiers"** means certain information which is used in conjunction with the Passwords in order to gain access to the Electronic Services;

**"Margin Account"** means an Account with the Company primarily for effecting and recording Transactions effected by the Company on the Instructions of the Client by utilising the SMF Facilities (as defined in Appendix I (*Margin Financing*));

**"Market"** means over-the-counter market or any market for Investment Products provided by any Exchange, applicable association of dealers or corporation, whether within or outside Singapore;

**"MAS"** means the Monetary Authority of Singapore;

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the business, operations, property, condition (financial or otherwise) or prospects of the Client taken as a whole;
- (b) the ability of the Client to perform its obligations under the Agreement or any other agreement it has with the Company or any of its Affiliates;
- (c) the validity, legality or enforceability of any such agreement, or the rights of the Company under such agreements; or
- (d) the validity, legality or enforceability of any security granted by the Client under such agreements or the priority and ranking of any such security;

**"Miscellaneous Documents"** means the forms, letters, notices, statements, confirmations and other documents signed, accepted or given by the Client or the Company to the other party in connection with any matter arising from or contemplated by the Agreement, as may be from time to time amended or supplemented;

**"Monetary Benefits"** means monetary benefits howsoever described, including any such monetary benefit set out in Clause 13 (*Monetary and Non-monetary Benefits*), and as may be more particularly set out by the Company from time to time;

**"Odd Lot"** means a quantity that is less than the standard nominal trading size for Securities;

**"Passwords"** means the Client's password(s) and such other encryption and security measures used in conjunction with the Login Identifiers, in order to gain access to the Electronic Services;

**"PDPA"** means the Personal Data Protection Act 2012 (No. 26 of 2012) together with all subsidiary legislation, rules, regulations, codes and guidelines made thereunder;

**"Personal Data"** has the meaning as defined in the PDPA;

**"Processing"**, in relation to Personal Data, has the meaning as defined in the PDPA;

**"Purchasing Power"** has the meaning given to it in Clause 2.12 (*Purchasing Power*);

**"RMB"** or **"Renminbi"** means the lawful currency of the People's Republic of China;

**"Rules"**, in relation to any Market, means the general rules, operational procedures and other applicable rules, customs, practices, procedures and regulations of the relevant Exchange, Clearing House or Clearing System, as may be amended or supplemented from time to time;

**"Securities"** means (a) securities as defined in SFA; and (b) any shares, stocks, debentures, loan stocks, funds, bonds, notes, unit trusts, certificates of deposit or other commercial paper or securities or other similar instruments of any kind whatever or howsoever, of or issued by any person, whether incorporated or unincorporated, or any government authority for the time being traded in a Market and acceptable to the Company for the purposes of the Agreement and may include, in the absolute discretion of the Company, (i) rights, options or interests (whether described as units or otherwise) in or in respect of any of the foregoing; (ii) certificates of interest or participation in, or temporary or interim certificates for, receipts for or warrants to subscribe for or purchase, any of the foregoing; or (iii) any instruments commonly known as securities;

**"Securities Account"** means an Account with the Company primarily for effecting and recording Securities Transactions effected by the Company on the Instructions of the Client;

**"Security Document"** means:

- (a) any document required to be delivered to the Company under Clause 16.1 (Charge);
- (b) any other document evidencing or creating or expressed to evidence or create security over any asset to secure any obligation of the Client to the Company under this Agreement; or
- (c) any other document designated as such by the Company;

**"Securities Transactions"** means any Transaction effected by the Company on the Instruction of the Client to purchase, invest in, subscribe for, sell, exchange or otherwise deal with or dispose of any Securities including holding Securities in the name of the Company or the Company's nominee;

**"SFA"** means the Securities and Futures Act (Chapter 289) together with all subsidiary legislation, rules, codes and guidelines made thereunder;

**"SGXClear"** means the clearing and settlement system operated by SGX-DC for derivatives traded on SGX-DT;

**"SGX-DC"** means the Singapore Exchange Derivatives Clearing Limited;

**"SGX-DT"** means the Singapore Exchange Derivatives Trading Limited;



"**SGX-ST**" means the Singapore Exchange Securities Trading Limited;

"**Singapore**" means the Republic of Singapore;

"**Singapore Regulators**" means the SGX-ST (including the relevant Clearing House), SGX-DT (including the relevant Clearing House), MAS and/or any other regulator in Singapore having jurisdiction over the Company or the Transactions;

"**Terms**" means these General Terms and Conditions as may be amended or supplemented from time to time;

"**Trade Document**" has the meaning given to it in Clause 8.1 (*General*);

"**Trading Period**" has the meaning given to it in Clause 5.5 (*Trading Day*);

"**Transaction**" means any transaction, dealing, agreement, action or service contemplated by, provided for, made, effected or conducted pursuant to the Agreement;

"**Ultimate Clients**" has the meaning given to it in Clause 19.1 (*Client Identity Rule*);

"**U.S.**" means the United States of America; and

"**U.S. person**" includes any natural person who is a citizen of or resident in the United States; a corporation, partnership or other business organisation organised or incorporated under the laws of the United States or any political subdivision thereof, any estate or trust which is administered by an executor or trustee who is a U.S. person or the income of which is subject to U.S. federal income taxation regardless of its source; any account (other than any estate or trust) held by a dealer or fiduciary for the benefit of a U.S. person and any partnership or corporation organised and incorporated under the laws of any foreign jurisdiction which was formed by a U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933. "**U.S. person**" shall not include any branch or agency of a United States bank or insurance company that is operating outside the United States for valid business reasons as a locally regulated branch or agency engaged in the banking or insurance business and not formed primarily for the purpose of investing in securities not registered under the United States Securities Act of 1933. For the purposes of this definition, the "**United States**" includes the United States of America, its states, territories and possessions and the District of Columbia.

1.2 **Interpretation:** In these Terms and the Agreement:

- (a) "**include(s)**" and "**including**" mean respectively "**include(s) but not limited to**" and "**including but not limited to**";
- (b) "**holding company**" and "**subsidiary**" shall bear the respective meanings ascribed to such term under the Companies Act (Cap. 50);
- (c) "**related company**" means, in respect of any person, any company which is a subsidiary of that first mentioned company, any company which is a holding company of that first mentioned company, and any company which is a subsidiary of a holding company of that first mentioned company;
- (d) any reference to a Clause, Sub-clause or Schedule is to a clause, sub-clause or schedule of these Terms and to the extent that any such clause, sub-clause or

schedule is subsequently renumbered, the reference will be to the clause, sub-clause or schedule carrying the new numbering;

- (e) any reference to the Account Opening Form is to the Account Opening Form as completed by or on behalf of the Client and where any information therein is subsequently amended or updated by notice to the Company, the reference will be to such Account Opening Form as amended or updated;
- (f) any reference to an Act is to an Act or law of Singapore and any subsidiary legislation related thereto as from time to time amended, supplemented, extended, codified or re-enacted;
- (g) any reference to the masculine gender includes the feminine and neuter gender and reference to the singular includes the plural and vice versa and reference to a person includes an individual, a company, institution, firm, corporation, body corporate, government, state or state entity, association, partnership or other entity or body (whether incorporated or not and whether or not having separate legal personality) or any two or more of the foregoing;
- (h) the headings to the Clauses are for convenience only and do not affect their interpretation; and
- (i) the Appendices form an integral part of the Agreement and should, unless expressly stated otherwise, be read together with these Terms and other parts of the Agreement.

1.3 **Contractual Relationship:** The contractual relationship between the Client and the Company (including all Accounts and Transactions) shall be governed by the Agreement.

1.4 **Inconsistency:** In case of any inconsistency, the terms shall prevail, insofar as a service, Investment Products, facility or Transaction is concerned, in the following order: (i) any form or document signed, provided or accepted by the Client in connection with it, (ii) any specific terms and conditions (including the relevant Appendix/Appendices) governing it, and (iii) any general terms and conditions (including these Terms) applicable to it.

1.5 **Applicable Regulations:** Apart from the Agreement, all services, products, facilities and Transactions shall be subject to any Applicable Regulations and Rules to the extent that they are applicable.

## 2. **Appointment, Scope of Agency and Authorization**

2.1 **Account Opening:** The Client shall open and maintain the relevant Account(s), in the manner specified by the Company from time to time, in order to effect Transactions.

2.2 **Company as Agent of Client:** Unless otherwise stated in the Agreement or by the Company, the Client appoints the Company and the Company agrees to act as the Client's broker to effect Transactions on its behalf. Nothing herein shall constitute the Company as trustee or fiduciary for the Client or a partnership between the Company and the Client.

2.3 **Company as Principal when Dealing with Clearing House:** Unless otherwise stated in the Agreement or by the Company, in respect of any Account of the Company or any Affiliate maintained with any Clearing House, whether or not such Account is maintained wholly or partly

in respect of any Transaction effected by the Company on behalf of the Client and whether or not money paid by the Client has been paid to such Clearing House, as between the Company or any Affiliate and such Clearing House, the Company or Affiliate (as the case may be) deals as principal.

- 2.4 **Company's Right to Decline:** Notwithstanding anything to the contrary, the Company may, in its absolute discretion, decline to accept any Instruction without giving any reason and/or refuse to provide any or all of its services under the Agreement to the Client. The Company shall not be liable to the Client for any loss whatsoever arising out of or in connection with its not accepting or acting on such Instruction or omitting to give notice of the non-acceptance of any Instruction, and the aforementioned refusal.
- 2.5 **Delegation by Company:** The Company may effect the Client's Transactions in such manner and through any of its Affiliates, members or participants of any Exchange or Clearing House, or brokers in the relevant Markets as the Company may absolutely decide. The Company may appoint any other person as its nominee, custodian, broker, depository agent or other agent for the purpose of or in connection with the provision of services to the Client and may delegate any of its duties under the Agreement to such person. All such third parties will be entitled to the full powers and discretions accorded to the Company, and the use of third parties shall be upon such terms and conditions as the Company deems fit in its discretion. The Company is authorized by the Client to disclose any Personal Data and other information relating to the Client, its Authorized Persons, the Accounts and Transactions to any person appointed by the Company pursuant to this Clause 2.5. To the maximum extent permitted by Applicable Regulations, the Company shall not be liable to the Client for the acts and omissions of such third parties (provided that the Company has exercised reasonable care in its selection of the third parties and contracted with them in good faith).
- 2.6 **Principal Obligations of the Company to Foreign Brokers:** The Client acknowledges and agrees that where the Company uses another broker or such other intermediary to execute the Client's orders in foreign jurisdictions, the Company may have to accept sole and principal responsibility to the broker for the executed Transaction (notwithstanding that as between the Client and the Company, the Company is in fact the agent of the Client). Accordingly, the Client shall indemnify the Company against any and all actions which the Company deems in good faith necessary to ensure that the Company will not be in default of its said principal obligation or responsibility. The foregoing right of the Company will apply even though as between the Company and the Client, the Client may be in actual or anticipatory default. The foregoing indemnity in favour of the Company is in addition to any other right that the Company may have (whether as expressly provided between the parties or implied by law). In view of the fact that the Company may have accepted principal responsibility and/or liability to another broker, the Client also acknowledges and consents to the fact that any Investment Products which (as between the Company and the Client) are to be regarded as purchased by the Client may or will be regarded by any and/or every broker as being the Investment Products purchased by the Company for itself.
- 2.7 **Compliance with Foreign Rules:** The Client acknowledges and agrees that where the Company uses another broker or such other intermediary to execute the Client's orders in foreign jurisdictions, the Company and the foreign broker are entitled, and are hereby authorised by the Client, to take any action or refrain from taking any action (including the disclosure of any information relating to the Client, its Account or its Transactions) which the Company or the foreign broker (as the case may be) considers appropriate for the purpose of complying with the

foreign laws, regulations and rules. Neither the Company nor the foreign broker nor any of their respective officers, directors or employers shall be liable as a result of taking or refraining from taking any action in good faith in the circumstances contemplated by this Clause 2.7.

- 2.8 **Instructions Given by Client's Authorized Person(s):** The Company is authorized to accept Instructions in relation to the Agreement given or purportedly given by the Authorized Person(s), provided that settlement Instructions in respect of the transfer of cash and/or Securities to a third party must, unless otherwise agreed by the Company or specified in the Agreement, be in writing and given in the manner specified in the Account Opening Form (if so specified) or as otherwise advised in writing and provided further that the Company shall be entitled to refuse to act for the Client in any particular Transaction for any reason whatsoever. Any appointment of or change to the Authorized Person(s) shall be effective from time to time of actual receipt of the notification by the Company. The Company shall be entitled (but not obliged) to act on any Instructions given or purportedly given on the Client's behalf by the Authorized Person(s), and the Company will not be responsible for any loss which the Client may incur as a result. The Company shall be entitled (but not obliged) to authenticate any Instruction given or purportedly given by or on the Client's behalf, or to verify the identity of the persons giving Instructions.
- 2.9 **No Duty to Inquire into Purpose or Propriety:** The Company shall not be under any duty or obligation to inquire into the purpose or propriety of any Instruction or order given or purported to be given by the Client or any Authorized Person(s) and it shall not be under any duty or obligation to see to the application of any funds paid out of any Account pursuant to the Agreement.
- 2.10 **Power of Attorney:** The Client agrees to and hereby irrevocably appoints the Company and any of its attorneys, officers and servants as the Company shall from time to time at its absolute discretion nominate, and in the Client's name or in the name of the Company or any of its attorneys, officers and servants as the case may be, with full power and authority as the Client's true and lawful attorney, to the fullest extent permitted by law, to act for and on the Client's behalf for the purpose of carrying out the provisions of the Agreement and taking any action and executing any document or instrument in the Client's name or in the Company's own name which the Company may deem necessary or desirable to accomplish the purposes of the Agreement, including without limitation the following purposes:
- (a) to execute any transfer or assurance in respect of the Charged Assets;
  - (b) to perfect its title to any of the Charged Assets;
  - (c) to ask, require, demand, receive, compound and give a good discharge for any and all moneys and claim for moneys due or becomes due under or arising out of the Charged Assets;
  - (d) to give valid receipts, discharges and to endorse any cheques or other instruments or orders in connection with any of the Charged Assets; and
  - (e) to file any claims or take any legal action or institute any proceedings which the Company considers to be necessary or desirable to protect the security created under the Agreement.

The Client shall, if requested, simultaneously with the execution of this Agreement, deliver such duly executed transfers or assignments as are necessary to enable the effectual transfer of any of the Charged Assets. The Client expressly and irrevocably grants the Company full and express

authority to complete such transfers, assignments and/ or documents in relation thereto. Without prejudice and in addition to the above, in the event that further documents (including without limitation, any power of attorney) are necessary to effectively transfer or perfect any security of any of the Charged Assets, the Client shall immediately upon the Company's demand, execute such documents.

- 2.11 **Limits:** The Company may prescribe such limits in connection with any Account and the giving of any Instruction as the Company may from time to time consider appropriate. Such limits include, without limitation, the maximum number of Transactions that may be made each day, the number and type of different Investment Products which may be dealt with in each Transaction, the minimum value or amount of Investment Products for a Transaction, limits on the price at which the Client can purchase or sell an Investment Product, position limits on open Contracts, fund redemption limits and the assigned Purchasing Power.
- 2.12 **Purchasing Power:** Purchasing Power is a mechanism that dictates the total value of Transactions that the Client can enter into and may apply differently to each Account or uniformly across all Accounts. The level of Purchasing Power is calculated by the Company at its sole discretion and in accordance with such methodology as it may from time to time implement. For example, the methodology may take into account, amongst other things, the value of Investment Products, cash, Collateral, margin and other assets in the Accounts or otherwise held by the Company or other third party for the benefit of the Client. The level of Purchasing Power as calculated by the Company is final, conclusive and binding on the Client. The Company makes no representations or warranties that the Purchasing Power displayed is accurate, timely or complete. The Client agrees that the Company shall not be held liable for any losses or damages suffered by the Client as a result of its use or reliance on the indicated Purchasing Power.
- 2.13 **Not a Discretionary Account:** The Client acknowledges that the Company does not exercise discretion with respect to making investment decisions and executing Transactions for the Client. The Client is solely responsible for monitoring the performance of the Investment Products, and the Company shall not be held liable or responsible to the Client at any time for any losses incurred or sustained by the Client arising from the Client's failure to do so.
- 2.14 **No Advice:** The Company is not licensed to and does not purport to provide investment advice and therefore does not assume any advisory, fiduciary or similar or other duties or act as investment adviser to the Client in respect of its provision of services and will provide the Client with execution only services for and with respect to the Client's Transactions with or through the Company. Where the Company makes available to the Client any advertisements, marketing or promotional materials, marketing information or other information relating to certain Investment Products, such materials or information shall not, by themselves, constitute any solicitation or recommendation of such Investment Products. The Client agrees that it will not look to the Company for any investment advice and that it shall obtain independent professional advice before taking, or refraining from taking, any action on the basis of such materials or information.
- 2.15 **Treatment as Accredited Investor:** The Company shall assume that the Client is not an Accredited Investor unless and until the Company has assessed the Client to be eligible to be treated as an Accredited Investor and the Client has consented to be treated by the Company as such, in accordance with Applicable Regulations.

### 3. Standing Authorities

- 3.1 **Standing Authorities:** The Client agrees to give such standing authorities as required, and in such form as specified, by the Company from time to time in connection with, but not limited to, the provision of margin facilities by the Company to the Client.
- 3.2 **Specific Purposes:** Without prejudice to any rights or powers that may be exercised by the Company pursuant to the standing authorities, the Company may also, pursuant to such standing authorities:
- (a) apply any of the Client's Investment Products or the Charged Assets pursuant to a securities borrowing and lending agreement or a securities repurchase agreement;
  - (b) deposit any of the Charged Assets with an authorized financial institution as collateral for financial accommodation provided to the Company; and
  - (c) deposit any of the Charged Assets with a Clearing House, or another intermediary licensed or registered for dealing in Securities in Singapore or elsewhere, as collateral for the discharge and satisfaction of the Company's settlement obligations and liabilities.
- 3.3 **Validity Period:** A standing authority shall be effective on the date it is given, and shall remain in effect for the period specified by the Client, or until it is specifically revoked in writing by the Client.
- 3.4 **Revocation:** On condition that there are no outstanding Liabilities, the Client may revoke a standing authority by giving not less than 5 Business Days prior written notice to the Company.
- 3.5 **Renewal:** The Company will send a notice to the Client at least 14 days before the expiration of a standing authority stating that, if the Client does not object to the renewal of such standing authority prior to its expiration, such standing authority shall be deemed to have been renewed on the same terms and conditions as when it was last given.

#### 4. **Instructions**

- 4.1 **Giving Instructions:** The Client and/or the Authorized Person(s) may give Instructions in relation to Transactions, Accounts or the Company's services to the Company via telephone, facsimile transmission, electronic means (including the Electronic Services) or other means of communication specified by the Company from time to time. If an Instruction is given in writing, the signatures of the Client and/or Authorized Persons shall comply with the signing arrangement and conform to the specimen signatures provided to the Company in the Account Opening Form (if provided) (the **"Agreed Signing Arrangement"**). In any event, the Client shall comply with such verification procedures and fulfil such other requirements as may be specified by the Company from time to time. If Instructions are given by telephone or other means not accompanied by the signatures of the Client or Authorized Persons, the Company is entitled to rely upon and act in accordance with such Instructions given by the Client or any one of the Authorized Persons singly and any Agreed Signing Arrangement will not apply. In all cases, the Company shall be entitled (but not obliged) to authenticate any Instruction given or purportedly given to the Company by the Client or by an Authorized Person and if the Company applies authentication measures, it may defer relying or acting upon any such Instruction until it is satisfied as to the outcome. The Company may at any time by notice to the Client revoke the Client's ability to use a particular channel to give Instructions.

- 4.2      **Electronic Signature:** Any use of electronic signature shall be subject to Applicable Regulations, including the Electronic Transactions Act 2010 as amended from time to time. Electronic signatures shall be legally binding in the same manner as wet signatures, to the extent allowed under the Applicable Regulations.
- 4.3      **Cut-off Time:** The Company is entitled to prescribe any cut-off time for receiving Instructions in general or Instructions of any particular nature or type, which may differ from any usual cut-off/trading time in any Market or prescribed by any Exchange or Clearing House. The Client acknowledges and agrees that the Company is not liable for any delay or failure in effecting any Instruction which is received by the Company after the applicable cut-off time.
- 4.4      **Authorized Person(s):** Any one of the Authorized Person(s) is authorized by the Client to give Instructions in relation to the Account on behalf of the Client and to sign on behalf of the Client all agreements and relevant documents relating to the Account and its operation until written notice to the contrary is received by the Company from the Client. The Client undertakes with the Company from time to time and at all times to ratify and confirm any Instructions or agreements or documents whatsoever given or signed or purported to be given or signed by any of the Authorized Person(s) for and on behalf of the Client including without limitation any Instructions which may be given or purported to be given or any agreements or documents which may be signed or purported to be signed by, any Authorized Person(s) between the revocation of the authority of any of the Authorized Person(s) and the actual receipt by the Company of notice of such revocation. The Client agrees that any Instructions given or purported to be given or any agreements or documents which may be signed or purported to be signed by any of the Authorized Person(s) for and on behalf of the Client after revocation by the Client of his authority shall be valid and effectual in favour of the Company if at the time of the receipt of such Instructions or signed agreements or documents the Company did not have actual notice of such revocation. All such documents and Instructions (whether oral or written) signed or given or purported to have been signed or given by any Authorized Person(s) shall be deemed to be within the power of such Authorized Person(s) and shall be absolutely and conclusively binding on the Client. The Client is responsible for ensuring that all Authorized Person(s) comply with the Agreement and in any event remains responsible for all Instructions, even if they are given by an Authorized Person or other third party.
- 4.5      **Company's Reliance on Instructions:** The Company shall be entitled to treat an Instruction given in accordance with these Terms as fully authorised by the Client. The Company shall be entitled (but not bound) to act on or take such steps in connection with or in reliance upon such Instruction as the Company may in good faith consider appropriate for the purpose of executing the Transaction in accordance with such Instruction (whether it be an Instruction to acquire, purchase, sell, transfer, dispose of or otherwise deal with Investment Products) and shall have authority to bind the Client to any agreement or other arrangement with the Company or with any other person or to commit the Client to any other type of Transaction or arrangement whatsoever for the purpose of executing such Instruction, regardless of the nature of the Transaction or arrangement or the value, type and quantity of the Investment Products involved. Apart from verifying the signature of each of the Client and/or Authorized Persons (where an Instruction is signed by the Client and/or Authorized Person) against the Agreed Signing Arrangement or verifying the relevant designated number, password and/or any other information relating to the identity of the Client and/or any Authorized Persons (where an Instruction is given by any other means), the Company shall have no obligation to verify the identity or authority of the person giving any Instruction by any means or the authenticity of such Instruction. The Company may rely and act on Instructions believed by the Company in good faith to be genuine and any

Transaction effected by the Company for the Client on that basis shall be binding on the Client, whether or not the Instruction for such Transaction is made or authorised by the Client.

- 4.6 **Electronic Services:** The Company may, from time to time and at its sole and absolute discretion, provide to the Client the Electronic Services in accordance with Clause 14 (*Electronic Services*).
- 4.7 **Risks with Electronic Communications:** The Client recognizes the risks in giving Instructions by telephone, facsimile, electronic mail or other electronic means (including the Electronic Services) including the risk of any Instruction being unauthorized or given by an unauthorized person or intercepted by a third party. If the Client chooses to give Instructions by any electronic means, the Client accepts the risks in full and authorises the Company to act on any Instruction received by it through such means. The Company does not assume any responsibility for any delay, failure, error, interruption or suspension in the transmission or communication of Instructions or information on prices or the mistaken communication of Instructions or information to any other party, or for any claim, liability or loss which the Client may suffer or incur as a result of the use of any particular means for giving or receiving Instructions or of the Company acting on such Instructions, unless due to the gross negligence, fraud or wilful default of the Company or any of its officers, employees or Affiliates and only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely therefrom. The Company will not be liable for any delay or failure in the transmission of orders due to breakdown or collapse of communication facilities or for any other delay or failure beyond the control of the Company.
- 4.8 **Cancelling or Amending Instructions:** Once an Instruction is given by or on behalf of the Client, it may not be amended, rescinded or withdrawn unless the Company agrees otherwise. In the case of full or partial execution of the Client's amended, rescinded or withdrawn Instruction, the Client agrees to accept full responsibility for the Transactions. The Company shall not be obliged to act on any Instruction for cancellation, variation or amendment of any Instruction already given by or on behalf of the Client to the Company nor be responsible or liable to the Client for any loss or expense suffered or incurred by the Client if the original Instruction has already been completed by the Company in good faith or it is not reasonably practicable for the Company to act on such Instruction to cancel, vary or amend the original Instruction.
- 4.9 **No Responsibility to Procure Compliance as a Fiduciary:** The Company shall have no responsibility to procure compliance by the Client with any law or regulation governing the Client's conduct as a fiduciary (if applicable).
- 4.10 **Priority:** Subject to Applicable Regulations, the Company may in its sole discretion determine the priority in the execution of the Client's Instructions.
- 4.11 **Aggregating Orders:** Subject to any Applicable Regulations, the Company may without notice to the Client aggregate the Client's order with its own orders or with those of persons connected with the Company or with those of other clients of the Company. Such aggregation may on some occasions operate to the Client's disadvantage and on other occasions to the Client's advantage.
- 4.12 **Giving Instructions Outside Singapore:** If the Client gives any Instructions from outside Singapore, the Client undertakes that such Instruction will be given in compliance with all Applicable Regulations of the foreign place, and that when in doubt, the Client shall obtain independent legal advice. If the Client is domiciled outside Singapore, the Client confirms that it is allowed to deal in the Investment Products in Singapore under Applicable Regulations, and agrees that the Company has no duty to verify the same.



- 4.13 **Odd Lot Transactions:** If the Client wishes to enter into Odd Lot Transactions, the Client may give Instructions to the Company in relation to the Odd Lot Transactions via telephone, electronic means (including the Electronic Services) or other means of communication specified by the Company from time to time. The Client acknowledges and agrees that Odd Lot Transactions will be executed based on the prevailing Odd Lot Market prices which may be less favourable than trading in the open Market. The Client further agrees to pay to the Company such fees and charges as may be determined by the Company and notified to the Client in respect of the execution of the Odd Lot Transaction. For avoidance of doubt, nothing in this Clause 4.12 shall oblige the Company to act on any Instructions by the Client in respect of Odd Lot Transactions.

## 5. Executing Transactions

- 5.1 **Instructing Brokers:** The Client authorises the Company to instruct such executing brokers, agents, custodians, nominees, overseas brokers and dealers (including Affiliates of the Company) as the Company may in its absolute discretion deem fit to execute any Transactions and acknowledges that the terms of business of such persons and the applicable Rules of any relevant Exchange, Clearing House and/or Clearing System on and through which such Transactions are executed and settled shall apply to such Transactions. The Client understands and agrees that the Company may, as a result of providing services to the Client under the Agreement or otherwise, owe obligations towards a third party arising from, or in connection with, the Client's Investment Products and Charged Assets. Such third parties may have rights and entitlements in the Client's Investment Products and Charged Assets, which can affect (a) the Company's ability to discharge its obligations towards the Client in respect of such Investment Products and Charged Assets (for example, returning certain Investment Products or Charged Assets to the Client), and/or (b) the Client's ability to exercise any of its rights in respect of, or attached to, such Investment Products or Charged Assets (including without limitation its voting rights attached to stocks).
- 5.2 **Relevant Laws:** All Transactions which the Company effects on the Client's Instructions shall be effected in accordance with all Applicable Regulations and Rules applicable to the Company and/or the Client. All actions taken by the Company in accordance with Applicable Regulations and Rules shall be binding on the Client.
- 5.3 **Execution of Instructions "at best" or "at market":** The Client acknowledges that by reason of market conditions or physical restraints on any Market and rapid changes in the prices of Investment Products and/or fluctuation in currency exchange rates, on occasions and despite the reasonable endeavours of the Company, executing brokers or dealers (whether in Singapore or elsewhere), the Company may not be able to execute the Client's Instructions in full or at the specific prices or time specified by the Client or "at best" or "at market". The Company shall not be liable if any Instruction is not performed in full due to market conditions or any other cause beyond the Company's control, and the Client shall accept and be bound by dealings effected by the Company.
- 5.4 **Partial Performance of Order and Limit Order:** Where the Company or any persons instructed by the Company are unable to perform any Instruction in full, the Company or such persons are entitled to effect partial performance without prior reference to or consent from the Client. Without prejudice to the generality of the aforesaid, unless at the time of giving an Instruction with respect to Investment Products, the Client expressly instructs the Company to immediately make the entire order public in the relevant Market (and the Company accepts such an Instruction), the Company is entitled not to do so having regard to the prevailing market

conditions and market practice, in particular, where the Company is of the reasonable view that the order is not immediately executable in full under the prevailing market conditions.

- 5.5 **Trading Day:** Unless the Client gives any specific Instruction to the Company to the contrary (and the Company accepts such an Instruction), the Client acknowledges that all Instructions received by the Company on a trading day are valid for that trading day only (or such shorter or longer period as determined by the Company from time to time) (the "**Trading Period**"), and that, to the extent any Instruction is unfulfilled, it will lapse at the close of the official trading hours on the last trading day (within the Trading Period) of the Market in respect of which they are given. A good-till-cancelled order remains a pending order until cancelled by the Client. The order may be executed at any time prior to such cancellation, and the Client accepts full responsibility for the Transactions.
- 5.6 **Interest:** The Client shall pay interest on all overdue balances on any Account or any amount otherwise owing to the Company at any time (including interest arising after a judgment debt is obtained against the Client) at such rates and on such other terms as the Company notifies to the Client from time to time, or, failing such notification, at such rate determined by the Company from time to time. Interest shall accrue on a daily basis from the applicable due date or otherwise the date of demand up to and including the date on which the Company receives actual and unconditional payment in full. Overdue interest shall be compounded monthly and shall itself bear interest.
- 5.7 **Recording and Tapes:** The Client acknowledges that all telephone conversations between the Client and the Company may be taped without an automatic tone warning device in order to, amongst other things, enable the Company to verify the Instructions of the Client. The Client agrees that the recordings on relevant tapes or a transcript of the recording may be used as final and conclusive evidence of the contents of the Instructions.
- 5.8 **Company's Records are Conclusive:** The Client acknowledges that the books, data and records of the Company shall, in the absence of manifest error, be conclusive of the matter to which it relates and shall be conclusive evidence against the Client in all courts of law and for all purposes.
- 5.9 **Operation of Accounts:** The Client acknowledges that it will personally (or through its Authorized Persons) operate any Account opened by the Company for the Client in relation to the Agreement. In the event that the Client intends to appoint a third party to act in any way on behalf of the Client in relation to the Agreement, the Client shall notify the Company in writing of its intention, giving reasons. The Company is under no obligation to accept or recognize any third party trading representative of the Client unless its prior written consent has first been obtained by the Client. Where the Company provides its written consent (at its sole and absolute discretion) to the Client, the Client shall appoint such third party by providing the Company with such letter of authorization or other form as prescribed by the Company, the terms and conditions of which shall be in addition to and shall be deemed to form a part of the Agreement. The Client shall ensure that any appointed third party trading representative also promptly provides to the Company a completed and signed client information statement as prescribed by the Company and such other documents requested by the Company.
- 5.10 **Prices:** The actual bid and offer prices of any Transaction shall be determined at the time when the Transaction is effected and any figures which may be quoted or provided to the Client by the Company or its representatives (some of which may have been provided to the Company or its representatives by third party information or service providers) at any time are for reference only and are not binding on the Company or the Client. For the avoidance of doubt, the Company is

entitled to act on any Instruction of the Client to effect a Transaction even if the price of the underlying Investment Product has altered to the disadvantage of the Client between the time of receipt of such Instruction and the time at which the Company or its agent actually effects the Transaction.

- 5.11 **Title:** The Company has no obligation to examine or verify the validity of ownership or title of any Investment Products.

## 6. Settlement

- 6.1 **Settlement:** Unless otherwise agreed or where the Company is already holding sufficient Investment Products, cash or other assets on the Client's behalf to settle a Transaction, the Client shall, by such time, at such place, in such amounts and/or in such manner as the Company may notify to the Client in relation to the relevant Transaction:

- (a) pay or provide to the Company cleared funds or deliver to the Company the relevant Investment Products in deliverable form required for settling that Transaction; and
- (b) ensure that the Company will receive such cleared funds or deliverable Investment Products on the applicable settlement date or by such time as the Company may notify to the Client for the purpose of settling that Transaction.

- 6.2 **Client's Failure to Settle:** If the Client fails to comply with Clause 6.1 (*Settlement*), the Company shall be entitled, in its absolute discretion and without prejudice to any other rights or remedies of the Company or further notice to or consent from the Client, for the purpose of settling any Transaction:

- (a) in the case of a Transaction for the purchase or subscription of Investment Products, to sell or transfer the Investment Products being the subject matter of such Transaction and/or sell or transfer any other Investment Products in any Account to satisfy the Client's settlement obligations, at a price the Company believes to be reasonable and charge or debit any related costs, fees and expenses to any Account; or
- (b) in the case of a Transaction for the sale of Investment Products, to borrow and/or purchase Investment Products equivalent to the Investment Products being the subject matter of such Transaction to satisfy the Client's settlement obligations, at a price the Company believes to be reasonable; and in addition or as an alternative to Clause 6.1 (*Settlement*), to have recourse to its rights of combination and set-off or any other rights under the Agreement.

