



**HAITONG INTERNATIONAL SECURITIES (SINGAPORE) PTE. LTD.**

**HAITONG INTERNATIONAL FINANCIAL SERVICES (SINGAPORE) PTE. LTD.**

**Derivatives and Other Relevant Contracts  
Trading Account Terms and Conditions**

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## TERMS AND CONDITIONS

### 1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, unless the context requires otherwise, the following expressions shall have the following meanings:

**“Account(s)”** means one or more trading account(s) maintained by the Client with the Company from time to time for trading in the Relevant Contracts;

**“Account Opening Form”** means the Company’s account opening form (as prescribed by the Company from time to time) executed by or on behalf of the Client;

**“Account Opening Documents”** means the Account Opening Form and Client Information Statement

**“Agreement”** means the written agreement between the Client and the Company regarding the opening, maintenance and operation of the Account(s) as amended and supplemented from time to time, including but not limited to the Account Opening Documents, Futures & Options Trading Account Terms and Conditions and any accompanying schedules or appendices, Risk Disclosure Statement, Authorisation to act on Electronic Instructions and Consent for issuance of Statement of Account / Contract Note by Email any other forms and documents, each as prescribed by the Company from time to time, and any authority given by the Client to the Company with respect to the Account(s);

**“Applicable Regulations”** has the meaning ascribed to it in Clause 2.1;

**“Associated Parties”** means, in respect of any person or entity, any and all of the agents, nominees, directors, officers, employees or representatives of such person or entity (whether or not affiliated to such person or entity);

**“Authority”** means the Monetary Authority of Singapore;

**“Business Day”** means a day on which the Company is open for any Transaction, as the Company may prescribe from time to time;

**“Business Hours”** means the period during which on a Business Day the Company is open for any Transaction, as the Company may prescribe from time to time;

**“Clearing House”** means the SGX-DC or such other clearing houses in or outside Singapore in which the Company may trade a Relevant Contract;

**“Client”** means the Client specified in the Account Opening Form for whom the Company is maintaining or continuing to maintain one or more Account(s), and includes:

- (i) where the Client(s) is/are individual(s), the Client(s) and his/their respective executors and administrators;
- (ii) where the Client is a sole proprietorship firm, the sole proprietor and his executors and administrators and their successors in the business;
- (iii) where the Client is a partnership firm, the partners who are the partners of the firm at the time when the Client’s said Account(s) is/are being maintained and their respective executors and administrators and any other person or persons who shall at any time hereafter be or have been a partner (provided that notice of such person(s) becoming partner(s) have been duly notified to the Company) of and in the firm and his or their respective executors and administrators and the successors to such partnership business;
- (iv) where the Client is a company, the Client’s assignees, successors-in-title and agents; and
- (v) where the Client forms part of a trust or other similar legal arrangement, the equivalent of the settlor, trustee, protector (if any), manager (if any), beneficiaries (including every beneficiary that falls within a designated characteristic or class), and any person exercising ultimate ownership, ultimate control or ultimate effective control (including

through a chain of control or ownership) over such legal arrangement;

**“Client Information Statements”** means the client information statement (as prescribed by the Company from time to time) completed and executed by or on behalf of the Client and provided to the Company;

**“Client Asset Regulations”** means the regulations on customer’s assets made by the Authority under Division 3 of Part III of the Licensing and Conduct Regulations;

**“Client Money Regulations”** means the regulations on customer’s monies made by the Authority under Division 2 of Part III of the Licensing and Conduct Regulations;

**“Commodity”** has the meaning ascribed to “commodity” under the SFA;

**“Company”** means Haitong International Securities (Singapore) Pte. Ltd. and/or Haitong International Financial Services (Singapore) Pte Ltd.;

**“Deposited Assets”** means securities and any other assets (except cash) provided by or on behalf of the Client to the Company, which the Company has received (directly or indirectly) from the Client, whether as Margin or for any other purpose;

**“Derivatives Contracts”** has the meaning ascribed to “derivatives contracts” under the SFA, whether or not traded on the SGX-DT or in any other futures exchange wherever situate, and shall also include Option Contracts, Future Contracts, ETD, OTCD, securities-based derivative contracts, swaps and forwards;

**“Electronic Confirmation”** has the meaning ascribed to it in Clause 21.2;

**“Electronic Instructions”** has the meaning ascribed to it in Clause 4.7;

**“Equipment”** means computer hardware, software, communication equipment and internet access, all of which meets the minimum specifications stipulated by the Company from time to time, used by Client to utilise the Online Services;

**“ERA”** means “execution-related advice” as defined in the Guidelines on Conduct of Business for Execution-Related Advice [FAA-G08] (as may be amended and supplemented from time to time) issued by the Authority pursuant to section 64 of the FAA;

**“Exchange”** means the SGX-DT or such other exchange or market in or outside Singapore on which a Relevant Contract may be traded;

**“Exchange Business Day”** means a Business Day on which the relevant Exchange is open for trading of the Relevant Contract (as the case may be);

**“ETD”** means “exchange-traded derivatives contracts” and has the meaning ascribed to it under the SFA;

**“FAA”** means the Financial Advisers Act (Cap. 110), as may be amended and supplemented from time to time;

**“FAR”** means the Financial Advisers Regulations (Cap. 110, Regulation 2), as may be amended and supplemented from time to time;

**“Futures Contract”** has the meaning given to “futures contract(s)” under the SFA;

**“Futures Trading Rules”** means the Futures Trading Rules of the SGX-DT, as may be amended and supplemented from time to time;

**“FX”** means foreign exchange;

**“Group”** means the Company and every Group Company collectively;

**“Group Company”** means any of the Company’s affiliates, including, without limitation, its direct or indirect holding companies, any direct or indirect subsidiaries of itself or of such holding companies, whether within or outside of Singapore;

**“LFX Trading”** means leveraged foreign exchange trading and has the meaning given to

“leveraged foreign exchange trading” under the Second Schedule to the SFA;

“**Licensing and Conduct Regulations**” means the Securities and Futures (Licensing and Conduct of Business) Regulations (Cap. 289, Regulation 10), as may be amended and supplemented from time to time;

“**Losses**” means any claim, loss, damage, cost, actions, demands, expense or liability (including legal costs on an indemnity basis) whether direct or indirect, or whether foreseeable or not, including but not limited to indirect or consequential loss, anticipated profits or punitive damages;

“**MAS**” means the Monetary Authority of Singapore;

“**Margin**” means cash, government securities, common stocks, bank certificates of deposit, gold bars, gold certificates and such other instruments and assets or such other form of collateral as determined at the sole and absolute discretion of the Company from time to time, which are provided as security for the Client’s obligations to the Company under this Agreement;

“**Online Services**” means the internet based electronic facility that the Company will make or has made available to the Client from time to time that will enable the Client to effect the Transactions or obtain market information and data, news, quotations, research information and analysis, alerts and any other information or publication in respect of the Transactions;

“**Options Contract**” refers to a contract, whether or not traded on the SGX-DT or in any other futures exchange wherever situate, whereby a right is granted by a person (the seller or writer) to another (the buyer or holder) to buy (call option) or to sell (put option) a specified amount of an underlying share or other asset at a predefined price (strike price) at or until a certain time (expiration date);

“**OTC**” means “over-the-counter” and “**OTCD**” refers to OTC Derivatives Contracts and means Derivatives Contracts that are not ETD and includes OTCD on (i) shares, debentures, units in a business trust and Commodity, whether or not as a Spot Contract; (ii) FX (whether traded on margin or not); and (iii) interest rate, credit and collective investment schemes;

“**Person**” includes an individual, firm, corporate or other body corporate or unincorporated;

“**Premium**” has the meaning ascribed to it in Clause 7.3.1;

“**Relevant Contracts**” means (a) Derivatives Contract; (b) Spot FX Contract for the purposes of LFX Trading;

“**securities-based derivatives contracts**” has the meaning ascribed to it in the SFA;

“**SFA**” means the Securities and Futures Act (Cap. 289), as may be amended and supplemented from time to time;

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

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

“**Specified Custodian**” means any Group Company or any bank, institution, custodian, nominee, broker or entity appointed by the Company in its sole and absolute discretion for the purposes of maintaining a custody account in which the Company may deposit securities and other assets (except cash) received by the Company, or purchased and/or acquired, for or on account of its clients, including but not limited to (a) a bank licensed under the Banking Act (Cap. 19); (b) a merchant bank approved as a financial institution under the Monetary Authority of Singapore Act (Cap. 186); (c) a finance company licensed under the Finance Companies Act (Cap. 108); (d) a depository agent within the meaning of section 130A of the Companies Act (Cap. 50) for the custody of securities listed for quotation or quoted on the SGX-ST or deposited with the CDP; (e) an approved trustee for a collective investment scheme within the meaning of section 289 of the SFA; (f) an entity licensed under the SFA to provide custodian services for securities; (g) a clearing house or a member of a securities exchange receiving the deposit of customer’s assets for a purpose specified under the business rules and practices of

the clearing house or securities exchange, as the case may be; or (h) a custodian outside Singapore which is licensed, registered or authorised to act as a custodian in the country or territory where the account is maintained;

“**Specified Financial Institution**” means any financial institution (whether a Group Company or otherwise) appointed by the Company in its sole and absolute discretion for the purposes of maintaining a trust or similar account in which the Company may deposit monies (including monies denominated in a foreign currency) received for or on account of its clients, including but not limited to (a) a bank licensed under the Banking Act (Cap. 19); (b) a merchant bank approved as a financial institution under the Monetary Authority of Singapore Act (Cap. 186); (c) a finance company licensed under the Finance Companies Act (Cap. 108); (d) a clearing house or a member of a securities exchange receiving the deposit of customer’s monies for a purpose specified under the business rules and practices of the clearing house or securities exchange; or (e) a financial institution outside Singapore which is licensed, registered or authorised to conduct banking business in the country or territory where the account is maintained;

“**Spot Contract**” has the meaning given to “spot contract” under the SFA;

“**Spot FX Contract**” has the meaning given to “spot foreign exchange contract” under the Second Schedule to the SFA;

“**Transactions**” includes the sale, purchase and trading of Relevant Contracts;

“**Website**” means the website owned, operated and/or maintained by the Company accessible at the Internet URL designated by the Company from time to time that will enable the Client to gain access to the Online Services; and

“**Written Confirmation**” has the meaning ascribed to it in Clause 21.2.

1.2 In this Agreement:

- 1.2.1 unless the context otherwise requires, words and expressions defined in the SFA, the Licensing and Conduct Regulations, the FAA, and the FAR shall have the same meanings in this Agreement;
- 1.2.2 references to Clauses and sub-clauses unless otherwise stated are to Clauses and sub-clauses of this Agreement;
- 1.2.3 the headings to the Clauses are for convenience only and do not affect their interpretation and construction;
- 1.2.4 words denoting the singular include the plural and *vice versa*;
- 1.2.5 words importing any gender include every gender and references to persons include companies and corporations; and
- 1.2.6 any reference to a statute, statutory provision or subsidiary legislation and the rules of any regulator shall (except where the context otherwise requires) be construed as referring to such legislation and regulatory rules as amended and supplemented and in force from time to time and to any legislation which re-enacts or consolidates (with or without modification) any such legislation.

## 2. APPLICABLE LAWS, RULES AND REGULATIONS

- 2.1 All transactions under, for, or in connection with the Account(s) shall be subject to all relevant or applicable statutes, laws, rules, regulations, notices, orders, bye-laws, rulings, directives, circulars, guidelines, practice notes and interpretations (and any and all forms, letters, undertakings, agreements, deeds, contracts and all other documentation prescribed thereunder) (whether of a governmental body, regulatory or other authority, market, exchange, clearing house or self-regulatory organisations in relation to which our Company or a relevant Account or Transaction is subject to) (“**Applicable Regulations**”).

- 2.2 Without prejudice to the generality of Clause 2.1, the rules, regulations and procedures of the SGX-DT and the SGX-DC, in particular those rules which relate to trading and settlement, and the terms of Futures Contracts or Options Contracts (as the case may be), in each case, as amended and supplemented from time to time, shall be binding on both the Company and the Client in respect of transactions concluded on the instructions of the Client. Any amendment to the applicable rules, regulations and procedures of the SGX-DT and/or the SGX-DC will be notified by the Company to the Client, where required by the Applicable Regulations.
- 2.3 The performance by the Company of its obligations under the Agreement shall be subject at all times to the Applicable Regulations. The Company may take or refrain from taking such action as it may in its sole and absolute discretion deem necessary to ensure compliance with such Applicable Regulations and no such action or non-action shall constitute a breach of this Agreement.
- 2.4 The Client acknowledges that Transactions executed in markets other than those operated by the SGX-DT and/or the SGX-DC will be subject to the rules, regulations and procedures of those markets, with the result that the Client may have a markedly different level and type of protection in relation to those transactions, as compared to the level and type of protection afforded by the rules, regulations and procedures of the SGX-DT and/or the SGX-DC.

### 3. SERVICES

- 3.1 The Client hereby instructs and authorises the Company to open and maintain in its books one or more Account(s) in the name of the Client for the purpose of trading of the Relevant Contracts on the basis set out in Clause 5 hereof and in accordance with the terms and conditions of this Agreement from time to time. Unless otherwise indicated by the Company or specified in this Agreement (in the contract note for the relevant transaction or otherwise), the Company shall act as agent for the Client in effecting transactions pursuant to this Agreement.
- 3.2 All transactions for the Account(s) may be effected by the Company directly on any Exchange where the Company is authorised to trade the Relevant Contracts (that is exchange-traded), or, at the Company's option, on any Exchange indirectly through any other broker or agent which the Company may, in its sole and absolute discretion, decide to appoint.
- 3.3 The Client agrees that, subject to the SFA and other Applicable Regulations, the Company shall be entitled to delegate, in its sole and absolute discretion, to any other person, whether a Group Company or otherwise, and whether in or outside Singapore, for any period whatsoever, the performance of any of the Company's services herein as well as the exercise of any of the Company's powers set out in this Agreement, and the Company shall not be liable for any acts or omissions of such persons provided that such persons were appointed by the Company in good faith.
- 3.4 The Client shall, regardless of whether the Client has executed the requisite documentation, be deemed to have agreed to these terms and conditions as soon as the Client commences to trade Relevant Contracts through the Company or any Account(s) or utilise or continue to utilise any of the services provided by the Company in respect of trading in the Relevant Contracts, and the Client confirms that all transactions executed on the Client's instructions will be governed by this Agreement unless agreed otherwise with the Company in writing.

### 3A OTC TRANSACTIONS

- 3A.1 In respect of Relevant Contracts traded in OTC markets ("**OTC Products**"), the Client understands and agrees that:
- 3A.1.1 unless otherwise notified by the Company, the Company acts as principal to the Client in cash, spot, forward and other OTC Products; and

3A.1.2 as between the Client and the Company, the Client shall at all times be deemed to be acting in the Client's own capacity and shall not be recognised as an agent for others,

subject always that the Company shall at all times deal with a Client who is a retail investor (as defined in the Licensing and Conduct Regulations) only as a principal when dealing in OTCD or Spot FX Contracts for the purposes of LFX Trading.

3A.2 Where the Company acts as principal to the Client in respect of any OTC Products:

3A.2.1 the rates or prices of any OTC Product provided by the Company via Online Services are indicative and do not constitute an offer or commitment by the Company to enter into OTC Contracts. The Company makes no representation as to whether such rates or prices reflect prevailing market rates;

3A.2.2 an order to purchase or sell any OTC Product sent by the Client to the Company, including via Online Services, may be accepted or declined partially or in full by the Company at its sole and absolute discretion;

3A.2.3 if accepted, shall be at such price, quantity and terms as may be agreed between the Company and the Client, which shall not be cancelled or amended notwithstanding that the Company may execute a similar transaction vis a vis a third party for a different quantity or at a different price for the Company's own account as principal;

3A.2.4 subject to Clause 3A.3, shall be accepted by the Company only upon the issuance of a Written Confirmation in accordance with Clause 21.2, and shall be binding upon the Client, regardless of whether or not it receives such confirmation; and

3A.2.5 if rejected, the Company shall endeavour to inform the Client of the rejection as soon as reasonably practicable, provided that any decision to reject a Request and the timing of that decision shall be at the Company's sole discretion, and the Company shall not be obliged to give a reason for any rejection.

3A.3 OTC Transactions, once executed, are final and irrevocable. In the event that the Client wishes to correct, cancel or stop an OTC Transaction for any reason after the Client has entered into an OTC Transaction, the Client agrees to notify the Company immediately. The Company, in its sole discretion, may act on such a request, but makes no guarantee that the OTC Transaction can be corrected, cancelled, stopped, or that OTC Product can be brought back. The Client will indemnify the Company from and against any and all claims, demands, losses, liabilities or expenses resulting directly or indirectly from the Company's compliance with any request to correct, cancel, stop or buy back any OTC Product after the Client has entered into the OTC Transaction. The Company reserves the right to in its sole discretion make any correction to a OTC Transaction that it determines is necessary. The Company will take all reasonable steps to ensure that the Client is consulted before such corrections are made.

#### **4. INSTRUCTIONS AND DEALING PRACTICE**

4.1 The Company is hereby authorised to act upon the instructions of the Client to (i) purchase, hold and/or sell a Relevant Contract; (ii) specifically, create, exercise, settle, discharge and/or liquidate Options Contracts for the Account(s) and/or (iii) otherwise liquidate or otherwise deal in or dispose of Relevant Contracts, Margin, Premium, receivables, monies and/or any Deposited Assets held in or for the Account(s), subject to the Client Money Regulations and the Client Asset Regulations.

4.2 The Client will operate his/its Account(s) by giving instructions himself/itself, or if the Client will operate his/its Account(s) by appointing another person to give instructions on his/its behalf, then the Client will provide the Company with the name and address of the person appointed, to be accompanied by an appointment in writing.

- 4.3 None of the Company, any Group Company and their respective Associated Parties shall accept appointment by the Client as agent to operate any Account unless a separate agreement is entered into pursuant and subject always to compliance with all Applicable Regulations.
- 4.4 The Company shall have no obligation to provide the Client with information with respect to any position of the Client and (except as directed by the Client) no obligation, but shall have the right set out in this Agreement, to close any position in any Account.
- 4.5 Liquidating instructions on open positions maturing in a current month must, in the case of long positions, be given to the Company at least five (5) Exchange Business Days prior to the first notice day and, in the case of short positions, at least five (5) Exchange Business Days prior to the last trading day. If no such instructions are received by the Company, the Company may, without notice, liquidate the Client's position.
- 4.6 The Client agrees that the Client shall be liable for all Losses whether or not the Account is liquidated and for any debts and deficiencies in the Client's Accounts including all debts and deficiencies resulting from a liquidation of the Client's Account.
- 4.7 All orders and instructions shall be given by the Client orally by telephone or electronically through email, the Online Services, or any other electronic messaging platform ("**Electronic Instructions**") or by any other means acceptable to the Company, and will only be valid and effective if received by the Company within the Business Hours on a Business Day. The Company's records as to the time and date of receipt shall, in the absence of manifest error, be conclusive evidence of such time and date of receipt.
- 4.8 When the Client places an order by telephone, the Client can do so only by talking directly to a trading representative of the Company. No orders may be placed using answer phone or voicemail facilities.
- 4.9 The Client acknowledges and agrees that the Company shall be under no duty to enquire about or comply with the Client's internal procedures and/or scope of or restrictions on the Client's investment powers or authority or to check whether the Client has the power or authority to give instructions or orders or engage in the relevant transactions in connection with this Agreement.
- 4.10 The Company shall be entitled to rely and act on, and treat as fully authorised by and binding upon the Client, any instructions, directions, notices and other communications (by whatever means transmitted and whether or not in writing) which purports to have been given by any person for or on behalf of the Client, without further enquiry on the part of the Company as to the genuineness of authority or identity of any person giving or purporting to give such instructions and regardless of the circumstances prevailing at the time, and the Client shall be bound by all such instructions, directions, notices and other communications.
- 4.11 Without prejudice to the foregoing, the Company shall be entitled (but not obliged) to verify and be satisfied with respect to the identity of any person giving or purporting to give any order or instruction under this Agreement or the source and origin of such order or instruction, and the Company may not rely or act upon any such order or instruction unless and until the Company is satisfied as to the matters on which the Company sought verification. The Client agrees that it shall be bound by and fully responsible to the Company for all transactions, engagements, indebtedness and obligations made or entered into as a result of the Client's actual or purported instructions, directions, notices or other communications, whether in writing or oral, and howsoever communicated or purported to be given to the Company. The Company shall not be liable for any Losses incurred by the Client and the Client agrees to indemnify the Company and hold the Company harmless from and against all Losses reasonably and properly incurred by the Company in reliance thereupon.
- 4.12 For the avoidance of doubt, the Client shall not assume that his/its orders have been executed until the Company confirms the same in writing, either electronically or by hard copy. However, nothing in this Clause implies that the Client's orders have not been executed if the Client, for whatever reason, does not receive confirmations of such orders.
- 4.13 Once an order or instruction is received by the Company, such order or instruction is binding

on the Client. Where the Client gives the Company an instruction to withdraw, cancel, revoke or vary a previous order, the Company shall not be obliged to execute such instruction unless the previous order has not yet been executed (as determined solely by the Company), and provided that the withdrawal, cancellation, revocation or variation, as the case may be, will not prejudice the Company's position or rights or interest.