- 6.3 **Right to Not Execute Transaction:** Notwithstanding any other provisions of the Agreement, the Company is entitled not to execute any Instruction for the:

- (a) purchase of Investment Products unless the Client has made available to the Company cleared funds of an amount which is, in the opinion of the Company, sufficient to settle the related purchase price, fees and expenses in connection with such purchase; and
- (b) sale of Investment Products unless the Client has deposited the relevant Investment Products with the Company to settle such sale.

- 6.4 **Deficit:** The Client shall be liable for any Deficit resulting from losses and any cost, fee or expense (including legal costs) incurred by the Company, on a full indemnity basis, in relation to the purchase and/or sale of Investment Products pursuant to Clause 6.2 (*Client's Failure to Settle*).
- 6.5 **Securities Borrowing and Lending:** To facilitate due settlement by the Client, the Company may, in its absolute discretion, lend Investment Products to the Client or borrow Investment Products for or on behalf of the Client, to settle the Client's sale Instructions. The Company may also lend or borrow Investment Products to or from third parties (for the purposes of this Clause 6.5 only, a "**Third Party**") on the Client's behalf or for the Client's benefit, whether in the name of the Company, its Affiliates or otherwise, upon such terms as the Company may in its sole discretion decide. The Client shall indemnify the Company and its Affiliates for any margins, guarantees, Securities or collateral maintenance and expenses as may be required under the aforementioned borrowing and lending arrangements. The Company does not warrant or guarantee the availability or the continuing availability of any short selling facility. The Company shall be entitled to, either at its own discretion or at the request of a Third Party, terminate any such lending and borrowing arrangements and immediately call for the delivery or return of the underlying Investment Products. The Client must comply with any demand calling for the delivery or return of the underlying Investment Products.

## 7. **Payments and Client Money**

- 7.1 **Payments to the Client:** All monies payable to the Client by the Company shall be transferred to the bank account designated by the Client in the Account Opening Form or, at the option of the Company, by any other means, and either form of payment shall constitute a full discharge of the Company's obligation to make such payments.
- 7.2 **Segregated Accounts:** All money or other property received by the Company from the Client or from any other person for the account of the Client shall (unless otherwise permitted by Applicable Regulations, or otherwise in accordance with a written direction of the Client or otherwise in accordance with a standing authority given by the Client to the Company from time to time, such direction or standing authority having been accepted by the Company) be segregated from the Company's own money and property and paid into an omnibus client trust account that will also hold money and property of the Company's other clients.
- 7.3 **Interest on Client's Money:** The Client acknowledges that where the Company places the Client's money in an omnibus client trust account together with moneys that the Company holds for other clients of the Company, the Company need not account individually to each of the Company's clients for the interest earned on their respective portions of the money in the omnibus client trust account. The Client agrees to waive and relinquish in favour of the Company all claims for interest that may otherwise accrue with respect to its portion of the moneys held in such trust account.
- 7.4 **Transactions Executed Outside Singapore:** Notwithstanding Clause 7.2 (*Segregated Accounts*), in respect of Transactions executed outside Singapore, the Client authorizes and directs the Company to pay into any trust account maintained by the Company with a custodian that is licensed, registered or authorised to conduct banking business in the country or territory where the trust account is maintained, whether in or outside Singapore, all amounts (less all brokerage and other proper charges accruing thereon) that are denominated in a foreign currency from time to time received by the Company for and on behalf of the Client from the Transactions, notwithstanding that any such amounts may be reinvested in further Transactions for or on behalf of the Client.

8. **Statements and Records**

- 8.1 **General:** The Company shall, in accordance with Applicable Regulations, provide to the Client contract notes or other confirmations relating to any Transactions and periodic statements of account (collectively, "**Trade Documents**") relating to the relevant Accounts.
- 8.2 **Monthly Statement:** Without prejudice to the generality of Clause 8.1 (*General*), the Company will deliver a monthly statement in relation to the Accounts.
- 8.3 **Conclusive/Client to Examine:** The Client shall examine each Trade Document issued by the Company. The Trade Documents shall be conclusive of the matters stated therein (except in the case of manifest error) and shall be deemed to have been accepted by and binding on the Client unless the Company has actually received from the Client notice in writing alleging any omission or error within 14 days after the date of such document. Thereafter, the Client shall not dispute the accuracy of the Trade Document and shall be deemed to have conclusively accepted the relevant Trade Document as being true, accurate and binding.
- 8.4 **Unilateral Amendment:** Notwithstanding anything to the contrary, the Company may unilaterally amend any Trade Document if it considers it to be appropriate to do so.
- 8.5 **Non-receipt or Non-issuance of Instructions:** In the event of (a) non-receipt of any Trade Document from the Company or (b) if the Client receives any confirmation from the Company but has not issued the related Instruction, the Client shall notify the Company in writing, in the case of (a) within 5 Business Days after the time when the document would normally have been received in the ordinary course of business, or in the case of (b) immediately after it receives such confirmation from the Company.
- 8.6 **Method of Delivery:** The Client consents to the Company's issuance of Trade Documents in electronic form, and agrees to receive them by such means as specified by the Company from time to time, including via electronic means (including via the Electronic Services).
- 8.7 **Derivative Products:** The Company shall, in relation to derivative products, including futures contracts or options, provide to the Client upon its request, (a) product specifications and any prospectus or other offering document covering such products; and (b) an explanation of margin procedures and the circumstances under which the Client's positions may be closed without the Client's consent.
- 8.8 **Acknowledgments by Client:** Where the Client consents to and accepts the receipt of Trade Documents via electronic means (including via the Electronic Services) (the "**Access Service**"), the Client acknowledges that it understands and accepts the following arrangements:
- (a) appropriate hardware and software, internet access and a specific email address, mobile phone number or other electronic address provided and designated by the Client for receiving email, SMS or other electronic notifications from the Company are required for using the Access Service;
  - (b) internet, email, SMS and other electronic information services may be subject to certain IT risks and disruption;
  - (c) revocation of consent to the Access Service will be subject to the giving of such advance notice by the Client in the manner specified in Clause 8.6 (*Method of Delivery*); and

- (d) the Client may be required to pay a reasonable charge for:
  - (i) obtaining a copy of any Trade Document that is no longer available for access and download via electronic means (including the Electronic Services); or
  - (ii) requesting the Company to provide trade documents to it, in addition to the request for the Access Service, by other means.

## 9. Foreign Currencies

9.1 **Currency Conversion:** Without prejudice to the generality of Clause 2.4 (*Company's Right to Decline*) and subject to Applicable Regulations, the Company reserves the right to decline any Instruction of the Client to effect any sale or purchase of Investment Products requiring an exchange from one currency to another, or otherwise to refrain from effecting a currency exchange for other purposes (including for the purpose of effecting a dividend distribution), without giving any reason therefor. If the Company accepts any Instruction of the Client to effect any such sale or purchase of Investment Products or effects any currency exchange for any other purpose, the costs of effecting the relevant currency exchange and any profit or loss arising as a result of fluctuation in the exchange rate of the relevant currency will be entirely for the account of the Client. The Company may convert monies in any Account into and from any currency at such rate of exchange as the Company shall in its sole discretion determine as being the then prevailing money market rate. Such conversion may be made for the following purposes: (i) effecting any Instruction or Transaction, (ii) the calculation, settlement and recovery of any debit balance due or that may become due from the Client or credit balance owed to the Client, and (iii) for any other purpose relating to the Agreement.

9.2 **Risk and Settlement:** The Client agrees and acknowledges:

- (a) the risk that the currency in which a Transaction is denominated may be subject to foreign exchange control and may be non-convertible; and
- (b) that except otherwise stated by the Company, Transactions shall be settled in the currencies in which they are denominated.

## 10. Custody and Safekeeping of Investment Products

10.1 **General:** The Client acknowledges and agrees that Investment Products from time to time acquired and/or held pursuant to the Agreement through or in an Exchange, Clearing House, Clearing System or central depositories shall be held subject to Applicable Regulations. The Client further acknowledges and agrees that the Client's Securities shall be held by a custodian and/ or nominee to be appointed by the Company and agrees to be bound by the terms set out in this Agreement.

10.2 **Safekeeping:** Any Investment Products held by the Company or any of its Affiliates for safekeeping pursuant to the Agreement may, at the Company's discretion and subject to Applicable Regulations:

- (a) (in the case of registrable Investment Products) be registered in the name of the Client or in the name of the Company or the Company's nominee, and in respect of the Securities, held in the Client's favour; or

- (b) be deposited in safe custody in a Segregated Account which is designated as a trust account and maintained in the relevant Market by the Company with the Company's Affiliate or any other institution which is qualified to provide facilities for the safe custody of Investment Products and documents relating thereto;

and in either case, shall not form part of the assets of the Company for insolvency or winding-up purposes but shall be returned to the Client promptly upon the appointment of a provisional liquidator, liquidator or similar officer over all or any part of the business or assets of the Company.

- 10.3 **Custodian:** The Client appoints the Company as custodian of all cash and Investment Products of the Client delivered to and accepted by the Company or any of its sub-custodians or nominees subject to the Agreement. The Company shall be entitled to deposit such cash or Investment Products with such other company or institution and on such terms as it may deem fit. Such cash or Investment Products may be comingled with those of other clients of the Company (but not with cash or Investment Products held for the Company's own account).
- 10.4 **Comingling:** The Client acknowledges and agrees that, where the Client's assets are pooled and held collectively with the assets of other persons, the Client's individual entitlements may not be identifiable by separate documents, records or evidence of ownership or title, and the Client and such other persons may have to share any shortfall arising from a default of a company or an institution with which the assets are deposited.
- 10.5 **Transfer to Client:** Subject to Clause 10.7 (*Full Discharge of Liabilities*), the Company shall as soon as reasonably practicable after having been required to do so by Instructions from the Client and subject to any Applicable Regulations:
  - (a) procure the registration of any Investment Products from time to time in the Account in the name of the Client or a person notified in writing by the Client to the Company as being the nominee of the Client, or if so instructed, deliver the documents representing or evidencing the Investment Products to the Client or such nominee whereupon such Investment Products shall cease to be held in the Account; and
  - (b) transfer any sum specified in the Instructions of the Client from the Account to such bank account of the Client as the Client may advise and such transfer shall be deemed to be a good discharge of the Company's obligation to make payment to the Client.
- 10.6 **Delegation/Sub-Custodian:** Subject to Applicable Regulations, the Company is irrevocably authorised by the Client to appoint, in the manner specified in Clause 2.5 (*Delegation by Company*), one or more custodians/sub-custodians, whether in or outside Singapore, for any period of time, to perform the Company's custodial and safekeeping duties.
- 10.7 **Full Discharge of Liabilities:** The obligations of the Company in Clause 10.5 (*Transfer to Client*) shall be subject to the other provisions of the Agreement and in particular Clause 16 (*Charge*) and to the right of the Company to require a full discharge of all the Liabilities prior to any withdrawal by the Client. The Company may, without notice to the Client, discharge any or all the Liabilities out of the monies standing to the credit of the Account prior to any registration or transfer in accordance with Clause 10.5 (*Transfer to Client*) or otherwise require payment

thereof to be made by the Client prior to any registration or transfer pursuant to Clause 10.5 (*Transfer to Client*).

- 10.8 **Voting Rights etc.:** The Client hereby authorises the Company to act on Instructions relating to the Client's Investment Products, including the exercise of voting and other rights attached to the Investment Products. Notwithstanding the aforesaid, the Company may decline to act on any Instruction in its absolute discretion without giving any reason therefor. Nothing in the Agreement shall in any way impose on the Company any duty to inform the Client or to take any action with regards the attendance of meetings and to vote at such meetings. The Company has no duty in respect of notices, communications, proxies and other documents relating to the Investment Products received by the Company or to send such documents or to give any notice of the receipt of such documents to the Client unless otherwise required by Applicable Regulations. The Company has the right to charge the Client for its services in taking any action pursuant to the Client's Instruction.
- 10.9 **Payments:** The Client hereby authorises the Company to request payment of and to receive, apply or exercise all dividends, distributions, interest, coupons or benefits relating to the Investment Products of the Client into the relevant Account.
- 10.10 **No Obligation to Notify or Exercise Rights:** Without prejudice to the generality of Clause 10.8 (*Voting Rights etc.*), where the Client's Investment Products are registered in the name of the Company or any other person appointed by the Company (but not otherwise), the Company may but is not obliged to:
- (a) notify the Client of information, notices and other communications received by the Company in relation to such Investment Products (but shall be under no obligation to forward the same to the Client in sufficient time for Instructions to be given to the Company with regard to any matters referred to therein nor to investigate or participate or take any affirmative action except in accordance with specific Instructions from the Client (and such Instructions being accepted by the Company) and upon such conditions, indemnity and provision for reasonable expenses as the Company may require) and, in the absence of or delay in receiving specific Instructions from the Client, to refrain from acting and any default option in respect of the relevant matter shall apply; and
  - (b) exercise, subscribe, take up or otherwise dispose of such rights or new issues in relation to the Client's Investment Products as the Company may think fit which shall be binding on the Client unless the Company has actually received prior Instructions to the contrary from the Client (and such Instructions being accepted by the Company), except that the Company will not exercise any action which may give rise to any obligation to disclose interest on the part of the Company or its nominee in compliance with Applicable Regulations.
- 10.11 **Further Action:** The Client authorizes the Company and its nominee to take all such actions as may be required to comply with any Applicable Regulations in providing custody services, including withholding and/or making payment of tax or duties payable in respect of cash or Investment Products in the Account. The Client acknowledges that neither the Company nor its nominee shall be liable in respect of any call, instalment or other payment in relation to the Investment Products held by the Company or its nominee.



- 10.12 **Return of Investment Products:** The Company is entitled, upon termination of any custody services for whatever reasons, to return to the Client at the sole risk and expense of the Client all the assets held in custody, including returning to the Client Investment Products which may not have the same serial number or identification as those originally deposited with or received by the Company.
- 10.13 **No Trusteeship:** Where the Company acts as a custodian and the Client's asset is registered in the name of the Company or a nominee of the Company, no trustee-beneficiary relationship is formed between the Company and the Client. The Company shall have no other obligations in respect of the Client's assets except those specified in the Agreement.
- 10.14 **Client's Responsibilities:** In the case of the transfer of any Investment Products, the Client will be responsible for procuring the relevant third party to deliver the Investment Products to the Client or to receive the Client's Investment Products, and that any handling, transfer or custodian fees and charges shall be solely for the account of the Client.
- 10.15 **Same Class and Denomination:** Any obligations of the Company to deliver, to hold in safe custody or otherwise or to register in the name of the Client, Investment Products purchased or acquired by it on behalf of the Client shall be satisfied by the delivery, the holding or registration in the name of the Client or its nominee, Investment Products of the same class, denomination and nominal amounts with those originally deposited with, transferred to or acquired by the Company on behalf of the Client.
- 10.16 **Client's Risk:** Investment Products deposited with or held by the Company or its nominee(s) pursuant to the Agreement shall be at the Client's sole risk and the Company shall be under no obligation to insure any of them against any kind of risk, which obligation shall be the Client's sole responsibility.
- 10.17 **Disposal:** The Company is authorized to take such measures as the Company at its sole discretion deems necessary to sell or dispose any of the Client's Securities or Charged Assets (and the Company shall have absolute discretion to determine which Securities or Charged Assets are to be sold or disposed of) for the purpose of settling any liability owed by or on behalf of the Client to the Company or a third person. In the event that the sale proceeds or the amount available in the Account is insufficient, the Client shall accordingly be liable to pay the Company the shortfall.

## 11. **Commissions, Charges and Expenses**

- 11.1 **Commission and Charges:** The Client shall pay commissions, fees, charges, brokerage or other remuneration for the Company's services (including the provision of the Electronic Services) as specified by the Company in the fee schedules provided by the Company or otherwise notified to the Client from time to time. The Company reserves the right to revise its fee schedules and such other notices from time to time.
- 11.2 **Maintenance Fee:** The Company may charge a monthly maintenance fee to be notified by the Company to the Client on any Account with no trading activity for any length of time as specified by the Company from time to time.
- 11.3 **Fees and Expenses:** The Client shall be liable on a full indemnity basis for all fees and expenses incurred by the Company in connection with the Transactions, the Accounts and/or provision of its services including fees payable to any brokers, agents and nominees, stamp duties, transfer fees, registration fees, taxes, stock settlement fees, levies imposed by the relevant Exchange, Clearing House or Market, interest and other handling costs or expenses.

- 11.4      **Deduction from the Account:** The Company is authorised by the Client, at any time without prior notice to the Client, to charge to or debit from any Account any commissions, fees, charges, brokerage, remuneration, levies, duties and other costs and expenses payable by the Client.
- 11.5      **Payment in Full:** Payments by the Client shall be made to the Company in the manner specified by the Company in immediately available funds (or other funds determined by and acceptable to the Company at its absolute discretion) on the due date, without any deduction, set-off, counterclaim, withholding or condition of any kind, and in such currency as the Company may in its absolute discretion require, except that, if the Client is compelled by law to make such withholding, the sum payable by the Client shall be increased so that the net amount actually received by the Company is the amount it would have received had there had been no withholding.
12.      **Taxes**
- 12.1      **Client's Responsibility:** The Client is solely responsible for handling and fulfilling all tax issues, liabilities and obligations under all Applicable Regulations. The Client should seek independent professional tax advice from its own tax adviser and to determine its own tax position, liabilities and obligations. The Company is not responsible for advising on or handling any of the Client's tax issues, liabilities or obligations.
- 12.2      **Request for Information:** Upon the Company's reasonable request or where the Company is required by the tax authority and/or any other authority of any relevant jurisdiction, the Client shall sign and file any form, certificate or document and provide such necessary information and assistance (including that which is related to the CRS (as defined in Clause 12.4(a) below)) as the Company may require.
- 12.3      **FATCA:** Without prejudice to Clause 12.2 (*Request for Information*), the Client undertakes to provide the Company with information, documents and certificates as required by the Company in order to meet obligations imposed by applicable inter-jurisdictional tax compliance rules. This includes, without limitation:
- (a)      **"FATCA"**, which means:
    - (i)      sections 1471 through 1474 of the United States Internal Revenue Code of 1986 (as amended) or any amended or successor version thereof;
    - (ii)      any intergovernmental agreement, memorandum of understanding, undertaking and other arrangement between governments and regulators in connection with paragraph (i), including as entered into the government of Singapore;
    - (iii)      agreements between the Company and the Internal Revenue Service of the United States or other regulator or government agency pursuant to or in connection with paragraph (i);
    - (iv)      any laws, rules, regulations, interpretations or practices adopted in the United States, Singapore or elsewhere pursuant to any of the foregoing; and
  - (b)      Tax information sharing arrangements, which means any local or foreign laws, regulations and rules including, without limitation, the obligations under FATCA

and associated rules and regulations and other international exchange arrangements affecting the Company.

- 12.4 **CRS:** Without prejudice to Clause 12.2 (*Request for Information*), the Client undertakes to provide the Company with information, documents and certificates as required by the Company in order to meet obligations imposed by applicable inter-jurisdictional tax compliance rules. This includes, without limitation:

- (a) "CRS", which means:
  - (i) the Standard for Automatic Exchange of Financial Account Information in Tax Matters, developed by the Organisation for Economic Co-operation and Development and any associated similar or analogous legislation, treaty, regulation, instruction or other official guidance of any authority in any jurisdiction;
  - (ii) any local or foreign laws, rules, regulations, interpretations or practices, including whether or not relating to an intergovernmental agreement between the governments or regulatory authorities of two or more jurisdictions;
  - (iii) agreements between the Company and any government or taxation authority in any jurisdiction including, but not limited to, the CRS; and
- (b) Tax information sharing arrangements, which means any local or foreign laws, regulations and rules including, without limitation, the obligations under CRS and associated rules and regulations and other international exchange arrangements affecting the Company.

- 12.5 **Indemnity:** Without limiting any other indemnity provided by the Client, the Client shall indemnify the Company, its Affiliates and agents on demand against any liability, reasonable loss or expense (including taxes and levies) arising from the Client's Instructions, the Accounts or the Company's provision of services to the Client, including as a result of any failure by the Client to comply with this Clause 12 (*Taxes*).

### 13. **Monetary and Non-monetary Benefits**

- 13.1 **Monetary Benefits:** The Client acknowledges that the Company and/or any person connected with it may receive Monetary Benefits including rebates and commissions from brokers, product issuers or other third parties. The Company and/or any person connected with it shall be entitled to retain such benefits and shall have no obligation to account to the Client for all or any part of such benefits.
- 13.2 **Not Quantifiable:** The Company and/or any person connected with it may receive Monetary Benefits, in amounts that are not quantifiable prior to or at the point which a Transaction is entered into.
- 13.3 **Non-monetary Benefits:** The Client acknowledges and consents that the Company and/or any person connected with it may receive from brokers, product issuers or other third parties non-monetary benefits, including but not limited to, services, sponsorships, advertising, research and analysis, travel, accommodation and entertainment as the Company deems appropriate.

13.4 **Independence:** Unless otherwise stated in the Agreement or by the Company, the Company is an independent intermediary because:

- (a) it does not receive fees, commissions, or other Monetary Benefits, provided by any party in relation to its distribution of any Investment Products to the Client; and
- (b) it does not have any close links or other legal or economic relationships with product issuers, or receive any non-monetary benefits from any party, which are likely to impair its independence to favour any particular Investment Product, any class of Investment Products or any product issuer.

14. **Electronic Services**

14.1 **Electronic Services:** The Company may, from time to time and at its sole discretion, provide to the Client certain Electronic Services and where the Client avails itself of the Electronic Services, then this Clause 14 shall apply.

14.2 **Correct Entry and Reliance:** The Client agrees that the Company is entitled to rely on the correct entry of the Login Identifiers and Passwords in order to ascertain whether any Instruction given to the Company is that of the Client's and to act on that assumption. The Client shall be fully responsible and liable for the entry of all information through the Electronic Services and all Instructions given to the Company through the use of the Electronic Services notwithstanding that such information or Instruction may have been given by a third party with or without authority to give such Instruction on behalf of the Client. The Client undertakes to notify the Company immediately if it has any difficulties logging in using its Login Identifiers and Passwords.

14.3 **Personal:** The Client shall be the only authorized user of its Login Identifiers and Passwords.

14.4 **Safe-keeping:** The Client has the sole responsibility and shall be liable for the confidentiality, security and safe-keeping of its Login Identifiers and Passwords. The Client undertakes to notify the Company immediately if the Client suspects there have been disclosure, loss, theft or unauthorised use of its Login Identifiers or Passwords.

14.5 **Prohibitions:** In using the Electronic Services, the Client shall not:

- (a) reproduce, retransmit, disseminate, sell, distribute, publish, broadcast, circulate, exploit (whether for commercial benefit or otherwise) the information and/or reports obtained from or through the Electronic Services in any manner whatsoever without the express written consent of the Company and shall not use the information for any wrongful or illegal purpose or in contravention of Applicable Regulations;
- (b) make any additions, modifications, adjustments or alterations to, tamper any part or corrupt any information or services available on or through the Electronic Services;
- (c) permit any equipment or software to be linked to or communicate in any manner or be used in connection with any other service or system whereby any information and/or reports obtained from the Company may be accessed, used, stored or redistributed by or through such other equipment or software; and/or

- (d) use the facilities available under the Electronic Services otherwise than as stipulated under the Agreement or such other directions which may be issued by the Company from time to time.

14.6 **Suspension and Termination:** The Company may in its sole and absolute discretion, from time to time and without notice to the Client:

- (a) amend, modify, suspend or terminate the operation of the Electronic Services and/or the terms of use for such Electronic Services;
- (b) suspend or terminate the access of the Client to or use of the Electronic Services; and/or
- (c) reset or deactivate the Client's Login Identifiers and Passwords,

and shall not be liable to the Client for any loss, damage, costs, charges or expenses which may be suffered by the Client consequent upon any of the above actions.

14.7 **Inherent Vulnerabilities:** The Client accepts and acknowledges that electronic systems and technologies, including the Electronic Services and such other systems and technologies used by the Company, are inherently vulnerable to hacking, disruption, delay or failure. The Client must maintain alternative arrangements for the giving of Instructions in the event that the Electronic Services are unavailable.

14.8 **Limitation of Liability:** To the fullest extent permitted by Applicable Regulations, the Company shall not be liable to the Client for any loss, damage, costs, charges or expenses whatsoever and howsoever caused or arising from the use by the Client of the Electronic Services, including but not limited to:

- (a) the loss or unauthorised use of the Client's Login Identifiers or Passwords;
- (b) the unauthorised use of or access to the Electronic Services; or
- (c) any delay, fault, failure or loss of access to, or unavailability of the Electronic Services for whatever reason.

14.9 **Intellectual Property**

- (a) Unless otherwise stated, the Company or certain other third parties (including without limitation brokers, partners or sponsors) (collectively the "**IP Rights Holders**") are the owner or the licensee of all intellectual property rights available through the Electronic Services, and in the material published on it. Those works are protected by copyright laws and treaties around the world. All such rights are reserved.
- (b) In utilising the Electronic Services, the Client agrees not to do anything that will violate, infringe, prejudice or in any way affect the IP Rights Holders' intellectual property rights, including without limitation all parts of the websites and software of the Company ("**IP Rights**"), and shall take all necessary measures to preserve and protect these IP Rights. All IP Rights (whether by way of copyright or otherwise) in the information or reports available from or generated by the Electronic Services vest solely in and will remain the exclusive property of the relevant IP Rights Holders.

- (c) The Client shall not upload, post, reproduce, retransmit, disseminate, sell, publish, broadcast, circulate, exploit or distribute any information, software or other material available through the Electronic Services protected by copyright or other intellectual property right (as well as rights of publicity and privacy) without first obtaining the permission of the relevant Rights Holder, nor use the same or any part thereof other than for its own use or in the ordinary course of its own business.

14.10 **Technology Security Protocols:** The Client agrees to comply with any and all requirements, guidelines, rules and instructions that the Company may from time to time prescribe or stipulate to be applicable to the Client's access and use of the Electronic Services, including any procedures for the purpose of enabling the Company to verify and authenticate the Client's identity.

## 15. **Lien**

15.1 **General Lien:** Without prejudice to any other powers, authorities, rights and remedies granted to the Company under the Agreement, and until all amounts owed to the Company or any Affiliate have been paid or satisfied or discharged in full, the Company has the right to retain and withhold by way of lien all money, Investment Products (including but not limited to any and all Investment Products acquired for or on behalf of the Client or in which the Client has an interest which are held for the Account) and other property of the Client held from time to time by the Company or any Affiliate, whether held for safe-keeping or otherwise, and whether pursuant to the Agreement or otherwise, and the Company shall have the power to collect, sell or realise all or any part of such money, Investment Products and property at such price as the Company may think fit and to apply the proceeds, after deduction of expenses, to satisfy any amount owed by the Client to the Company or any Affiliate. The Client shall upon the request of the Company and at the Client's cost and expense execute all transfers and do all things necessary for vesting the legal title in such money, Investment Products and property to the Company or any other person as the Company may specify.

15.2 **No Encumbrance:** The Client shall not, without the Company's prior written consent, assign, transfer, mortgage, pledge, charge, or create or permit to arise or exist any lien or other Encumbrances of any nature, or grant or purport to grant an option, on or over its right, title, interest and claim in or to any money, Investment Products and/or other property held by the Company for the account of the Client.

## 16. **Charge**

16.1 **Charge:** In consideration of the Company's provision of services to the Client, the Client, as beneficial owner, hereby charges and agrees to charge to the Company, free of all encumbrances and adverse interests, by way of first fixed charge all its rights, title, benefits, claims and interests, both present and future, in and to all of the Charged Assets, as a continuing security for the due and punctual payment and satisfaction of all the Liabilities and performance of all other obligations of the Client from time to time. If and insofar as the security created shall be ineffective as a first fixed charge for any reason, such security shall take effect as a first floating charge. Any floating charge created by this Clause 16.1 shall (in addition to and without prejudice to the circumstances in which the same shall occur under general law) automatically be converted into a specific fixed charge upon the occurrence of any Event of Default. Without prejudice to the aforesaid, the Company may at any time and from time to time by notice in writing to the Client, convert any floating charge into a specific fixed charge as regards the whole or any part of the Charged Assets specified in such notice.

Where the Client is a body corporate, the Client shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Company may specify (and in such form as the Company may require in favour of the Company or its nominee(s)):

- (a) to perfect the security created or intended to be created under or evidenced by the Security Documents (which may include the execution of a mortgage, charge, assignment or other security over all or any of the assets which are, or are intended to be, the subject of the security) or for the exercise of any rights, powers and remedies of the Company provided by or pursuant to this Agreement, the Security Documents or by law;
- (b) to confer on the Company security over any property and assets of that Client located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to the Security Documents; and/or
- (c) to facilitate the realisation of the Charged Assets which are, or are intended to be, the subject of the security.

The Client shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Company by or pursuant to the Security Documents.

- 16.2 **Refloating of floating charge:** At any time after the floating charge shall crystallise over any of the Charged Assets (hereinafter referred to as the “**Crystallised Charge**”) whether pursuant to a notice or automatically without notice or otherwise howsoever, the Crystallised Charge shall, upon the written consent of the Company (such consent to be given at the absolute discretion of the Company), cease to attach to all or any of the aforesaid Charged Assets and shall refloat as a floating charge over all or any of the assets subject thereto by notice in writing to that effect to the Client.
- 16.3 **No Liability:** The Company and the Company's nominee shall not be in any way responsible for any loss occasioned by any action taken for the purposes of enforcing the Collateral, howsoever such loss may have been caused or arisen, or whether or not a better price could or might have been obtained on such action, or whether such loss may be reduced or avoided by either deferring or advancing the date of taking such action.
- 16.4 **Loss and Accountability:** In appropriating, selling or disposing of the Charged Assets or any part thereof, the Company may do so at the then current market price to any party (including without limitation an Affiliate of the Company), and without being:
- (a) in any way responsible for any loss occasioned thereby howsoever arising; and
  - (b) accountable for any profit made by the Company or any of its nominees or Affiliates, and the same shall not be treated as an absolute appropriation of or foreclosure on the Charged Assets to the exclusion of the Client and in extinguishment of its interests therein, unless the Company shall otherwise notify the Client (whether before or after the relevant appropriation or foreclosure has been effected), in which event any such appropriation or foreclosure shall be treated as a sale of the Charged Assets at a fair market value and the Liabilities shall be reduced by an amount equivalent to the proceeds of such sale.

- 16.5      **Continuing Security:** The Collateral shall be a continuing security notwithstanding any intermediate payment or settlement of account or satisfaction of the whole or any part of the Liabilities and notwithstanding the closing of any of the Accounts and which are subsequently reopened or the subsequent opening of any Account by the Client. Without prejudice to the foregoing, the Collateral shall subsist and continue to have full force and effect notwithstanding the termination of the Agreement until the Client has fully discharged all the Liabilities.
- 16.6      **Rights Additional:** The charge created in Clause 16.1 (*Charge*) shall be in addition to and shall not affect or be affected by any other security, guarantee or indemnity which the Company may now or in the future hold or take in respect of the Liabilities and may be enforced by the Company without prior recourse to any such other security, guarantee or indemnity.
- 16.7      **Suspense Account:** Any monies realised pursuant to the Collateral may be placed and kept to the credit of a suspense account opened by the Company for so long as the Company or its nominee may in its absolute discretion determine without any obligation in the meantime to apply the same or any part thereof in or towards discharge of the Liabilities.
- 16.8      **Dissolution to Have No Effect:** The Collateral shall not be discharged by any amendment or variation to the Agreement or by the dissolution or insolvency of the Client. Where the Client is a firm and there is a dissolution, the Collateral shall apply to all indebtedness incurred in the firm's name to the Company until receipt of actual notice of dissolution and, if the dissolution is by reason only of the introduction of one or more partners, the Collateral shall continue and, in addition to the debts and liabilities of the firm then dissolved, shall apply to the firm constituted with new partners as if there had been no change in the firm.
- 16.9      **Client's Covenants:** The Client covenants with the Company that:
- (a)          it will not create or permit to subsist any Encumbrance (other than any Encumbrance arising by operation of law) over or dispose of any Charged Assets or any Account, other than as provided for in the Agreement;
  - (b)          the Client shall deposit with the Company, or to its order, all certificates, instruments and evidence of title to the Charged Assets, together, where appropriate, with all such necessary forms of transfer as the Company may from time to time require;
  - (c)          the Client shall execute and deliver such further assignments, charges, authorities and other documents as the Company may from time to time require for perfecting its title to or for vesting or enabling the Company to vest the full benefit of the Charged Assets in its favour;
  - (d)          the Client shall not withdraw or attempt to withdraw all or any part of the Charged Assets without the prior consent of the Company; and
  - (e)          the Client shall not to take or omit to take any action which might prejudice the effectiveness of, or jeopardise the Collateral.
- 16.10      **No Restrictions:** No restrictions imposed by any Applicable Regulations on any immediate or other power of sale, application of proceeds or on any other right or on the consolidation of mortgages or other Encumbrances shall apply to the Collateral, the Company or to any other security given by the Client to the Company.