- 4.14 The Client undertakes not to place any order which, if executed, would result in the Client trading beyond trading, credit and/or position limits (if any) imposed by the Company in its sole and absolute discretion and/or any relevant Exchange on the Client and/or the Account(s) from time to time. The Company shall have no liability or responsibility whatsoever in respect of any Losses suffered or incurred by the Client as a result of the Client's order being rejected by reason of any such trading, credit and/or position limits having been reached or exceeded, and the Client undertakes to indemnify the Company for any Losses suffered or incurred by the Company as a result of the Client trading beyond such trading, credit and/or position limits. The Client acknowledges and agrees that the Company may, amongst other things, be required to close out or give up a Relevant Contract (that is exchange-traded) to comply with trading, credit and/or position limits (if any) imposed by any relevant Exchange.
- 4.15 Notwithstanding anything herein contained, the Company shall be entitled, at its sole and absolute discretion, to refuse to act on any of the Client's instructions and/or to refuse to accept any order for sale or purchase of Relevant Contracts from the Client and shall not be obliged to give any reason for such refusal, and shall be under no liability whatsoever to the Client in respect thereof. In particular and without prejudice to Clause 7.1, the Company may refuse to act on an instruction of the Client if at the time of such instruction, there are insufficient Relevant Contracts, monies or any other assets in the Account(s) in order to effect settlement of the relevant transaction on the due date for settlement, or insufficient Margin to cover the Client's position.
- 4.16 The Client acknowledges and consents to the right (but not the obligation) of the Company to, in its sole and absolute discretion, aggregate the Client's orders with the orders of the Company's other clients. The Company may also effect such transactions as principal to any counterparty in any jurisdiction. If the Company so acts, the Company may also take such actions as the Company may require in order to avoid liability to the Company's counterparty. The Client accepts that such actions by the Company may result in inequalities and/or Losses to the Client and accepts the risk thereof as being for the Client's account.
- 4.17 Subject to Applicable Regulations and market requirements, the Company may in its sole and absolute 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 client in relation to the execution of any order received by the Company.
- 4.18 By reason of physical restraints on the Exchanges and rapid changes in the prices of Relevant Contracts that frequently take place, there may, on occasions, be a delay in quoting prices or in trading. The Company may not after using reasonable endeavours be able to trade at the prices quoted at any specific time. Due to the trading practices of the Exchanges or other markets in which transactions are executed, it may not always be able to execute orders at the prices quoted "at best" or "at market" and the Client agrees in any event to be bound by transactions executed by the Company (whether in part or in full) following instructions given by the Client. The Company is not liable for any Losses arising by reason of its failing, or being unable, to comply with any terms of the Client's instructions. 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's confirmation. The Client shall in any event accept and be bound by the outcome when any request to execute orders is made.
- 4.19 Any day order for purchase or sale of Relevant Contracts placed by the Company at the request of the Client 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 (to the extent not executed if executed in part).

- 4.20 The Client acknowledges and agrees that the Company may, for the purpose of carrying out any instruction given by the Client, contract or otherwise trade with or through any other broker or agent, whether local or overseas and whether a Group Company or otherwise, and including any person or party associated in any manner with the Company, and the Client authorises the Company to provide to such brokers or agents information relating to the Client and/or to transactions requested by the Client, on such terms and conditions as the Company may in its sole and absolute discretion determine. The Client further acknowledges and agrees that the Company shall have no liability or responsibility or obligation regarding any default, negligence, conduct, action, omission, representation or statement of any such broker or agent, or any introducing firm, investment advisor or other third party appointed or engaged by the Company in good faith. The Client agrees to indemnify the Company and such other broker or agent, whether local or overseas and whether a Group Company or otherwise and hold the Company and such other broker or agent, whether local or overseas and whether a Group Company or otherwise, harmless from and against any and all Losses suffered or incurred by the Company arising from or in connection with carrying out the Client's orders, and actions or inaction which the Company deems in good faith necessary to ensure that the Company will not be in default of its principal obligation or responsibility or to contain or minimise its Losses.
- 4.21 The Client agrees that the Company may take the opposite position to a Client's order either for its own account or for the account of others. No failure on the part of the Company to execute any instruction or order given by the Client for the sale or purchase of Relevant Contracts or for exercising or not exercising any discretion, power or authority conferred upon the Company by these terms and conditions shall give rise to any claim by the Client against the Company.
- 4.22 The Company may record all telephone conversations with the Client in order to verify the instructions of the Client. The Client agrees to accept the contents of any such recording as final and conclusive evidence of the instructions of the Client in case of dispute.
- 4.23 With respect to Electronic Instructions given by the Client, the Client acknowledges and agrees that:
- 4.23.1 Electronic Instructions given by the Client to the Company may not be received by the Company for various reasons which may be beyond the Company's control including but not limited to mechanical, software, computer, telecommunications or electronic failure. The Client acknowledges and agrees that the Company shall not be liable to the Client in any way for any Losses whatsoever or howsoever caused arising, directly or indirectly, in connection with the transmission or failure of transmission of Electronic Instructions to the Company;
- 4.23.2 the Company does not warrant the security of any information transmitted by or to the Client via electronic messaging systems, and the Client hereby accepts the risk that any information transmitted or received using electronic messaging systems may be accessed by unauthorised third parties, and will not hold the Company or any Group Company or any of their respective Associated Parties responsible or liable, in contract, tort (including negligence or breach of statutory duty), equity or otherwise, for any such access or disclosure or for any Losses suffered or incurred by the Client as a result of any such access;
- 4.23.3 Electronic Instructions, though in electronic form, are original and written documents and the Client will not dispute or challenge the validity, enforceability or admissibility of such Electronic Instructions on the grounds that it is not a written document or not an original document and the Client hereby waives any such right that it may have at law and agrees that any Electronic Instructions or electronic messages between the Client and the Company which, if made in writing would constitute a binding contract, shall similarly bind both the Company and the Client as a binding contract and shall satisfy any rule of law or evidence that such a contract has to be made in writing;

- 4.23.4 the Client shall be wholly and solely responsible for all Electronic Instructions received by the Company. Any Electronic Instructions given by the Client shall be deemed to be given or made at the time and in the format received by the Company (regardless of the circumstances prevailing at the relevant time and without further enquiry by the Company as to the genuineness of instructions and/or the authority or identity of the person giving the same), and may be carried out by the Company without further verification by the Company. If any Electronic Instruction received by the Company is, or is regarded by the Company in good faith to be, ambiguous, contradictory or conflicting, the Company may either disregard such Electronic Instruction (in whole or in part) or carry out or execute such Electronic Instruction (in whole or in part) in accordance to the Company's interpretation of such instruction in good faith without further reference or consultation with the Client;
- 4.23.5 the Client shall be bound by and fully responsible and liable for all Electronic Instructions given by the Client to the Company and in particular, where such Electronic Instructions are ambiguous (as a result of typographical or keystroke errors made when such Electronic Instructions are given to the Company, or any corruption or distortion of the Electronic Instructions which may occur when such Electronic Instructions are transmitted electronically, or otherwise), the Company may rely and act upon such Electronic Instructions in accordance with any reasonable interpretation thereof which the Company, any Group Company and/or any of their respective Associated Parties believes in good faith to be the correct interpretation without any further enquiry made; and
- 4.23.6 as a condition of the Client being allowed to give Electronic Instructions to the Company, the Client shall immediately notify the Company if:
- 4.23.6.1 the Client has received acknowledgement (whether by hard copy, electronic or verbal means) of a transaction which the Client did not instruct or any similar conflict; or
- 4.23.6.2 the Client becomes aware that any unauthorised Electronic Instructions have been given to the Company.
- 4.24 If the Client desires to make or take delivery of any product that is capable of physical delivery ("**Deliverable Product**"), the Client shall be required to notify the Company within a reasonable period of time in accordance with the Applicable Regulations and accepted market customs and practices before the last day on which the Company may give notice to make or take delivery of such Deliverable Products. In such event, the Client shall furnish the Company with such funds, information or documents as the Company shall require, failing which the Company shall not be obliged to make or take delivery of such Deliverable Products and the Company reserves the right to liquidate the Client's existing position in any such Deliverable Products, without reference to the Client, at any time.

## 5. EXECUTION ONLY

- 5.1 The Client acknowledges and agrees that:
- 5.1.1 all transactions for or in respect of the Account(s) will be effected by the Company on an execution-only basis and the Client retains full responsibility for all trading decisions for or in respect of the Account(s); and
- 5.1.2 the Company is responsible only for the execution and carrying out of transactions in the Account(s) and has no responsibility or obligation regarding any conduct, action, representation or statement of any introducing firm, investment advisor or other third party in connection with the Account(s) or any transaction therein, and that any advice or information provided by the Company, any Group Company and/or any of their respective Associated Parties, whether or not solicited shall not constitute advice or recommendation or an offer to enter into a transaction and the Company shall be under

no liability whatsoever in respect of such advice or information.

- 5.2 In respect of the execution-only services provided by the Company, the Client acknowledges and agrees that it is a condition of the Client being allowed to open and/or operate an Account(s) with the Company that:
- 5.2.1 the Client accepts that the Company is neither obliged nor will it provide the Client any advice, recommendation or ERA, but will only provide the Client with execution-only services;
  - 5.2.2 for all the Client's transactions, the Client and only the Client is solely responsible for determining the merits or suitability of any and all transactions that the Client may enter into with or through the Company; and
  - 5.2.3 while the Client is entitled to expect the Company's trading representative to answer the Client's queries, the Client cannot and must not assume that such answers are in the nature of advice, recommendation or ERA, let alone that they are advice, recommendation or ERA that are specifically suitable for reliance by the Client. No statement or information made or provided to the Client by the Company or any trading representative is intended to be, nor is to be regarded as amounting to, any advice, recommendation or ERA of any nature to the Client. They are at best, and the Client must accept this as a condition for having and maintaining an Account(s) with the Company, statements of either fact or (if it is not a fact) personal opinion not amounting and not intended to be advice, recommendation or ERA.
- 5.3 The Client further acknowledges and agrees that:
- 5.3.1 the Company does not assume any advisory, fiduciary or similar or other duties or act as investment adviser to the Client and any representation, statement, information, view, opinion or other statement (in each case, whether written or oral), if given or made, by the Company, any Group Company and any of their respective Associated Parties (whether or not solicited) is given and made for reference and general information only, not to be treated as an ERA, and on the assumption that the Client has performed and/or will perform his/its own assessment of the merits and suitability of each transaction, including obtaining the necessary independent legal, tax, financial and other advice in relation to any Account(s) or before entering into any transaction and therefore may not be relied upon by the Client as advice or recommendation or for any purpose and the Client will not hold the Company, any Group Company or any of their respective Associated Parties liable for any Losses which the Client suffers as a result of the Client's reliance thereon;
  - 5.3.2 the Company, any Group Company or any of their respective Associated Parties shall not, regardless of whether or what representation, statement, information, view, opinion or other statement (in each case, whether written or oral) has been provided or made to the Client, have any liability whatsoever to the Client for:
    - 5.3.2.1 advising or giving any recommendation to the Client as to whether or not to enter into any transaction; or
    - 5.3.2.2 any Losses suffered or incurred by the Client as a result of, or in connection with any transaction made or omitted to be made by the Client;
  - 5.3.3 in relation to any representation, statement, information, view, opinion, or other statement (in each case, whether written or oral) received by the Client either directly or indirectly from the Company, any Group Company or any of their respective Associated Parties (whether or not affiliated to the Company) of whatsoever nature (and whether oral, published as research reports or otherwise):
    - 5.3.3.1 no representation or warranty is made by the Company as to the accuracy, completeness or correctness;
    - 5.3.3.2 any opinions expressed therein are subject to change without notice; and

- 5.3.3.3 shall not be treated as advice or recommendations and does not have regard to the specific investment objectives, financial situation or the particular needs of the Client or any other recipient, and shall be treated as general views and opinions only;
- 5.3.4 all decisions on whether to invest in, hold or dispose of any investment or to enter into any transaction are solely the Client's and the Client represents and confirms that (i) the Client has not, does not or will not rely on any representation, statement, information, view, opinion, or other statement (in each case, whether written or oral) provided by, or any research produced by, the Company, any Group Company or any of their respective Associated Parties, in making any investment decision; (ii) in asking the Company to enter into any transaction or execute any order for any transaction, the Client is solely responsible and accepts sole responsibility for making the Client's own independent appraisal and investigations into the risks and merits of the transaction (including seeking independent advice where the Client deems appropriate); (iii) the Client has sources of research, information, advice and recommendations other than those provided by the Company, any Group Company and/or their respective Associated Parties that the Client uses in evaluating investments; and (iv) the Client has made and will make the Client's own assessment of any investments;
- 5.3.5 without prejudice to the generality of Clauses 5.3.1 and 5.3.2, if the Company provides any information on investments, transactions or markets such as brochures, research, reports, market trends, investment analysis or commentary upon the performance of selected companies and/or selected investments or transactions, the Client represents, warrants and fully understands and agrees that it should in no way be construed as:
- 5.3.5.1 any endorsement of the investment or transaction;
- 5.3.5.2 a representation that the Company has performed any due diligence on the investment or transaction;
- 5.3.5.3 a recommendation or the provision of advice as a service;
- 5.3.5.4 the Company's acting as the Client's adviser or fiduciary; or
- 5.3.5.5 information which the Client can or may rely on in connection with the Client's investment decision,
- and the Client should seek the Client's own advice as to the suitability of any investment or transaction mentioned. The use or reliance on any such information is at the Client's own risk and any Losses which may be suffered as a result of the Client entering into any investment is for the Client's Account(s) and the Company shall not be liable for any Losses arising from or incurred by the Client in connection therewith. The Company is not responsible or liable for the accuracy and completeness of any such information, the performance or outcome of any investment made by the Client after receipt of such information provided by the Company irrespective of whether such information was provided at the Client's request; and
- 5.3.6 without prejudice to any provision of Clauses 5.3.1 to 5.3.5, the Client acknowledges that the Company does not hold out any of its Group Companies, or any of its or its Group Companies' respective Associated Parties as having any authority to advise the Client and the Company does not purport to advise the Client on the terms of, or any other matters connected with, any investment or transaction.

## **6. MARGIN REQUIREMENTS AND MARGIN CALLS**

- 6.1 The Client agrees to maintain and provide (as the case may be) on demand such Margin as the Company may from time to time at the discretion of the Company considers acceptable in respect of Transactions entered into or to be entered into on the Client's behalf under this

Agreement. Except as permitted by the Applicable Regulations or for the purpose of closing out the Client's open positions or as the Exchange may from time to time prescribe, generally or otherwise, the Company shall not transact for the Client until and unless the Company has received from the Client such amount of Margin as the Company considers adequate. The Client also agrees to pay immediately on demand any amount owing with respect to Margin on any of the Accounts. The Company is entitled to require the Client to make arrangements for the provision of Margin in advance of accepting instructions from the Client. The Client understands that the Client will be responsible for all the expenses of the Company in connection with the above and that the Company will not be liable for any Losses that may be incurred. The Client acknowledges and agrees that all fees and charges in connection with the maintenance and provision of Margin (whether cash or otherwise), including electronic or telegraphic transfer or other bank fees, brokerage fees, and custodian fees, shall be the Client's sole responsibility and it is the Client's responsibility to ensure that all such payments made to the Company are correctly designated in all respects. Any payment made to the Company will only be deemed to have been received when cleared funds are received by or on behalf of the Company.

- 6.2 The Client agrees that the proper initial and maintenance Margin, as determined by the Company at the sole and absolute discretion of the Company, will be maintained or provided (as the case may be) by the Client in any and all Accounts. The value of any Margin shall be determined by the Company in its sole and absolute discretion. If the Company determines that additional Margin is required, the Client agrees to deposit with the Company such additional Margin upon demand, provided, however, that notwithstanding any demand for additional Margin, the Company may at any time proceed in accordance with Clause 17 below. The Company may change its Margin requirements and procedures at the sole and absolute discretion of the Company and at any time. No previous Margin shall establish any precedent and these requirements and procedures once established may apply to existing as well as new positions of the Client.
- 6.3 Margin calls and demands for any variation adjustments must be met within the period specified by the Company from time to time. All variation adjustments must be paid in cash in Singapore Dollars except as otherwise agreed by the Company. The Company may require more Margin or variation adjustments than that specified by any Exchange and/or Clearing House. The Company shall be entitled to treat as Margin any assets deposited by or on behalf of the Client from time to time with the Company for any purpose.
- 6.4 The time for payment or provision of any Margin (including variation adjustments) is of the essence and if no period is stipulated by the Company when making a call or demand then the Client is required to comply with such demand by close of business on the same day the Company makes the call or demand (or more quickly if required by the Company to do so), otherwise the Company shall be entitled to close out some or all of the Client's open positions without notice to the Client and/or to liquidate or dispose of any or all existing Margin or Deposited Assets held for or on behalf of the Client and to apply the proceeds and any cash deposit(s) to cover any of the Client's debts and liabilities. Any surplus proceeds remaining thereafter shall be refunded to the Client.
- 6.5 For the avoidance of doubt, the Company shall be entitled to act under this Clause 6 whether or not there has been an Event of Default under Clause 14.

## **7. SETTLEMENT**

- 7.1 The Client acknowledges and agrees that, unless otherwise agreed in writing by the Company, all Transactions will be cash settled in Singapore dollars and not physically settled, and that in respect of settlement upon the maturity of each Relevant Contract or expiry or exercise of each Options Contract or close-out of any such contracts and/or Transactions (as the case may be) executed on the Client's behalf, the Client will:
  - 7.1.1 pay or procure the payment of cleared funds upon demand by the Company; and/or

- 7.1.2 where required by the Company, ensure that the Company has received such cleared funds on or before the due date for settlement or such other time as the Company has notified (whether verbally or in writing) the Client in relation to the relevant transaction.
- 7.2 The Client shall, at the time when the Account(s) are opened with the Company furnish the Company with instructions for settlement purposes, and such instructions (which may include standard settlement instructions) shall stand until such time that the Company has received written notice from the Client of changes to the same.
- 7.3 In respect of Options Contracts:
- 7.3.1 The Client acknowledges and agrees that the option premium ("**Premium**") payable in respect of Options Contracts (where applicable) shall, unless the Company otherwise agrees in writing in its sole and absolute discretion, be payable in cash and agrees to pay the Premium in Singapore dollars in such amount and within such time period as notified by the Company. The Company is entitled to require the Client to make arrangements for payment of the Premium in advance of accepting instructions from the Client and may impose other requirements from time to time for the payment of the Premium as the Company in its sole and absolute discretion thinks fit.
- 7.3.2 The Client acknowledges that on the expiration day, all Options Contracts traded on the SGX-DT or other Exchanges which are in-the-money will, in the absence of contrary instructions from the Client, be automatically exercised in accordance with the operational procedures of the SGX-DC or other Exchanges or Clearing Houses (as amended from time to time) and that the Client may exercise his/its right under the Options Contract directly with the SGX-DC or other Exchanges or Clearing Houses at any time before the cut-off time (if any) set by the SGX-DC or other Exchanges or Clearing Houses in accordance with the operational clearing procedures of the SGX-DC or other Exchanges or Clearing Houses.
- 7.3.3 The Client agrees that, in the event that the Client holds any short position under an Options Contract and such Options Contract is exercised (or deemed to be exercised on expiry or otherwise), the Client shall immediately pay to the Company the necessary settlement amount in cash. In default thereof, without prejudice to other rights or remedies that the Company may have against the Client, the Company may without demand or notice cover any liability of the Client under any short positions or trade with the same in the manner deemed most appropriate by the Company. The Client agrees that the Client will be responsible for all the expenses of the Company in connection with the above and that the Company will not be liable for any Losses that may thereby be incurred.
- 7.4 The Client agrees that should the Client fail to provide instructions or make payment of any Premium or any cash settlement amount or provide Margin in respect of Relevant Contracts, the Company is hereby authorised to, without demand or notice, close out some or all of the Client's open positions and/or liquidate or dispose of any or all Margin or Deposited Assets in such manner as the Company considers appropriate and apply any Margin or Deposited Assets or the proceeds from the liquidation or disposal thereof to meet the Client's debts and obligations. Any surplus proceeds remaining thereafter shall be refunded to the Client. The Client acknowledges and agrees that the Client shall be responsible to the Company for any and all Losses incurred by the Company (on an indemnity basis) in connection with the Client's failure to meet the Client's obligations by any applicable due date and shall immediately on demand reimburse the Company for all such Losses.
- 7.5 Unless agreed otherwise with the Company, any payment made to the Company must be made in Singapore Dollars. All such payments shall be (i) free from any restriction or condition; (ii) free from any withholding or deduction (except to the extent required by law) on account of tax, levy or any other charge whatsoever (including but not limited to goods and services tax) present or future; and (iii) free from any deduction or withholding (except to the extent required

by law) on account of any other amount, whether by way of set-off, counterclaim or otherwise. If the Client is obliged by law to make such deduction, the Client shall pay to the Company such greater amount which after deduction shall ensure that the net amount actually received by the Company will equal the amount which would have been received by the Company had no such deduction been required.

- 7.6 The Client agrees and acknowledges that payment made by the Company may be made net of taxes and subject to deduction or withholding.

## **8. LEVIES, COMMISSIONS AND EXPENSES**

- 8.1 All transactions executed in pursuance of the instructions of the Client on the Exchanges shall be subject to a transaction levy and any other levies that the relevant Exchange or Clearing House from time to time may impose, the costs of which shall be borne by the Client. The Company is authorised to collect any such levies in accordance with the rules prescribed by the relevant Exchange(s) and of the Clearing House from time to time, and shall be entitled to, without further reference to the Client, deduct the outstanding amount of such levies from funds in the Account(s) if so permitted under such rules.
- 8.2 The Client agrees to pay the Company remuneration, commissions brokerage, charges and any other fees in respect of purchases, sales and other transactions or services for the Account(s) at such rate or in such amount as the Company may from time to time have notified the Client, together with all stamp duties, bank charges, transfer fees, interest, goods and services tax and other expenses in respect of or connected with the Account(s) or any transaction or services in relation thereto. The Company shall be entitled to, without further reference to the Client, deduct any such commissions, duties, charges, fees, interest, taxes and other expenses in respect of or connected with the Account(s) or any transaction or services thereof from the funds in the Client's Account(s), and the Client hereby authorises and consents to such deduction(s).
- 8.3 The Client acknowledges and agrees that the Company shall be entitled to, at its sole and absolute discretion, solicit, accept and retain any benefit, or offer any benefit (including any benefit relating to commissions, rebates or similar payments in connection therewith), in connection with any transaction effected with any person for the Client pursuant and subject to the terms and conditions of this Agreement, including any commissions, rebates or similar payments received in connection therewith, and rebates from standard commissions charged by brokers or other agents to their clients.

## **9. INTEREST**

Unless otherwise indicated, the Client undertakes to pay interest to the Company in respect of any debit balance on the Account(s) or any amount otherwise owing to the Company at any time at a rate equivalent to two per cent (2%) per annum above the prime lending rate quoted by the Oversea-Chinese Banking Corporation. Such interest shall accrue on a day-to-day basis and shall be payable on the last day of each calendar month or upon any demand being made by the Company.