- 16.11 **Power of Attorney:** The Client, by way of security, irrevocably appoints the Company and any of its delegates or sub-delegates severally to be the Client's true and lawful attorney (with full power to appoint substitutes and to sub-delegate including power to authorise the person so appointed to make further appointments with regard to the Collateral) on behalf and in the name of the Client or otherwise, to execute, seal, deliver, exercise and otherwise perfect and do all such agreements, acts and things which:
- (a) the Client could itself do in relation to the Collateral;
  - (b) the Client is or may become obliged to do under the Collateral; and/or
  - (c) otherwise may in the Company's opinion be required or deemed proper or desirable for or in connection with the full exercise of all or any of the rights conferred by the Collateral and its rights to give full force and effect to the terms of the Collateral.
- This power of attorney is coupled with an interest and is irrevocable and shall remain irrevocable as long as any of the Liabilities remains outstanding. The Client ratifies and confirms and agrees to ratify and confirm any agreement, act or thing which any attorney (or any substitute or sub-delegate) appointed under this Clause 16.11 may lawfully execute, seal, deliver, exercise or do.
- 16.12 **No Avoidance:** Any release, discharge or settlement of the Collateral shall be conditional upon no security, disposition, payment or discharge in respect of the Liabilities by the Client or any other person being avoided, reduced, ordered to be refunded or repaid for any reason and, if such conditions are not fulfilled, the Company shall be entitled to enforce the Collateral as if such release, discharge or settlement had not occurred.
- 16.13 **Reinstatement:** If the Company considers that an amount paid by the Client or any other person is capable of being avoided or otherwise set aside (on the liquidation of the Client or otherwise), then that amount shall not be considered to have been paid. Furthermore, the Company may at its sole discretion concede or compromise any claim that any payment, security or other disposition is liable to be avoided, reduced or repaid.
- 16.14 **Good Title:** The Client represents and warrants that the Charged Assets are beneficially owned by the Client, that the Client has good right and title to deposit, deliver and/or transfer the Investment Products with or to the Company or its Affiliates, that the same are and will remain free from any lien, charge or Encumbrance of any kind and are not nor shall they be subject to any option and that any stocks, shares and other Investment Products comprised in the Collateral are and will be fully paid up.
- 16.15 **Exercise of Rights:** Until the Company enforces any of its rights under any Collateral, (i) the Company shall have the right, subject only to giving the Client notice, to exercise voting rights and other rights relating to the Charged Assets to protect the value of the Charged Assets; and (ii) except as otherwise provided in these Terms, the Client may direct the exercise of other rights attaching to, or connected with, the Charged Assets, but not in any manner which is inconsistent with the Client's obligations under the Agreement, or which in any way may prejudice the Company's rights in relation to the Collateral.
- 16.16 **Protection of Collateral:** In the event that any action or proceeding is commenced or any claim or demand is made by any person against the Client in connection with any matter contained in the Agreement or all or any part of the Collateral or against the Company in connection with any matter contained in the Agreement or all or any part of the Collateral, the Company shall be

entitled to take such reasonable steps as it may deem necessary or advisable including the withholding of payment or delivery to the Client of all or any part of any monies forming part of the Collateral and the cancellation or non-compliance with any orders or Instructions which the Client may have given or may give regarding all or any part of the Collateral. Nothing in this Clause 16.16 shall be construed as an obligation on the part of the Company to take any steps in connection with any action, proceedings, claim or demand associated with the Agreement or Collateral.

- 16.17     **Dividends:** Any dividends, distributions, interests, monies, entitlements forming all or part of the Collateral which may be received by the Client shall be held by the Client in trust for the Company and shall be paid over to the Company on demand.
- 16.18     **No Waiver and Invalidity:** The Collateral shall not be affected by any failure by the Company to take any security or by the invalidity, illegality or unenforceability of any security taken by the Company or by any existing or future agreement by the Company as to the application of any advances made or to be made to the Client or its Affiliate.
- 16.19     **Extension:** Should any purported obligation or liability of the Client under the Agreement or any other agreement intended to be secured by the charge created in Clause 16.1 (*Charge*), be or become wholly or in part invalid or unenforceable against the Client on any ground whatsoever, including any defect in or insufficiency or want of powers of the Client, or irregular or improper purported exercise of power, or breach or want of authority by any person purporting to act on behalf of the Client, or any legal limitation (whether under the Limitation Act (Cap. 163) or otherwise) or other incapacity, or any other fact or circumstances, whether or not known to the Company, or if for any other reason whatsoever the Client is not or ceases to be legally liable to discharge any obligation or liability undertake or purported to be undertaken in the Agreement or any other agreement, the Client shall, at the request of the Company, take such additional steps as the Company considers necessary (including acting under Clause 17.11 (*Further Assurance*)) to ensure that the purported obligation or liability is secured by the charge created in Clause 16.1 (*Charge*) as originally intended.
- 16.20     **Restructuring of Client:** No change in the constitution of the Client nor of the persons or other entities for whose liabilities the Collateral may at any time stand as security shall affect the validity of or discharge the Collateral. If the Client is a partnership, in the event of the dissolution of the firm, the Collateral shall apply to secure all the indebtedness and liabilities to the Company incurred by the firm or in the firm's name until receipt by the Company of actual notice of dissolution. If, however, the dissolution is by reason only of the introduction of a partner or a further partner or partners into the firm, the Collateral shall continue and, in addition to the debts and liabilities of the old firm, the definition of "Liabilities" shall apply to all monies and liabilities due or incurred from or by the new firm or firms thereby constituted as though there had been no change in the firm as previously constituted.
- 16.21     **Collateral Not Affected:** Without prejudice to the generality of the foregoing, neither the Collateral nor the amounts thereby secured will be affected in any way by:-
- (a)             any other security, guarantee or indemnity now or hereafter held by the Company or its Affiliates under or in respect of the Agreement or any other liabilities;
  - (b)             any other variation or amendment to or waiver or release of any security, guarantee or indemnity or other document;

- (c) the enforcement or absence of enforcement or release by the Company or its Affiliates of any security, guarantee or indemnity or other document (including the charge created in Clause 16.1 (*Charge*));
- (d) any time, indulgence, waiver or consent given to the Client or any other person whether by the Company or its Affiliates;
- (e) the making or absence of any demand for payment of any sum payable under the Agreement made on the Client whether by the Company or any other person;
- (f) the insolvency, bankruptcy, death or insanity of the Client;
- (g) any amalgamation, merger or reconstruction that may be effected by the Company with any other person or any sale or transfer of the whole or any part of the undertaking, property or assets of the Company to any other person;
- (h) the existence of any claim, set-off or other right which the Client may have at any time against the Company or any other person;
- (i) any arrangement or compromise entered into by the Company with the Client or any other person;
- (j) the illegality, invalidity or unenforceability of, or any defect in, any provision of the Agreement or any security, guarantee or indemnity (including the charge created in Clause 16.1 (*Charge*)) or any of the rights or obligations of any of the parties under or in connection with the Agreement or any security, guarantee or indemnity (including the charge created in Clause 16.1 (*Charge*)), whether on the ground of ultra vires, not being in the interests of the relevant person or not having been duly authorized, executed or delivered by any person or for any other reason whatsoever;
- (k) any agreement, security, guarantee, indemnity, payment or other transaction which is capable of being avoided under or affected by any law relating to bankruptcy, insolvency or winding-up or any release, settlement or discharge given or made by the Client on the good faith of any such agreement, security, guarantee, indemnity, payment or other transaction, and any such release, settlement or discharge shall be deemed to be limited accordingly; or
- (l) any other thing done or omitted or neglected to be done by the Company or any other person or any other dealing, fact, matter or thing which, but for this provision, might operate to prejudice or affect the Client's liabilities under the Agreement.

## 17. **Client's Representations, Warranties and Undertakings**

The Client makes the representations and warranties and gives the undertakings set out in this Clause 17 for so long as the Client maintains any Account with the Company and on the giving of each Instruction to the Company. All representations and warranties set out below shall be deemed to have been repeated by the Client each time the Client effects a Transaction, with reference to the facts prevailing at the time of each such Transaction.

- 17.1 **Corporate Client:** If the Client is a body corporate, the Client represents and warrants that it is duly incorporated or constituted (as the case may be), and validly existing under the laws of its place of incorporation and has full power and legal capacity to enter into the Agreement and perform its obligations under the Agreement according to the terms of the constitutional document(s) by which the Client is established or constituted; and that the certified copy of resolutions provided by the Client to the Company approving the execution of the Agreement were duly passed at a meeting of its directors or other officers (as the case may be) duly convened and held on or prior to the date of the Agreement in accordance with its constitutional documents and are in full force and effect.
- 17.2 **Personal Benefit:** The Client undertakes that, unless the Company expressly permits otherwise, it will be the person ultimately responsible for originating the Instruction in relation to each Transaction, that it will be the person who stands to gain the commercial or economic benefit of each Transaction and/or who will bear the commercial or economic risk, that in respect of each Transaction, it will be dealing on its own account as principal and beneficial owner of the relevant Investment Products and Account, and that no one other than the Client will have any right or interest in the relevant Investment Products or Account.
- 17.3 **Capacity:** The Client represents and warrants that it has and will have full power and capacity to enter into, and perform its obligations pursuant to, the Agreement, or any other agreement entered into with the Company or its Affiliates, to open and operate each Account, to give Instructions, and effect each Transaction.
- 17.4 **True Information:** The Client represents and warrants that the information provided by or on behalf of the Client in the Account Opening Form or otherwise in relation to the Agreement from time to time is true, complete and correct in every material respect, and the Client undertakes to promptly notify the Company if there are any material changes to such information.
- 17.5 **Good Title:** The Client undertakes that it will have unencumbered title as beneficial owner to, or have authority from the beneficial owner of all Investment Products and other assets which the Client delivers to the Company (for any purposes whatsoever), instructs the Company to sell or otherwise dispose of pursuant to the Agreement. The Client agrees that the Company shall have no obligation to examine or verify the title of any such Investment Products and assets, and the Company will not be responsible for any defect with such title.
- 17.6 **Consents:** The Client represents and warrants that all necessary consents or authorisations which may be required by the Client for the signing of the Agreement, the carrying out of any Transaction on any Market and/or the performance of its obligations under the Agreement have been obtained and are in full force and effect, and the Client undertakes that all such consents will be maintained for so long as the Agreement is in effect.
- 17.7 **Valid and Binding Obligations:** The Client represents and warrants that the Agreement constitutes valid and legally binding obligations of the Client enforceable in accordance with its terms, and the Client undertakes that this shall remain so.
- 17.8 **Applicable Regulations:** The Client represents and warrants that the entry into the Agreement and the performance of the obligations contained in the Agreement do not contravene any Applicable Regulations, any provisions of the Client's constitution or other constituent documents or by-laws (where applicable), or constitute a breach or default under any agreement or arrangement by which the Client is bound, and undertakes that this shall remain so.

- 17.9      **Risk Disclosure Statements:** The Client confirms it has been provided with a copy of the Agreement in English and has been invited to read the terms of the Agreement. The Client represents and warrants that it understands the contents of the Agreement in its entirety, and in particular has read, understood and accepted the terms of the risk disclosure statements set out in Appendix VIII (*Risk Disclosure Statements*) or otherwise provided by the Company to the Client, has been invited to ask questions and take independent advice if the Client wished, and accepts in full the risks relating to the relevant Investment Products and Transactions.
- 17.10     **Identification Information:** The Client undertakes, upon the Company's request, to provide the Company with such information and documents relating to the identity of the Client and each Authorized Person, the Client's financial condition and source of funds or other related matters as the Company may require from time to time for the purposes of opening, maintaining, operating and/or closing any Account (including meeting any regulatory compliance obligations). The Client agrees that the Company may rely on information provided in the Account Opening Form until the Company has received notice from the Client regarding any changes therein. The Client shall promptly notify the Company in writing of any material changes in the information provided by or on behalf of the Client pursuant to the Agreement or any agreement entered into pursuant to the Agreement or relating to any Account.
- 17.11     **Further Assurance:** The Client undertakes to the Company to do or execute any act, deed, document or thing which the Company requires the Client to do being in the reasonable opinion of the Company necessary or desirable in connection with the implementation and enforcement of the Agreement including the execution by the Client of an irrevocable power of attorney appointing the Company as the lawful attorney of the Client to do and execute all such acts, deeds, documents or things on behalf of the Client.
- 17.12     **Ratification:** The Client undertakes to do such acts and things and to execute such documents as are necessary or are in the reasonable opinion of the Company desirable to ratify or confirm anything done by the Company, or any of its nominees or Affiliates, or any other entity instructed by any of them in the proper exercise of any right or power conferred on any of them by the Agreement or any agreement entered into pursuant to the Agreement or relating to the Account.
- 17.13     **Insolvency:** Where the Client is an individual, the Client represents and warrants that it and each guarantor and security provider of the Client's obligations under the Agreement have not been made bankrupt nor has a petition been presented to make either of them bankrupt nor has any voluntary arrangement or any interim order under the Insolvency, Restructuring and Dissolution Act 2018 (No.40 of 2018) been proposed or approved in respect of any of them. Where the Client or any guarantor and security provider of the Client's obligations under the Agreement is a corporate entity or partnership, the Client represents and warrants that (i) no order has been made, no petition has been presented, no resolution has been passed, no meeting has been convened and no other procedure or step has been taken for the winding up, insolvency, dissolution, administration or other similar event affecting the Client, the guarantor or security provider; (ii) no steps have been taken or are being taken to appoint a receiver and/or manager, judicial manager or liquidator or other similar officer in respect of any assets of the Client, the guarantor or security provider; and (iii) no corporate action, legal proceedings or other procedure or step has been taken in relation to any composition or arrangement (including any voluntary arrangement, scheme of arrangement or otherwise) with any creditor of the Client, the guarantor or security provider, or an assignment for the benefit of creditors generally of the Client, the guarantor or security provider, or a class of such creditors.

18. **Client's Information, Personal Data and Disclosure**

- 18.1 **Provision of Information:** The Client shall complete and submit a client information statement in such form(s) as prescribed by the Company at the time of opening an Account, and otherwise provide the Company with such information (including financial data concerning the Client) from time to time at the request of the Company.
- 18.2 **Further Updates:** The Client agrees to (i) ensure that the Personal Data and information submitted to the Company are accurate; (ii) provide to the Company the Personal Data and information as the Company may reasonably request from time to time; (iii) disclose to the Company any material change in the Personal Data and information; (iv) provide the Company with such other information concerning the Client as the Company may reasonably request from time to time; (v) promptly notify the Company in the event that any of the representations or warranties given by the Client to the Company under the Agreement should cease to be true, complete, up-to-date or accurate in any respect; and (vi) promptly notify the Company of the occurrence of any Event of Default upon learning of its occurrence. The Client may request access to, and correction of, the Personal Data, to the extent allowed by the Applicable Regulations.
- 18.3 **Disclosure in Compliance with Law:** The Client acknowledges that Applicable Regulations, regulatory authorities and/or the Exchanges of any relevant jurisdictions may require or request disclosure of personal and other information relating to the Client, its Authorized Persons and/or the Accounts. The Client irrevocably authorizes the Company, without notice or consent from the Client, to disclose and provide to the relevant governmental authorities (including the Singapore Regulators) all such information and documents relating to the Client, its Authorized Persons and/or the Accounts as may be required or requested by them pursuant to Applicable Regulations. Without prejudice to the generality of the aforesaid, the Client agrees that where the Company has received an enquiry from any relevant regulatory authority, the Client shall, upon request by the Company (which request shall include the contact details of the relevant regulatory authority), provide to the Company or such regulatory authority directly any information relating to the Client and/or any ultimate beneficiary in compliance with such regulatory authority's request or demand and within the period specified by such regulatory authority or the Company. The Client shall not hold the Company liable for any consequences arising from such disclosure, and the Client shall reimburse the Company and on demand for all costs and expenses (including legal costs on a full indemnity basis) incurred by the Company in complying with requests for such disclosure.
- 18.4 **Disclosure Generally:** Subject to Clause 18.3 (*Disclosure in Compliance with Law*), the Company will keep information relating to the Client and the Accounts confidential, but is authorized by the Client to disclose any such information (i) to any person as the Company considers appropriate for conducting credit enquiries on the Client and/or to verify the information provided, (ii) to the Company's auditors, legal advisers or other professional advisers, or any brokers, dealers or other service providers appointed by the Company as may reasonably be required, (iii) to any of the Company's Affiliates, or the Company's nominees and delegates as may reasonably be required; (iv) to any actual or potential assignee of all or any of the Company's rights or obligations under the Agreement (whether pursuant to a contemplated business sale or otherwise), (v) to any Exchange or any relevant market data service provider to enable the Company to comply with any licence agreement between it and the Exchange or between it and the relevant market data service provider, in each case in connection with market data feeds, and (vi) to any other person where such disclosures is in accordance with the Company's prevailing privacy policy statement (which may be amended or updated by the

Company from time to time). The Company shall not be liable to the Client for any consequences arising from any disclosure made pursuant to this Clause 18.4.

- 18.5 **PDPA:** The Client acknowledges that it has read and accepts in full the provisions in the Company's Privacy Policy and Personal Information Collection Statement (including the use of its Personal Data in the manner specified in such statement), a copy of which is available on: [[https://www.moomoo.com/sg/support/topic5\\_75](https://www.moomoo.com/sg/support/topic5_75)].
- 18.6 **Non-disclosure Requirements:** Where Applicable Regulation imposes on the Company a non-disclosure obligation in respect of any information relating to the Client, then to the extent that the Applicable Regulation permits the Client to waive the obligation, the Client hereby waives and relieves the Company from compliance with the non-disclosure obligation, and to the extent that the Applicable Regulation permits or requires the Client to seek the consent of any party for such waiver, the Client agrees to use its best efforts to obtain such consent for such waiver.
- 18.7 **No Liability:** The Client expressly agrees not to hold the Company liable for any loss or damage arising from the disclosure of Personal Data and information that is beyond the Company's control. The Client acknowledges and accepts that certain factors contributing to such disclosure may be beyond the Company's reasonable preventive measures, and therefore, the Company shall not be held responsible for any resulting consequences.

## 19. **Clients who are Intermediaries**

- 19.1 **Client Identity Rule:** Without prejudice to any of the Client's other obligations under the Agreement, if the Client effects Transactions for Investment Products, whether on a discretionary or non-discretionary basis, and whether as agent or by entering into matching transactions as principal, with its clients (collectively, "**Ultimate Clients**"), this Clause 19.1 shall apply.
- (a) The Client acknowledges and agrees that each Ultimate Client is a customer only of the Client and not of the Company, and the Company is not intended to have, will not and does not accept any responsibility, duty or liability to the Ultimate Client with respect to any Transaction effected by the Client.
  - (b) The Client undertakes and agrees that notwithstanding that the Client may as between itself and an Ultimate Client be effecting Transactions for and on behalf of such Ultimate Client, as between the Client and the Company, the Client is transacting as sole principal of the Account and the Client shall always be primarily liable for all Transactions effected for the Account.
  - (c) Subject as provided below, the Client shall, immediately upon request by the Company, provide the Company with any and all information requested by the Company from time to time, including the identity, address, occupation and contact details of (i) the Ultimate Client; (ii) the person or entity (legal or otherwise) responsible for originating the Instruction in relation to a Transaction if not the Ultimate Client; and (iii) the person or entity (legal or otherwise) that stands to gain the commercial or economic benefit of the Transaction and/or bear its commercial and economic risk if not the Ultimate Client.
  - (d) Where the Client effects a Transaction for an Ultimate Client pursuant to a discretionary mandate granted by the Ultimate Client, the Client shall, as soon as practicable, inform the Company when the Client's discretion to invest on behalf of the Ultimate Client ceases, is suspended, terminated or overridden. In each such

case, the Client shall further, immediately upon request by the Company, inform the Company of the identity, address, occupation and contact details of the person(s) who will thereafter exercise the investment discretion.

- (e) The Client shall ensure that it has appropriate arrangements in place so that in the event that it is not immediately aware of or that it is not immediately able to provide the Company with the information required in paragraphs (c) and/or (d), it will pursuant to such arrangements, be able to obtain the required information and thereafter immediately provide it to the Company.
- (f) The Client confirms that, where necessary, it has duly obtained all relevant consents or waivers from the Ultimate Clients and other persons for whom or on whose behalf it is originating Instructions or effecting Transactions (whether such persons are collective investment schemes, or have given the Client a management mandate, or have appointed the Client as a discretionary trustee or otherwise) for information relating to them to be disclosed by the Client to the Company in accordance with this Agreement and for such information to be further used by the Company in accordance with this Agreement.
- (g) The Client further authorizes the Company to give the relevant regulators access to information disclosed by the Client in accordance with this Clause 19.1, upon such regulator's request in accordance with any Applicable Regulation.
- (h) This Clause 19.1 shall continue in effect notwithstanding the termination of the Agreement.

#### **19.2 Reliance for Anti-Money Laundering and Counter-Terrorist Financing Measures**

- (a) Where the Client is a financial institution prescribed in Appendix 2 of the MAS Notice SFA04-N02, the Company may request that the Company be able to rely on any relevant due diligence measures performed by the Client in accordance with applicable anti-money laundering and counter-terrorism financing and related “know-your-client” laws, regulations and requirements. The Client agrees to such request, and represents, warrants and undertakes:
  - (i) that it has adequate internal policies, procedures and controls in place to comply with applicable anti-money laundering and counter-terrorism financing laws, regulations, and guidelines including performing ongoing monitoring of clients and their transactions;
  - (ii) where applicable, that it has conducted client due diligence measures in accordance with the requirements set out in applicable anti-money laundering and counter-terrorism financing and related “know-your-client” laws, regulations and requirements; and
  - (iii) to provide without delay any document, or a record of any data or information obtained in the course of carrying out client due diligence measures, upon request from overseas or local regulators or the Company; and
  - (iv) to indemnify and hold the Company harmless from and against all actual or contingent liabilities, claims, demands, losses, damages, taxes, costs,



charges and expenses of any kind which may be incurred or suffered by the Company in connection with or arising out of any breach of this Clause 19.2.

- 19.3      **Licenses and Authorisations:** Where either or both of Clauses 19.1 (*Client Identity Rule*) or 19.2 (*Reliance for Anti-Money Laundering and Counter-Terrorist Financing Measures*) apply to the Client, then, for so long as the Client maintains any Account with the Company and on the giving of each Instruction to the Company, the Client represents and warrants that it is, if required under Applicable Regulations, properly licensed and has obtained all necessary authorisations and approvals to act as such an intermediary and to provide such services to the Ultimate Clients.

## 20.      **Client's Obligations to Disclose Certain Interests**

- 20.1      **Disclosure:** The Client acknowledges that it is the Client's sole responsibility to discharge any obligations imposed on the Client by any Applicable Regulations to disclose interests of any nature (whether personal, corporate, family or otherwise) to any applicable Exchanges, regulatory authorities or other persons. The Client's attention is specifically drawn to the provisions of Part VII of the SFA, and the Securities and Futures (Disclosure of Interests) Regulations 2012. The Client acknowledges that it alone is responsible for complying or ensuring compliance with any duty or obligation arising as aforesaid, in respect of anything done, or which the Client requests to be done, on the Client's behalf by the Company. The Client confirms that it is aware of the provisions contained in the SFA and Applicable Regulations and that it will at all times observe, or ensure that they are observed, so as to not to cause the Company to breach the SFA and Applicable Regulations when the Company acts on the Client's Instructions.
- 20.2      **No Responsibility to Advise on Disclosure Obligations:** The Client acknowledges and agrees that the Company is not responsible for advising the Client of any disclosure obligations whether arising generally or as a result of any Transaction effected by the Company for the Client or of any holding of Investment Products or otherwise by or on behalf of the Client. Such obligations of disclosure are personal obligations of the Client. The Company shall not be obliged to give notice of holdings by or on behalf of the Client in any form or by any time limit save for any notice or statement to be issued by the Company as expressly set out in the Agreement. The Company shall not be liable for any loss, cost or expense of the Client arising from any failure or delay by the Client or any other person to disclose interests in accordance with any Applicable Regulations and the Client shall indemnify the Company for any loss, cost or expense arising from any such failure, delay or default which may be suffered or incurred by the Company.
- 20.3      **U.S. person:** The Client must advise the Company promptly if it (a) is a U.S. person, or (b) acquires or holds any Investment Products beneficially owned by, or operates any Account for, a U.S. person or in violation of any Applicable Regulations. Where the Client is or becomes a U.S. Person, the Company has the right to suspend or terminate any or all of its services provided to the Client under the Agreement with respect to any Investment Product. The Company also has the right to suspend or terminate the relevant Account. The Company is not liable for any losses, costs, fees or expenses of any kind the Client may incur or suffer in connection with such suspension or termination. Furthermore, the Company has the right to make or handle any tax reporting in relation to such Investment Product on the Client's behalf.

## 21.      **Rights and Remedies of the Company**

- 21.1      **Default:** Each of the following events shall constitute an **Event of Default**:

- (a) Where the Client or any guarantor or security provider of the Client's obligations under the Agreement becomes bankrupt or insolvent by reason of its inability to pay its debts as they fall due, enters into liquidation whether voluntarily or compulsorily, initiates or suffers the filing of a petition for its winding-up or similar action, becomes (voluntarily or involuntarily) the subject of any equivalent or analogous procedures under any law;
- (b) the Client (in the case of an individual) or any guarantor or security provider dies, or is judicially declared insane or incompetent, or (in the case of a corporate entity or partnership) is dissolved or enters into an arrangement or composition (including any voluntary arrangement, scheme of arrangement or otherwise) for the benefit of its creditors or assigns for the benefit of creditors generally or a class of such creditors or ceases or threatens to cease to make payment of its debts;
- (c) if, in the opinion of the Company, the Client or any guarantor or security provider breaches any term of the Agreement or any other agreement the Client has with the Company or any of the Company's Affiliates;
- (d) the Client or any guarantor or security provider of the Client's obligations under the Agreement defaults in a material way in performing obligations or discharging liabilities whether or not in respect of any Transaction (including the failure to pay any sum due to the Company);
- (e) any information supplied, or any representation or warranty given by the Client to the Company is or becomes incomplete or untrue in any aspect when made or repeated;
- (f) any warrant or order of attachment or distress or equivalent or analogous order is issued, or any judgment is levied, enforced or executed, against any of the Client's or any guarantor's or security provider's assets or any Account;
- (g) an encumbrancer takes possession or a receiver, judicial manager, liquidator, trustee or other similar officer is appointed in respect of any part of the Client's or any guarantor's or security provider's undertaking, assets or revenues or a distress, execution or other process is levied or enforced or sued out upon or against any property of the Client or any guarantor or security provider and is not removed, discharged or paid out in full within 7 days; or
- (h) an administrator, receiver, judicial manager, liquidator or similar officer is appointed or an administration order or other similar order is made with respect to the Client or any guarantor or security provider or the whole or any part of the Client's or any guarantor's or security provider's assets or business, or any application is made to any court for a debt moratorium in respect of any of them or for other similar order;
- (i) there is, without the prior written consent of the Company, a debit balance on any Account of the Client;
- (j) any breach by the Client or any guarantor or security provider of any Applicable Regulation, including any by-law, rule or regulation of any Exchange;

- (k) any consent, authorization or board resolution required by the Client or any guarantor or security provider to enter into the Agreement or any guarantee or security (as the case may be) being wholly or partly revoked, suspended, terminated or ceasing to remain in full force and effect;
- (l) any event or series of events which, in the sole opinion of the Company, has or is likely to have a Material Adverse Effect;
- (m) the Client assigns, or purports to assign the whole or any part of the benefit of any part of the Agreement;
- (n) any guarantee or security created or any part thereof in relation to the indebtedness, obligations or liabilities of the Client under the Agreement is or becomes avoided, discontinued, jeopardized or adversely affected, or there is any action commenced or any claim made by any person in respect of any asset or property comprised in such securities, or such assets and properties deteriorate, decline or depreciate in the market value thereof;
- (o) the Client or any guarantor or security provider sells all or a material proportion of its business or assets;
- (p) there occurs any change in the corporate structure, business, assets, financial or generation condition or prospect of the Client or any guarantor or security provider that, in the Company's sole opinion, has a Material Adverse Effect;
- (q) it is or becomes unlawful for the Client or any guarantor or security provider to perform any of its obligations under any Investment Products and/or the Agreement or any other agreement with the Company or any of its Affiliates;
- (r) the Company reasonably believes that any of the circumstances set out under Clause 21.1(a) to (s) above is imminent and the Company forms the view, in good faith, that the exercise of any or all of the remedies provided for in Clause 21.2 (*Remedies*) are necessary, desirable or expedient to protect or preserve the Company's rights or interests.

21.2 **Remedies:** Without prejudice to any other rights or remedies which the Company may have, if any Event of Default has occurred, then the Company may by notice in writing, inform the Client accordingly, and whereupon:

- (a) all amounts owing by the Client to the Company shall become immediately payable on demand, and interest will accrue, on the amounts outstanding from time to time in the manner specified in Clause 5.6 (*Interest*);
- (b) further performance by the Company of any of its outstanding obligations to the Client under the Agreement (whether for payment of money or otherwise) shall be conditional upon the Client having fully discharged all its obligations to the Company under the Agreement; and
- (c) the Company shall be entitled at its absolute discretion, without further notice or demand to or consent from the Client, to at any time and in any manner:
  - (i) terminate all or any part of the Agreement;

- (ii) enforce the Collateral;
- (iii) close or suspend any or all of the Accounts;
- (iv) appropriate, sell, realise, redeem, liquidate, transfer, set-off, dispose or otherwise deal with, in such manner as the Company in its absolute discretion may determine and at the Client's sole risk and cost and without incurring any liability on the part of the Company for any loss or damage incurred by the Client, all or part of any money, Charged Assets, Investment Products in any Account and other property of the Client held by the Company;
- (v) set-off, combine or consolidate any of the Client's accounts (of any nature) maintained with the Company (including the Accounts) or any Affiliate and any liabilities and obligations owing by the Company to the Client under the Agreement against any Liabilities of the Client. The Company is authorized to purchase with the money standing to the credit of any such account any other currency as may be necessary to effect such set-off or application;
- (vi) suspend or terminate all or any of the Company's services;
- (vii) cancel all or any open or unexecuted Instructions of the Client;
- (viii) revise, change, withdraw, stop or cancel any facilities, advances, credits or loans made or granted to the Client, or any part thereof respectively;
- (ix) demand payment, repayment, discharge, satisfaction, performance or fulfilment of the amount, interest, sum, moneys or funds owing by the Client to the Company or its Affiliates;
- (x) cancel any or all open orders or any other commitments made on the Client's behalf;
- (xi) close any or all Contracts between the Company and the Client, and take delivery on behalf of the Client;
- (xii) exercise any Contracts held by the Company on behalf of the Client;
- (xiii) cover any short position through the purchase and/or borrowing of Investment Products;
- (xiv) where applicable, buy the Investment Products previously sold as a short sale in any Account;
- (xv) liquidate any long position with the Company through the sale, realisation, redemption, transfer or disposal of Investment Products; and/or
- (xvi) close-out or liquidate any part or all of the Client's open positions in any Investment Product in any Account at any price or on any terms as the Company shall determine in its absolute discretion.

- 21.3 **Application of Proceeds:** The Company may at its absolute discretion apply the net proceeds (after deduction of all fees, costs and expenses incurred in connection with the exercise of the powers conferred upon it by the Agreement (including, without limitation, this Clause 21 (*Rights and Remedies of the Company*))) actually received by the Company in satisfaction of the Client's then outstanding Liabilities in such order or manner as the Company considers fit.
- 21.4 **Absolute Discretion:** The Company shall have absolute discretion in all matters relating to the exercise of its rights conferred upon it by the Agreement (including, without limitation, this Clause 21 (*Rights and Remedies of the Company*))), and may appropriate, sell, realise, redeem, liquidate, transfer, set-off, dispose or otherwise deal with any Investment Products or other assets of the Client on a single or collective basis at any time and any manner as the Company sees fit.
- 21.5 **Deficit:** The Client shall be liable for any Deficit that may exist after the Company has exercised its rights under the Agreement, and any related cost and expense (including legal costs on a full indemnity basis) incurred by the Company. The Client shall immediately pay to the Company on demand an amount equal to such Deficit together with the Company's cost of funding such amount and interest at the rate determined by the Company from time to time, from the date of demand up to and including the date on which the Company receives actual and unconditional payment in full (after as well as before any judgment).
- 21.6 **Debt Collection Agents:** The Company shall be entitled at any time and from time to time to employ debt collection agents to collect any sum due but unpaid by the Client in connection with the Agreement and in doing so, the Company is authorised by the Client to disclose to such agents any or all personal and other information in relation to the Client, its Authorized Persons, the Accounts and the Transactions, and the Company shall not be howsoever liable or responsible (whether in contract or tort) for such disclosure or for any default, negligence, act, conduct, misconduct and/or deeds of such agent(s). The Client shall indemnify and keep indemnified the Company and its officers, employees and agents on a full indemnity basis against all reasonable costs and expenses which the Company may reasonably incur in employing debt collecting agent(s) and in closing any Account.
- 21.7 **Close Out:** In terms of any close-out or liquidation of the Client's positions in Clause 21.2 (Remedies) of the Terms, Clause 11.2 (Remedies) of Appendix VII (Futures Trading) or elsewhere in the Agreement:-
- (a) the Company shall not bear any liability of any related losses irrespective of the way of incurrence;
  - (b) the Company is entitled to sell or dispose of any Investment Products or any part hereof to the Company or its Affiliates, without any liability of any related losses irrespective of the way of incurrence or to make any account of the benefits obtained by the Company and/or its Affiliates; and
  - (c) if the proceeds from the close-out are insufficient to make up for the amount owed by the Client to the Company, the Client shall immediately pay all remaining amounts due or owing to the Company.

## 22. **Liabilities and Indemnities**

- 22.1 **Exclusion of Liability:** The Client agrees that neither the Company nor its Affiliates nor any of their respective directors, employees or agents shall be liable for any claims, suits, actions, proceedings, losses, damages, obligations, liabilities, costs, fees and expenses which the Client

may incur arising out of or in connection with the Transactions or the Agreement (including those resulting from Transactions executed by any brokers and dealers appointed by the Company, the exercise of any rights of any third party specified in Clause 5.1 (*Instructing Brokers*), or by reason of market conditions or other circumstances specified in Clause 5.3 (*Execution of Instructions "at best" or "at market"*) or Clause 27 (*Force Majeure*) hereof), unless due to the gross negligence, fraud or wilful default of the Company, its Affiliates or any of their respective directors, employees or agents. Without prejudice to the generality of the above, the Company shall not be liable for any taxes (including any withholding tax), duties, levies or imposts arising out of or in connection with any Transactions effected by the Client

22.2 **General Indemnity:** The Client shall indemnify and keep indemnified the Company and its Affiliates and their respective officers, employees and agents from and against any and all liabilities, obligations, losses, damages, penalties, actions, claims, proceedings, judgments, suits, costs, legal expenses (on a full indemnity basis) and other expenses and disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Company and its Affiliates or any of their respective officers, employees and agents in connection with performing its services under the Agreement or as a result of the default or breach by the Client of its obligations under any provision of the Agreement, unless due to the gross negligence, fraud or wilful default of the Company or its Affiliates or any of their respective officers, employees or Affiliates and only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely therefrom.

22.3 **Further Indemnity:** Without prejudice to the generality of Clause 22.2 (*General Indemnity*), (i) the Company shall not be liable for, and (ii) the Client shall indemnify the Company and its Affiliates and their respective officers, employees and agents, on demand at all times, from and against, any and all liabilities, obligations, losses damages, penalties, actions, claims, proceedings, judgments, suits, costs, legal expenses (on a full indemnity basis) and other expenses and disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Company and its Affiliates or any of their respective officers, employees and agents in connection with:

- (a) any claim by a purchaser or any other person by reason of any defect in the title of the Client to any Investment Products or other assets;
- (b) any defect in ownership or title of any Investment Products purchased, sold, held or otherwise dealt with by the Company on the Client's behalf;
- (c) the Company accepting, relying and/or acting on the Instructions referred to in Clause 2.8 (*Instructions Given by Client's Authorized Person(s)*);
- (d) the Company acting upon any Instructions given or purported to be given by or on behalf of the Client by any means selected by the Client;
- (e) the Company acting on any Instruction to effect a Transaction in the circumstances described in Clause 5.10 (*Prices*);
- (f) the Client's failure to meet its obligations for settlement of Transactions by the applicable settlement dates or to pay any other sum due to the Company under the Agreement; and/or

- (g) the exercise by the Company of any of its rights and powers conferred by the Agreement, whether in relation to the timing or manner of the exercise of such rights or powers or otherwise;
- (h) any IPO Loan (as defined in Appendix II (*Initial Public Offering*)) and/or Application (as defined in Appendix II (*Initial Public Offering*));
- (i) collecting debts from the Client;
- (j) closing the Accounts;
- (k) any representation or warranty given by the Client being untrue; or
- (l) Investment Products which are legally due to be but not yet credited to the relevant Account.

- 22.4 **Reliability of Information:** To the maximum extent permitted by Applicable Regulations, all information, whether prepared by the Company or a third party service provider (such as market data and quotation services) provided to the Client under the Agreement, whether through electronic means (including the Electronic Services) or otherwise, are provided on an "as is" and "as available" basis and is for general information only. The Client agrees that while the Company endeavours to ensure the accuracy and reliability of such information, the Company does not warrant the accuracy, reliability, timeliness, completeness or correct sequencing of any such information and the Company will not bear any liability for any loss arising from any inaccuracy, omission or incompleteness of the information or any reliance on such information.
- 22.5 **Investor Compensation Fund:** If the Company or any of its officers, employees or Affiliates fails to meet its obligations to the Client under the Agreement, the Client acknowledges and accepts that its right to claim compensation (i) under the Fidelity Fund established pursuant to the SFA is restricted to the extent provided in the SFA, and (ii) in any Market outside Singapore is subject to Applicable Regulations of or in the relevant Market.
- 22.6 **FIDReC:** The Client is advised of its right to refer a dispute to FIDReC where, in the reasonable opinion of the Client, the Company has failed to remedy the Client's complaint in a reasonable period of time. The Client may lodge a written complaint to FIDReC through the website at [www.fidrec.com.sg](http://www.fidrec.com.sg) or reach FIDReC at (65) 6327 8878 or [info@fidrec.com.sg](mailto:info@fidrec.com.sg).
- 22.7 **Tax:** The Client is responsible for any applicable taxes payable or to be withheld in respect of any Investment Products or services provided hereunder in accordance with the maximum rate by law or any other rate as the Company determines from time to time. The Company or any of its nominees or Affiliates is not liable for any such taxes. If the Company determines that any taxes in respect of any income, interest, proceeds, dividend or distribution credited to the Account should have been paid or withheld, the Company is entitled to collect from the Client and the Client agrees to pay to the Company the amount to be paid or withheld.
- 22.8 **Unlawful Exclusion:** Notwithstanding anything to the contrary in the Agreement, the Company does not exclude or limit in any way its liability to the Client where it would be unlawful to do so.

## 23. Company's Interests

- 23.1 **Company's Material Interests in a Transaction:** When effecting any Transaction for the Client, the Company and/or any of its nominees or Affiliates may have an interest, relationship or arrangement that is material in relation to the Transaction or the Investment Products concerned and, subject to any Applicable Regulations, neither the Company nor its nominees or Affiliates are obliged to disclose to the Client such interest, relationship or arrangement (including the nature or extent thereof). The Client agrees that the Company may, notwithstanding any such interest, relationship or arrangement, effect Transactions for the Client with or through any of its nominees or Affiliates, and the Company or any of its nominees or Affiliates may:
- (a) be the counterparty as principal for its own account in respect of any Transactions effected for the Client;
  - (b) effect Transactions in circumstances where it has a position in the Investment Products or acts as underwriter, sponsor or otherwise of the relevant Investment Products;
  - (c) take the opposite position to the Client's orders whether the position is on the Company's own account or on behalf of its other clients; or
  - (d) match the Client's orders with those of its other clients.
- 23.2 **No Claim to Profit:** In the absence of fraud or wilful misconduct on the part of the Company or any of its nominees or Affiliates, the Company shall not be liable to the Client for any claims by the Client against the Company or any of its nominees or Affiliates in relation to any Transaction referred to in Clause 23.1 (*Company's Material Interest in a Transaction*) including any claim to account for any emoluments, commissions, profits or any other benefits whatsoever earned or received by the Company or any of its nominees or Affiliates in connection with such Transaction.
- 23.3 **Company may Trade for Own Account:** Nothing contained in the Agreement shall be deemed to prohibit or inhibit the Company from (a) acting in any capacity for any other person, or (b) buying, holding or dealing in any Investment Products for its own account notwithstanding that similar Investment Products may be comprised in the Account, or (c) purchasing, for the Account, Investment Products held by the Company for its own account or purchasing, for the Company's own account, Investment Products forming part of the Account, provided that in each case the terms of such purchase are no less favourable to the Client than they would have been had the Transactions been entered into at arm's length at the time. The Client acknowledges that the Company, its directors and/or employees may trade on its/ their own account or on the account of any of its Affiliates subject to any Applicable Regulations.
- 23.4 **No Duty to Disclose:** Nothing contained in the Agreement shall place the Company under any duty to disclose to the Client any fact or thing which comes to its notice in the course of acting in any capacity for any other person unless such disclosure is required by Applicable Regulations.
- 23.5 **Company's Other Interests:** The Client consents that, without prior notice from the Company, when the Company executes Transactions on behalf of the Client, on any Exchange or Market anywhere in the world, the Company, its directors, officers, employees, agents, and/or any floor broker may buy or sell for an account in which any such person has a direct or indirect interest, subject to the limitations and conditions, if any, contained in the Rules of the Exchange upon which such transactions are executed.
- 23.6 **Potential Conflict:** The Company and its Affiliates are engaged in the provision of a wide range of financial services and other related businesses. As a result, the Company may have a material



interest or an arrangement or a relationship of any type with another party which would involve a conflict with its duty owed to the Client. The Client acknowledges the existence of such potential conflict of interest and agrees that the Agreement will not preclude the Company from conducting its businesses as aforesaid. The Company shall take reasonable steps to ensure fair treatment for the Client in relation to any transactions involving potential conflict of interest.

24. **Execution Only**

The Client agrees and accepts that the Company provides the Client with solely **execution only** services for and with respect to all the Client's Transactions with or through the Company. For any Transaction that the Client enters into with or through the Company, the Client accepts and agrees to the following, and the Company shall be entitled to rely on the Client's acceptance of the following:

- (a) such transaction is entered into by the Client solely at its own risk and request of the Client and is based on its own judgment;
- (b) the Client is fully aware of and understands the nature, terms and risks of such transaction;
- (c) the Company is not required to assess or advise on the suitability of such transaction for the Client;
- (d) the Client has considered its own circumstances, including but not limited to its financial situation, ability to assume the risks of such transaction and bear the potential losses from trading in such Investment Products, investment experience and investment objectives;
- (e) where necessary, the Client shall seek independent professional advice concerning such transaction;
- (f) the Company does not provide advisory services to the Client and therefore does not assume any advisory duty of care or obligation in relation to such transaction; and
- (g) unless caused by the Company's wilful misconduct or negligence, the Company is not liable for any loss (including indirect or consequential loss), cost or damage of any kind incurred or suffered by the Client or any other person with respect to any such transaction.

25. **Single and Continuous Agreement**

The Agreement and all its amendments shall be continuous, and shall apply to each and all of the Accounts and Transactions individually and collectively. The Client acknowledges that all Transactions executed by the Company for the Client shall be executed by the Company in reliance upon the representations and warranties given by the Client to the Company in Clause 17 (*Client's Representations, Warranties and Undertakings*) hereof as if they were repeated before each such Transaction.

26. **Termination**

- 26.1 **Termination by Notice:** Either party may terminate the Agreement at any time by giving to the other party at least 5 Business Days' notice in writing.

- 26.2 **Termination by the Company:** The Company may terminate the Agreement at any time with immediate effect:
- (a) upon the occurrence of an Event of Default;
  - (b) upon the occurrence of an event which, in the sole opinion of the Company, might jeopardize any of the rights of the Company under the Agreement, including the occurrence of any market conditions adverse to the Company; or
  - (c) if it is or becomes unlawful for the Company to provide any of its services under the Agreement.
- 26.3 **Overriding Right:** Notwithstanding anything to the contrary, the Company may, without giving any notice or reason, suspend for any period of time, the operation of the Agreement or any of the services provided under the Agreement (including any Account).
- 26.4 **Effect of Termination:** Upon termination of the Agreement for any reason, all amounts due or owing by the Client to the Company shall become immediately due and payable. The Company shall cease to have any obligation to effect any Transaction on behalf of the Client and shall be entitled to cancel all or any unexecuted Instructions of the Client, notwithstanding any Instructions from the Client to the contrary. Termination shall not affect the actions taken by the Company, an Affiliate or any third party under the Agreement prior to the termination.
- 26.5 **Return of Client Assets:** Any cash proceeds and monies remaining after satisfaction of all Liabilities of the Client shall be returned to the Client as soon as practicable at the Client's sole risk and expense. Any Investment Products or other assets of the Client which are not realised or disposed of together with any relevant documents of title in the Company's possession shall be delivered to the Client at the Client's sole risk and expense. The Company shall have no liability for any loss or damage incurred by the Client arising from such return and delivery. The Client may, by notice to the Company, elect to forfeit any such cash proceeds, monies, Investment Products and other assets.
- 26.6 **Rights Accumulative:** The suspension or termination of any of the Company's services or the Agreement shall be without prejudice to the Company's rights and remedies in respect of any obligations or liabilities of the Client including the Company's right to settle any Transactions entered into or liabilities incurred by or on behalf of the Client under the Agreement prior to such suspension or termination, and shall not affect any of the rights of the Company over any of the Client's property in the possession or control of the Company whether the same be held for safe custody, margin or otherwise and whether pursuant to the Agreement (in particular Clause 21 (*Rights and Remedies of the Company*)) or otherwise so long as there is any outstanding liability of the Client to the Company.
- 26.7 **Client's Continuing Obligations:** Notwithstanding the suspension or termination of any of the Company's services or the Agreement, the Client shall continue to be bound by the provisions of the Agreement to the extent that they relate to any obligations or liabilities which remain to be performed or discharged. Termination shall not terminate or affect any warranties, promises, statements, declarations, commitments, and indemnities made by the Client under the Agreement or in relation to any Investment Product.

27. **Force Majeure**

The Company shall not be liable for any loss sustained by the Client, whether directly or indirectly, if it is prevented from acting as a direct or indirect result of any government restrictions, imposition of emergency procedures or suspension of trading by any relevant Exchange, Clearing House or Market, any breakdown or failure of transmission, communication or computer facilities, civil disorder, acts or threatened acts of terrorism, natural disasters, pandemic or epidemic, war, riot, strikes, embargo, expropriation, currency restrictions, or other circumstances beyond its control.

28. **Combination, Consolidation and Set-Off**

28.1 **Combine and Consolidate Accounts:** Without prejudice to any other rights and remedies available to the Company (at law or under the Agreement), the Company shall be entitled and is authorized by the Client to, for itself or as agent for its Affiliates, combine and consolidate at any time without notice to the Client any or all of the Client's Accounts (of whatever nature), in order to set-off, transfer or apply monies, Investment Products or other property in such Accounts to settle the Liabilities of the Client. When such combination, consolidation, set-off or transfer requires the conversion of one currency to another, such conversion shall be at a rate of exchange determined conclusively by the Company on the basis of the then prevailing exchange rates in the relevant market. For the foregoing purposes, the Client authorizes the Company and its Affiliates to share any and all data regarding such Accounts with one another, to the extent permitted by Applicable Regulations.

28.2 **Withdrawal from Accounts:** The Client may give Instructions to the Company to withdraw or transfer any monies, Investment Products or other property in the Client's Accounts. Where any of such Accounts is maintained with the Company, the withdrawal or transfer shall be made by the Company subject to and in accordance with the Agreement. Where any of such Accounts is maintained with the Company's Affiliates, the Client acknowledges and agrees that the withdrawal or transfer shall be made by the respective Affiliate, subject to and in accordance with the terms and conditions that the Client has entered into with such Affiliate, and that the Company shall be under no obligation to procure the withdrawal or transfer of any monies, Investment Products or other property held in the Accounts.

29. **Communications and Notices**

29.1 **Communications to the Client (in writing):** Unless otherwise specified in the Agreement, any communication or notice required to be given by the Company to the Client in writing shall be addressed to the Client's last known address, facsimile number or email address (as the case may be) or via electronic means (including via the Electronic Services), and shall be deemed to have been received by the Client (i) 72 hours after posting if delivered by mail, it being sufficient to prove that the communication or notice was properly addressed and posted, or (ii) immediately if delivered by facsimile, email or via electronic means (including via the Electronic Services).

29.2 **Communications to the Client (telephone):** Unless otherwise specified in the Agreement, any communication or notice not required to be in writing may be made by the Company to the Client by way of a telephone call to a phone number known by the Company to belong to the Client, and shall be deemed to have been received by the Client immediately after the conclusion of the telephone call. Any such communication or notice shall not be considered to be validly received by leaving a message on an answering service associated with the Client's phone number.

29.3 **Communications to the Company (in writing):** Any communication or notice required to be given by the Client to the Company in writing shall be addressed to the Company's last known

address, facsimile number or email address, and shall be deemed to have been received by the Company (i) 72 hours after posting if delivered by mail, it being sufficient to prove that the communication or notice was properly addressed and posted, or (ii) immediately if delivered by facsimile or email.

29.4 **Communications to the Company (telephone):** Unless otherwise specified in the Agreement, any communication or notice not required to be in writing may be given by the Client to the Company by way of a telephone call to a phone number provided by the Company to the Client, and shall be deemed to have been received by the Company immediately after the conclusion of the telephone call. Any such communication or notice shall not be considered to be validly received by leaving a message on an answering service associated with the Company's phone number.

29.5 **Recording:** The Client consents to the recording of all conversations and communications between the Company and the Client and/or its Authorised Persons and to the Company's use of such recordings at any proceedings at its reasonable discretion.

30. **Time of the Essence**

Time shall be of the essence in respect of the performance of all of the Client's obligations in connection with the Agreement. If any document sent by the Client to the Company concerning the Account or any order made by the Company is for any reason undated, the time and date as shown on the time stamp of the Company, as imprinted on such document at the time of its receipt by the Company, shall be conclusive evidence of the date of such document.

31. **Automatic Postponement**

The parties agree that if any day on which the Company has agreed or obliged to do, take or conduct any matter, action or Transaction (the "**Action Date**") shall fall on a day which is not a Business Day, the Action Date shall automatically be postponed to the next Business Day.

32. **Severability**

Each of the provisions of the Agreement is severable and distinct from the others. Any provision of the Agreement which is illegal, invalid or unenforceable for any reason in any jurisdiction shall be ineffective only to the extent of such illegality, invalidity or unenforceability and shall not affect the legality, validity or enforceability of the remaining provisions or the legality, validity or enforceability of such provision in any other jurisdiction.

33. **Assignment**

The Client shall not assign or transfer its rights and/or obligations under the Agreement, the Accounts or any Investment Product without the prior written consent of the Company. The Company may assign or transfer any of its rights and/or obligations under the Agreement without the prior consent of the Client.

34. **Successors and Assigns**

34.1 **Successors and Assigns:** The Agreement shall ensure for the benefit of the Company, its successors and assigns notwithstanding any absorption or amalgamation of the Company by or with any other person. The Agreement shall be binding upon the Client and its heirs, executors, administrators, personal representatives, successors and permitted assigns, as the case may be.

- 34.2 **Survival:** The Agreement shall survive any changes or succession in the Client's business and shall be binding in the case of a partnership or firm upon the partners jointly and severally and upon their personal representatives and in the case of an individual upon his personal representative, receiver or trustee whether in bankruptcy or otherwise.

35. **Miscellaneous Provisions**

- 35.1 **Notification:** The Company shall notify the Client promptly of any material changes to the name, address or licensing information relating to the Company or the Company's services, interest charges, fees and other charges provided in or in connection with the Agreement.
- 35.2 **Amendments:** The Company may, from time to time and at its discretion, amend, delete or substitute any of the terms of the Agreement or add new terms to the Agreement by notifying the Client and setting out such amendment, deletion, substitution or addition. These changes shall be deemed to have been incorporated in the Agreement and shall be binding on the Client upon the earlier of (a) the Client's continued use of any service provided under the Agreement or (b) 7 days from the date of such notice. If the Client does not agree to such changes, the Client must discontinue operating the Accounts and/or utilising any services provided under the Agreement and shall raise its objections with the Company in writing within 7 days from the date of such notice.
- 35.3 **Complaints:** Any complaint about the Company shall be made in writing and addressed to the Company. The Client agrees to provide the customer services officer with all such information as he may reasonably request to enable him to investigate the complaint. The Client may contact the Company via [clientservice@sg.moomoo.com](mailto:clientservice@sg.moomoo.com).
- 35.4 **Fraud:** If the Client suspects that there has been any fraud or unauthorized access to any of the Accounts, the Client shall notify the Company immediately by calling its anti-fraud hotline +65 6439-1100 or such other telephone numbers that the Company notifies the Client from time to time.
- 35.5 **Rights Accumulative:** The rights, powers, remedies and privileges of either party under the Agreement are cumulative and not exclusive of any other rights, powers, remedies and privileges provided by law or by any other agreement.

36. **Submission to Rules and Regulations**

- 36.1 **General:** Every Transaction executed on the relevant Exchange, Clearing House or Market will be subject to any transaction charges, taxes, levies or other fees imposed by such Exchange, Clearing House or Market from time to time which shall be borne by the Client.
- 36.2 **Applicable Regulations:** The Agreement shall be subject to the SFA and any other Applicable Regulations. For avoidance of doubt, nothing in the Agreement shall require the Company and/or its Affiliates to act in breach of Applicable Regulations.
- 36.3 **SGX-ST:** In respect of Transactions effected on SGX-ST:
- (a) the Rules of SGX-ST shall be binding on the Client and the Company and shall prevail in the event of any conflict between the Rules and the Agreement;
  - (b) every Transaction executed on SGX-ST will be subject to a transaction charge which shall be borne by the Client; and

- (c) every Transaction executed on SGX-ST will be subject to other levies SGX-ST may impose from time to time which shall be borne by the Client.
- 36.4 **SGX-DT:** In respect of Transactions effected on SGX-DT:
  - (a) the Rules of SGX-DT shall be binding on the Client and the Company and shall prevail in the event of any conflict between the Rules and the Agreement;
  - (b) every Transaction executed on SGX-DT will be subject to a transaction charge which shall be borne by the Client; and
  - (c) every Transaction executed on SGX-DT will be subject to other levies SGX-DT may impose from time to time which shall be borne by the Client.
- 36.5 **Foreign Markets:** In respect of Transactions effected in any Market outside Singapore, the Rules of the relevant Exchange, Clearing House or Market shall be binding on the Client and the Company and shall prevail in the event of any conflict between the Rules and the Agreement. Every Transaction executed on any Market outside Singapore will be subject to a transaction charge and such other levies imposed from time to time by the relevant Exchange, Clearing House or Market which shall be borne by the Client.
- 36.6 **Duty to Report:** The Client acknowledges that immediately upon the occurrence or the discovery of the occurrence of any material breach, infringement or non-compliance of market misconduct provisions set out in any Applicable Regulations, the Company and/or its Affiliates may have a duty to report to relevant authorities or persons (including the Singapore Regulators), giving particulars of the suspected breach, infringement or non-compliance and providing all relevant information and documents. The Client agrees that nothing in this Agreement shall constrain the Company from fulfilling any such duty (whether or not the reporting relates to the Client) and shall not hold the Company or its Affiliates liable for any consequences arising from such reporting.
- 37. **Confirmation and Independent Advice**
  - 37.1 **Confirmation:** The Client confirms that it has read and understood the Agreement, and that the Client agrees to be bound by the Agreement.
  - 37.2 **Independent Advice:** The Client agrees that it is the Client's responsibility to seek independent advice (including legal advice) in respect of any Transaction from its own advisers as it considers appropriate, in particular:
    - (a) for the purposes of Appendix II (*Initial Public Offerings*), the Client acknowledges that the Company has invited the Client to seek independent legal and other professional advice in respect of each Application and it is the sole responsibility of the Client for obtaining such advice as it considers appropriate; and
    - (b) for the purposes of Appendix II (*Initial Public Offerings*), regarding each IPO Loan, the Client acknowledges that the Company has invited the Client to seek independent legal and other professional advice in respect of each IPO Loan and it is the sole responsibility of the Client for obtaining such advice as it considers appropriate.
- 38. **Indulgence**

- 38.1 **Indulgence:** No failure or delay on the Company's part to exercise any power, right or remedy which the Company may have shall operate as a waiver thereof. The Company's failure to insist at any time upon strict compliance with the Agreement or with any of its terms or any continued course of such conduct on the Company's part shall in no event constitute or be considered a waiver generally or specifically by the Company of any of its rights or privileges unless such waiver is in writing and signed by the Company.
- 38.2 **Prior Demand:** No prior tender, demand for original or additional margin or call of any kind from the Company, or prior outstanding demand or call from the Company, or notice of the time and place of such sale or purchase shall be considered a waiver of the Company's right to sell, buy or close out any positions, or realize any Client's Investment Products or Charged Assets, at any time as provided in the Agreement.

39. **Governing Law, Jurisdiction and Dispute Resolution**

- 39.1 **Governing Law:** The Agreement and all rights, obligations and liabilities of the parties shall be governed by and construed in accordance with the laws of Singapore.
- 39.2 **Jurisdiction:** The courts of Singapore have exclusive jurisdiction to settle any dispute arising out of or in connection with the Agreement (including any dispute regarding the existence, validity or termination of the Agreement) (a "**Dispute**"). The parties agree that the courts of Singapore are the most appropriate and convenient courts to settle Disputes and accordingly, no party shall argue to the contrary. Notwithstanding the aforesaid, the Company shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by Applicable Regulations, the Company may take concurrent proceedings in any number of jurisdictions.
- 40.3 **Notice of Legal Process:** The Client agrees that the Company may serve any notice of legal process by delivering it by hand or by post to the last known address of the Client in the Company's records and such service shall be deemed to be good and effectual service on the Client notwithstanding that it is returned undelivered. If the Client does not have a place of business or is not a resident in Singapore, the Client may be required by the Company to appoint a person as the Client's process agent in Singapore to receive and acknowledge on the Client's behalf service of any notice of legal process in Singapore. The Client agrees that any legal process shall be deemed to have been sufficiently served on it if delivered to such process agent at the address specified by the Client. If the Client is required to appoint a process agent, and for any reason any person ceases to act as process agent, the Client shall promptly appoint a successor process agent and notify the Company in writing of such appointment. If the Client fails to give the details of its process agent, the Client irrevocably authorises the Company to appoint the process agent on its behalf and at the Client's costs. The Company shall promptly notify the Client of such appointment with the details of such agent in writing. The foregoing shall not however preclude the Company from effecting service of process in any other manner permitted under any Applicable Regulations.
- 40.4 **Rights of Third Parties:** Unless expressly stated otherwise in the Agreement, nothing in the Agreement is intended to grant to any third party any right to enforce any term of the Agreement or to confer on any third party any benefits under the Agreement for the purposes of the Contracts (Rights of Third Parties) Act 2001.

## Appendix I: Margin Financing

This Appendix governs the Company's provision of services in relation to SMF Facilities (as defined below). It supplements, and should be read together with, the Terms and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time. It forms an integral part of the Agreement.

### 1. Definitions and Interpretation:

- 1.1 **Definitions:** In this Appendix, the following expressions, unless the context requires otherwise, shall have the following meanings:

**"Eligible Securities"** means such Investment Products which are determined by the Company at its sole discretion to be acceptable for the purpose of forming the Margin;

**"Margin"** means the monies and Eligible Securities which are or shall at any time hereafter be required by the Company in its sole discretion or as required under Applicable Regulations, to be paid to, deposited with, transferred or caused to be transferred to, or held by, the Company or its nominee or Affiliate as security for the SMF Facilities;

**"Margin Call"** has the meaning given to it in Clause 3.1 (*Margin Call*) of this Appendix;

**"Margin Percentage"** means such percentage of the market value of the Eligible Securities (as determined by the Company in its sole discretion) up to which the Client is permitted to borrow (or otherwise secure other forms of financial accommodation) from the Company against the Margin; and

**"SMF Facilities"** means the revolving credit facilities to be made available from time to time by the Company to the Client subject to the provisions of the Agreement and the specific terms agreed between the Company and the Client from time to time, and includes all amounts debited to the Margin Account.

### 2. Securities Margin Financing Facilities

- 2.1 **Purpose:** The purpose of the SMF Facilities is to finance the acquisition or holding of Investment Products (that are acceptable to the Company), by the Client through its Margin Account from time to time.
- 2.2 **Limits and Discretion:** The facility limit of the SMF Facilities shall be such amount as determined by the Company from time to time when and only when the Client utilises the SMF Facilities. The Company may, at its absolute discretion and at any time, give notice to the Client to increase or decrease the facility limit of the SMF Facilities, to cancel or terminate the SMF Facilities, to refuse to make any advance under the SMF Facilities (whether or not its facility limit has been exceeded) and to demand immediate payment of all moneys and sums, whether principal, interest or otherwise, then owing by the Client to the Company in respect of the SMF Facilities.
- 2.3 **Amount Due:** A certificate issued by the Company stating the amount at any particular time due and payable by the Client to the Company under the SMF Facilities shall, in the absence of manifest error, be conclusive and binding against the Client.
- 2.4 **Settlement:** The Company is authorised to draw on the SMF Facilities to settle any amount due to the Company in respect of the Client's purchase of Investment Products and any related commissions, costs and expenses.



### 3. **Margin**

- 3.1 **Margin Call:** The Client shall monitor and maintain at all times, sufficient Margin to meet any margin requirement (whether imposed by an Exchange, Clearing House or regulator under Applicable Regulations and additionally, by the Company) and, on demand from the Company, make payments or deposits of additional Margin in such amount, form, manner and time limit as the Company in its absolute discretion considers to be necessary to provide adequate security in respect of the Margin Percentage and the SMF Facilities ("**Margin Call**").
- 3.2 **Amounts:** The amounts required by way of Margin should not be less than, but may exceed, the amounts as may be required by Applicable Regulations.
- 3.3 **Notice:** The Client agrees that a Margin Call shall be deemed properly made after the Company has given notice to the Client of such Margin Call in accordance with Clause 29 (*Communications and Notices*) of the Terms. For the avoidance of doubt, the onus is not on the Company to notify the Client of the Client's failure to maintain sufficient Margin. If the Client fails to maintain sufficient Margin to meet any margin requirements required or to respond to a Margin Call within the period specified by the Company, the Company is entitled to, without further notice or demand to the Client, take any action specified in Clause 3.5 (*Failure to Meet Margin Requirements*) of this Appendix.
- 3.4 **Payments and Deposits of Margin:** Payments and deposits of Margin must:
- (a) in the case of monies, be paid in accordance with Clause 11.5 (*Payment in Full*) of the Terms; and
  - (b) in the case of Eligible Securities, be legally and beneficially owned by the Client and which the Client has good right and title to deposit, and which are and will remain free from any lien, charge or Encumbrance of any kind.
- 3.5 **Failure to Meet Margin Requirements:** The Client agrees that any failure to maintain sufficient Margin at any time or any failure to meet a Margin Call within the period specified by the Company shall constitute an Event of Default and, upon the occurrence of such event, the Company shall inform the Client in writing, and thereafter at its absolute discretion, take any one or more of the actions specified in Clause 21.2 (*Remedies*) of the Terms, which will include closing-out or liquidating all or any part of the Client's position in any Account at any time, in any manner and at any price or terms as the Company shall determine. The Client further agrees that:
- (a) it shall be liable for any Deficit that may arise from such liquidation or action taken by the Company under Clause 21.2 (*Remedies*) of the Terms and shall, pursuant to Clause 21.5 (*Deficit*) of the Terms, pay to the Company an amount equal to such Deficit together with any other costs and expenses incurred by the Company in connection with any action taken or Transaction effected by the Company pursuant to this Clause;
  - (b) neither the Company, its Affiliates nor any of its respective directors, employees or agents shall be liable for any loss sustained by the Client in connection with any action taken or Transaction effected by the Company pursuant to this Clause (irrespective of the manner of incurrence), including where the Company initially delays in effecting, but subsequently effects, such close-out or liquidation; and

- (c) to the extent applicable, Clause 21.7 (*Close Out*) of the Terms shall apply to this Clause.

3.6 **Continuing Security:** The Margin shall form part of the Collateral as a continuing security in favour of the Company for the payment and satisfaction of all Liabilities due or owing by the Client to the Company under the SMF Facilities or otherwise.

#### 4. **Operation of SMF Facilities**

4.1 **Collateral:** For the avoidance of doubt, where the Company grants any SMF Facilities to the Client, the Collateral shall (without the need for any other documentation signed by the Client but subject in all respects to Clauses 16.1 (*Charge*), 16.9 (*Client's Covenants*) and 17.11 (*Further Assurance*) of the Terms) also secure Liabilities arising from or in connection with such SMF Facilities.

4.2 **Interest:** Interest shall accrue on all outstanding amounts under the SMF Facilities in accordance with Clause 5.6 (*Interest*) of the Terms.

4.3 **Refusal to Withdraw:** For so long as any Liabilities remains outstanding to the Company, the Company shall be entitled to refuse any withdrawal of any or all of the Margin.

4.4 **Termination:** The SMF Facilities will be terminated upon the occurrence of any one or more of the following events:

- (a) the revocation of the Client's standing authority referred to in Clause 5.1 (*Standing Authority*) of this Appendix;
- (b) the non-renewal of such standing authority upon its expiry or when called upon to do so; or
- (c) any termination in accordance with the Terms, and any notice of termination for that purpose shall be deemed to be a notice of termination of the SMF Facilities.

#### 5. **Dealing with Margin**

5.1 **Standing Authority:** The Company shall neither deposit nor lend the Margin against loans or advances made to it for any purpose, except with the specific written authority of the Client. Pursuant to Clause 3.1 (*Standing Authorities*) of the Terms, the Client has agreed to give such specific written authority to the Company.

5.2 **General Exception:** Notwithstanding Clause 5.1 (*Standing Authority*) of this Appendix, the Company is authorised by the Client to deposit the Client's Margin with any relevant Clearance System, the Company's nominee, or other entity pursuant to Clause 10 (*Custody and Safekeeping of Investment Products*) of the Terms, and to deal with the Client's Margin in any manner as the Company considers appropriate for the purpose of enforcing the Margin created under this Appendix (including any sale of any Collateral permitted by this Appendix to realise monies to make any payment due from the Client to the Company pursuant to the Agreement).

5.3 **Re-charging:** The Client acknowledges and agrees that the Company may charge the Margin to any other person as collateral for financial accommodation provided to the Company by such other person upon obtaining the written authorization from the Client.

- 5.4 **Third Party Lien:** If the Margin is lent to or deposited with third parties, those third parties will have a lien or charge on the Margin. Although the Company is responsible to the Client for such Margin lent or deposited under the Client's authority, a default by the third party could result in the loss of such Margin).
- 5.5 **Margin Account vs Securities Account:** A Securities Account, in contrast to a Margin Account, does not involve SMF Facilities. If the Client does not require SMF Facilities or does not wish for the Margin to be lent or charged by the Company, the Client should not sign the relevant standing authorities and should not ask the Company to open a Margin Account.

## Appendix II: Initial Public Offerings

This Appendix governs the Company's provision of services in relation to Applications (as defined below) and IPO Loans (as defined below). It supplements, and should be read together with, the Terms and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time. It forms an integral part of the Agreement.