## **10. FOREIGN CURRENCY TRANSACTIONS**

- 10.1 The Client acknowledges and agrees that the Account(s) shall be in Singapore Dollars or such other currencies as the Company may agree from time to time, and in the event that the Client instructs the Company to effect any transaction for Relevant Contracts in a currency other than Singapore Dollars, all such transactions shall as between the Company and the Client be settled in Singapore Dollars at a rate of exchange determined by the Company in its sole and absolute discretion having regard to the then prevailing money market rates of exchange between such currencies, and any profit or Loss arising as a result of fluctuation in the exchange

rate of the relevant currencies will be for the Account(s) of the Client solely. Any conversion from one currency into another required to be made for performing any action or step taken by the Company under this Agreement may be effected by the Company in such manner and at such time as it may in its sole and absolute discretion decide, and the Company shall have no liability whatsoever to the Client in respect thereof.

- 10.2 The Client hereby acknowledges that where the Client directs the Company to effect any Transaction in a foreign currency on any Exchange, the settlement amount shall be converted and paid in Singapore Dollars. The Client hereby acknowledges that the Client will be exposed to foreign currency risks when currency conversions occur and hereby agrees to carry the risk that the foreign exchange rate may have changed since the order was entered. The Client hereby acknowledges that the volatility of the exchange rate is a matter that the Client should consider, and the past performance of the exchange rate is not necessarily a guide to future performance. The Client hereby acknowledges that depending on the circumstances and timing of the transaction, and relevant movements in currencies during that period, the difference between what the Client originally expected to pay or receive and what the Client actually pays or receives may be substantial, and that in extreme cases, currency volatility may significantly erode potential profits (or significantly increase any Loss) the Client may make from the relevant Transaction.

## **11. CLIENT'S ASSETS**

- 11.1 The Client specifically authorises the Company to, in its sole and absolute discretion, register, deposit and/or hold any Deposited Assets in the name of the Company, any Group Company or nominee thereof or in the name of the Client, in a custody account with a Specified Custodian, subject always to the Licensing and Conduct Regulations. The Company may, for the purpose of safe custody of the Client's Deposited Assets denominated in a foreign currency, maintain the custody account with a Specified Custodian outside Singapore.
- 11.2 Any Deposited Assets held by or deposited with the Company or any Specified Custodian pursuant to this Agreement shall be at the sole risk of the Client and neither the Company nor the relevant Specified Custodian shall be under any obligation to insure the Client against any kind of risk, which obligation shall be the sole responsibility of the Client, and neither the Company nor the relevant Specified Custodian shall be liable for any Loss of the Deposited Assets, whether arising from fraud, negligence or any other cause.
- 11.3 The Client agrees and acknowledges that the Company may pool or commingle the Deposited Assets with those belonging to other clients of the Company in an omnibus custody trust account. The Client acknowledges that the Client's interest may not be identifiable by separate certificates or other physical documents or equivalent electronic records. However, the Company will maintain records of the Client's interests in the Deposited Assets in accordance with the Client Asset Regulations.
- 11.4 If in relation to any Deposited Assets which are not registered in the Client's name, any dividends or other distributions or benefits accrue in respect of them, the Account(s) shall be credited (or payment made to the Client as may be agreed) with the proportion of such benefit equal to the proportion of the assets held on behalf of the Client out of the total number or amount of such assets, provided however that upon the occurrence of an Event of Default, the Company shall be entitled to apply any such dividends or other distributions or benefits accruing to the Client against any amounts which the Client owes to the Company.
- 11.5 If, in relation to any Deposited Assets which are not registered in the Client's name, any Loss is suffered by the Company in respect of them, the Account(s) may be debited (or payment made by the Client as may be agreed) with the proportion of such Loss equal to the proportion of the assets held on behalf of the Client out of the total number or amount of such assets.
- 11.6 Where any Deposited Assets are registered in the name of the Company, any Group Company, or any nominee thereof, the Company will not attend any meeting or exercise any voting or other

rights including the completion of proxies except (where the Company has expressly agreed in writing to do so) in accordance with written instructions of the Client. Nothing in this 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 received by the Company relating to such Deposited Assets or to send such documents or to give any notice of the receipt of such documents to the Client. Where the Company agrees to take any action(s) pursuant to the Client's instruction, the Company has the right to charge the Client for the Company's services in taking any such action(s). The Client hereby undertakes and agrees to execute such further documents and do any and all such further things as the Company deems necessary in respect of any such action(s) and to indemnify the Company for all Losses that may be incurred by the Company in respect of any such action(s) taken.

- 11.7 Other than as allowed under this Agreement, or by the Client Asset Regulations, the Company shall not, without the Client's oral or written direction, deposit, transfer, lend, pledge, re-pledge or otherwise deal with any of the Deposited Assets for any purpose.
- 11.8 The Client acknowledges that the Company may deposit any Deposited Assets with a Clearing House or a member of an Exchange (in or outside Singapore) for the purpose of facilitating the continued holding of a position or for facilitating a transaction to be entered into for the Client, for the settlement of a transaction under this Agreement or for any other purpose specified under the rules and practices of the Clearing House or Exchange (as the case may be).
- 11.9 The Client acknowledges that the Company may, in accordance with the Client Asset Regulations, withdraw any of the Deposited Assets for the purpose of transferring them to any person entitled thereto, meeting any obligations of the Client's, or transferring any Deposited Assets in accordance with the Client's written directions, or for any other purpose authorised by law, and for this purpose, the Company shall, to the extent permitted by Applicable Regulations, use its sole and absolute discretion to determine which of the Deposited Assets are to be withdrawn and the order of any such withdrawal.
- 11.10 Any obligation of the Company to deliver, hold, or register the Deposited Assets shall be satisfied by the delivery, the holding or registration of securities of the same class, denomination and nominal amount as, and rank *pari passu* with, those originally deposited with, transferred to or acquired by the Company on the Client's behalf (subject always to any capital reorganisation which may have occurred in the meantime) and the Company shall not be bound to deliver or return securities which are identical with the Deposited Assets in terms of number, class denomination, nominal amount and rights attached thereto.
- 11.11 Where the Company deposits the Deposited Assets in a custody account with a Specified Custodian, the Company will (unless it notifies the Client otherwise) procure that the Specified Custodian will abide by the following terms and conditions in respect of the custody account:
- 11.11.1 the custody account will be designated as that of "the Client" or "Clients";
  - 11.11.2 the assets in the custody account are to be held and recorded in accordance with the instructions of the Company, and the records shall identify the assets as belonging to the Company's clients and the assets shall be kept separate from any assets belonging to the Company or to the Specified Custodian;
  - 11.11.3 the Specified Custodian will not claim any lien, right of retention or sale over any assets standing to the credit of the custody account, except where the Company has obtained its client's written consent and notified the Specified Custodian of such written consent, or in respect of any charges as agreed upon in the terms and conditions relating to the administration or custody of the assets in the custody account;
  - 11.11.4 the Specified Custodian will provide sufficient information to the Company in order that the Company may comply with its record-keeping obligations under the Applicable Regulations;

- 11.11.5 the Specified Custodian will agree with the Company as to the person in whose name the assets are registered;
  - 11.11.6 the Specified Custodian will not permit any withdrawal of assets from the custody account, except for the delivery of the assets to the Company or upon the written instructions of the Company;
  - 11.11.7 any entitlement arising from the assets in the custody account, such as coupon or interest payments (net of taxes and subject to deduction or withholding, if any), shall be credited for the benefit of the Client in such manner as the Company may direct the Specified Custodian; and
  - 11.11.8 the Specified Custodian will be entitled to charge fees and costs for the custody of the assets, in accordance with its usual business practices.
- 11.12 The Client specifically acknowledges and agrees to the terms set out in the preceding paragraph and where such Specified Custodian holds the Deposited Assets subject to terms and conditions in addition to such terms or in this Agreement, then the Client agrees to also be bound to such terms in addition.

## **12. CLIENT'S MONIES**

- 12.1 The Client specifically authorises the Company, in respect of all monies received from the Client or for or on the account of the Client, to deposit such monies (less amounts lawfully payable by the Client to the Company, including, without limitation, any Premium, Margin, duties, commission, brokerage, fees, levies, other amounts required by the Exchange and/or the Clearing House to be deposited by the Client) into (i) an account as directed by the Client; or (ii) a trust account as defined in Regulation 15 of the Licensing and Conduct Regulations established and maintained by the Company with a Specified Financial Institution.
- 12.2 The Client acknowledges and agrees that the Company may deposit monies received from or for or on the Client's account into one or more segregated account(s), each of which shall be designated as a trust account, established and maintained in Singapore or outside Singapore for depositing non-Singapore Dollar where permitted by and subject to the Client Money Regulations by the Company, with one or more Specified Financial Institution(s) of the Company's choice. The Company shall not withdraw any monies from such trust account except for the purposes permitted under Regulation 21 of the Licensing and Conduct Regulations, including, without limitation, the defraying of brokerage and other proper charges and the payment of monies to any other person or account in accordance with the written direction of the Client. Unless otherwise agreed between the Client and the Company, any interest accrued on such monies shall belong to the Company absolutely.
- 12.3 The Client consents that the Company may hold monies received on account of the Client on trust in the forms of investment in accordance with the Applicable Regulations.
- 12.4 The Client acknowledges and agrees that the Company may deposit monies received on account of the Client in an omnibus customer trust account maintained with the Specified Financial Institutions together with monies that the Company has deposited into such trust account for other clients. As such the Client further acknowledges that it would be administratively and operationally difficult, if not impossible (in view of the constant fluctuation of the aggregate balance in such account), to account separately for each of the Company's clients the interest due on their cash balance in the omnibus account as interest will be received on an aggregated basis. In any event, it is also acknowledged and accepted that such an exercise would likely cost more than any interest earned. The Client hereby waives and relinquishes in the Company's favour all claims for interest that may otherwise accrue with respect to the Client's said monies received by the Company on the Client's account.
- 12.5 The Client agrees and authorises the Company to deduct or withdraw from the Account(s) any Premium, Margin, commissions, charges, expenses, applicable levies imposed by the relevant

Exchange(s) and any other sum payable by the Client, subject to Applicable Regulations, including without limitation, the Client Money Regulations.

- 12.6 The Company may set off all or any part of the amounts due from the Client in respect of any Premium, Margin, settlement amount, or otherwise, against all or any amounts due to the Client in respect of the Premium, settlement amount or otherwise, subject always to the Applicable Regulations, including without limitation, the Client Money Regulations.