### 1. Definitions and Interpretation

1.1 **Definitions:** In this Appendix II, the following expressions, unless the context requires otherwise, shall have the following meanings:

**"Allotted Securities"** in respect of each Application, means all the Securities in relation to which the Application is accepted;

**"Application"** means any and each application to be made by the Company or its nominee, as agent on behalf of the Client, for the subscription of the Offer Securities;

**"Application Amount"** in respect of each Application, means an amount equal to the total value of the Offer Securities applied for in the Application plus all fees, charges and expenses payable by the Client in connection with the Application (including transaction levy, commission, account opening fee and such other fees where applicable);

**"FINRA 5130"** means FINRA rules on "Restrictions on the Purchase and Sale of Initial Equity Public Offering".

**"Handling Fee"** in respect of each IPO Loan, means the amount of such handling fee in connection with the IPO Loan as the Company may from time to time notify the Client (if any);

**"Issuer"** means any company or other legal person whose Securities are offered for subscription on an Exchange;

**"IPO Loan"** means any and each financing facility to be made available by the Company to the Client in respect of an Application pursuant to Clause 7 (*IPO Financing*) of this Appendix;

**"Offer"** means any offer of Securities for subscription in a new issue or sale to the public by an Issuer;

**"Offer Securities"** in respect of each Offer, means the Securities offered by the Issuer for subscription to the public; and

**"Relevant Person"** in respect of each Offer, means the Issuer, sponsors, underwriters, placing agents, registrar, central depository, receiving bank and other intermediaries involved in such Offer, the SGX-DC, the SGX-DT, the SGX-ST, the Clearing House, any other relevant regulators and/or persons.

### 2. Application

2.1 **Application:** The Client requests and authorizes the Company or its nominee, as agent on behalf of the Client, to make Application(s) from time to time subject to this Appendix II and subject to agreement on the following items by the Client and the Company in respect of the relevant Application:

- (a) the quantity of the Offer Securities;

- (b) the name of the Issuer; and
- (c) the Application Amount.

- 2.2 **Discretion to Refuse:** The Company reserves the right, in its absolute discretion, to refuse to make any Application for any reason whatsoever, including (without limitation) if: (i) there are insufficient funds in the Client's Account at the relevant time for settling the Application Amount and Handling Fee or pre-arranged facilities for such purpose; (ii) the Client fails to provide the Company with all information required by the Company to complete the relevant Application; (iii) any information provided by the Client to the Company is not true, correct, accurate and complete; (iv) the Company suspects that the Client has made more than one Applications for subscription of Offer Securities; or (vi) the Company suspects that any representation and warranty made by the Client pursuant to the Agreement is untrue or inaccurate.
- 2.3 **Agent of the Client:** Where the Company or its nominee submits an Application, it does so as the agent of the Client for the purpose of applying for the Offer Securities and, unless otherwise notified to the Client explicitly or through the offering documents of the Offer, neither the Company nor its nominee (as the case may be) is the agent of the Issuer or other parties involved in the relevant Offer.
- 2.4 **Client as Principal:** The Client must apply for the Offer Securities as principal only. The Company reserves the right not to process any Application by the Client if the Client is acting as agent, nominee or trustee for any other person.
- 2.5 **Application Requirements:** The Client must ensure that each Application complies with any minimum, maximum, denomination and/or other requirements (whether in respect of the quantity or value of the Offer Securities or the number of the Application) prescribed by the Issuer of the relevant Offer. Any Application which does not fully comply with all such requirements will not be processed by the Company. For foreign listed Offer Securities (e.g. U.S. or Hong Kong IPO), each Application must also comply with additional requirements prescribed by applicable laws and regulations (i.e. Client who is not an Accredited Investor as defined in the SFA are subject to a minimum investment amount of SGD 200,000 or its equivalent).
- 2.6 **Bulk Application:** Where an Application forms part of a bulk application made by the Company or its nominee, whether for itself or on behalf of other clients, the Client acknowledges and agrees that:
- (i) such bulk application may be rejected for reasons which are unrelated to the Client and the Application, and neither the Company nor its nominee shall, in the absence of fraud, gross negligence or wilful default on their part, be liable to the Client or any other person in consequence of such rejection;
  - (ii) it shall indemnify the Company and its nominee against all losses, damages, costs, charges, expenses (including legal fees on a full indemnity basis), claims or demands which may be sustained or incurred by or made against the Company or its nominee if such bulk application is rejected as a result of the Client's failure to comply with any of its obligations under the Agreement or otherwise in connection with the Application (including any representations and warranties given by the Client being or becoming untrue) or any other factors relating to the Client. The Client acknowledges that the Client may also be liable in damages to other persons affected by such failure or factors; and

- (iii) in the event that the bulk application is only partially accepted, the Client agrees that the Company or its nominee is entitled to distribute the Allotted Securities in the Company or its nominee's absolute discretion, including distributing the Allotted Securities proportionately among the Company and its nominee's clients under the bulk application and the Client shall not have any claim to the Allotted Securities or claim of priority to another client of the Company or its nominee in relation to the bulk application.
- 2.7 **No Withdrawal:** The Client acknowledges and agrees that any Application, once submitted by the Company or its nominee, as agent on behalf of the Client, or otherwise processed by the Company or its nominee, might not be capable of being withdrawn, cancelled or modified.
- 2.8 **Fees:** The Client shall ensure that there are sufficient cleared funds in the Account to cover the Application Amount at the time the Application is made, and at all times thereafter until the same is debited from the Account or otherwise paid for the purposes of settling the Application.
- 3. **Responsibility of the Company**
  - 3.1 **No Endorsement:** The Company and its nominee shall not have any liability in respect of, is not responsible for, has not, and shall not be deemed to have authorized, endorsed or verified the contents of any prospectus, offering document, application form(s) and/or other documents relating to any Offer.
  - 3.2 **Not Investment Advisor:** Unless otherwise appointed as such in writing, the Company and its nominee is not the investment adviser of the Client with respect to any Offer or Application and shall not be responsible for any loss which the Client may suffer as a result of any Application made. The Client confirms that each Application is made by the Client on its own judgment and at its sole risk.
  - 3.3 **No Representations:** The Company and its nominee make no undertakings, warranties or representations as to the result of the allotment of the Offer Securities in any Offer and in any event the Company and its nominee shall not be responsible for the result of the allotment or any rejection in full or in part of any Application for any reason.
- 4. **Notification and Approval**
  - 4.1 **Approval of Applications:** The Issuer shall be solely responsible for approving or disapproving Applications and for announcing the results of allocation of the Offer Securities. The specific arrangements with regard to the announcement of results may differ from one Offer to another and the Client shall be responsible for ascertaining details of such arrangements by reviewing the relevant prospectus. The Company or its nominee will notify the Client of the results of its Application in such manner as the Company may consider appropriate. Neither the Company nor the Issuer is obliged to inform you of any reason of why an Application is unsuccessful or only partially accepted, but the following factors may be relevant: (i) there are insufficient funds in the Client's Account at the relevant time for settling the Application Amount and Handling Fee or pre-arranged facilities for such purpose; (ii) the Client fails to provide all necessary information for the relevant Application to be processed; (iii) any information provided by the Client in relation to the Application is not true, correct, accurate and complete; or (iv) the Client has made more than one Application for subscription of Offer Securities.
  - 4.2 **Disposal of Allotted Securities:** Unless the Company or its nominee receives notice from the Client to the contrary and payment of all amounts owing by the Client to the Company or its

nominee in connection with any Application (within such time as the Company or its nominee may specify in their notification of allotment to the Client (without prejudice to their right of repayment on demand or any other rights or remedies)), the Company and its nominee is authorized but not obliged, without notice to or consent from the Client, to sell or otherwise dispose of any and all Allotted Securities in such manner and for such price, free from any restrictions and claims and without being responsible for any loss, as they may think fit and apply the proceeds of such sale or disposal towards discharging any Liabilities in such order of priority as they may consider appropriate, including the costs incurred in connection with the sale or disposal of the Allotted Securities and all other costs incurred by the Company and its nominee in connection with the Application, the Handling Fee, interest payable by the Client on the IPO Loan, outstanding principal amount of the IPO Loan, and the Application Amount, and the remaining amount (if any) shall be paid to the Client or to the Client's order. In the event of any Deficit after applying the proceeds of sale or disposal of the Allotted Securities, the Client shall make good and pay on demand to the Company or its nominee such Deficit.

- 4.3 **Payment and Release:** If the Client gives any notice to the Company or its nominee pursuant to Clause 4.2 (*Disposal of Allotted Securities*) of this Appendix, the Client shall pay to the Company or its nominee at the time of giving such notice or otherwise on demand all amounts owing by the Client to the Company or its nominee in connection with the relevant Application (including all fees, charges and expenses specified by any Relevant Person). The Company is not obliged to release or procure its nominee to release to the Client the certificates relating to the Allotted Securities, or to procure the Allotted Securities to be credited to the Client's specified account, unless and until all amounts owing by the Client to the Company and its nominee have been received in full by them to their satisfaction.

## 5. Refunds

- 5.1 **Unsuccessful Application:** If an Application is submitted but is wholly or partly unsuccessful, the Company or its nominee will arrange for refund of the Application Amount (or the applicable balance as the case may be) on the refund date as announced by the Issuer in the same manner described in this Clause subject to Clauses 5.4 (*Financing Fees*) and 7 (*IPO Financing*) of this Appendix II.
- 5.2 **Lower Offer Price:** In the event that the offer price of the Offer Securities (as finally determined by the Issuer) is less than the Application Amount initially paid by the Client, the Company or its nominee will arrange to refund the surplus of the Application Amount to the Client in accordance with the terms and conditions of the relevant Offer subject to Clauses 5.4 (*Financing Fees*) and 7 (*IPO Financing*) of this Appendix II.
- 5.3 **Fees:** All Handling Fees and all other fees in connection with an Application are not refundable, even where the listing of the relevant Issuer is delayed or cancelled.
- 5.4 **Financing Fees:** Where the Company has made available a IPO Loan to the Client in connection with the Application, the Client irrevocably agrees and confirms that the Company or its nominee (as the case may be) is authorized to apply any refund amount towards the settlement of any amount owing by the Client to the Company in the manner specified in Clause 4.2 (*Disposal of Allotted Securities*) of this Appendix II.

## 6. Client's Undertakings and Responsibilities

- 6.1 **Not Prohibited:** The Client warrants to and for the benefit of the Company and any of its nominees that the Client is not a person prohibited by any Relevant Person or any Applicable Regulations from making the Application(s) or from owning the Offer Securities and that the Client makes each Application as principal and not on behalf of any person subject to such prohibition or any other person.
- 6.2 **Offering Documents:** With respect to each Application, the Client understands, and shall accept and comply with all the terms and conditions governing the relevant Offer as set out in the relevant application form, prospectus and/or offering document and any other relevant document in respect of such Offer. The Client agrees to be bound by such terms and conditions in respect of each Offer for which the Company or its nominees makes an Application. The Client shall make the investment decision based on the prospectus and other offering documents in respect of the relevant Offer. The Company has no obligation to provide such prospectus and other offering documents to the Client.
- 6.3 **Multiple Applications:** The Client represents and warrants to the Company and its nominee that in respect of any Application (a) (where multiple Applications for subscription of Offer Securities are not permitted) the Client has not made and will not make, and has not procured and will not procure, more than one Application for subscription of Offer Securities whether for its own account or for the account of any other person, and (b) the Client has not been placed (whether for its own benefit or for the benefit of any other person) with any shares or warrants or interests which are of the same class or type as those applied for in the Application. The Client acknowledges that any breach by the Client of or any inaccuracy of the representation and warranty set out in this Clause may result in, in addition to the rejection of the Application, the rejection of other applications submitted by the Company or its nominee for itself or on behalf of other clients. The Client shall indemnify the Company and its nominee on demand for all losses resulting from such breach or inaccuracy. The Client acknowledges and accepts that the representation and warranty set out in this Clause will be relied upon by the Company, its nominee and the Relevant Persons in respect of the relevant Application.
- 6.4 **General Representations:** With respect to each Application, the Client represents and warrants to the Company and its nominee that:
- (a) all information provided by or on behalf of the Client in respect of an Application is true, complete, accurate and correct in all respects. The Client undertakes to inform the Company immediately if there is any change to such information;
  - (b) the Client is an independent third party and is not connected with or acting in concert with any directors, chief executive officer, substantial shareholders of the Issuer and/or any of their respective subsidiaries or an Associate of any of them, as such terms are defined in the SFA and/or the SGX-ST Listing Manual. Further, the Client's subscription is not directly or indirectly financed or backed by any such persons;
  - (c) the Client does not hold any interests in the Issuer prior to the subscription of the Offer Securities;
  - (d) the Client is not a U.S. Person and the Client's subscription would not require the Issuer and/or the Company or its nominee to comply with any requirements under any law or regulation of any territory outside Singapore; and



- (e) the Client applying for subscription of the U.S. listed Offer Securities is not a "Restricted Person" as defined in FINRA RULE 5130.

- 6.5 **Additional Representations:** In addition to the other representations, warranties and undertakings given or to be given by the Client to the Company or its nominee in connection with each Application, the Client gives the Company and its nominee all the representations, warranties and undertakings which an applicant for Offer Securities in respect of an Offer is required to give (whether to any or all of the Relevant Persons).
- 6.6 **Further Assurance:** The Client recognizes and understands that the legal and regulatory requirements and market practice in respect of each Offer or Application may vary from time to time. The Client undertakes to provide to the Company and its nominee such information, make such disclosure, take such steps and give such representations, warranties and undertakings as may be required of the Client in accordance with such legal and regulatory requirements and market practice as the Company or its nominee may determine from time to time. The Client shall also comply with such requirements and practice.
- 6.7 **Company's Representations:** Where the Company or its nominee, as the case may be, is required, in respect of any Offer or Application, to give any undertakings, representations and warranties to any one or more of the Relevant Persons with respect to the Client or any other matters, the Company and its nominee is authorized by the Client to give such undertakings, representations and warranties in reliance solely upon any corresponding undertakings, representations and warranties given by the Client to the Company or its nominee. The Client shall be bound by all applicable announcements made by any Relevant Person and all Applicable Regulations governing each Offer and Application and the issue of the Allotted Securities.
- 6.8 **Company to Act on Behalf of Client:** Without prejudice to Clause 2.10 (*Power of Attorney*) of the Terms, the Client authorizes the Company and its nominee to execute all documents and to do all things necessary on behalf of the Client for the purposes of making any Application. The Client accepts all things done by the Company and/or its nominee, as agent on behalf of the Client in connection with each Application. The Client shall accept the Offer Securities applied for in each Application or any lesser quantity allocated to the Company or its nominee, as agent on behalf of the Client, pursuant to each Application. The Client indemnifies the Company and its nominee against any loss or claim suffered or incurred by any of them in connection with each Application.
- 6.9 **Disclosure:** The Client authorizes the Company and its nominee to disclose to any Relevant Person all information relating to the Client and the relevant Application if disclosure is required by Applicable Regulations or is requested or required in connection with the relevant Offer or Application.

## 7. **IPO Financing**

- 7.1 **IPO Financing:** The Client may apply to and request that the Company make available to the Client IPO Loan(s) for Application(s) from time to time subject to this Appendix II and subject to agreement on the terms (including the following items) by the Client and the Company in respect of the relevant Application:
  - (a) the principal amount of the IPO Loan;
  - (b) the interest rate and default interest rate;

- (c) stamp duty and all other fees and charges; and
  - (d) the Handling Fee.
- 7.2 **Company's Absolute Discretion:** The provision and drawdown of any IPO Loan are at the Company's sole discretion and subject to the Agreement. The Company may at any time refuse to make available the IPO Loan without giving any reason.
- 7.3 **Margin:** In the event that the Client pays any amount to the Company by way of margin for the Application, the Company may pay such amount into the relevant Account of the Client and may apply such amount towards satisfaction of the Application Amount payable on acceptance of the Application. The Client agrees that any such margin actually received by the Company shall be applied towards satisfaction of the Application Amount before any amount of the IPO Loan is so applied.
- 7.4 **Fees and Expenses:** The Client will pay to the Company on demand the IPO Loan, interest thereon, the Handling Fee, all fees, charges and costs in connection with the IPO Loan.
- 7.5 **Purpose of the IPO Loan:** The IPO Loan shall be used by the Client exclusively for the purpose of making the relevant Application. Notwithstanding that the Application is made by the Company or its nominee, as agent on behalf of the Client, the Client shall have no right, title, interest or claim of whatever nature in or to any amount of the IPO Loan or to use the IPO Loan for any purpose other than making the relevant Application.
- 7.6 **Drawdown:** If the Company makes available a IPO Loan to the Client, the Company will credit the IPO Loan amount to the relevant Account. Where any Application is to be made by the Company's nominee, the Company's nominee shall hold the amount of the relevant IPO Loan on trust for the Company at all times pending payment to or to the order of the Issuer.
- 7.7 **Interest:** The Client is required to pay interest on the Application Loan at the agreed interest rate from the date it is drawn down up to the repayment date as specified by the Company. If the Issuer does not proceed with the listing according to its predetermined schedule, interest will instead accrue up to the day on which the Company or its nominee(s) receive the refunded amount from the Issuer, or the day on which the Application Loan is repaid in full, whichever is later.
- 7.8 **Repayment:** The IPO Loan shall be repaid, together with all interest accrued thereon and any other amounts outstanding in full on the refund date as specified in the relevant placing and public offer documents, or on such date as may be mutually agreed.
- 7.9 **Default Interest:** Any amount payable by the Client under this Appendix, including interest accrued on such amounts, which are due and not repaid, shall bear default interest.
- 7.10 **Early Repayment:** Unless otherwise agreed by the Company, the Client shall have no right to repay the IPO Loan and any other related liabilities, in part or in full, prior to the refund date as specified in the relevant placing and public offer documents.
- 7.11 **Overriding Right:** notwithstanding any other provisions in this Appendix II, the Company has the overriding right at any time to demand immediate repayment of any outstanding amount of any IPO Loan and to cancel any IPO Loan.
- 7.12 **Charge:** In consideration of the Company making available a IPO Loan to the Client and upon the allotment and issuance to the Company or its nominee, as agent on behalf of the Client, of the

Allotted Securities pursuant to the relevant Application, the Client as beneficial owner hereby charges (by way of first fixed charge), assigns, mortgages and/or pledges and agrees to charge, assign, mortgage and/or pledge to the Company all the Client's rights, title and interest in and to the Allotted Securities as a continuing security for the payment of all amounts payable by the Client to the Company or its nominee in connection with the IPO Loan and the Application and the performance of any other obligation of the Client to the Company or its nominee. The security created by this charge shall extend to and cover any and all dividends, warrants, shares, stocks, rights, benefits, interest, distributions, accretions and other money and property accruing or offered at any time by way of substitution, redemption, bonus, preference, option or otherwise in respect of the Allotted Securities.

Where the Client is a body corporate, the Client shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Company may specify (and in such form as the Company may require in favour of the Company or its nominee(s)):

- (a) to perfect the security created or intended to be created under or evidenced by the Security Documents (which may include the execution of a mortgage, charge, assignment or other security over all or any of the assets which are, or are intended to be, the subject of the security) or for the exercise of any rights, powers and remedies of the Company provided by or pursuant to this Agreement, the Security Documents or by law;
- (b) to confer on the Company security over any property and assets of that Client located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to the Security Documents; and/or
- (c) to facilitate the realisation of the Charged Assets which are, or are intended to be, the subject of the security.

The Client shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Company by or pursuant to the Security Documents.

7.13 **Further Charge to Third Parties:** The Company is authorized by the Client to charge, pledge or otherwise grant a security interest of any nature over any and all Allotted Securities, subject to the security constituted by Clause 7.12 (*Charge*) of this Appendix II, in favour of any third party as security for any credit facilities made by it to the Company to finance the Company's funding of all or part of the IPO Loan.

7.14 **Further Security:** In consideration of the Company making available a IPO Loan to the Client, the Client as beneficial owner charges, assigns, mortgages and pledges and agrees to charge, assign, mortgage and pledge to the Company by way of first fixed charge and release to the Company all the Client's rights, title and interest in and to all sums from time to time standing to the credit of each Account maintained by the Client with the Company (including any renewal or re-designation thereof) as a continuing security for the payment of all amounts payable by the Client to the Company and its nominee in connection with the IPO Loan and the Application.

7.15 **Nature of Security:** Each security constituted by Clauses 7.12 (*Charge*) and 7.14 (*Further Security*) of this Appendix II is a continuing security and secures the ultimate balance of all indebtedness from time to time owing by the Client to the Company notwithstanding any

intermediate repayment or satisfaction of all or any of such indebtedness. Each security is in addition to, shall not be affected by and may be enforced despite the existence of any other security held by the Company. Any restriction on the right of consolidating security interests shall not apply to any security constituted by Clause 7.12 (*Charge*) or 7.14 (*Further Security*) of this Appendix II.

7.16 **Further Assurance:** The Client shall at its own cost and expense execute and sign all transfer documents, power of attorney, proxies and/or other documents and do all acts and things which the Company or its nominee may require for perfecting the Company or its nominee's title to the Allotted Securities or any of them and/or for vesting or enabling the Company or its nominee to vest such Allotted Securities in the Company's name or in the name of the Company's nominee and/or any purchaser, or otherwise for the purpose of obtaining, presenting and enforcing the full benefit of the Collateral and/or rights and remedies conferred on the Company by this Appendix II. The Company and its nominee shall be entitled to exercise all rights and powers that are conferred upon the Company or its nominee by this Appendix II including the right to sell the Allotted Securities.

7.17 **Application of Payments:** Any monies paid to the Company or its nominee in respect of any IPO Loan or Application may be applied in or towards satisfaction of the same or placed to the credit of such account as the Company or its nominee may determine with a view to preserving its rights to prove for the full amount of indebtedness of the Client.

## 8. **FINI Information**

8.1 In this Clause:

- (a) **"FINI"** means "Fast Interface for New Issuance", an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all New Listings;
- (b) **"FINI Information"** means any information, communication, instruction, confirmation, declaration, undertaking, forms, documents and other material submitted or provided by the Company or its nominee through FINI (whether for itself or on behalf of another party);
- (c) **"New Listing"** means a new listing which shall have its settlement process conducted on FINI;
- (d) **"HKSCC"** means Hong Kong Securities Clearing Company Limited (a wholly-owned subsidiary of HKEx) and its successors and assigns including, where the context requires, its agents, nominees, representatives, officers and employees;
- (e) **"HKEx"** means the Hong Kong Exchanges and Clearing Limited;
- (f) **"Hong Kong Regulators"** means the SEHK (including the relevant Clearing House), HKFE (including the relevant Clearing House), SFC, the Hong Kong Monetary Authority and/or any other regulator in Hong Kong having jurisdiction over the Company or the Transactions;
- (g) **"SFC"** means the Securities and Futures Commission of Hong Kong and its successors and assigns; and

- (h) **"SFO"** means the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) together with all subsidiary legislation, rules, codes and guidelines made thereunder.

8.2 Without prejudice to the Company's Privacy Policy and Personal Information Collection Statement, the Client agrees to allow any Hong Kong Regulators to collect, store, use, and transfer any FINI Information for the following purposes:

- (a) to process applications, subscriptions and registration, and to provide services, in relation to any New Listing;
- (b) to perform or discharge the functions of HKSCC, any relevant or related or affiliated party, and/or any company of which HKEx is the recognized exchange controller (as defined in the SFO);
- (c) to perform or discharge the functions of the SFC under the SFO;
- (d) to administer accounts of FINI subscribers and their access rights to FINI;
- (e) to enable FINI subscribers to perform their user functions to facilitate the New Listing workflow in FINI;
- (f) to conduct research and statistical analysis and other purposes set out in an Issuer's listing document in relation to a New Listing; or
- (g) any other purpose otherwise directly relating to any of the above.

## Appendix III: Options Trading

This Appendix governs the Company's provision of services in relation to options trading. It supplements, and should be read together with, the Terms and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time. It forms an integral part of the Agreement.

### 1. Definitions and Interpretation

- 1.1 **Definitions:** In this Appendix III, the following expressions, unless the context requires otherwise, shall have the following meanings:

**"Margin"** means cash, Investment Products and or other assets as may be acceptable to the Company, as security for the Client's obligations to the Company under this Appendix;

**"Premium"** means the amount payable by a holder and payable to a writer of an option contract in respect of the writing of that option contract.

### 2. Laws and Rules

- 2.1 **Subject to Laws etc.:** All option trading shall be subject to the laws, rules, regulations, customs and usage of the relevant Exchange, Market and Clearing House (if any). The Client shall not, whether alone or in concert with others, violate the position or exercise limits of which such Exchange, Market and Clearing House may establish from time to time. All actions taken by the Company or such Exchange, Market or Clearing House shall be binding on the Client.
- 2.2 **Compliance with Law:** The Client shall abide by all Applicable Regulations of the relevant Exchange, Market and Clearing House regarding all option trading.
- 2.3 **Trading Restrictions:** An Exchange or any other relevant regulatory authority, government agency or professional body may in its discretion and from time to time restrict trading/transactions in particular options or exercise of option contracts in the interests of maintaining a fair and orderly market in option contracts and/or in the underlying Securities for the protection of investors.
- 2.4 **Restrictions on Exercise:** Notwithstanding anything to the contrary, the Company may, at its sole discretion, restrict the Client's right to exercise an option.
- 2.5 **Cut-off Times:** The relevant Exchanges, Markets and Clearing Houses have established cut-off times for delivering exercise Instructions which shall be binding on the Client. Long option contracts of the Client may expire and become worthless if the Client does not deliver Instructions by such exercise cut-off time.
- 2.6 **Confidentiality:** The Company will keep information relating to the Account confidential, but may provide any such information to the parties concerned according to the Company's Privacy Policy and Personal Information Collection Statement and/or other applicable clauses of the Agreement and/or to the SGX-ST and any relevant Exchange or any other relevant regulatory authority to comply with their requirements or requests for information.
- 2.7 **Limits:** The Company may place limits on the open positions or delivery obligations that the Client may have at any time.

### 3. Options Trading

- 3.1 **Client's Benefit:** The Client confirms that (i) the Account is operated solely for the Client's account and benefit, and not for the benefit of any other person; or (ii) the Client has disclosed to the Company in writing the name of the person(s) for whose benefit the Account is being operated.
- 3.2 **Execution:** Subject to the cut-off times prescribed by the Company, exercise instructions may be accepted for same day execution on business days within the trading hours set by the relevant Exchanges; and on the business day preceding the expiration date for any particular option contract, the Company will accept exercise instructions in accordance with the trading hours set by the relevant Exchanges.
- 3.3 **No Notice of Expiration:** The Company is not obliged to give the Client prior notice of option expiration dates, and the Client has the sole responsibility of taking action to exercise an option contract. The Client shall be aware of the trading hours and any non-trading day set in place by the relevant Exchanges and/or any other relevant institutions, so as to ensure the option can be exercised in a timely manner. Where the Client does not provide the Company with any exercise instructions by the prescribed time set by the relevant Exchanges any other relevant institutions (which the Company is not obliged to notify), the Client shall waive and release the Company, its officers, employees and agents from any and all claims of damage and loss suffered by the Client as a result of any option contract not being exercised.
- 3.4 **Underlying Securities:** The Company is under no obligation to convey to the Client any information relating to the underlying Securities covered by the option or any Securities related thereto, or any information relating to the options, whether such information is then or thereafter known or available. It is the sole responsibility of the Client to exercise, in a proper and timely manner, any right, privilege or obligation of any put option or call option of the Client.
- 3.5 **Options in the Margin Account:** In the case of an option sold or written by the Client in the Margin Account:
- (a) with respect to a call option which if exercised against the Client will require delivery of Securities sold, the Client shall keep such Securities in the Margin Account until the expiration of the option period, and shall not sell or withdraw such Securities. If the option is exercised, the Company may deliver such Securities to the purchaser without prior notice to the Client; and
  - (b) with respect to any put option which if exercised against the Client will require payment for Securities purchased, the Client shall keep in the Margin Account sufficient funds for such payment until the expiration of the option period, and shall not withdraw such funds or utilize them for any other purpose. If the option is exercised, the Company may use such funds for the purchase of such Securities without prior notice to the Client.
- 3.6 **Company's Own Account:** The Company and its Affiliates may trade in options and the Securities underlying such options for its own account. Such trading may be conducted continuously on a daily basis, and may occur prior to, contemporaneously with, or subsequent to any option transaction effected for the Client's Account. In such trading, the Company and its Affiliates may take option positions or their underlying Securities which may be similar to or differ from (a) the positions which the Client may have in the Account or (b) Transactions which the Company and its Affiliates may recommend to the Client or (c) Transactions which the

Company and its Affiliates may effect for the Client. The Client understands that such trading may adversely affect the Client's interests.

3.7 **Long Option:** If the Client exercises a long option contract, the Client agrees to pay the full aggregate exercise price provided for by the option contract.

3.8 **Exercise Assignment Notices:** The Company shall allocate exercise assignment notices for option contracts on a fair basis.

#### 4. **Margin and Security**

4.1 **Security:** All Securities and funds held in any Account shall be charged pursuant to Clause 16 (*Charge*) of the Terms.

4.2 **Margin:** The Client agrees to provide the Company with Margin. Such Margin should be paid or delivered as demanded by the Company from time to time, and the amounts required by way of Margin should not be less than, but may exceed, the amounts as may be required by Applicable Regulations (in particular, the Rules in respect of the Client's open positions and delivery obligations), and further Margin may be required to reflect changes in market value.

4.3 **Authority to Deliver:** The Client shall on request provide the Company with such authority as the Company may require under the Rules to authorize the Company to deliver such Securities, directly or indirectly to the Company or such other relevant persons as determined by the Company in its sole discretion from time to time; and, in respect of options trading only, the Company does not have any further authority from the Client to borrow or lend the Client's Securities or otherwise part with possession (except to the Client or on the Client's instructions) of any of the Client's Securities for any other purpose.

#### 5. **Premium and Commission**

In respect of all option contracts effected on the Client's Instructions, the Client will pay the Company, within the time period notified by the Company, the Premium, the Company's commission and any other charges, and applicable levies imposed by the relevant Exchange, Market or Clearing House, as have been notified to the Client; and the Company may deduct such Premium, commissions, charges and levies from any Account.

#### 6. **Default**

If the Client fails to comply with any of the Client's obligations and/or to meet the Liabilities, including failure to provide Margin within the period specified by the Company, the Company, without prejudice to any other rights of the Company, may:

- (a) decline to accept further instructions from the Client in respect of option contracts;
- (b) close out, give-up or exercise some or all of the option contracts with the Company;
- (c) enter into any option contracts, or into any transactions in Investment Products, in order to settle obligations arising or to hedge the risks to which the Company is exposed in relation to the Client's failure; and
- (d) dispose of some or all of the Margin, and apply the proceeds thereof to discharge the Liabilities,



and any proceeds remaining after discharge of all the Liabilities shall be paid to the Client.

#### **Appendix IV: Short Selling**

This Appendix governs the Company's provision of services in relation to short selling. It supplements, and should be read together with, the Terms and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time. It forms an integral part of the Agreement.

#### **1. Definition and Interpretation**

1.1 **Definition:** In this Appendix IV, the following expressions, unless the context requires otherwise, shall have the following meanings:

"**Short Sell Order**", in the context of Securities traded on the SGX-ST, has the meaning given to it under the SFA, and in all other cases, means an Instruction to sell any Investment Products for short account on behalf of the Client.

#### **2. General Prohibition on Short Selling**

Subject to the remainder of this Appendix IV and/or unless the Client is otherwise notified by the Company, the Company will not accept any Instruction for a Short Sell Order. The Company shall not be responsible to the Client for identifying whether or not an Instruction is a Short Sell Order. The Client undertakes that it will not give any Instruction for a Short Sell Order unless permitted under this Appendix IV and will notify the Company whenever any sale order relates to a Short Sell Order and such notification shall be given at the same time as notification of the sale order.

#### **3. "Covered" Short Sell Order**

The Client must inform the Company where the Client places a "Covered" Short Sell Order and the Company shall at its sole and absolute discretion decide whether or not to accept such an Instruction. The Company must have reasonable assurance that it will be able to borrow the relevant Investment Products for or on the Client's behalf to effect delivery of such Investment Products to the purchaser.

#### **4. General Exceptions**

4.1 **General Exception (SGX-ST):** Without prejudice to Clause 2 (*General Prohibition on Short Selling*) of this Appendix IV, in respect of each Short Sell Order to be transacted at or through SGX-ST upon the Client's Instruction (the same being accepted by the Company), the Client declares that it understands the relevant provisions of Part VIIA of the SFA and its related subsidiary legislation, and agrees to ensure that it and all other relevant persons shall comply with the same.

4.2 **Securities Borrowing and Lending Agreement (SGX-ST):** The Company may effect an Instruction for a Short Sell Order at or through SGX-ST if the Company is, in its sole discretion, satisfied that:

(a) the Client has a presently exercisable and unconditional right to vest the relevant Securities in the purchaser of them by virtue of having under a securities borrowing and lending agreement:

(i) borrowed the relevant Securities; or

- (ii) obtained a confirmation from the counterparty to the securities borrowing and lending agreement that the counterparty has the relevant Securities available to lend to the Client; and
  - (b) The Client has delivered to the Company such assurance and documents relating to the securities borrowing and lending agreement as the Company may in its sole discretion consider necessary or desirable.
- 4.3 **Other Grounds:** The Company may effect an Instruction for a Short Sell Order on such grounds, and subject to such other conditions, as it sees fit.
- 4.4 **Further assurance:** The Client shall, in respect of a Short Sell Order, deliver to the Company such other information in such form, substance and within such time, as prescribed by Applicable Regulations and/or the Company.
- 4.5 **Inability to borrow:** If the Company is unable to borrow the relevant Investment Products to enable the Client to effect delivery on a Short Sell Order, or if the Company is unable to re-borrow the relevant Investment Products in order to satisfy a re-call notice from the lender of such Investment Products, then the Company may be subject to a buy-in pursuant to Applicable Regulations. The Company shall not be liable for any losses, costs or expenses of the Client arising from such borrowing, re-borrowing or buy-in.
- 4.6 **Applicable Regulations:** The Client shall, in respect of all Short Sell Orders, comply with Applicable Regulations, and in particular, the Client acknowledges that the Company, when or before it effects an Instruction for a Short Sell Order, may be required to make any required reporting or disclosures in accordance with Applicable Regulations.

## Appendix V: Fund Subscription Services

This Appendix governs the Company's provision of Fund Subscription Services (as defined below). It supplements, and should be read together with, the Terms and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time. It forms an integral part of the Agreement.

### 1. Definitions and Interpretation

- 1.1 **Definitions:** In this Appendix, unless the context requires otherwise, the terms defined in the Agreement shall have the same meaning when used herein. The following expressions, unless the context requires otherwise, shall have the following meanings:

**"Dealing Procedures"** means any procedures agreed between the Company and the Fund or the fund manager of the relevant Fund from time to time to govern the subscription, switching and redemption of Units therein and other incidental matters;

**"Fund Subscription Services"** means services provided by the Company in connection with the purchase, subscription, switching, transfer, redemption or sale of any Unit in any Fund, and the dealing with any relating proceeds or moneys in accordance with the Client's instructions;

**"Portfolio"** means a portfolio of Funds selected by the Company and made available through the Company to the Client from time to time;

**"Units"** means any shares or units in a Fund (including where such Fund is distributed or made available on a standalone basis or as part of a Portfolio).

### 2. Scope of Fund Subscription Services

- 2.1 The Company may (but is not obliged to) provide to the Client the Fund Subscription Services. Additional functions and services in connection with the Fund Subscription Services may be provided by the Company to the Client from time to time, and the Client agrees to be bound by and to comply with any additional terms and conditions pertaining to such functions or services as the Company may prescribe. The Fund Subscription Services and any additional services in connection with the Fund Subscription Services shall be provided through the Account.
- 2.2 The Company shall make available to the Client via electronic means (including via the Electronic Services), the offering documents, notices, communications or any other documents in connection with the relevant Funds or Portfolios. The Client consents to the use of such electronic means (including the Electronic Services) as a mode of delivery of the abovementioned documents.

### 3. Subscription and Redemption Applications and Payment

- 3.1 Any Instruction to subscribe for or purchase, redeem, sell or switch any Unit or Portfolio (whether in whole or in part) must be made electronically through the Company's mobile application or any manner as prescribed by the Company, accompanied by any required documentation as may be required by the Company from time to time.
- 3.2 All Instructions and the resulting transactions and payment in relation to the subscription, switching or redemption of Units shall be subject to the Dealing Procedures. The Company is entitled, without reference to the Client and without giving any reason, either ignore any Instruction that fails to comply with the Dealing Procedures or to execute such Instruction with such modifications to it as may be necessary to comply with the Dealing Procedures. The

Company will not be responsible to the Client for any losses, damages, costs or expenses that the Client may suffer or incur arising from or in connection with any delay or failure in transmitting or effecting any Instruction to subscribe, purchase, switch, transfer, redeem, sell or otherwise deal with any Units or Portfolios in connection with exercising such discretion.

- 3.3 The Company is authorised to act on any Instruction given or purportedly given by or on behalf of the Client. The Company does not have any obligation to authenticate, verify the completeness and accuracy of any such Instruction or verify the identity of any person giving such Instruction.
- 3.4 The Company shall be entitled to rely and act on any such Instruction which the Company in good faith believes to be genuine, and shall not be responsible for any loss which the Client may incur as a result. However, the Company has absolute discretion to refuse to act upon any such Instruction without reason, and the Company will not be responsible to the Client for any losses, damages, costs or expenses that the Client may suffer or incur arising from or in connection with any delay or failure in transmitting or effecting any Instructions to subscribe, purchase, switch, transfer, redeem, sell or otherwise deal with any Units or Portfolios.
- 3.5 The Client's right to give Instructions via a particular channel shall at all times be subject to the discretion of the Company. The Company may at any time by notice to the Client revoke the Client's ability to use a particular channel to give Instructions. The Company shall execute any Instructions placed by the Client or any Authorised Person by relaying the Client's application to subscribe for, purchase, switch or redeem Units by placing it with the relevant fund manager or the relevant Fund upon and the Company receiving payment of the purchase price, subscription moneys or expenses payable by the Client to the Company.
- 3.6 The Company will effect any Instruction as soon as practicable. However, the execution of such Instruction may not coincide with the timeframe stipulated in the relevant offering documents of the Fund. The Client acknowledges that orders placed by the Client with the Company may be aggregated and consolidated either daily or from time to time by the Company together with orders placed by the Company's other clients for the purpose of placement of such orders by the Company with the relevant fund manager or the Fund for execution.
- 3.7 Subject to the continuing operation of an Account, an Instruction will generally be processed on the day of receipt by the Company of such Instruction if a valid and complete Instruction (together with all monies, required information and documents) is received by the Company before the dealing cut off times for the relevant Fund as specified by the Company in its sole and absolute discretion from time to time. If an Instruction (and monies) is received after this dealing cut off time, execution will be done usually on the next dealing date of the Fund in accordance with the terms of the offering documents of the Fund (or as otherwise determined by the relevant fund manager or the Fund). The Client must specify the choice of the Fund or Portfolio (where appropriate) in order for the Instruction to be processed.
- 3.8 The actual bid price (the "**Actual Bid Price**") and offer price of a Fund shall be determined at the time when the transaction is effected and settled and any figures which may be quoted or provided to the Client by the Company or its representatives at the time of Instruction (the "**Quoted Price**") are for reference only and are not binding on the Company.
- 3.9 The Actual Bid Price of a Fund may be higher or lower than the Quoted Price. The Client agrees that, in respect of any redemption of a money market fund (or any other fund designated by the Company from time to time), the Company may, in its absolute discretion, advance an amount equivalent to the proceeds of such redemption calculated with reference to the Quoted Price to

the Client on its own account (an “**Advance**”) by crediting the Account (designated by the Client and agreed by the Company to receive the redemption proceeds) with such amount. When the Transaction is settled, and if the actual proceeds of such redemption:

- (a) exceeds the Advance received by the Client, the Client agrees that the Company may retain the redemption proceeds in excess of the Advance as a handling fee for processing and arranging for the execution of such Instruction; or
- (b) is less than the Advance received by the Client, the Company may recover such shortfall from the Client in any manner.

- 3.10 The Client acknowledges that the Company’s role in connection with the Fund Subscription Services is only to process the Client’s Instructions by relaying the Client’s application for subscription, purchase, switching or redemption of any Units, to the fund manager of the relevant Fund or to the Fund. The Company owes no obligation to the Client to ensure that the relevant fund manager or the relevant Fund will necessarily accept the Client’s said application. The Client agrees that the decision on whether to accept the Client’s said application is solely at the discretion of the relevant fund manager or relevant Fund. The acceptance by the Company of any Instructions from the Client for the subscription, purchase, switching or redemption of any Units shall not amount to any binding commitment by the relevant fund manager or the relevant Fund to accept the Client’s said application.
- 3.11 The Client acknowledges that any fund manager, or Fund who receives an Instruction from the Company is not obliged to accept such order in part or whole. The Company shall have no responsibility nor liability for ensuring that the relevant Fund manager or the relevant Fund allots the Units or for any losses (including any loss of investment opportunity) which the Client may suffer or incur as a result of any refusal to accept or delay in accepting such Instruction by the fund manager or the Fund.
- 3.12 The Client acknowledges that (a) the purchase price, subscription moneys or expenses payable by the Client to the Company (or any other person as specified by the Company) in relation to each order to buy or subscribe for Units or Portfolios shall be debited from an Account designated by the Client (or otherwise directed by the Company from time to time); and (b) any redemption proceeds received by the Company in relation to each order to sell, redeem or otherwise dispose of the Units (whether such Units are part of a Portfolio or not) shall, in any event, be paid or credited to an Account designated by the Client and agreed by the Company in accordance with the settlement periods stipulated in the offering documents of the relevant Funds (or otherwise determined by the Fund manager or the Fund from time to time).
- 3.13 If at any time there is insufficient balance in the Account that the Client has elected (or otherwise directed by the Company from time to time) to make the required payments under Clause 3.12(a) of this Appendix (for example, the Client has designated the Account to make such payments), the Client irrevocably directs and authorises the Company to, without prior notice to the Client, set-off or transfer any sum standing to the credit of the Client’s other Account, towards the satisfaction of any payments to be made under Clause 3.12(a) of this Appendix.
- 3.14 The Client further agrees that for purchases or subscriptions of Units or Portfolios, the Company reserves the right to reject or delay the processing of any orders if there are insufficient funds in the Account designated for payment or if cleared funds (free of any deductions or withholdings) are not received by such time as prescribed by the Company.

- 3.15 The Company is authorised to take such steps as it may consider expedient to enable it to provide Fund Subscription Services to the Client including the right to withhold and/or make payment of any taxes or duties payable on or in respect of the Units without any liability thereof and to disclose information about the Client (including the Client's Authorised Persons and beneficiaries), any Units or Portfolios held by the Client or any transactions in connection thereto in accordance with Applicable Regulations or to any of the Company's Affiliates, any third party service providers or agents of the Company, any fund manager, or any Fund (or its representatives) upon request.
- 3.16 The Client agrees to (and shall procure that any Authorised Person to) provide the Company with such information, materials and documents in such manner and take such steps and by such time as prescribed by the Company from time to time so as to enable the Company or any of its Affiliates to effect an Instruction, perform the Fund Subscription Services and/or to comply with any term of any document in respect of any Funds, Applicable Regulations and the applicable market practice.

#### **4. Title and Registration of Investments**

- 4.1 If the Client subscribes for Units in a Fund (including any Units in a Fund that forms a part of a Portfolio), the Units will be registered either in the name of the Company, jointly in the name of the Company and in the name of the Client, in the name of the Client, or in such other manner as may be acceptable to the Fund. The Company will not be the beneficiary of any of the Client's investments in a Fund.
- 4.2 No Unit certificates will be issued to the Client. The Client will be sent a confirmation of its subscription/acquisition (or disposal) of any Unit.

#### **5. Reports and Voting**

- 5.1 Subject to the requirements of Applicable Regulations, the Company and the custodian shall have no duty or obligation to exercise the voting rights or other elective rights of any Units subscribed or acquired, or received or held for the Client, except upon the prior written Instructions of the Client or any Authorised Person in such form and by such time as prescribed by the Company from time to time, and then only upon such terms, conditions, indemnities, fees and charges as agreed upon between the Company and the Client.
- 5.2 In the absence of such Instructions and agreements, the Company and the custodian shall be entitled to, but not obliged to, exercise the voting rights or other elective rights of any Fund (if any). Under such circumstance, the Client agrees that the Company and the custodian may be exempted from any duty and obligation in respect of notification and delivery of any proxy or other document issued to the Client, unless otherwise provided in Applicable Regulations.

#### **6. Termination**

- 6.1 Upon termination of the Agreement with the Company or termination of the Fund Subscription Services, in the absence of any other arrangement mutually agreed between the Client and the Company, the Company is authorised, at its discretion:
- (a) to cause any Units then held by the custodian for the Client's account to be redeemed or otherwise dealt with on the effective date of termination of the Fund Account, or if that day is not a dealing day or is after the latest time for dealing as specified in the offering document of such Fund, on the next dealing day

("Effective Date") and for the redemption or dealing proceeds thereof (after settling any outstanding liabilities, costs and expenses owed to the Company or any of its Affiliates) to be remitted to the Client and/or settle any liability incurred by the Client, the Company or any custodian;

- (b) to cause any Units then held by the custodian for the account of the Client to be transferred by the custodian on the Effective Date directly into the Client's name (if applicable); and
- (c) to cancel any unexecuted transactions.

## Appendix VI: Bond Trading

### 1. Application

This Appendix governs the Company's provision of services in relation to bond trading. It supplements, and should be read together with, the Terms and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time. It forms an integral part of the Agreement.

### 2. Bond Trading

- 2.1 **Discretion:** The Company may, in its absolute discretion, decline to provide bond trading services to the Client and/or impose any conditions in relation to the Account or its provision of bond trading services to the Client.
- 2.2 **Unsuccessful/Delayed Execution:** The Company will not be liable for any unsuccessful execution or any delay in the execution of the Client's Instructions for bond trading. All unexecuted orders will lapse by the end of the Trading Period.
- 2.3 **Agent:** The Company acts as agent in all Transactions for bond trading.
- 2.4 **Custodian:** Subject to Applicable Regulations, the Client appoints the Company (or any entity, including an entity outside Singapore, appointed by the Company) to act as a custodian for any bond purchased by the Client and to hold them under its/their name for and on behalf of the Client.
- 2.5 **Prices:** The actual bid and offer prices of bonds shall be determined at the time when the Transaction for bond trading is effected and any figures which may be quoted or provided to the Client by the Company or its representatives at any time are for reference only and are not binding on the Company.
- 2.6 **Binding:** All Instructions for bond trading are irrevocable and binding on the Client after the applicable cut-off time prescribed by the Company under Clause 4.2 (*Cut-off Time*) of the Terms and the Company shall be entitled (but not obliged) to effect, perform or process the Instructions without the Client's further consent and without any further reference or notice to the Client.
- 2.7 **Coupon Pay Date:** The Client acknowledges that a bond's actual coupon pay date as well as the date the Client receives a coupon payment may differ from its designated coupon pay date, based on various factors including but not limited to the discretion of the issuer, the custodian nominated by the Company, the relevant bank transaction procedures and other factors.

### 3. Client's Declarations

The Client declares that it is aware:

- 3.1 **Not Deposits:** That bonds are not bank deposits, are not endorsed or guaranteed by, and do not constitute any obligation of the Company or its Affiliates;
- 3.2 **Risk Disclosure Statements:** That it has been provided with the risk disclosure statements relevant to bond trading in English, has been invited to read such risk disclosure statements, ask questions and take independent advice from professional advisors if it considers necessary, and it has properly understood the risk disclosure statements;
- 3.3 **Relevant Information:** That it has been provided with, and has read, the prospectus and/or up-to-date product offering documents or information and/or access to such up-to-date product



offering documents or information of each of the relevant bonds to be purchased (as the case may be, the "**Relevant Information**") and it agrees with all the terms contained therein. The Client further confirms that it is fully aware of and understands the terms set out in the Relevant Information, including, without limitation, the risks and restrictions of investing in the bonds. The Client has been invited to read the Relevant Information, to ask questions, and to take independent professional advice if the Client wishes;

- 3.4 **Not Advice:** That it understands that the Relevant Information is not intended to provide, and must not be relied upon for, tax, legal or accounting advice, a credit or other evaluation of that bond nor as an assurance or guarantee as to the expected return (if any) of that bond. The Client agrees that it would make its own independent appraisal of the bonds and consult its tax, legal, accounting, investment, financial and/or other advisors if the Client wishes;
- 3.5 **Not Prohibited:** That it is not prohibited from purchasing or holding that bond, and is not acting on behalf of any person or entity who is prohibited from purchasing or holding the bond, as set out in the prospectus;
- 3.6 **Geographical Restrictions:** That it is not forbidden to invest in the countries identified in the prospectus and/or the product offering documents or information of the relevant bonds to be purchased (as the case may be);
- 3.7 **Limited Liquidity:** That it understands that bonds may have limited liquidity and may not be actively traded and/or quoted by brokers in the relevant Market. As such, (i) the indicative bid/offer price may not be available at all times due to market illiquidity and/or other conditions; (ii) it may take a longer time or it may be impossible to readily sell or dispose of the bonds to the relevant Market; and (iii) the executable sale price may differ significantly from the indicative bid price quoted;
- 3.8 **Loss:** That it alone is fully responsible for bearing the risk of loss involved in investing in bonds;
- 3.9 **Accuracy of Information:** That it understands that any information made available by the Company to it in relation to bond trading is provided on an "as is" and "as available" basis and is for general information only. The Client agrees that certain information, such as market data and quotations are provided by third parties, and the Company does not warrant the accuracy, reliability, timeliness, completeness or correct sequencing of any such information and the Company will not bear any liability for any loss arising from any inaccuracy, omission or incompleteness of that information, regardless of whether that information is provided by the Company or a third party; and
- 3.10 **Volatile Market Conditions:** That it understands that by reason of market conditions, physical restraints in any relevant Market and rapid changes in the prices of Securities and/or fluctuation in currency exchange rates, on occasions, and despite the reasonable endeavours of the Company, executing brokers and dealers (whether in Singapore or elsewhere) through which the Company may deal with as agent, the Company may not be able to execute the Client's Instructions for bond trading in full, at the specified prices, at the times specified by the Client, "at best" or "at market". The Company shall not be liable if any such Instruction is not performed in full and the Client shall nevertheless accept and be bound by all such Transactions effected by the Company.

## Appendix VII: Futures Trading

This Appendix governs the trading of Futures Contracts and Options Contracts on the SGX-DT and Foreign Future Exchanges. It supplements, and should be read together with, the Terms and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time. It forms an integral part of the Agreement.

### 1. Definitions and Interpretations:

1.1 **Definitions:** In this Appendix VII, the following expressions, unless the context requires otherwise, shall have the following meanings:-

**"Assets"** has the meaning given to it in Clause 6.1 (General Lien) of this Appendix.

**"Business Day"** means any day on which the SGX-DT or Foreign Futures Exchanges (as the case may be) is open for trading other than Saturdays, Sundays, public holidays and any other days declared by the SGX-DT or Foreign Futures Exchanges (as the case may be) to be a non-business day.

**"Clearing House"** means SGX-DC and in relation to any Foreign Transaction, the entity which provides the relevant clearing and/or settlement services in such jurisdiction from time to time.

**"Clearing House Rules"** means the rules and applicable procedures of the Clearing House and any amendments, supplements, variations or modifications thereto from time to time in force.

**"Contract"** means a Futures Contract and/or an Option Contract as the context may require, and "Contracts" shall be construed accordingly.

**"Foreign Clearing House"** means the clearing or settlement house, corporation, organization or body (being appointed, authorized or engaged by or established and operated by a Foreign Futures Exchange to provide clearing and settlement services to that Foreign Futures Exchange) including, where the context so requires, its agents, nominees, representatives, officers and employees;

**"Foreign Clearing System"** means the clearing and settlement system operated by the relevant Foreign Clearing House from time to time;

**"Foreign Futures Exchange"** means any futures market which is permitted to operate in a country or territory outside Singapore by the law of that country or territory.

**"Foreign Rules"** has the meaning given to it in Clause 3.3 (Foreign Rules) of this Appendix.

**"Foreign Transactions"** means any Transaction related to Contracts to be executed on Foreign Futures Exchanges.

**"Futures Contract"** means a futures contract as defined under the rules of the relevant Exchange and/or a contract executed on any Exchange, the effect of which is that:

- (a) one party agrees to deliver to the other party at an agreed future time an agreed Commodity or quantity of a Commodity, at an agreed price; or
- (b) the parties agree to make an adjustment between them at an agreed future time according to whether the agreed Commodity is worth more or less or, as the case may be, stands

higher or lower at that time than a level agreed at the time of making the contract, the difference being determined in accordance with the rules of the relevant Exchange on which the contract is made.

**"Instructions"** means, specifically, Instructions in relation to Contracts.

**"Margin"** means any currencies, cash, Securities, letters of credit, bank guarantees, and or other properties which the Company will accept to be deposited with or held by the Company or its nominees as margin for the purposes of security or credit support for the effecting or maintenance of the same as an open position of any Contract and/or the Customer's obligations under this Appendix;

**"Margin Call"** has the meaning given to it in Clause 8.1 (Margin Call) of this Appendix.

**"Option Contract"** means an option contract as defined under the rules of the relevant Exchange and/or a contract executed between one party (the "first party") and another party (the "second party") on the Exchange under which:

- (a) the first party grants the second party the right, but not the obligation, to buy an agreed Commodity, or quantity of a Commodity, from the first party at an agreed price on or before an agreed future date or on an agreed future date as the case may be and, in the event that the second party exercises his right to buy:
  - (i). the first party is obliged to deliver the Commodity at the agreed price; or
  - (ii). the second party receives a payment referable to the amount (if any) by which the Commodity is worth more than the agreed price, such payment being determined in accordance with the rules of the relevant Exchange in which the contract made; or
- (b) the first party grants to the second party the right, but not the obligation, to sell an agreed Commodity, or quantity of a Commodity, to the first party at an agreed price on or before an agreed future date or on an agreed future date as the case may be and, in the event that the second party exercises his right to sell:
  - (i). the first party is obliged to take delivery of the Commodity at the agreed price; or
  - (ii). the second party receives a payment referable to the amount (if any) by which the agreed price is worth more than the Commodity, such payment being determined in accordance with the rules of the relevant Exchange in which the contract is made.

**"Rules"** means the rules and regulations of the SGX-DT, and any amendments, supplements, variations or modifications thereto from time to time in force.

**"Variation Adjustment"** means, in relation to Contracts transacted on any relevant Exchange, the amount payable by or to the Clearing House and/or the Company on behalf of the Client, calculated on a daily basis in accordance with the Rules and the Foreign Rules (as applicable).

## 2. Account Opening

- 2.1 **Account Opening:** Subject to Clause 2.2 (Company's Discretion) of this Appendix, the Client may, open and maintain a Futures Account for the purpose of entering into and/or trading Contracts.
- 2.2 **Company's Discretion:** The Company agrees that it will from time to time at the request of the Client and at its absolute discretion allow the Client to open a Futures Account and will maintain such account to be designated by name(s), number(s) or otherwise for the Client for the purpose of entering into and/or trading Contracts.

### 3. **Scope of Terms and Conditions**

- 3.1 **Applicability:** This Appendix shall apply to all Contracts which are effected or to be effected by the Company on behalf of the Client on the SGX-DT or any Foreign Futures Exchanges and shall be deemed to be incorporated in each Contract, whether oral or written, entered into between the Company and the Client. Any other terms and conditions, proposed or referred to by the Client in writing or otherwise (whether express, implied or imported by custom or course of dealing), or upon which the Company and the Client may previously have entered into, in relation to a Contract, are hereby excluded.
- 3.2 **Subject to Rules:** All Contracts made on the SGX-DT and all Transactions related thereto between the Company and the Client shall be binding on the parties and shall be subject to, and in accordance with, the Rules. For the avoidance of doubt, for all contracts made on the SGX-DT, the Agreement shall not be interpreted to vary, delete, or add to the terms and conditions prescribed by the Rules, unless otherwise permitted by the Rules.
- 3.3 **Foreign Rules:** Foreign Transactions shall be subject to the rules, regulations, bylaws, constitution and procedures of or made by the relevant markets, Foreign Futures Exchanges, the Foreign Clearing System and the Foreign Clearing House (collectively the "**Foreign Rules**"). The Client may be afforded varying levels and types of protection in relation to Transactions on different Markets and Exchanges. Without prejudice to the generality of the foregoing, all Foreign Transactions shall be subject to the following additional provisions:
- (a) every Foreign Transaction will be subject to a transaction charge, the cost of which shall be borne by the Client;
  - (b) a Foreign Transaction may be subject to levies or other charges that the Foreign Futures Exchange may impose from time to time;
  - (c) the Client acknowledges that the Company is bound by the Foreign Rules which may permit the relevant Foreign Futures Exchange to take steps to limit the positions or require the closing out of Contracts on behalf of Clients who in the opinion of such Foreign Futures Exchange are accumulating positions which are or may be detrimental to any particular Market(s) or which are or may be capable of adversely affecting the fair and orderly operations of any Market(s);
  - (d) the Client acknowledges that the relevant Foreign Clearing House may do all things necessary to transfer any open positions held by the Company on the Client's behalf and any money and security standing to the credit of any Futures Account to another member or participant of such Foreign Futures Exchange in the event the Company's rights as an exchange member or participant of such Foreign Futures Exchange are suspended or revoked; and

- (e) the Client acknowledges and accepts that if the Company exceeds any trading limits or position limits imposed pursuant to the Foreign Rules, the relevant authority shall be entitled to require the Company to close out or to effect the transfer to another member of such number of open positions (which may include all or part of the open positions of the Client) as will in the opinion of such relevant authority result in the Company complying with the position limits.

#### 4. Preliminary and General Matters

- 4.1 **Offering Documents:** The Company shall provide to the Client, upon request, available Contract specifications and any prospectus or other offering document covering such Contracts.
- 4.2 **Authorisations:** The Client shall ensure that all necessary authorisations, approvals and consents of any governmental or other regulatory body or authority applicable to any Contract is obtained.
- 4.3 **Discretion:** The Company may at its absolute discretion and without assigning any reason, refuse to carry out any Instruction on behalf of, or enter into any Contract with, the Client.
- 4.4 **Investor Compensation Fund:** In relation to Contracts transacted on the SGX-DT, the Client acknowledges that in the case of a default committed by the Company and the Client having suffered pecuniary loss thereby in relation to such transactions, the liability of the Investor Compensation Fund will be restricted to valid claims and subject to the monetary limits as provided for in the SFA and the relevant subsidiary legislation and accordingly there can be no assurance that any pecuniary loss sustained by reason of such a default will necessarily be recouped from the Investor Compensation Fund in full, in part or at all.
- 4.5 **Limits:** In relation to Contracts transacted on the SGX-DT, the Client acknowledges that the Company is bound by the Rules which permit the SGX-DT to take steps to limit the positions or require the closing out of relevant Contracts on behalf of such customers who in the opinion of the SGX-DT are accumulating positions which are or may be detrimental to any particular Market or Markets or which may be capable of adversely affecting the fair and orderly operation of any Market or Markets as the case may be.
- 4.6 **Interest:** The Client shall not be entitled to any interest as may be received by the Company attributable to any credit balance of the Client in the Futures Account. The Client shall pay interest on all debit balances on the Futures Account in accordance with Clause 5.6 (*Interest*) of the Terms.
- 4.7 **Dealing as Principal:** The Client acknowledges that in respect of any account of the Company maintained with the Clearing House, whether or not such account is maintained wholly or partly in respect of Contracts transacted on behalf of the Client and whether or not Margin provided by the Client have been paid to or deposited with the Clearing House, as between the Company and the Clearing House, the Company deals as principal and accordingly the Client shall have no third party beneficiary rights as against the Clearing House.
- 4.8 **Margin:** Any Margin received by the Company from the Client or from any other person (including the Clearing House) are held and applied in accordance with the rules in Part III of the Securities and Futures (Licensing and Conduct of Business) Regulations. In particular the Company may apply Margin provided by the Client in or towards meeting the obligations of the Company to any party insofar as such obligations arise in connection with or incidental to Contracts transacted on the Client's behalf.

- 4.9 **OPPOSITE POSITIONS:** THE COMPANY MAY, SUBJECT TO THE PROVISIONS OF THE SFA AND ANY APPLICABLE REGULATIONS, TAKE THE OPPOSITE POSITION TO THE CLIENT'S INSTRUCTIONS IN RELATION TO ANY CONTRACT, WHETHER ON THE COMPANY'S OWN ACCOUNT OR FOR THE ACCOUNT OF ITS ASSOCIATES OR OTHER CLIENTS OF THE COMPANY, PROVIDED THAT SUCH TRADE IS EXECUTED COMPETITIVELY ON OR THROUGH THE FACILITIES OF THE SGX-DT OR A FOREIGN FUTURES EXCHANGE IN ACCORDANCE WITH THE RULES OR THE FOREIGN RULES (AS THE CASE MAY BE).
- 4.10 **Delay:** The Client acknowledges that there may, on occasions, be a delay in making prices or in dealing by the Company due to the physical restraints on the SGX-DT or other Foreign Futures Exchange and the rapid changes in the prices of Commodities and the Company might not, after using reasonable endeavours, be able to trade at the prices quoted at any specific time. The Client agrees that the Company shall not be liable for any loss arising by reasons of its failing, or being unable to comply with any terms of the Client's Instructions (including the duplicated execution of Instructions resulting from the Client's attempt to withdraw or amend an Instruction).
- 4.11 **Partial Performance:** The Client acknowledges that where the Company is unable after using reasonable endeavours to execute any Instruction in full, the Company is entitled to effect partial performance only, without prior reference to the Client for confirmation. The Client shall accept and be bound by the outcome of any performance, partial performance or non-performance of the Company when the Client's request to execute an Instruction is made.
- 4.12 **Cut-off:** Any Client's Instruction that has not been executed before the close of business of the relevant Exchange or such other expiration date required by the relevant Exchange or such other later time as the Client and the Company may agree shall be deemed to have been cancelled automatically.
- 4.13 **"At Best" Prices:** The Client acknowledges that due to the trading practices of the SGX-DT or other Foreign Futures Exchange in which Contracts are transacted, it may not always be able to execute Instructions at the prices quoted "at best" or "at market" and the Client agrees in any event to be bound by the Transactions executed by the Company following Instructions given by the Client.
- 4.14 **Credit Enquiry:** The Client hereby authorizes the Company to conduct a credit enquiry (or personal credit enquiry in case of individual Client) and such other checks on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client. The Client shall keep the Company informed regarding its financial standing and shall immediately report to the Company any information that indicates that it is (a) insolvent, (b) threatened with insolvency, or (c) guilty of any irregularities or malpractices. The Client shall, upon the Company's request, provide all information and documents relating to the foregoing, including as proof of assets and documents evidencing source of income.
- 4.15 **Consolidation/Disaggregation:** The Client authorises the Company, at any time and at the Company's absolute discretion, for the purpose of obtaining a better execution price and/or reducing the volume of instructions, to consolidate and/or disaggregate the Client's Instructions to purchase and/or sell Contracts on the Client's behalf with similar instructions received from the Company's other clients. The Client agrees that in the event of there being insufficient Contracts available to satisfy the purchase/sell Instructions so consolidated, the number of Contracts actually purchased/sold shall be attributed to the relevant clients in the order in which those instructions were received by the Company.

- 4.16 **Priority:** Subject to Applicable Regulations and Market requirements, the Company may at its discretion determine the priority in the execution of its clients' orders, having due regard to the sequence in which such orders were received, and the Client shall not have any claim of priority to another customer in relation to the execution of any order received by the Company.
- 4.17 **Open Positions:** The Client acknowledges that the Company is obliged to comply with reporting obligations under Applicable Regulations, including but not limited to providing information relating to the Client's open positions and the ownership and control of such positions, and the Client hereby consents and authorises the Company to submit, report or disclose such data or information relating to the Client and its Contracts to the relevant Exchange, Clearing House or any other person for the purposes of complying with Applicable Regulations.
- 4.18 **Reporting:** The Client shall comply with all applicable notification, position reporting and large position reporting requirements that may be in force from time to time and shall not exceed the prescribed limit for the relevant futures class and type in accordance with the contract limits and reportable position rules established by the relevant Market or Exchange, if any. It is the Client's responsibility to be aware of such requirements as may apply from time to time. The Client acknowledges that the Company shall not (except to the extent required by Applicable Regulations) be responsible for any of the Client's failures to adhere to such requirements.
- 4.19 **Closing:** Without prejudice to and in addition to the Company's rights under the Agreement, the Company may, without the Client's consent, close all or any of the Client's positions if the Company is of the opinion that there has been a change or development involving a prospective change:
- (a) in the national or international monetary, financial, economic or political conditions or foreign exchange controls which has resulted or is in the opinion of the Company likely to result in a material or adverse fluctuation in the stock market, commodities or futures market in Singapore and/or overseas; or
  - (b) which is or may be of a material adverse nature affecting the condition or operations of the Company or the Client.

## 5. Authority

- 5.1 **Disclosure:** The Company shall, upon the request of the SGX-DT or the MAS or any other Exchange, governmental or regulatory authority in any jurisdiction (collectively the "**relevant regulators**"), disclose the name, beneficial identity and such other information concerning the Client as the relevant regulators may require. The Client undertakes to disclose such other information concerning itself to the Company within the time the Company specified as may be required for the Company to comply with the Rules, the Foreign Rules, the SFA and/or the requirements of the relevant regulators. The Client irrevocably authorises the Company to make any such disclosure.
- 5.2 **Discretionary Actions:** The Company may take one or more of the following actions at any time as may be determined in the Company's sole and absolute discretion to be required to ensure compliance with Applicable Regulations on the part of the Company:
- (a) deduct from or withhold part of any amounts payable to the Client under any Account;

- (b) terminate any Account without notice with immediate effect and discontinue entirely or in part the Company's relationship with the Client; and
- (c) provide (whether before or after the termination of any Account) the tax information relating to the Client to such authority in any jurisdiction, as may be required for the Company to ensure compliance with any Applicable Regulations.

5.3 **Clearing House:** The Client acknowledges that the Clearing House may do all things necessary to transfer any open positions held by the Company on the Client's behalf and any money and security standing to the credit of its account with the Company to another participant of the SGX-DT or the relevant Foreign Futures Exchanges in the event the rights of the Company as exchange participant of the SGX-DT or the relevant Foreign Futures Exchanges are suspended or revoked.

5.4 **Agent:** The Client agrees that the Company only acts as the Client's agent in the execution of the Client's Instructions unless the Company otherwise notifies the Client in the contract note or advice for the relevant Transaction or by other means.

## 6. **General Lien**

Without prejudice to Clause 15 (*Lien*) of the Terms:

6.1 **General Lien:** The Client grants to the Company a general lien over all Margin and other properties of the Client held from time to time by the Company, whether held for safe-keeping or otherwise, (collectively, the "**Assets**") for the discharge of any and all of its obligations to the Company from the Company's dealings in Contracts on the Client's behalf.