### 13. INTERNATIONAL TAX COMPLIANCE AGREEMENTS

- 13.1 The Client acknowledges that the Company, any Group Company and their respective Associated Parties and/or any third party service provider may be required to take certain steps (including, without limitation, withholding amounts, demanding or disclosing information) in relation to the Client (which, for the purposes of this Clause 13, shall (where applicable) include any of the Client's Associated Parties), in order to comply with the requirements under the Foreign Account Tax Compliance Act ("**FATCA**") enacted by the United States of America ("**U.S.**") which became effective on 18 March 2010, the Common Reporting Standards ("**CRS**"), which became effective in Singapore on 1 January 2017 (collectively, the "**International Tax Compliance Agreements**"), and related laws, regulations, codes and rules and the Client undertakes to provide to the Company with such assistance as may be necessary to enable the Company to comply with its obligations under the International Tax Compliance Agreements.
- 13.2 The Client hereby irrevocably consents for the Company and each Group Company (including all branches) to, without further reference to the Client, disclose and submit the Client's information including without limitation to personal information, to the competent tax, regulatory, governmental or other similar authorities in any relevant jurisdiction (each an "**Authority**") (including without limitation to the Inland Revenue Authority of Singapore, the U.S. Internal Revenue Service ("**IRS**") and/or the U.S. Department of the Treasury) to establish the Client's tax liability and for the purpose of compliance of the requirements under the International Tax Compliance Agreements and other related laws, regulations, codes and rules.
- 13.3 The Client agrees that the Company may disclose the Client's particulars or any information to any Authority in connection or adherence with the International Tax Compliance Agreements. Such disclosure may be effected directly or sent through the Company or any Group Company. The Client further acknowledges and agrees that the Company is not under any obligation to notify the Client of the disclosure of the Client's particulars or any information to any Authority in connection or adherence with the International Tax Compliance Agreements. Notwithstanding the above, the Company may, in its sole and absolute discretion, choose to notify the Client of such disclosure, but the Client agrees that such voluntary notification shall not be regarded as an undertaking by the Company of an obligation to notify the Client whenever such disclosures are made.
- 13.4 The Client undertakes that it will:
- 13.4.1 promptly, and in any event within 30 days, provide to the Company such information as the Company may require from time to time including, without limitation, the personal/corporate/institutional information in the Client Information Statement and the Account Opening Form (each as prescribed by the Company from time to time) and the relevant tax forms completed by the Client, for the purpose of compliance with the requirements under the International Tax Compliance Agreements and other related laws, regulations, codes and rules;
- 13.4.2 promptly, and in any event, within 30 days, notify the Company of change of any information provided to the Company under Clause 13.4.1 or if any such information becomes untrue, incomplete, inaccurate or misleading and provide the Company with the necessary updated information;
- 13.4.3 upon the Company's request, promptly, and in any event within 30 days, provide to the Company such additional or substitute certificates and forms and other documentary

evidences including, without limitation, the substitute tax forms or declarations of expired tax forms or declarations (if any), the Client's written nationality statement, certificate of loss of U.S. nationality and privacy waivers; and

- 13.4.4 ensure that the information provided the Company under this Clause 13 shall always be true, complete and accurate and not misleading in any material aspect.
- 13.5 The Client acknowledges and agrees that, if the Client fails to supply promptly the Client's tax information and accompanying statements, waivers and consents, as may be requested pursuant to this Clause 13, or if any document or information provided is not up-to-date, accurate or complete such that the Company is unable to ensure its ongoing compliance or adherence with the requirements under the International Tax Compliance Agreements, then:
- 13.5.1 the Company may be unable to open a new account for the Client;
- 13.5.2 the Company may make its own judgment with respect to the Client's tax status, including whether the Client is reportable to an Authority, and the Company may or may require other persons to withhold amounts as may be legally required by the Authority and paying such amounts to the Authority;
- 13.5.3 the Company may withhold payment of any amount due to the Client under this Agreement in compliance with the International Tax Compliance Agreements and/or pay the same to any relevant Authority on the Client's behalf as the relevant Authority may require; and
- 13.5.4 the Company shall be entitled to change the tax status of the Account(s), suspend the trading activities under the Account(s), withhold the assets in the Account(s), close the Account(s), and/or sell or otherwise dispose of the assets in the Account(s) to produce withholdable payments at the Company's sole and absolute discretion.
- 13.6 The Client hereby authorises the Company to withhold any part of or all assets in the Account(s) (in cash or other forms) or sell the assets in the Account(s) to produce withholdable payments if the Company determines in its sole and absolute discretion:
- 13.6.1 the Client is identified as recalcitrant or a non-participating foreign financial institutions;
- 13.6.2 there is no reliable evidence to treat the Client as exempted from withholding requirement under the International Tax Compliance Agreements or other relevant regulations;
- 13.6.3 the withholding is required by competent regulatory or governmental authorities in the relevant jurisdiction; or
- 13.6.4 the withholding is otherwise necessary or appropriate for the compliance with the requirements under the International Tax Compliance Agreements and other related laws, regulations codes and rules.
- 13.7 The Client consents and agrees that the Company may, when required by any Authority, withhold, and payout, from the Account(s) such amounts as may be required according to the International Tax Compliance Agreements, other related laws, regulations, codes and rules, agreements with regulators or authorities and directives.
- 13.8 The Client shall furnish the Company, as soon as reasonably practicable, with such documents and other information as the Company may reasonably require concerning the tax consequences of the Account(s) (including, without limitation, whether there may or will be any withholding of tax) or for the purpose of complying with the International Tax Compliance Agreements or related laws, regulations, codes and rules.
- 13.9 If the Company, any Group Company or any of their respective Associated Parties (the "**Indemnified Persons**") is required to make any payment on account of tax or otherwise on or in relation to any amount paid, transferred or received, or payable, transferable or receivable pursuant to the Account(s) or any liability in respect of any such payment is asserted, imposed, levied or assessed against the Company, the Client shall promptly indemnify the Company on

its demand against such payment or liability, together with any interest, penalty, costs or expenses payable or incurred therein. The Company shall be entitled to apply all or part of the balance standing to the credit of Account(s) in or towards the discharge of any amount so payable to the Company. The Client further agrees to indemnify the Indemnified Persons against Losses which the Indemnified Persons may incur or which may be made against the Indemnified Persons arising out of, or in relation to or in connection with any breach or alleged breach of the terms and conditions hereunder, whether by act or omission, of the Client, or any non-compliance with the International Tax Compliance Agreements or any other Applicable Regulations in relation to the Client and/or the Account(s).

- 13.10 The Client undertakes to assist the Company in any proceeding or investigation arising in any matter out of or in connection with the compliance with the requirements under the International Tax Compliance Agreements and other Applicable Regulations. In such case, the Company will notify the Client when the Company becomes aware of such proceedings, unless prohibited by Applicable Regulations.
- 13.11 The Client shall continue to be bound by the provisions of this Clause 13 despite the Client ceasing to hold or maintain any Account or the termination of this Agreement.

#### **14. EVENTS OF DEFAULT**

- 14.1 Any one of the following events shall constitute an event of default ("**Event of Default**"):
- 14.1.1 the Client's failure to, when called upon to do so or on due date, pay or deposit any Premium in respect of any Options Contract, or the whole of any purchase price in respect of any Relevant Contract, or any settlement amount, or any other sum payable to the Company, or to submit any documents or deliver, or procure the delivery of, any securities or other assets to the Company, under this Agreement or any other agreement between the Client and the Company;
  - 14.1.2 the Client's failure to comply with any requirements as to Margin either immediately or (where specifically agreed by the Company in writing) within up to 24 hours;
  - 14.1.3 where the Company has made at least two (2) attempts to demand from the Client any Margin, or variation adjustment but for whatever reason has not been able to communicate directly with the Client;
  - 14.1.4 where the Client has not, on demand, or where specifically agreed, within 24 hours of the Company's requesting the same, liquidated any debit balance on any of the Accounts;
  - 14.1.5 default by the Client in the due performance of any of the terms of this Agreement including, without limitation, provision or maintenance of any Margin upon demand, satisfaction of any settlement obligations or the observance of any constitution, rules, regulations, by-laws, customs and usages of the appropriate Exchanges and/or Clearing Houses;
  - 14.1.6 default by the Client in the due performance of any other contractual obligation owed by the Client to the Company;
  - 14.1.7 the Client (being an individual) shall die, become bankrupt or insane, commit an act of bankruptcy, or have action to place the Client in bankruptcy commenced against him/her;
  - 14.1.8 any of the partners of the Client (being a partnership) thereof shall die, become bankrupt or insane, commit an act of bankruptcy, or have action to place him/her in bankruptcy commenced, or if action is commenced to dissolve and/or alter the partners or the constitution of the Client;
  - 14.1.9 the Client (being a corporation) shall be unable to pay its debts as and when they are due, or action is commenced to place the Client in insolvency, judicial management,

- receivership, administrative management, or the filing of a petition in bankruptcy, winding up or the commencement of any similar or analogous proceedings against the Client;
- 14.1.10 the Client (being a corporation) convenes a meeting of its creditors or proposes or makes any compromise or arrangement with or any assignment for benefit of its creditors;
  - 14.1.11 the levy or enforcement of any attachment, execution or other process against the Client;
  - 14.1.12 any representation or warranty made by the Client to the Company in this Agreement or in any document being or becoming incorrect or misleading;
  - 14.1.13 any consent, authorisation or board resolution required by the Client (being a corporation or a partnership) to enter into this Agreement being wholly or partly revoked, suspended, terminated or ceasing to remain in full force and effect;
  - 14.1.14 the occurrence of any event which, in the sole opinion of the Company, might jeopardise any of its rights under this Agreement;
  - 14.1.15 the receipt by the Company of notice of any dispute as to the validity of any order or instruction from the Client and/or any Transaction;
  - 14.1.16 the continued performance of this Agreement or any Transaction becomes illegal or any claim by any government authority to be illegal; and
  - 14.1.17 the Company considers it necessary or desirable for the Company's own protection or any action is taken or event which occurs which the Company considers might have a material effect upon the Client's ability to perform any of the Client's obligations under this Agreement.
- 14.2 If an Event of Default occurs, all amounts owing by the Client to the Company shall become immediately payable on demand, and interest will accrue, at the rate specified in Clause 9 above. Without prejudice to any other rights or remedies that the Company may have against the Client and without further demand or notice to the Client, the Company shall be authorised (but shall not be obliged), in its sole and absolute discretion, to immediately or at any time, do any one or more of the following:
- 14.2.1 decline to accept any further instructions from the Client in respect of trading in any Relevant Contract;
  - 14.2.2 immediately close the Account(s) or suspend the Account(s) (indefinitely or otherwise);
  - 14.2.3 terminate all or any part of this Agreement, or the Company's relationship with the Client, upon which any and all liabilities of the Client to the Company shall be accelerated and shall become immediately due and payable;
  - 14.2.4 close out, square off, give up and/or exercise any or all Relevant Contracts without the Client's consent, cover any short position of the Client or liquidate any long position of the Client, in each case through such transactions as the Company deems appropriate;
  - 14.2.5 enter into Transactions, or into transactions in Relevant Contracts (on an Exchange or otherwise), for the purpose of meeting obligations arising or hedging risks to which the Company is exposed in relation to the Client's default;
  - 14.2.6 cancel and/or close out, as applicable, any or all outstanding positions, orders, Relevant Contracts (including any transaction which has yet to be settled on the date on which the Company terminates such transaction) or any other commitments made on behalf of the Client and/or liquidate or dispose of Margin, monies and/or any Deposited Assets deposited with the Company or otherwise to meet the Client's liabilities and obligations;