6.2 **Fixed Charge:** The Client hereby agrees that all the Assets shall stand charged by way of a first fixed charge as continuing security for the payment and discharge of any amounts due by the Client to the Company.

6.3 **Liquidation:** The Client authorizes the Company without giving prior notice to sell or liquidate any of the Assets at such price and in such manner at the Company's absolute discretion for discharge of the Client's indebtedness to the Company. The Company shall have the right to determine which Contracts are to be closed. Upon full payment and discharge of the Client's indebtedness, the Company will, at the Client's request and expense, release to the Client all its rights, title and interest in the Assets.

## 7. **Delivery**

The Client shall promptly deliver any monies, securities, financial instruments, documents or other Commodities or property deliverable by it under any Contract in accordance with any instructions given by the Company to meet Margin Calls and demands for Variation Adjustments applicable to any Contracts transacted on any relevant Exchange.

## 8. **Margin and Deposit**

8.1 **Margin Call:** The Client shall on demand pay to or deposit with the Company as Margin, and/or Variation Adjustments for account or accounts of the Client with the Company, as the Company may from time to time in its absolute discretion require, such amount of money, and/ or other security as contemplated in Clause 7 (*Delivery*) of this Appendix, and/or such documents in order to exercise its rights in connection therewith ("**Margin Call**"). The Company may be required to report particulars of all open positions in respect of which Margin Calls and demands for Variation Adjustments are not met within the period specified by the Company. The Company



may require more Margin or Variation Adjustments than that specified by the Clearing House and may close out open positions in respect of which any Margin Calls and demands for Variation Adjustments are not met within the period specified by the Company or at the time of making such call(s) or demand(s).

8.2 **Contacting the Client:** For the purpose of making a Margin Call, the Company shall use its best endeavours to contact the Client promptly. The Client agrees that a Margin Call shall be deemed properly made after the Company has given notice to the Client of such Margin Call in accordance with Clause 29 (*Communications and Notices*) of the Terms.

8.3 **Transfer between Accounts:** Subject to Applicable Regulations, the Company may from time to time, without prior notice to the Client, transfer all or any part of any money or other security held by the Company for the account of the Client between Accounts or to any account with a clearing or non-clearing member of the relevant Exchange as it may at its sole discretion consider to be necessary or desirable in order to meet any Margin requirement of the Client. The Company shall notify the Client upon making any such transfer.

8.4 **Pledge:** Any documents or other property held by the Company as security for any Margin, deposit or other obligation of the Client to the Company shall be held by it by way of pledge unless it is held expressly subject to some other security arrangement.

## 9. Fees and Charges

9.1 **Fees and Charges:** The Client shall pay to the Company the commission and exchange fees prescribed by the SGX-DT or any Foreign Futures Exchange for Contracts and such additional charges as may be determined by the Company from time to time and notified to the Client. Please refer to the Company's website for details of the commission and fees which may be charged to the Client.

9.2 **Investor Compensation Fund Levy:** A Contract transacted on the SGX-DT may be subject to a levy in connection with the Investor Compensation Fund levy and/or any other levy pursuant to the SFA, and all such levies shall be borne by the Client (rateably as needed).

## 10. Transaction Notices and Reports

10.1 **Transaction Notices and Reports:** The Company will report to the Client Transactions of Contracts by sending to the Client, a copy of the transaction confirmation and account statement within 2 Business Days of the execution of the Transaction which will include the number of Contracts purchased or sold, the underlying asset(s), expiry month, strike price, option type, version number, whether they were closing contracts or opening contracts, the price and the unit of the asset comprised in each lot the subject of such Contract.

10.2 **Liability:** The Client agrees that the Company is not liable for any loss, damage or expense of any kind or market fluctuations resulting from any delay by the Client in reporting an error to the Company.

10.3 **Overpayment:** In the case that there is an overpayment of money or Contracts to the Futures Account, the Client agrees to notify the Company as soon as it is aware of the overpayment and agrees not to remove (or if it is removed, to return) the money. The Client shall hold any overpayment of money if paid to and received by the Client in trust for the Company.

## 11. Events of Default

11.1 **Default:** Without prejudice to the generality of Clause 21.1 (*Default*) of the Terms, each of the following events shall also constitute an **Event of Default** for the purposes of this Appendix:

- (a) in respect of any Contract, the Client breaches or fails to observe or perform on its due time and date, any provision thereof (including, without prejudice to the generality of the foregoing, any obligation under the Agreement), or the Client assigns, or purports to assign the whole or any part of the benefit of any Contract;
- (b) the Client has not met a demand for a Margin Call (whether initial, maintenance or additional), or has failed or refused to comply with any request, call or demand made by the Company pursuant to the Agreement, or the Company has attempted to demand a Margin Call from the Client but for whatever reason was not able to contact the Client; and/or
- (c) it is or becomes unlawful for the Client to perform any of its obligations under any Contracts.

11.2 **Remedies:** Without prejudice to any other rights or remedies which the Company may have (including but not limited to those set out in Clause 21.2 (*Remedies*) of the Terms), if any Event of Default has occurred, then the Company may by notice in writing, inform the Client accordingly, and whereupon:-

- (a) the Company shall not, pending remedy thereof, be obliged to pay over any sum or deliver any assets held by way of security to the Client in respect of any Contract;
- (b) the Company shall be entitled to suspend performance of any of its obligations to the Client howsoever arising and whether under any Contract or otherwise, including the payment of any sum or sums of money then due or which might thereafter become due;
- (c) the Company shall be entitled to close out all or any existing Contracts in such manner as it considers necessary or desirable notwithstanding that the settlement date(s) thereof shall not have arrived and to take such other steps as it may consider necessary to protect its interests, but in no circumstances shall the Company be under any obligation to exercise any of such rights or, if it does exercise any of such rights, to do so at a time or in a manner beneficial to the Client;
- (d) the Company shall be entitled to close out, perform or maintain any open Contract in the Futures Account and for this purpose, make or take delivery of the underlying Commodities in respect of any such Contract, sell or close out any Contract, initiate new long or short positions to establish a spread or straddle, or do a combination of any of the foregoing;
- (e) the Company may exercise any options (put or call) arising from any open Contract held by the Company on behalf of the Client;
- (f) the Company may take such action and do such act, matter or thing as it shall in its sole and absolute discretion consider necessary or desirable to comply with or to perform, cancel or satisfy any obligations of the Company to the Client, or any obligations of the Client and/or the Company to the SGX-DT, Clearing House or any Foreign Futures Exchange;

- (g) the Company may satisfy any obligation the Client may have to the Company (either directly or by way of guarantee or suretyship) out of any property belonging to the Client in the custody or control of the Company; and/or
- (h) the Company may call upon or enforce any security which may have been issued, made or created to or in favour of the Company or any of its Affiliates.

## 12. Termination

- 12.1 **Termination:** Notwithstanding Clause 26.1 (*Termination by Notice*) of the Terms, the Client may only terminate this Appendix provided that there is no outstanding Contract in the Futures Account.
- 12.2 **Termination by the Company:** In addition to the other rights of termination of the Company under Clause 26.2 (Termination by the Company) of the Terms, the Company may terminate the Agreement at any time with immediate effect if the Company or any of its Affiliates is or comes under any obligation imposed by the SGX-DT, a Foreign Futures Exchange, the Clearing House or any Applicable Regulations to do any of the acts mentioned in Clause 11.2 (*Remedies*) of this Appendix.
- 12.3 **Effect of Termination:** Termination of this Appendix:
  - (a) shall not affect any Transactions entered into by the Company pursuant to the Agreement before the termination; and
  - (b) shall not affect the rights or liabilities of either party in respect of open Contracts or Contracts in respect of which there is an outstanding liability to the Company and shall be without prejudice to the Company's rights to all deposits, Margin and other sums held by it and the Agreement shall continue to apply thereto.

## 13. Assignment

The Client may not assign, entrust, subcontract, move, or dispose of in other ways any rights hereunder or under any Contract without the prior written consent of the Company. The Client's rights arising under each Contract shall be subject to all rights, liabilities and obligations arising out of the application of the Agreement to every Transaction for a Contract and every Contract entered into by the Client with the Company.

## 14. Omnibus Account

In the case that the Client operates an omnibus account and is not an exchange participant of the SGX-DT, the Client shall, in relation to Contracts transacted on the SGX-DT:

- (a) in the Client's dealing with the person(s) from whom the Client receives instructions with respect to the omnibus account, comply with and enforce the margin and Variation Adjustment requirements and procedures as stipulated in the Rules as though the Client were an exchange participant of SGX-DT and as though the person(s) for whose account or benefit such instructions are given were clients;
- (b) ensure that the persons from whom the Client receives instructions comply with the margin and Variation Adjustment requirements as stipulated in the Rules, with the result that, as between SGX-DT and the Company, the Company should be responsible for ensuring that such requirements are complied with by all persons

through whom instructions pass with respect to the omnibus account as if each in turn was the client for whom such omnibus account was operated; and

- (c) disclose to the Company the gross long and short positions and the purchase and sale dates of all open positions held in the Client's omnibus account, or any subaccount of such omnibus account, in respect of each Contract. The Client acknowledges that the Company is required to, and the Client irrevocably and unconditionally confirms that the Company may, immediately notify the SGX-DT of any failure by the Client to make the aforesaid disclosures to the Company.

15. **Miscellaneous**

- 15.1 **Inconsistency:** If any term in the Agreement is inconsistent with any present or future law, rule or regulation of the SGX-DT, the Clearing House or any authority having jurisdiction over the subject matter of the Agreement, such provision shall be deemed to be rescinded or modified in accordance with any such law, rule or regulation. In all other respects, the Agreement shall continue and remain in full force and effect.
- 15.2 **Risk Disclosure Statements:** The Client confirms that (a) the risk disclosure statements set out in Appendix VIII (*Risk Disclosure Statements*) were provided in English, (b) it was invited to read the risk disclosure statements, ask questions and take independent advice from professional advisors if the Client considers necessary and (c) it has understood the risk disclosure statements. The Client acknowledges that these risk disclosure statement may be varied from time to time.

## Appendix VIII: Risk Disclosure Statements

The Client (or “you”) should read these risk disclosure statements carefully. These statements form an integral part of the Agreement and the Account Opening Form. By executing the Account Opening Form, the Client acknowledges that it has received and read these statements in English and confirms its understanding of the risks which may arise in connection with the investments and transactions relating to the Accounts.

The products and services whose risks are outlined within this Appendix are available only at the discretion of the Company and may not necessarily be made available or offered in certain countries. Nothing in this Appendix shall be considered or construed as an offer, invitation, solicitation or inducement by the Company to enter into any particular investment or transaction nor as a holding out by the Company that it is conducting business in activities involving such products or services.

These risk disclosure statements do not disclose or purport to disclose all the risks and relevant considerations in connection with any investment or transaction relating to the Accounts. The Client should carefully consider whether entering into any particular investment or transaction is suitable for it, its operation, business and organisation in light of its financial resources, experience, objectives for engaging in the investments or transactions, ability to bear risk and other relevant circumstances. It is the Client’s sole responsibility to make its own independent appraisal and investigation into the risks associated with the desired investment or transaction. The Client should refrain from entering into any particular investment or transaction unless the Client fully understands the risks involved and has obtained independent legal, tax, financial and other advice from its own advisers as it considers appropriate. The Company is not, and shall not be deemed to be, the Client’s financial advisor.

### I. GENERAL RISKS IN SECURITIES TRADING

In this Section I, the Company provides a high level summary of the general risks involved when you invest in securities generally. This high level summary is not intended to be exhaustive and it is important that you also carefully read through the other sections of this Appendix that address more specific risks that may arise in respect of certain types of products.

There are various risks of a general nature associated with investing and transacting in securities. Different products involve different level of risks and in considering whether to trade or invest in securities generally, you should be aware of the following:

#### 1. Risks Associated with Securities Trading

##### (a) *Price fluctuation*

The prices of securities (including but not limited to bonds or benefits of unit trust funds, mutual funds, or other collective investment schemes) fluctuate, sometimes dramatically. The price of a security may move up or down, and may fall against your interest and under some circumstances even become valueless. It is as likely that losses will be incurred, rather than profit made, as a result of buying and selling securities.

##### (b) *Past performance not indicative of future performance*

Any representation of past performance is not necessarily a guide to future performance.

##### (c) *Currency risks*

Where investments involve exposure to foreign currencies, changes in rates of exchange may cause the value of the investments to fluctuate up or down.

##### (d) *Emerging markets risks*

Investments in emerging markets need careful and independent assessment by you of each investment and the risks (including without limitation sovereign risk, issuer risk, price risk, liquidity risk, legal and tax risks). Further, you should be aware that, while such investments can yield high gains, they can also be highly risky as the markets are unpredictable and there may be inadequate regulations and safeguards available to investors.

##### (e) *Impact of commission, fees, and other charges*

Commissions, fees, and other charges levied by the Company or other intermediaries may reduce the overall quantum of your net profit or exacerbate the overall quantum of your net loss.

*(f) Suspension or restriction of trading*

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any security because of price limits or trading halts) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions.

*(g) Transactions in other jurisdictions (please refer to Statutory Risk Warning Statement for Overseas-Listed Investment Products)*

Transactions on markets in other jurisdictions, including markets formally linked to the Singapore market (if any), may expose you to additional risks. Such markets may be subjected to rules that may offer different or diminished investor protection. Before entering into such trades, you should be aware of the rules relevant to the particular transactions. The Monetary Authority of Singapore may be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected.

*(h) Assets received or held outside Singapore*

Client assets received or held by a custodian outside Singapore are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Act 2001 and the rules made thereunder. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Singapore.

*(i) Deposited cash and property*

You should familiarise yourself with the protection accorded to any money or other property which you deposit for domestic and foreign transactions, particularly in a firm's insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

*(j) Risks of third party authorisations*

There are substantial risks in allowing an authorized third party to trade or operate your account, and it is possible that instructions could be given by persons not properly authorized. You accept all of the risks of such an operation and irrevocably releases the Company from all liabilities arising out of or in connection with such instructions, whether taken by the Company or otherwise.

*(k) Risks of providing an authority to hold mail or to direct mail to third parties*

If you provide the Company with an authority to hold mail or to direct mail to third parties, it is important for you to promptly collect in person all contract notes and statements of your account and review them in detail to avoid the risk that any anomalies or mistakes may fail to be detected in a timely fashion.

*(l) Risks of providing an authority to deal with securities or collateral deposited with the Company*

There may be risks if you provide the Company with an authority that allows it to apply your securities or collateral that are received or held by the Company pursuant to a securities borrowing and lending agreement, repledge your securities or collateral for financial accommodation or deposit them as collateral for the discharge and satisfaction of the Company's settlement obligations and liabilities. For example, if you provide the Company with such authority, and your securities or collateral are lent to or deposited with third parties, those third parties will have a lien or charge on your securities or collateral. Although the Company is responsible to you for securities or collateral lent or deposited under your authority, a default by the Company could result in the loss of your securities or collateral. Your consent for the grant of your authority must be provided in writing.

## **2. Additional Risks Relating to Repos**

The term "repo" refers to a sale and repurchase transaction in securities. In a repo, the repo seller transfers title in the securities to the repo purchaser. The repo is in effect for a specific period, and at the end of the period the repo purchaser transfers title to equivalent securities (of the same issuer and type) to the repo seller.

The repo purchaser's obligation to transfer equivalent securities is usually secured against collateral. There is, accordingly, credit risk. Selling securities under a repo may also affect your tax position (although you should seek independent advice on the issue).

As a result of selling securities under a repo the seller will cease to be the owner of them, although the seller will have the right to reacquire at a future date equivalent securities (or in certain circumstances their cash value or the proceeds of redemption). However, except to the extent that the seller have received collateral (subject to insolvency rules or fraudulent preference), the seller's right to the repurchase of securities is subject to the risk of insolvency or other non-performance by the repo purchaser. Since the seller is not the owner of the securities during the period of the repo, the seller will not have voting rights nor will the seller directly receive dividends or other corporate actions although the seller will normally be entitled to a payment from the repo purchaser equivalent to the dividend the seller would otherwise have received and the repo purchaser will be required to account for the seller for the benefit of corporate actions.

Repos also entail counterparty default risk and operational risks such as the non-settlement or delay in settlement of instructions.

### **3. Additional Risks of Over-the-counter (OTC)/Grey Market Trading in Securities**

An OTC transaction is individually negotiated between two parties (buyer and seller) and you are thus exposed to risks, including the credit risk of the counterparty, the risk that the securities will ultimately fail to be listed on the exchange, and the risk of lower liquidity and the higher volatility since there may not be an active trading market. OTC transactions are not guaranteed to be settled and the counterparty may be unable to settle any losses or expenses incurred and the liability of any non-payment will be borne by you. The price of OTC securities may differ materially from the opening or trading price in the regular market time after it is listed on the exchange. The price of securities displayed on an OTC market may not reflect the price of the same security transaction in another automated trading system operating at the same time. The OTC market is not regulated by the exchange and is not protected by the Investor Compensation Fund until the listing of the securities is officially recorded in the trading system of the exchange. You should consider carefully whether an OTC product is suitable in light of your investment experience, objective, financial position, risk propensity and other relevant considerations. You should therefore ensure that you understand the nature of the OTC product, the trading facilities and the level of risk you can afford before trading. If in doubt, you should seek independent professional advice.

## **II. RISKS OF TRADING IN DERIVATIVES AND STRUCTURED PRODUCTS**

In general, derivative transactions may comprise swaps, options, futures, and other mixed investment tools such as structured products (for example, structured bills and structured deposits) which are formed by combining one or more reference derivatives.

Irrespective of any form, all derivative tools share one common feature: the liabilities of one party or both parties are based on the prices fluctuations of related financial assets (trading is derived from the related financial assets), and the financial assets can be securities (including stocks and bonds), interest rates, indices, currencies, or the credit of a referential institution.

Derivative transactions may involve the obligation to make, or to take delivery of the underlying asset of the contract at a maturity date, or the position may be settled in cash without delivery of the underlying asset.

These products can be complex and participation in a derivative transaction involves a certain degree of risk due to the volatile nature of derivative transactions and the underlying assets therein. You should not deal in derivative products unless you understand the nature of the transactions you are entering into and the extent of your exposure to risk. Considering the potential risks, you should consider carefully whether the derivative transaction is suitable in light of your investment experience, objective, financial resources, business operation resources, and any taxation and accounting related matters. You should seek independent advice, if necessary before making a decision to enter into a derivative transaction.

You must pay attention to the general legal framework and the regulatory treatment by the relevant regulatory institution for the derivative transaction.

You should not engage in derivative transactions unless you completely understand:

- The nature and basic elements of the derivative tool and the related financial assets thereof;
- The legal terms and conditions for such transaction;
- The extent of the economic risks to which you are and/or will be exposed as a result of such transaction, and you have determined the appropriateness of such risks based on your related investment experience in respect of such derivation transaction and/or related derivative tools, financial goals, financial situation, and financial resources;
- The tax treatment of such transaction, which can be complicated and/or uncertain; and
- The regulatory treatment of such transaction.

### **1. General Risks in Relation to Over-the-Counter (OTC) Derivative Transactions**

OTC derivative transactions, like other financial transactions, involve a variety of significant risks. The specific risks presented by a particular OTC derivative transaction necessarily depend upon the terms of the transaction and your circumstances. In general, however, all OTC derivative transactions involve some combination of market risk, credit risk, funding risk and operational risk.

- (a) Market risk is the risk that the value of a transaction will be adversely affected by fluctuations in the level or volatility of or correlation or relationship between one or more market prices, rates or indices or other market factors or by illiquidity in the market for the relevant transaction or in a related market.
- (b) Credit risk is the risk that a counterparty will fail to perform its obligations to you when due.
- (c) Funding risk is the risk that, as a result of mismatches or delays in the timing of cash flows due from or to your counterparties in OTC derivative transactions or related hedging, trading, collateral or other transactions, you or your counterparty will not have adequate cash available to fund current obligations.
- (d) Operational risk is the risk of loss to you arising from inadequacies in or failures of your internal systems and controls for monitoring and quantifying the risks and contractual obligations associated with OTC derivative transactions, for recording and valuing OTC derivative and related transactions, or for detecting human error, systems failure or management failure.

There may be other significant risks that you should consider based on the terms of a specific transaction. Highly customised OTC derivative transactions in particular may increase liquidity risk and introduce other significant risk factors of a complex character. Highly leveraged transactions may experience substantial gains or losses in value as a result of relatively small changes in the value or level of an underlying or related market factor.

Because the price and other terms on which you may enter into or terminate an OTC derivative transaction are individually negotiated, these may not represent the best price or terms available to you from other sources.

In evaluating the risks and contractual obligations associated with a particular OTC derivative transaction, you should also consider that an OTC derivative transaction may be modified or terminated only by mutual consent of the original parties and subject to agreement on individually negotiated terms. Accordingly, it may not be possible for you to modify, terminate or offset your obligations or your exposure to the risks associated with a transaction prior to its scheduled termination date.

Similarly, while market makers and dealers generally quote prices or terms for entering into or terminating OTC derivative transactions and provide indicative or mid-market quotations with respect to outstanding OTC derivative transactions, they are generally not contractually obligated to do so. In addition, it may not be possible to obtain indicative or mid-market quotations for an OTC derivative transaction from a market maker or dealer that is not counterparty to the transaction. Consequently, it may also be difficult for you to establish an independent value for an outstanding OTC derivative transaction. You should not regard your counterparty's provision of a valuation or indicative price at your request as an offer to enter into or terminate the relevant transaction at that value or price, unless the value or price is identified by the counterparty as firm or binding.

**The above does not purport to disclose all of the risks and other material considerations associated with OTC derivative transactions. You should not construe this generic disclosure statement as business, legal, tax or accounting advice or as modifying applicable law. You should consult your own business, legal, tax and accounting advisers with respect to proposed OTC derivative transactions and you should refrain from entering into any OTC derivative transaction unless you have fully understood the terms and risks of the transaction, including the extent of your potential risk of loss.**

## **2. Risks of Trading in Exchange-Traded Structured Products ("Structured Products")**

### *(a) Risk of issuer default*

In the event that a Structured Product issuer becomes insolvent or defaults, you will be considered as an unsecured creditor and will have no preferential claims to any assets held by the issuer. You should therefore pay close attention to the financial strength and credit worthiness of Structured Product issuers.

### *(b) Risk of uncollateralized product*

Uncollateralized Structured Products are not asset-backed. In the event of issuer bankruptcy, you can lose your entire investment. You should read the listing documents to determine if a product is uncollateralized.

### *(c) Gearing risk*



Structured Products such as warrants and Callable Bull/Bear Contracts (“CBBCs”) are leveraged and can change in value rapidly according to the gearing ratio relative to the underlying assets. You should be aware that the value of a Structured Product may fall to zero resulting in a total loss of the initial investment.

*(d) Expiry considerations*

Structured Products have an expiry date after which the issue may become worthless. You should be aware of the expiry time horizon and choose a product with an appropriate lifespan for their trading strategy.

*(e) Extraordinary price movements*

The price of a Structured Product may not match its theoretical price due to outside influences such as market supply and demand factors. As a result, actual traded prices can be higher or lower than the theoretical price.

*(f) Risks of foreign exchange*

You are exposed to exchange rate risk when trading Structured Products with underlying assets not denominated in Singapore dollars. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the Structured Product price.

*(g) Risks of liquidity*

Structured Product issuers may be required by SGX to appoint a market-maker/liquidity provider for each individual issue. The role of market-makers/liquidity providers is to provide two way quotes to facilitate trading of their products. In the event that a market-maker/liquidity provider defaults or ceases to fulfil its role, you may not be able to buy or sell the product until a new market-maker/liquidity provider has been assigned. There is no guarantee that you will be able to buy or sell your Structured Products at your target price any time you wish.

**3. Additional Risks of Trading in Warrants**

*(a) Risks of time decay*

All things being equal, the value of a warrant will decay over time as it approaches its expiry date. Warrants should therefore not be viewed as long term investments.

*(b) Volatility risks*

Prices of warrants can increase or decrease in line with the implied volatility of underlying asset price. You should be aware of the underlying asset volatility.

*(c) Market risks and transaction turnover*

Other than basic factors that determine the theoretical price of a warrant, warrant prices are also affected by all prevailing market forces including the demand for and supply of the Warrants. The market forces will be greatest when a warrant issue is almost sold out and when issuers make further issues of an existing warrant issue. High turnover should not be regarded as an indication the price of a warrant will go up. The price of a warrant is affected by a number of factors in addition to market forces, such as the price of the underlying assets and its volatility, the time remaining to expiry, interest rates and the expected dividend on the underlying assets.

**4. Additional Risks of Trading in CBBCs**

*(a) Risks of compulsory withdrawal*

You should be aware of the intraday “knock-out” or mandatory call feature of CBBCs. A CBBC will cease trading when the underlying asset value equals the mandatory call price/level as stated in the listing documents, and you will only be entitled to the residual value of the terminated CBBC as calculated by the product issuer in accordance with the listing documents. You should also note that the residual value can be zero.

*(b) Financing cost*

The issue price of a CBBC includes funding costs. Funding costs are gradually reduced over time as the CBBC moves towards expiry. The longer the duration of the CBBC, the higher the total funding costs. In the event that a CBBC is called, you will lose the funding costs for the entire lifespan of the CBBC. The formula for calculating the funding costs is stated in the listing documents.

*(c) Trading occurring close to the withdrawal prices*

When the underlying asset is trading close to the call price, the price of a CBBC may be more volatile with wider spreads and uncertain liquidity. CBBC may be called at any time and trading will terminate as a result. However, the trade inputted by you may still be executed and confirmed by the Exchange participants after the CBBC has been called since there may be some time lapse between the call event and suspension of the CBBC trading. Any trades

executed after the call event will not be recognized and will be cancelled. Therefore, you should be aware of the risk and ought to apply special caution when the CBBC is trading close to the call price.

**For further information of warrants and CBBCs, please refer to:**

Singapore

“Structured Warrants” Section

<https://www.sgx.com/research-education/securities-products>

Hong Kong

“Derivative Warrants” Section

[http://www.hkex.com.hk/chi/prod/secprod/dwrc/dw\\_c.htm](http://www.hkex.com.hk/chi/prod/secprod/dwrc/dw_c.htm)

“Callable Bull/Bear Contracts” Section

[http://www.hkex.com.hk/chi/prod/secprod/cbbc/intro\\_c.htm](http://www.hkex.com.hk/chi/prod/secprod/cbbc/intro_c.htm)

### **III. RISKS OF TRADING IN SYNTHETIC EXCHANGE TRADED FUNDS**

Unlike traditional exchange traded funds (ETFs), synthetic ETFs do not buy the assets in their benchmark. Instead, they typically invest in financial derivative instruments to replicate the benchmark’s performance. Investments in synthetic ETFs are highly risky and not suitable to all. You must understand clearly and consider the following risks prior to the purchase of synthetic ETFs.

#### **1. Market Risks**

ETFs are typically designed to track the performance of certain indices, market sectors, or group of assets such as stocks, bonds, or commodities. You are exposed to the political, economic, currency and other risks related to the ETF’s underlying index/assets it is tracking. You must be prepared to bear the risk of loss and volatility associated with the underlying index/asset.

#### **2. Risks of Counterparties**

Where a synthetic ETF invests in derivatives to replicate the index performance, you are exposed to the credit risk of the counterparties who issued the derivatives, in addition to the risks relating to the index. Further, potential contagion and concentration risks of the derivatives issuers should be taken into account (e.g. since derivative issuers are predominantly international financial institutions, the failure of one derivative counterparty of synthetic ETF may have a “knock-on” effect on other derivative counterparties of the synthetic ETFs). Some synthetic ETFs have collateral to reduce the counterparty risk, but there may be a risk that the market value of the collateral has fallen substantially when the synthetic ETF seeks to realize the collateral.

#### **3. Liquidity Risk**

There is no assurance that a liquid market exists for an ETF. A higher liquidity risk is involved if a synthetic ETF involves derivatives which do not have an active secondary market. Wider bid-offer spreads in the price of derivatives may result in losses. Therefore, they can be more difficult costly to unwind early, when the instruments provide access to a restricted market where liquidity is limited.

#### **4. Tracking Error Risk**

There may be disparity between the performance of the ETFs and the performance of the underlying index due to, for instance, failure of the tracking strategy, currency differences, fees and expenses.

#### **5. Trading at Discounts or Premiums**

Where the index/market that the ETF tracks is subject to restricted access, the efficiency in unit creation or redemption to keep the price of the ETFs in line with its net asset value (NAV) may be disrupted, causing the ETF to trade at a higher premium or discount to its NAV. If you had bought an ETF at a premium, you may not be able to recover the premium in the event of termination.

#### **6. Risks of Foreign Exchange**

You are exposed to exchange rate risk when trading ETFs with underlying assets not denominated in Singapore dollars. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the ETFs price.

### **IV. RISKS IN RELATION TO FUNDS**

The Client understands that the following risk disclosure statements explain some general risks, but are not meant to be an exhaustive list of all possible risks, involved in the Client's investment or dealing in Funds. For specific risks associated with a particular Fund, the Client should refer to the relevant offering documents for details.

Investment in Funds involves risks and prior to investing, the Client should read the relevant constitutive documents, offering documents and other relevant documents of a particular Fund to understand its features, terms and risks. Before investing or dealing in a Fund, the Client should carefully consider whether that Fund is suitable having regard to the Client's investment experience, investment objectives, financial resources and other relevant circumstances.

The Client must also consider these risk disclosure statements together with those set out under the section titled "General Risks in Securities Trading" above.

**1. Variable Returns Contingent on Performance of Financial Instruments**

Funds are investment products and some may involve derivatives. Funds are not equivalent to time deposits.

Whilst derivative instruments may be used in a Fund for hedging purposes, the risks remains that the relevant hedging instrument may not necessarily fully correlate to the investments in a Fund and accordingly, not fully reflect changes in the value of the investment, giving rise to potential net losses.

Some Funds may use financial derivatives instruments for investment purposes, which may involve embedded leverage. The use of financial derivatives instruments may expose the Client to additional risks including but not limited to volatility risk and counterparty risk. Fund manager(s) of a Fund may invest a substantial portion of the Funds' net assets in structured products, derivatives and non-investment grade debt securities. During adverse market conditions, you may suffer significant financial losses.

A Fund that is a hedge fund uses alternative investment strategies and the inherent risks are different and are not typically encountered in traditional funds.

**2. Price Fluctuation**

The price of the Units of a Fund can and do fluctuate, sometimes dramatically. The value of and income from a Fund is not guaranteed and may move up or down and may even become valueless. There is an inherent risk that losses may be incurred rather than profits made as a result of buying and selling Units of a Fund. You may not get back the amount that you had initially invested. In the worst case scenario, the value of the Units of a Fund may be worth substantially less than the amount that you had invested (and in an extreme case could be worth nothing).

**3. Past Performance not Indicative of Future Performance**

Past performance of a Fund is not an indication of future performance. There can be no assurance that the investment objective and strategy of a Fund will be successfully achieved.

**4. Market Risks**

A Fund that invests in certain markets and companies (e.g. emerging markets, commodity markets or smaller companies) may also involve a higher degree of risk and is usually more sensitive to price movements.

**5. Charges and Expenses**

Deductions of charges and expenses mean that you may not get back the amount you invested.

**6. Limits on Redemption**

Your right to redeem Units in a Fund may be restricted by certain circumstances (depending on the feature and terms of the Fund). In other words, there is a risk that Units in a Fund may be difficult to (purchase or) sell depending on those circumstances.

A Fund could contain Units that do not permit dealing every day. Investment in such funds will only be realisable on their respective dealing days. The appropriate market price of these investments can only be determined on the relevant Fund's dealing days.

**7. Time Lag**

The Company will effect your orders as soon as practicable; however, the execution of such orders may not coincide with the dealing days stipulated in the relevant offering document of a Fund. Furthermore, before your order is placed by the Company with the relevant Fund manager for execution, the Company may aggregate and consolidate (either daily or from time to time) your order together with orders placed by the Company's other clients. There may

be a discrepancy in the price or value of a Unit between when you place your order with the Company and when the order is executed by the relevant Fund manager.

**8. Currency Risks**

An investment in a Fund that is not denominated in Singapore dollars is exposed to exchange risk fluctuations. Exchange rates may cause the value of the investment to fluctuate.

**9. Differences in Regulatory Regimes**

Units of a Fund held by the Company or any other person appointed by the Company as your nominee outside of Singapore are subject to the applicable laws and regulations of the relevant overseas jurisdiction. These overseas laws and regulations may differ from the laws and regulations in Singapore. As a result, you may not enjoy the same protection for those Units in a Fund as you would enjoy for the same Units in a Fund that are held in Singapore.

**V. RISKS IN RELATION TO BOND TRADING**

Bonds are not an alternative to ordinary savings or time deposits. The price of bonds may fluctuate during its tenor and may even become valueless.

The Client understands that the following risk disclosure statements explain some general risks, but are not meant to be an exhaustive list of all possible risks, involved in the Client's investment or dealing in bonds. It is crucial to understand the specific risks mentioned in the relevant offering documents (if applicable) before investing.

**1. Key Product Risks**

Key risks include, but are not limited to, the ones listed below:

*(a) Credit risk*

You assume the credit risk of the issuer and the guarantor (if applicable). Any changes to the credit rating of them will affect the price and value of the bonds. Bonds are subject to the risk of the issuer defaulting on its obligations, i.e. an issuer fails to make principal and interest payments when due. In the worst case scenario of a bankruptcy of the issuer/guarantor, you could risk losing the value of the entire investment. Credit ratings assigned by credit rating agencies do not guarantee the creditworthiness of the issuer.

*(b) Liquidity risk*

The bond may have limited liquidity and may not be actively traded and/or quoted by brokers in the market. As such:

- (i) the value of bond and/or indicative bid/offer price will depend on market liquidity and conditions which may not be available at all times;
- (ii) it may take a longer time or it may be impossible to sell the bond at prevailing market conditions; and
- (iii) the executable sale price may differ unfavourably by large amounts from the indicative bid price quoted.

*(c) Currency risks*

For bonds denominated in a foreign currency, there may be an exchange loss when converting the redemption amount back to the local or base currency.

*(d) Interest rate risk*

Bonds are more susceptible to fluctuations in interest rates and generally prices of bonds will fall when interest rates rise.

*(e) Market risk*

The value of investments may fluctuate due to changing political, legal and, economic conditions and changes in interest rates. This is common to all markets and asset classes. Your return may be substantially less than the initial investment.

## 2. **Additional Risks for High-Yield Bonds**

In addition to the risks listed above, high-yield bonds are subject to additional risks such as:

### *(a) Higher credit risk*

Since high-yield bonds are typically rated below investment grade or are unrated, they are often subject to a higher risk of issuer default.

### *(b) Vulnerability to economic cycles*

During economic downturns high-yield bonds typically fall more in value than investment grade bonds as (i) investors become more risk averse and (ii) default risk rises.

## 3. **Specific Risks**

It is important to note that certain bonds may contain special features and risks that warrant special attention. These include:

### *(a) Perpetual bonds*

Perpetual debentures do not have a maturity date, and the coupon payments pay-out depends on the viability of the issuer in the very long term, it may be deferred or even suspended subject to the terms and conditions of the issue. Furthermore perpetual debentures are often callable and/or subordinated, and bear re-investment risk and/or subordinated bond risk, as detailed below.

### *(b) Re-investment risk of callable bonds*

If the bond is callable in which the issuer may redeem the bond before maturity, it is subject to re-investment risk. The yield received when re-investing the proceeds may be less favourable.

### *(c) Subordinated bonds*

Holders of subordinated debentures will bear higher risks than holders of senior debentures of the issuer due to a lower priority of claim in event of the issuer's liquidation. Subordinated debentures are unsecured and have lesser priority than that of an additional debt claim of the same asset. They usually have a lower credit rating than senior bonds. Your specific attention is drawn to the credit information of this product, including the respective credit rating of the issuer, the debenture and/or the guarantor, as the case may be.

### *(d) Bonds with variable coupon/coupon deferral features*

If the bonds contain variable and/or deferral of interest payment terms, then you would face uncertainty over the amount and time of the interest payments to be received.

### *(e) Bonds with extendable maturity date*

If the bonds contain extendable maturity date terms, then you would not have a definite schedule of principal repayment.

### *(f) Convertible or exchangeable bonds*

Convertible or exchangeable bonds are convertible or exchangeable in nature and the Client is subject to both equity and bond investment risk. They may additionally have a contingent write-down or loss absorption feature, meaning the bond may be written-off fully or partially or converted to common stock on the occurrence of a trigger event. These bonds generally absorb losses while the issuer remains a going concern. Before investing in bonds of this nature, you should pay extra attention to its features, the trigger events, the implications and consequences of such trigger events.

### *(g) Multiple credit support providers*

This refers to bonds with more than one guarantor. You should take into account matters such as the credibility of the guarantors, whether such guarantors have material operations and the credit support structure(s) involved. Under some credit support structures, the bondholders' rights may be subordinated to those of the issuer, the guarantors and/or other parties where an event of default is triggered.

(h) *Other/multiple credit support structures*

This refers to bonds with keep well deeds in place as a form of credit enhancement. Some of these bonds may also have credit support providers serving as guarantors. Keep well deeds need to be individually assessed and could be structurally complex. They are not necessarily comparable to guarantees and are subject to much greater legal and regulatory uncertainty compared to guarantees. In particular, capital control laws in certain countries could heighten the risk that timely payments will not be made, even if there is a keep well deed.

## VI. RISKS OF TRANSACTIONS IN FOREIGN JURISDICTIONS

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. In particular, securities that are foreign listed securities and are held outside Singapore are subject to the applicable laws and regulations of the relevant overseas jurisdiction that may be different from the Securities and Futures Act (Cap. 289) and the rules made thereunder in Singapore. Consequently, such securities may not enjoy the same protection as that conferred on securities received or held in Singapore. Before you enter into a transaction, you should enquire about any rules relevant to such transactions, and comply with the same. The Monetary Authority of Singapore will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. There may be restrictions for foreigners, repatriation of capital investments and profits and there may be withholding or additional forms of taxes.

You should only consider trading outside the Singapore market if you fully understand the nature of the relevant foreign market and the extent of your exposure to risks. You should carefully consider whether such trading is appropriate for you in light of your experience, risk profile, and other relevant circumstances, and seek independent professional advice when you are in doubt. **You should not rely on this information as a complete explanation of the risks of trading in foreign jurisdictions.**

### 1. Additional Risks of Trading and Investing in Renminbi (RMB) Denominated Products

In considering whether to invest in RMB denominated products, you should be aware of the following:

(a) *Exchange risks and daily conversion limit, etc.*

RMB is currently not freely convertible and there may at any given time be limited availability of RMB outside Mainland China. There is conversion risk in RMB denominated securities, and daily or other limits may apply to conversion amounts. If converting to or from RMB in Singapore, you may have to allow sufficient time to avoid exceeding such limits. In addition, there is a liquidity risk associated with RMB denominated securities, especially if such securities do not have an active secondary market and their prices have large bid/offer spreads.

Investment in RMB denominated securities is subject to exchange rate risks. The value of the RMB against any other foreign currencies fluctuates and is affected by changes in Mainland China and international political and economic conditions and by many other factors. The value of RMB settlement amounts compared to other currencies will vary with the prevailing exchange rates in the market.

For RMB products which are not denominated in RMB or with underlying investments which are not RMB denominated, such products will be subject to multiple currency conversion costs involved in making investments and liquidating investments, as well as the RMB exchange rate fluctuations and bid/offer spreads when assets are sold to meet redemption requests and other capital requirements (e.g. settling operating expenses).

(b) *Limited availability of underlying investments denominated in RMB*

For RMB products that do not have access to invest directly in Mainland China, their available choice of underlying investments denominated in RMB outside Mainland China may be limited. Such limitation may adversely affect the return and performance of the RMB products.

(c) *Projected returns which are not guaranteed*

If the RMB product is attached with a statement of illustrative return which is (partly) not guaranteed, you should pay particular attention to any disclosure relating to the return (or the part of the return, as the case may be) which is not guaranteed and the assumptions on which the illustrations are based, including, e.g., any future bonus or dividend declaration.

(d) *Long term commitment to investment products*

For RMB products which involve a long period of investment, you should pay particular attention to the fact that if you redeem the investment before the maturity date or during the lock-up period (if applicable), you may incur a significant loss of principal where the proceeds may be substantially lower than the invested amount. You should

pay attention to the early surrender/withdrawal fees and charges, if any, as well as the loss of bonuses (where applicable) as a result of redemption before the maturity date or during the lock-up period.

*(e) Credit risk of counterparties*

You should pay particular attention to the credit risk of counterparties involved in the RMB product. To the extent that a RMB product may invest in RMB debt instruments not supported by any collateral, such product is fully exposed to the credit risk of the relevant counterparties. Where a RMB product may invest in derivative instruments, counterparty risk may also arise as the default by the derivative issuers may adversely affect the performance of the RMB product and result in substantial loss.

*(f) Interest rate risks*

For RMB products which are, or may invest in, RMB debt instruments, you should pay attention to the fact that such instruments may be susceptible to interest rate fluctuations, which may adversely affect the return and performance of the RMB products.

*(g) Liquidity risk*

You should pay attention to the liquidity risk associated with RMB products, and where applicable, the possibility that the RMB products may suffer significant losses in liquidating the underlying investments, especially if such investments do not have an active secondary market and their prices have large bid/offer spreads.

*(h) Possibility of not receiving RMB upon redemption*

For RMB products with a significant portion of non-RMB denominated underlying investments, you should pay attention to the possibility of not receiving the full amount in RMB upon redemption. This may be the case if the issuer is not able to obtain sufficient amount of RMB in a timely manner due to the exchange controls and restrictions applicable to the currency.

*(i) Additional risks associated with leveraged trading*

Prior to conducting leveraged trading of RMB products, you should make sure that you understand and accept the risks and the terms and conditions of the borrowing arrangement. Leveraging heightens the investment risk by magnifying prospective losses. You should pay attention to the circumstances under which you will be required to place additional margin deposits at short notice and your collateral may be liquidated without your consent. You should beware of the risk that market conditions may make it impossible to execute contingent orders, such as “stop-loss” orders. In addition, you should be mindful of the exposure to interest rate risk, and in particular, the cost of borrowing may increase due to interest rate movements.

**2. Additional Risks of Trading in Hong Kong Growth Enterprise Market Stocks**

Stocks listed on the Growth Enterprise Market (“GEM”) in Hong Kong involve a high investment risk. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. GEM stocks may be very volatile and illiquid. You should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Current information on GEM stocks may only be found on the internet website operated by the Stock Exchange of Hong Kong Limited (“SEHK”). GEM Companies are usually not required to issue paid announcements in gazetted newspapers.

You should seek independent professional advice if you are uncertain of or have not understood any aspect of this risk disclosure statement or the nature and risks involved in trading of GEM stocks.

**3. Additional Risks of Trading in NASDAQ Securities Listed on the SEHK**

The securities traded under the Nasdaq-Amex Pilot Program (the “PP”) are aimed at sophisticated investors. You should consult the Company and become familiarised with the PP before trading in the PP securities. You should be aware that the PP securities are not regulated as a primary or secondary listing on the Main Board or the GEM of SEHK.

**VII. RISKS IN MARGIN TRADING**

Margin trading is, in essence, the practice of using borrowed funds to trade securities. The risk of loss in financing a transaction by deposit of collateral is significant. You may sustain losses in excess of your cash and any other assets deposited as collateral with the Company. Market conditions may make it impossible to execute contingent orders such as “stop-loss” or “stop-limit” orders. You may be called upon at short notice to make additional margin

deposits or interest payments. If the required margin deposits or interest payments are not made with the prescribed time, your collateral may be liquidated without your consent. You will remain liable for any resulting deficit in your account and interest charged on your account. You should carefully consider whether such financing arrangement is suitable in light of your own financial position and investment objectives.

## **VIII. RISKS RELATING TO SECURITIES BORROWING AND LENDING**

### **1. Securities Borrowing and Short Selling**

The risk of loss in securities borrowing and short selling is substantial. In some circumstances, you may sustain losses in excess of your initial margin funds. Even if you have set an alternate instruction, such as “stop-loss” or “stop-limit” orders, you may still not be able to avoid loss since market conditions may make such directions cannot be performed. You may be called upon at short notice to deposit additional margin funds. If the required funds are not provided within the prescribed time, part of or all securities you short sold may have to be bought back without your prior consent. You should closely monitor your positions, as in extreme conditions the Company may not be able to contact you or provide you with sufficient time to make the required deposits, and forced buy backs may be necessary. You will remain liable for any resulting deficit in your account. You should therefore carefully consider whether securities borrowing and short selling is suitable for you in the light of your own financial position and investment objectives before you trade.

### **2. Risk of Failure to Return the Securities Lent**

The borrower may default on its obligations and fail to return the securities lent in a timely manner or at all.

### **3. Risk of delay in the return of securities lent**

Any delay in the return of securities lent may restrict the ability of the lender to meet delivery or payment obligations arising from its counterparty's redemption request and may trigger claims.

### **4. Market Risk**

If the borrower defaults, there is a risk that the collateral held by the lender may be realised at a value lower than the value of the securities lent. This may be due to adverse market movements in the value of the collateral, intra-day increase in the value of the securities lent, a deterioration in the credit rating of the collateral issuer, default or insolvency of the collateral issuer or the illiquidity of the market in which the collateral is traded.

### **5. Operational Risk**

Securities lending activities entail operational risks such as settlement failure or delays in the settlement of instructions.

### **6. Risk of not Achieving Objective**

There can be no assurance that the objective sought to be obtained from use of securities lending (such as to increase return for the lender and/or to reduce its tracking error) will be achieved.

## **IX. RISKS RELATED TO ALGORITHMIC TRADING**

The Company may make available to clients a suite of various order types on its trading platform that may use computerized algorithms. These order types allow clients to input various conditions as part of their Instructions for Transactions to the Company. The Company's computerized routing systems will attempt to place such effect such Instructions into the market in accordance with the conditions set. Algorithmic order types range from standard limit orders to more complex strategies. The trading platform may require additional systems on the clients' part in order to function properly.

There are special characteristics and risks associated with algorithmic trading. You should understand these risks and determine whether algorithmic trading is appropriate in light of your objectives and experience.

### **1. Technical Errors**

Algorithmic trading can be effected when your systems, the Company's systems or the Exchanges' systems are experiencing technical difficulties. Risks include possible delays or failures in (a) availability of your connection to the Company's services and of the Company's services to the relevant Exchange; (b) the operation of databases and internal transfers of data; (c) the provision of data feeds (accuracy of data and stability of data connections); (d) possible hardware failures; (e) usage loads, bandwidth limitations, and other bottlenecks inherent in computerized and networked architectures; (f) issues, disputes, or failures of third party vendors and other dependencies; and (g)



other general risks inherent in computer-based operations. Any of these could lead to delays or failures in order execution, incorrect order execution and other problems.

**2. Software and Design Flaws**

All software is subject to inadvertent programming errors and bugs embedded in the code comprising that software. Algorithmic order types may contain logical errors in the code to implement them. Errors may exist in the data used for testing the algorithm or the applicable model of the market. Despite testing and monitoring, inadvertent errors and bugs may still cause algorithmic order types to fail or behave incorrectly.

**3. Market Impact and Events**

Market conditions will impact the execution of algorithmic orders. Possible adverse market conditions include lack of liquidity, price swings, late market openings, early market closings, market chaos, and mid-day trading pauses, and other such disruptive events. The execution of an algorithm can itself have an impact on the market, including causing lack of liquidity or abrupt and unwarranted price swings.

**4. Losses**

Losses can happen more quickly with electronic and algorithmic trading compared to other forms of trading. Any or all of the other risk factors could cause more significant trading losses when using algorithmic trading compared to other forms of trading.

**X. RISKS SPECIFIC TO INITIAL PUBLIC OFFERINGS**

If the Offer Securities (as defined in Appendix II (*Initial Public Offerings*)) are denominated in a foreign currency (i.e. other than the Singapore Dollars) or in both Singapore Dollar and a foreign currency, you are exposed to exchange rate risk and may suffer loss as a result of the fluctuations in exchange rates.

The risk of loss in financing a transaction by deposit of collateral is significant. There is a risk that the company's share price will drop below its initial IPO price, once the company's shares commence trading on the stock market. You may sustain losses in excess of your cash and any other assets deposited as collateral with a licensed or registered person. Market conditions may make it impossible to execute contingent orders, such as "stop-loss" or "stop-limit" orders. You should maintain sufficient margin at all times. Clients may be called upon at short notice to make additional margin deposits or interest payments. If the required margin deposits or interest payments are not made within the prescribed time, your collateral may be liquidated without your consent. Moreover, you will remain liable for any resulting deficits in your accounts and interests charged on your accounts. You should therefore carefully consider whether such a financing arrangement is suitable in light of your own financial positions and investment objectives.

## XI. Statutory Risk Warning Statement for Overseas-listed Investment Products

### **Risk Warning**

An overseas-listed investment product\* is subject to the laws and regulations of the jurisdiction it is listed in. Before you trade in an overseas-listed investment product or authorise someone else to trade for you, you should be aware of:

- The level of investor protection and safeguards that you are afforded in the relevant foreign jurisdiction as the overseas-listed investment product would operate under a different regulatory regime.
- The differences between the legal systems in the foreign jurisdiction and Singapore that may affect your ability to recover your funds.
- The tax implications, currency risks, and additional transaction costs that you may have to incur.
- The counterparty and correspondent broker risks that you are exposed to.
- The political, economic and social developments that influence the overseas markets you are investing in.

These and other risks may affect the value of your investment. You should not invest in the product if you do not understand or are not comfortable with such risks.

*\*An “overseas-listed investment product” in this statement refers to a capital markets products that is approved in-principle for listing and quotation only on, or listed for quotation or quoted only on, one or more overseas exchanges.*

1. The statement is provided to you in accordance with paragraph 29D of the MAS Notice on the Sale of Investment Products [SFA04-N12].
2. This statement does not disclose all the risks and other significant aspects of trading in an overseas-listed investment product. You should undertake such transactions only if you understand and are comfortable with the extent of your exposure to the risks.
3. You should carefully consider whether such trading is suitable for you in light of your experience, objectives, risk appetite, financial resources and other relevant circumstances. In considering whether to trade or to authorise someone else to trade for you, you should be aware of the following:

#### **Differences in Regulatory Regimes**

- (a) Overseas markets may be subject to different regulations, and may operate differently from approved exchanges in Singapore. For example, there may be different rules providing for the safekeeping of securities and monies held by custodian banks or depositories. This may affect the level of safeguards in place to ensure proper segregation and safekeeping of your investment products or monies held overseas. There is also the risk of your investment products or monies not being protected if the custodian has credit problems or fails. Overseas markets may also have different periods for clearing and settling transactions. These may affect the information available to you regarding transaction prices and the time you have to settle your trade on such overseas markets.
- (b) Overseas markets may be subject to rules which may offer different investor protection as compared to Singapore. Before you start to trade, you should be fully aware of the types of redress available to you in Singapore and other relevant jurisdictions, if any.
- (c) Overseas-listed investment products may not be subject to the same disclosure standards that apply to investment products listed for quotation or quoted on an approved exchange in Singapore. Where disclosure is made, differences in accounting, auditing and financial reporting standards may also affect the quality and comparability of information provided. It may also be more difficult to locate up-to-date information, and the information published may only be available in a foreign language.

#### **Differences in Legal Systems**

- (d) In some countries, legal concepts which are practiced in mature legal systems may not be in place or may have yet to be tested in courts. This would make it more difficult to predict with a degree of certainty the outcome of judicial proceedings or even the quantum of damages which may be awarded following a successful claim.
- (e) The Monetary Authority of Singapore will be unable to compel the enforcement of the rules of the regulatory authorities or markets in other jurisdictions where your transactions will be effected.
- (f) The laws of some jurisdictions may prohibit or restrict the repatriation of funds from such jurisdictions including capital, divestment proceeds, profits, dividends and interest arising from investment in such countries. Therefore, there is no guarantee that the funds you have invested and the funds arising from your investment will be capable of being remitted.
- (g) Some jurisdictions may also restrict the amount or type of investment products that foreign investors may trade. This can affect the liquidity and prices of the overseas-listed investment products that you invest in.

#### **Different Costs Involved**

- (h) There may be tax implications of investing in an overseas-listed investment product. For example, sale proceeds or the receipt of any dividends and other income may be subject to tax levies, duties or charges in the foreign country, in Singapore, or in both countries.
- (i) Your investment return on foreign currency-denominated investment products will be affected by exchange rate fluctuations where there is a need to convert from the currency of denomination of the investment products to another currency, or may be affected by exchange controls.
- (j) You may have to pay additional costs such as fees and broker's commissions for transactions in overseas exchanges. In some jurisdictions, you may also have to pay a premium to trade certain listed investment products. Therefore, before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

#### **Counterparty and Correspondent Broker Risks**

- (k) Transactions on overseas exchanges or overseas markets are generally effected by your Singapore broker through the use of foreign brokers who have trading and/or clearing rights on those exchanges. All transactions that are executed upon your instructions with such counterparties and correspondent brokers are dependent on their respective due performance of their obligations. The insolvency or default of such counterparties and correspondent brokers may lead to positions being liquidated or closed out without your consent and/or may result in difficulties in recovering your monies and assets held overseas.

#### **Political, Economic and Social Developments**

- (l) Overseas markets are influenced by the political, economic and social developments in the foreign jurisdiction, which may be uncertain and may increase the risk of investing in overseas-listed investment products.

## **XII. Statutory Risk Disclosure Statement for Trading in Futures Contracts, Spot Leveraged Foreign Exchange Contracts and Foreign Exchange Over-the-counter Derivatives Contracts**

1. This statement is provided to you in accordance with regulation 47E (1) of the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg 10).
2. This statement does not disclose all the risks and other significant aspects of trading in futures, options, over-the-counter derivatives contracts where the underlying is a currency or currency index ("**OTCD currency contracts**") and spot foreign exchange contracts for the purposes of leveraged foreign exchange trading ("**Spot LFX trading contracts**"). In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to the risks. Trading in futures, options, OTCD currency contracts and Spot LFX trading contracts may not be suitable for many members of the public. You should carefully consider whether such trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances. In considering whether to trade, you should be aware of the following:

### **(a) Futures, OTCD currency contracts and Spot LFX trading contracts**

#### *(i) Effect of 'Leverage' or 'Gearing'*

Transactions in futures, OTCD currency contracts and Spot LFX trading contracts carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract, OTCD currency contract or Spot LFX trading contract transaction so that the transaction is highly 'leveraged' or 'geared'. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against you as well as for you. You may sustain a total loss of the initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice in order to maintain your position. If you fail to comply with a request for additional funds within the specified time, your position may be liquidated at a loss and you will be liable for any resulting deficit in your account.

#### *(ii) Risk-Reducing Orders or Strategies*

The placing of certain orders (e.g. 'stop-loss' orders, where permitted under local law, or 'stop-limit' orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. At times, it is also difficult or impossible to liquidate a position without incurring substantial losses. Strategies using combinations of positions, such as 'spread' and 'straddle' positions may be as risky as taking simple 'long' or 'short' positions.

### **(b) Options**

#### *(i) Variable Degree of Risk*

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarise themselves with the type of options (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options would have to increase for your position to become profitable, taking into account the premium paid and all transaction costs.

The purchaser of options may offset its position by trading in the market or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a futures contract, OTCD currency contract or Spot LFX trading contract, the purchaser will have to acquire a position in the futures contract, OTCD currency contract or Spot LFX trading contract, as the case may be, with associated liabilities for margin (see the section on Futures, OTCD currency contracts and Spot LFX trading contracts above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium paid plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that, ordinarily, the chance of such options becoming profitable is remote.

Selling ('writing' or 'granting') an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of the amount of premium received. The seller will be liable to deposit additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a futures contract, OTCD currency contract or Spot LFX trading contract, the seller will acquire a position in the futures contract, OTCD currency contract or Spot LFX trading contract, as the case may be, with associated liabilities for margin (see the section on Futures, OTCD currency contracts and Spot LFX trading contracts above). If the option is 'covered' by

the seller holding a corresponding position in the underlying futures contract, OTCD currency contract, Spot LFX trading contract or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, limiting the liability of the purchaser to margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

### **(c) Additional Risks Common to Futures, Options and Leveraged Foreign Exchange Trading**

#### *(i) Terms and Conditions of Contracts*

You should ask the corporation with which you conduct your transactions for the terms and conditions of the specific futures contract, option, OTCD currency contract or Spot LFX trading contract which you are trading and the associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract, OTCD currency contract or Spot LFX trading contract transaction and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances, the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

#### *(ii) Suspension or Restriction of Trading and Pricing Relationships*

Market conditions (e.g. illiquidity) or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or ‘circuit breakers’) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the futures contract, and the underlying interest and the option may not exist. This can occur when, e.g., the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge ‘fair’ value.

#### *(iii) Deposited Cash and Property*

You should familiarise yourself with the protection accorded to any money or other property which you deposit for domestic and foreign transactions, particularly in a firm’s insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

### **(d) Commission and Other Charges**

Before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

### **(e) Transactions in Other Jurisdictions**

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to a rule which may offer different or diminished investor protection. Before you trade, you should enquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of the regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you conduct your transactions for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

### **(f) Currency Risks**

The profit or loss in transactions in foreign currency-denominated futures and options contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

### **(g) Trading Facilities**

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed

by the one or more parties, namely the system provider, the market, the clearing house or member firms. Such limits may vary. You should ask the firm with which you conduct your transactions for details in this respect.

#### **(h) Electronic Trading**

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or not executed at all.

#### **(i) Off-Exchange Transactions**

In some jurisdictions, firms are permitted to effect off-exchange transactions. The firm with which you conduct your transactions may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with the applicable rules and attendant risks.

#### *Note:*

“Margin” means an amount of money, securities, property or other collateral, representing a part of the value of the contract or agreement to be entered into, which is deposited by the buyer or the seller of a transaction in a futures contract, OTCD currency contract or Spot LFX trading contract to ensure performance of the terms of the transaction in the futures contract, OTCD currency contract or Spot LFX trading contract.

## Appendix IX: Securities Margin Financing Facilities Terms and Conditions

### 1. Introduction

If the Client requests for and Moomoo Financial Singapore Pte. Ltd. (the “Company”) approves and agrees to provide the Client with Securities Margin Financing Facilities (the “SMF Facilities”), these Terms (collectively this “Authorisation”) will apply to the Client in addition to the Terms in the Client Agreement (the “Client Agreement”) and other documents that form part of the Agreement between the Client and the Company. This Authorisation supplements the Client Agreement and any other terms and conditions governing the services provided by the Company, as they may be amended from time to time.

### 2. Definition and Interpretation

Terms used in this Authorisation shall, unless otherwise defined herein, have the same meanings set out in the Client Agreement. In addition:

**"Acceptable Collateral"** means any collateral which may be accepted by the Company in its discretion to secure obligations of the Client under SMF Facilities, and which shall at all times comply with the types of acceptable collateral for purposes of margin requirements set out in the SF(FMR)R;

**"Margin Financing"** means the financing and interest owing by the Client to the Company under the SMF Facilities available through the Margin Account at any time;

**"Margin Requirement"** means any and all maintenance level requirements imposed by an Exchange, Clearing House, or regulator under Applicable Regulations and additionally, by the Company;

**"Margin Call"** shall have the meaning given to it in Clause 5.3 in this Authorisation;

**"SF(FMR)R"** means the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations

**"SF(LCB)R"** means the Securities and Futures (Licensing and Conduct of Business) Regulations

All headings appear for convenience only and shall not affect the interpretation of this Authorisation.

### 3. Margin Account

3.1 The Client may utilise and draw from the SMF Facilities for the acquisition or holding of Investment Products (that are acceptable to the Company) through its Margin Account from time to time, subject always to the maintenance of Acceptable Collateral to meet the applicable Margin Requirement in respect of the SMF Facilities and on such other terms or conditions as the Company may specify from time to time. For the avoidance of doubt, only Acceptable Collateral may be used to meet the applicable Margin Requirement in respect of the SMF Facilities.

3.2 The Client may withdraw monies or Investment Products from the Margin Account subject to any conditions that the Company may impose from time to time (including but not limited to any applicable Margin Requirement being satisfied).

### 4. SMF Facilities Limit and Interest

4.1 The facilities limit of the SMF Facilities shall be such amount as determined by the Company from time to time. The Company may, at its absolute discretion and at any time, give notice to the Client to increase or decrease the facilities limit of the SMF Facilities, to cancel or terminate the SMF Facilities, to refuse to make any advance under the SMF Facilities (whether or not its

facilities limit has been exceeded) and to demand immediate payment of all money and sums, whether principal, interest or otherwise, then owing by the Client to the Company in respect of the SMF Facilities. Nothing in this Authorization shall be deemed to impose on the Company any obligation at law or in equity to make or continue to make SMF Facilities available to the Client.

- 4.2 It is the Client's responsibility to continuously ensure that the SMF Facilities Limit is not exceeded, or any applicable Margin Requirement is met. the Company may, but is not obliged to, notify the Client if (i) the SMF Facilities Limit has been or is close to being exceeded or (ii) any applicable Margin Requirement is not met or is close to not being met.
- 4.3 The Client shall pay to the Company the interest accrued on all outstanding amounts under the SMF Facilities and any fees, costs and charges applicable to the SMF Facilities as set out on the Company's Electronic Services.
- 4.4 Any interest charged on the SMF Facilities is calculated based on the balance of each currency. As the SMF Facilities will be available in different currencies in the Margin Account, the interest and any other applicable fees charged in respect of the SMF Facilities may differ between the respective currencies of the Margin Account.

## **5. Security and Margin Requirement**

- 5.1 Any and all Margin Financing(s) in the Client's Margin Account shall be secured by all monies and Investment Products of any kind, including but not limited to Acceptable Collateral, held by or on behalf of the Company for the Client in accordance with the Client Agreement.
- 5.2 Where the value of Acceptable Collateral is denominated in a currency other than the currency of the Margin Account, the Company may, applying any foreign exchange rate as it may in its discretion determine the value of Acceptable Collateral denominated in that other currency of the Margin Account and apply an appropriate haircut that the Company determines from time to time.
- 5.3 The Client shall maintain at all times such Acceptable Collateral in compliance with the Margin Requirement. Should there be any breach of the SMF Facilities limit or any failure by the Client to provide sufficient Acceptable Collateral to meet any applicable Margin Requirements in respect of the SMF Facilities, the Client shall on demand from the Company, make payments or deposits of additional Acceptable Collateral in such amount of money, form, manner, time limit as the Company in its absolute discretion considers to be necessary to provide adequate security, in respect of the SMF Facilities (the "Margin Call"). The Company may also exercise any of its rights that are provided under Clause 21.2 (Remedies) of the Client Agreement, which will include closing-out or liquidating all or any part of the Client's position in any Account at any time, in any manner and at any price or terms as the Company shall determine (whether in the same currency denomination or otherwise). Without prejudice to the generality of the foregoing, the Client further acknowledges and agrees that the other Contracts or Margin Positions of the Client which are not transacted pursuant to the SMF Facilities may or may not be closed out, reduced or liquidated by the Company in the exercise of its rights under this Clause, given that separate and distinct Margin Requirements may apply to such other Contracts or Margin Positions.

## **6. Use of Collateral**

- 6.1 Notwithstanding anything in the Client Agreement, as continuing security for the outstanding balance and all other obligations owing to the Company, the Client hereby assigns all the Acceptable Collateral and/or Margin Investment Products to the Company to mortgage, charge,



pledge or hypothecate any Acceptable Collateral and/or Margin Investment Products, but only for a sum not exceeding the aggregate amount owed to the Company under the SMF Facilities. The Company may:

- (a) deposit any Acceptable Collateral and/or Margin Investment Products with authorised financial institution(s) as collateral for financial accommodation provided to the Company;
- (b) deposit any Acceptable Collateral or Margin Investment Products with any clearing house or with any securities dealer as collateral for the discharge and satisfaction of the Company's settlement obligations and liabilities;
- (c) to the maximum extent permitted by Applicable Laws and/or Regulations, assign, invest, use or otherwise dispose of the Acceptable Collateral or Margin Investment Products for the Company's own benefit; and
- (d) do all acts and things which are necessary for or incidental to the performance of the above activities or any of them.

6.2 The Client has fully acknowledged all the risks involved in or associated with the exercise of such rights listed in clause 6.1. hereinabove and agrees that the sole liability shall vest in the Client's own position.

6.3 Amongst other things, the Company is authorised to:

- (a) deposit any Acceptable Collateral or Margin Investment Products with any relevant clearance system, the Company's nominee, or other entity pursuant to Clause 10 (Safekeeping of Investment Products) of the Client Agreement, and to deal with the Client's Margin in any manner as the Company considers appropriate for the purpose of enforcing the Acceptable Collateral or Margin Investment Products (including any liquidation permitted under the Client Agreement to realise monies to make any payment due from the Client to the Company pursuant to the Client Agreement);
- (b) do all acts and things which are necessary for or incidental to the performance of the above activities or any of them.

6.4 The Client's authorisation given under this Authorisation shall not affect the Company's right to dispose or initiate a disposal by Affiliates of the Company of the Acceptable Collateral or Margin Investment Products in settlement of any liability owed by or on behalf of the Client to the Company and its Affiliates, or a third party. A third party may have rights to the Acceptable Collateral or Margin Investment Products, which the Company must satisfy before the Acceptable Collateral or Margin Investment Products can be returned to the Client.

6.5 The Client agrees that any Acceptable Collateral or Margin Investment Products returned to the client may be of like Acceptable Collateral or Margin Investment Products of equivalent class, issue, denomination and amount and rank *pari passu* with those originally deposited with or transferred to the Company.

## **7. Termination**

7.1 The Company has the right to cancel, suspend or terminate, with or without giving notice or any reason, all or any of the services contemplated under this Authorisation at any time.

- 7.2 If any Margin Call occurs or if the provision of the SMF Facilities contravenes or will contravene any applicable law or regulation, the Company has the right to terminate the services contemplated by this Authorisation, close the Margin Account and/or realise the Acceptable Collateral with immediate effect without notice to the Client.
- 7.3 The Client can request to terminate the SMF Facilities by giving the Company written notice/ update in the app, provided that there is no outstanding Margin Financing on the Margin Account. Upon receipt of such notice/ instruction, the Company shall process such request as soon as reasonably practicable.
- 7.4 Without limiting or reducing the effect of the Client Agreement, any failure by the Client to repay any outstanding Margin Financing or any failure to meet within the specified period specified by the Company shall constitute an Event of Default, the Company may exercise any of its rights that are provided in this Authorisation and/or the Client Agreement upon the occurrence of such event. The Company will also cease to have any obligations to grant or continue to grant the SMF Facilities or to deal or continue to deal in securities on the Client's behalf under this Authorisation, regardless if the Client has given a contrary instruction.
- 7.5 Even if any or all of the services contemplated by this Authorisation are suspended or terminated, the Client continues to be bound by this Authorisation to the extent that it relates to any of the Client's obligations or liabilities which remain to be performed or discharged; including but not limited to any Margin Financing(s) that remain outstanding or unpaid by the Client.