- 14.2.7 sell any or all Relevant Contracts long in the Account(s);
  - 14.2.8 buy any or all Relevant Contracts which may be short in the Account(s);
  - 14.2.9 combine, consolidate and set-off any or all Account(s) of the Client in accordance with Clause 17; and
  - 14.2.10 without notice to the Client, apply any amounts of whatsoever nature standing to the credit of any Account(s) against any amounts which the Client owes to the Company (of whatsoever nature and howsoever arising, including any prospective or contingent amounts).
- 14.3 The Client acknowledges and agrees that in the event of any action taken pursuant to Clause 14.2:
- 14.3.1 the Company shall not be responsible for any Losses occasioned thereby howsoever arising if the Company has already made reasonable effort to purchase, sell or dispose, or procure the purchase, sale or disposal of, or closing out or liquidation of the Relevant Contracts or any part thereof at the then available market price (whether or not the Client had specified a stop-loss price in a stop-loss order);
  - 14.3.2 the Company will exercise its own judgment, acting in a commercially reasonable manner, in determining the time to purchase, sell or dispose of, or procure the purchase, sale or disposal of, the Relevant Contracts and/or Margin or Deposited Assets or any part thereof or the closing out or liquidation of any position or transaction and its resulting Losses, and the Company shall not be responsible for any Losses occasioned thereby;
  - 14.3.3 the Company shall be entitled to appropriate to itself or sell or dispose, or procure the sale or disposal of, the Relevant Contracts and/or Margin or Deposited Assets or any part thereof at the current price to any of the Group Companies without being in any way responsible for any Losses occasioned thereby howsoever arising and without being accountable for any profit made by the Company and/or any of the Group Companies;
  - 14.3.4 the Client undertakes to pay to the Company any fees, charges, costs and expenses incurred in connection with the closing out or liquidation of positions of the Relevant Contracts, and any deficiency in the net proceeds of sale or net proceeds of liquidation or disposal of Margin or Deposited Assets shall be insufficient to cover all the outstanding balances owing by the Client to the Company, and indemnify the Company for Losses reasonably incurred by the Company in the exercise of any of its rights and powers under this Agreement;
  - 14.3.5 all the actions under Clause 14.2 may be taken by the Company with or without demand for Margin or additional Margin, and with or without notice to the Client, the Client's heirs, executors, administrators, personal representatives or assigns, of sale or purchase or other notice or advertisement and whether or not the ownership interest shall be solely the Client's or jointly with others; and
  - 14.3.6 any liquidation or disposal of Margin or Deposited Assets may be made according to the reasonable judgement and at the sole and absolute discretion of the Company. It is understood that, in all cases, a prior demand or call, or prior notice of time or place of sale or purchase shall not be considered a waiver of the right of the Company to sell or to buy without demand or notice as herein provided, that the Client shall at all times be liable for the payment of any debit balance owing in such Account(s) upon demand, and that in all cases, the Client shall be liable for any deficiency remaining in such Account(s) in the event of the liquidation or disposal thereof in whole or in part by the Company or by the Client. The Client shall promptly settle, upon demand, all liabilities outstanding to the Company, together with all costs of collection (including reasonable legal fees).

## **15. PROCEEDS OF SALE**

- 15.1 Without prejudice to Clause 7.4 and Clause 12.6, and subject to the Client Asset Regulations and the Client Money Regulations, the Client authorises the Company to apply the proceeds of sale or liquidation of the Account(s) made under Clause 14 to reduce the indebtedness owing to the Company (if any) and in the following order of priority and any residue shall be paid to the Client or to the Client's order:
- 15.1.1 payment of all costs, charges, legal fees and expenses including taxes, stamp duty, levies, commission and brokerage properly incurred by the Company in closing out all or any of the Client's positions, or transferring, liquidating and/or selling and/or otherwise disposing of all or any of the monies, Margin or Deposited Assets in the Account(s) held in custody, or in a trust account maintained with a Specified Financial Institution, to the order of the Client;
  - 15.1.2 payment of all interest due;
  - 15.1.3 payment of all monies and liabilities due, owing or incurred by the Client, to the Company; and
  - 15.1.4 payment of all monies and liabilities due, owing or incurred by the Client, to any of the Group Companies.
- 15.2 Subject to the Client Money Regulations, the Company is hereby authorised to apply any dividends, interest or other payments which may be received or receivable by the Company in respect of any of the Client's Account(s) as though they were proceeds of sale hereunder notwithstanding that the power of sale may not have arisen and notwithstanding that subsequent to the execution of this Agreement the Company may have paid any of the said dividends, interest or other payments to the Client.

## **16. CLOSURE OF POSITIONS**

- 16.1 Without prejudice to the Company's rights under Clause 14 above, 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 in the local, 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 capital markets, stock market or options market, commodities, futures and/or derivatives market in Singapore and/or overseas.
- 16.2 Unless agreed otherwise in writing with the Company or where required by the Applicable Regulations, the Company shall not be obliged to provide to the Client any contract specifications or other product specifications, or any prospectus or other offering document covering such products and/or provide to the Client any explanation of Margin procedures.
- 16.3 Unless otherwise agreed with the Company, the Client acknowledges and agrees that:
- 16.3.1 the Company shall not be obliged to notify or remind the Client of the maturity date of any Relevant Contracts or the exercise or expiry date of any Options Contracts;
  - 16.3.2 certain Exchanges and Clearing Houses (including, without limitation, the SGX-DT and the SGX-DC) will automatically exercise an "in-the-money" Options Contract on its expiration date unless instructed otherwise by the Client, whilst others may leave "in-the-money" Options Contracts to expire without exercise;
  - 16.3.3 the Company may establish exercise cut-off times which may be earlier than the exercise cut-off times established by the relevant Exchange(s); and
  - 16.3.4 the Client shall not have any claims whatsoever against the Company as a result of or in connection with the exercise or failure to exercise of the Client's Options Contracts.

- 16.4 The Client acknowledges and agrees that all short positions in relation to Relevant Contracts are subject to assignment at any time, including, without limitation, short positions that are established on the same day that they are assigned. The Client further acknowledges and agrees that the Company shall have the right to allocate assignment notices among all its clients' short positions in any manner which the Company may, in its sole and absolute discretion, deem appropriate and that such allocation method may change at any time without prior notice to the Client.
- 16.5 The Client shall communicate all trade adjustments for Relevant Contracts, whether in the form of separation, open/close, give up/take up or any other form, to the Company as soon as possible and in any event not later than 4.30 p.m. (Singapore time) on each trade day (or such other time as the Company may accommodate in its sole and absolute discretion). The Client agrees and acknowledges that the Company would not be able to process the Client's request beyond this time limit and further agrees that the Company shall not have any liability whatsoever to the Client for such failure in processing. For avoidance of doubt, any and all charges and expenses incurred in relation to trade adjustments shall be borne solely by the Client.
- 16.6 In relation to any applicable Relevant Contracts, the Client acknowledges and agrees to be bound by any changes in the capital structure or composition of the underlying issuer or, where the relevant Exchange(s) or Clearing House(s) considers necessary or desirable to ensure fair treatment to all parties to such Relevant Contracts, any adjustments to the terms and conditions of that class.
- 16.7 Subject to any Applicable Regulations, whenever any new transaction is entered into to close out any existing Relevant Contracts, then the obligations of the Company and the Client under such existing Relevant Contracts shall, save for any settlement payments that may be due in respect of such existing Relevant Contracts, be automatically terminated immediately upon the entering into of such a new transaction.
- 16.8 The Client acknowledges that if the Company goes into default, the default procedures of the SGX-DT and/or the SGX-DC may, amongst other things, result in Relevant Contracts being closed out or given up.

## **17. SET-OFF, LIEN AND COMBINATION OF ACCOUNT(S)**

- 17.1 The Company shall be entitled, without prior notice to the Client, to set-off any debts, liabilities or amounts owing by the Client against any amounts due to the Client or any monies deposited in a trust account maintained with a Specified Financial Institution for or on the account of the Client or to which the Client is beneficially entitled whether the debts are actual or contingent and irrespective of any differences in currency.
- 17.2 In addition and without prejudice to any general liens, rights of set-off or other similar rights to which the Company may be entitled under law or this Agreement, all of the Client's positions in Relevant Contracts, as well as Margin and Deposited Assets held in custody, or in a trust account maintained with a Specified Financial Institution, as the case may be, shall be subject to a general lien in favour of the Company as continuing security to offset and discharge all or any of the Client's indebtedness and other obligations, arising from trading in Relevant Contracts or otherwise, to the Company and any of its Group Companies. The Company shall be entitled at any time and without notice to the Client to retain, apply, transfer, sell or dispose of all or any of the Client's positions in Relevant Contracts, and/or the Client's Margin or Deposited Assets (with sole and absolute discretion to determine which Relevant Contracts, and/or the Client's Margin or Deposited Assets are to be transferred, sold or disposed) if any such obligation or liability is not discharged in full by the Client when due or on demand, and the Company shall be under no duty to the Client as to the price obtained or any Losses incurred or arising in respect of any such sale or disposal. The Client hereby grants to the Company an irrevocable power of attorney for and on behalf and in the name of the Client or otherwise to execute all documents and do all acts matters and things necessary or deemed desirable by

the Company to enforce, sell and/or dispose all right, title and interest to and in any of the Client's positions in Relevant Contracts, and/or the Client's Margin or Deposited Assets.

- 17.3 In addition and without prejudice to any general liens, rights of set-off or other similar rights to which the Company may be entitled under law or this Agreement and subject to the Applicable Regulations, including without limitation, the Client Money Regulations, the Company is hereby authorised, for itself and as agent for any of its Group Companies, at any time without notice to the Client, to combine or consolidate any or all Account(s), of any nature whatsoever and either individually or jointly with others, with the Company or any of its Group Companies and the Company may set off or transfer any Margin, Deposited Assets or the Client's positions in Relevant Contracts or monies in any such Account(s) to satisfy obligations or liabilities of the Client to the Company or any of the Group Companies, whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several.

## **18. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

- 18.1 The Client hereby represents and warrants to the Company on a continuing basis that:

18.1.1 (in case of a corporation) it is validly incorporated and existing under the laws of its country of incorporation and has full power and capacity to enter into and perform its obligations hereunder, its entry into this Agreement has been duly authorised by its governing body and is in accordance with the memorandum and articles of association or by-laws as the case may be of the Client;

18.1.2 the Client has all authorisations, consents, licences or approvals (whether under the Applicable Regulations otherwise) required to accept and agree to these terms and conditions, to open, maintain, operate and continue to maintain and operate all Account(s) from time to time opened and/or maintained and/or continued to be maintained with the Company, and to give the Company orders and instructions thereon;

18.1.3 neither the signing, delivery or performance of this Agreement nor any instructions given hereunder will contravene or constitute a default under any Applicable Regulations or judgment or cause to be exceeded any limit by which the Client or any of the Client's assets is bound;

18.1.4 save as otherwise disclosed to the Company in writing, all transactions to be effected under this Agreement are for the benefit of the Client and no other party has any interest therein;

18.1.5 subject to any security interest of any of the Group Companies created pursuant to any agreement between the Client and any of the Group Companies, all Margin or Deposited Assets provided by the Client are fully paid with valid and good title and whose legal and beneficial titles are vested in the Client;

18.1.6 the information contained in the Account Opening Documents or other information supplied by or on behalf of the Client to the Company in connection with the Account(s) is true, complete, accurate and not misleading in all respects. The Company is entitled to rely on such information until written notice from the Client of any changes therein has been received by the Company;

18.1.7 the Client understands the nature and suitability for his/its purposes of the types of transactions contemplated by these terms and conditions and the risks involved in them, and that the Client has sufficient experience to assess the suitability of such transactions;

18.1.8 any person(s) empowered to act on the Client's behalf has been duly authorised; and

18.1.9 any order placed or any other dealings in the Account(s) is solely and exclusively based on the Client's own judgment and after the Client's own independent appraisal and

investigation into the risks associated with such orders (including seeking independent advice as the Client deems appropriate) and the Client's own independent determination of the order being specifically suitable for the Client based on the Client's own assessment of his/its financial resources, ability and willingness to take relevant risks and financial objectives.

- 18.2 The Client undertakes to perform such acts, sign and execute all such agreements or documents whatsoever as may be required by the Company for the performance or implementation of this Agreement or any part thereof. In particular, the Client acknowledges, agrees and undertakes:
- 18.2.1 to effect all stamping, filing or registration of all documents which may be required under the laws of any relevant jurisdiction, including any documents relating to the creation, perfection or registration of any collateral in any relevant jurisdiction;
  - 18.2.2 to assume responsibility for any disclosure or notification of any shareholding or other interest required under any Applicable Regulations (including without limitation, the disclosure requirements under Part VII (Disclosure of Interests) of the SFA; and
  - 18.2.3 not to pledge or charge any of the assets or monies forming part of or attributable to any Account or transaction without the prior written consent of the Company, or to sell, grant an option over, or otherwise deal in any of the assets or monies forming part of or attributable to any Account or transaction. For this purpose, all assets and monies referred to in Clauses 11 and 12 respectively shall be deemed, respectively, as assets and monies forming part of, or attributable to the Accounts.
- 18.3 The Client agrees and undertakes to:
- 18.3.1 promptly furnish such financial information as the Company may request from time to time; and
  - 18.3.2 immediately inform the Company of any changes to the particulars of the Client and the representations and warranties provided by the Client in this Agreement, the Account Opening Documents, and/or such other documents provided by the Client to the Company, or in the event that such representations or warranties are no longer accurate or correct.
- 18.4 The Client acknowledges that he/it has been provided with the mandatory disclosures made by the Company as set out in the schedules and/or appendices accompanying these terms and conditions, and acknowledges that the matters which the Company is required to disclose might be revised or updated from time to time.

## 19. DISCLOSURE

- 19.1 If the Client effects transactions for the account of his clients, whether on a discretionary or non-discretionary basis, and whether as agent or by entering into matching transactions as principal with any clients of the Client, the Client hereby agrees that, in relation to a transaction where the Company has received an enquiry from the SGX-DT, the Securities Industry Council, the Authority, any Exchange, self-regulatory body, or any department or agency of any government in charge of any Exchange on which the Client has traded, whether in Singapore or otherwise ("**Regulators**"), the following provisions shall apply:
- 19.1.1 Subject to as provided below, the Client shall, immediately upon request by the Company (which request shall include the relevant contact details of the Regulators), inform the Regulators of the identity, address, occupation and contact details of the client for whose account the transaction was effected and (so far as known to the Client) of the person with the ultimate beneficial interest in the transaction. The Client shall also inform the Regulators of the identity, address, occupation and contact details of any third party (if different from the Client/the ultimate beneficiary) who originated the transaction.

- 19.1.2 If the Client effected the transaction for a collective investment scheme, discretionary account or discretionary trust, the Client shall:
- 19.1.2.1 immediately upon request by the Company (which request shall include the relevant contact details of the Regulators), inform the Regulators of the identity, address, occupation and contact details of the person(s) who, on behalf of the scheme, account or trust, instructed the Client to effect the transaction; and
  - 19.1.2.2 as soon as practicable, inform the Company when his discretion to invest on behalf of the scheme, account or trust has been overridden. In the case where the Client's investment discretion has been overridden, the Client shall immediately upon request by the Company (which request shall include the relevant contact details of the Regulators), inform the Regulators of the identity, address, occupation and contact details of the person(s) who has or have given the instruction.
- 19.1.3 If the Client is a collective investment scheme, discretionary account or discretionary trust and in respect of a particular transaction the sole and absolute discretion of the Client or its officers or employees has been overridden, the Client shall, as soon as practicable, inform the Company when his discretion to invest on behalf of the beneficiary of such scheme, account or trust has been overridden. In the case where the Client's investment discretion has been overridden, the Client shall, immediately upon request by the Company (which request shall include the relevant contact details of the Regulators), inform the Regulators of the identity, address, occupation and contact details of the person(s) who has or have given the instruction in relation to the relevant transaction.
- 19.1.4 If the Client is aware that his/its client is acting as intermediary for its underlying client(s), and the Client does not know the identity, address, occupation and contact details of the underlying client for whom the transaction was effected, the Client confirms that:
- 19.1.4.1 the Client has arrangements in place with his/its client which entitle the Client to obtain the information set out in sub-clauses 19.1.1, 19.1.2 and/or 19.1.3 from his/its client immediately upon request or procure that it be so obtained; and
  - 19.1.4.2 the Client will, upon request from the Company in relation to a transaction, promptly request the information set out in sub-clauses 19.1.1, 19.1.2 and/or 19.1.3 from his/its client on whose orders the transaction was effected, and provide the information to the Regulators as soon as it is received from his client or procure that it be so provided.
- 19.1.5 The terms of this Clause 19.1 shall apply *mutatis mutandis* to queries raised by Regulators (whether based in Singapore or elsewhere) in respect of all Transactions effected on Exchanges that are overseas by the Company for on behalf of the Client.
- 19.2 The terms of this Clause 19 shall continue in full force and effect notwithstanding the termination of this Agreement.

## **20. LIABILITIES AND INDEMNITIES**

- 20.1 Neither the Company nor any Group Company nor any of their Associated Parties shall have any liability whatsoever (whether in negligence or otherwise) for any Losses suffered by the Client as a result of:
- 20.1.1 the Company acting or relying on or executing any instruction given by the Client, whether or not such instruction was given following any representation, statement, trading suggestion, advice, recommendation, information, view or opinion or other

statement (in each case, whether written or oral) given by the Company, any Group Company or any of their respective Associated Parties or in relation to or in connection with any matter relating to transactions;

- 20.1.2 any condition or circumstances which are beyond the reasonable control or anticipation of the Company, any Group Company or any of their respective Associated Parties, including but not limited to any force majeure, delays in the transmission of orders due to disruption, breakdown, failure or malfunction of transmission of communication facilities, failure of electronic or mechanical equipment, telephone or other interconnection problems, unauthorised instructions, prevailing fast market conditions, governmental agency or exchange actions, failure of any Exchange market or Clearing House or failure of any relevant correspondent or other agent for any reason to perform its obligations, theft, war (whether declared or not), terrorist attacks, severe weather, fire, flooding, earthquakes and strikes or other industrial actions;
  - 20.1.3 the Company exercising any or all of its rights conferred by the terms of this Agreement; or
  - 20.1.4 any conversion of one currency to another pursuant to in relation to or arising from this Agreement.
- 20.2 Without limiting the generality of Clause 20.1 above, neither the Company nor any Group Company nor any of their respective Associated Parties shall have any liability whatsoever (whether in negligence or otherwise) for any Losses suffered by the Client arising out of or alleged to arise out of or in connection with any inconvenience, delay or loss of use of electronic messaging facilities and/or services or any delay or alleged delay in acting or any failure to act on any instruction given by the Client to the Company, even if the Company has been advised of the possibility of such Losses
- 20.3 The Client undertakes to indemnify and keep indemnified the Company, any Group Company and their respective Associated Parties in respect of any and all Losses of any nature whatsoever which may be suffered or incurred by the Company, any Group Company and their respective Associated Parties directly or indirectly arising out of or in connection with any transaction entered into by the Company as agent on behalf of the Client or otherwise whatsoever or howsoever arising out of anything done or omitted to be done by the Company in accordance with the terms of this Agreement or pursuant to any Client's instruction or communication. The Client also agrees to reimburse promptly to the Company on demand, all damages, costs and expenses of any nature (including legal expenses on a full indemnity basis) incurred by the Company, any Group Company and their respective Associated Parties in the enforcement of any of the provisions of this Agreement.
- 20.4 The Client undertakes to indemnify and keep indemnified the Company, any Group Company, and their respective Associated Parties against any and all Losses arising out of or connected with any breach by the Client of his/its obligations hereunder, including any costs reasonably and necessarily incurred by the Company in collecting any debts due to the Company or in connection with the closure of the Account(s).
- 20.5 To the extent that the Client has executed orders for the account of the Client's customers (whether or not known to the Company at the relevant time), the Client shall on demand indemnify, protect and hold the Company harmless from and against all Losses resulting from or arising out of claims raised by the Client's customers.
- 20.6 The terms of this Clause 20 are without prejudice to any of the other provisions hereunder relating to the liabilities of, and indemnities given to, the Company and any Group Company and their respective Associated Parties, and shall continue in full force and effect notwithstanding the termination of this Agreement or any Account.

## **21. NOTICES, CONFIRMATIONS AND STATEMENTS**

- 21.1 Reports, Written Confirmations, statements of the Account(s), notices, and any other communications may be transmitted to the Client (who, in the case of a joint account without nominating a person therefor, will be deemed for these purposes to be the Client whose name first appears in the Account Opening Form) at the mailing address, telephone number, facsimile number or electronic messaging address given in the Account Opening Documents or at such other mailing address, telephone number, facsimile number or electronic messaging address as the Client hereafter shall notify the Company in writing, and all communications so transmitted will be deemed received by the Client: (i) two (2) days after despatch by post to the last mailing address known to the Company if the same is in Singapore, or five (5) days after despatch by post to the last mailing address known to the Company if the same is not a Singapore address; (ii) immediately, if delivered personally; (iii) immediately, if communicated via telephone; and (iv) immediately upon transmission if sent by facsimile or via electronic messaging systems, whether actually received by the Client or not.
- 21.2 Written confirmation of the execution of the Client's orders ("**Written Confirmation**") and statements of the Account(s) shall be conclusive and deemed to be accepted if not objected to in writing by the Client directed to the mailing address stated in the Account Opening Form (or such other address communicated in writing by the Company) within two (2) days after such confirmation is deemed received by the Client, by mail or otherwise. The Company may, upon a request by the Client in writing, provide the Written Confirmation to the Client via any electronic form of communication ("**Electronic Confirmation**") including but not limited to electronic mail, telecommunications or short message service via mobile phone or the Internet. The Client acknowledges and agrees that the Company, in providing this additional service, shall not be liable for any Losses whatsoever suffered by the Client as a result of the failure of the Electronic Communication to reach the Client, or delays in the despatch of or any inaccuracies in the Electronic Confirmation, whether such non-receipt, delay or inaccuracy is due to any breakdown in or failure of any communication facilities, the error or negligence of any communication service provider (or their employees, independent contractors or agents, or the error or negligence of the Company (or its employees, independent contractors or agents). In the event of any discrepancies between the Electronic Confirmation and the Written Confirmation, the Written Confirmation shall prevail.
- 21.3 Without prejudice to Clause 21.1 above, the Client acknowledges and agrees that until notification in writing of any change to the personal information or circumstances or any other relevant information the Client provided or is required to provide to the Company is received by the Company, the Client shall absolve the Company of any responsibility or liability resulting from the Company's acting on the basis of the information originally provided.
- 21.4 Whenever the Client receives any statement of the Account(s) or any document in connection with the Account, the Client agrees to inform the Company of any mistake, omission or disagreement within one (1) Business Day from the date the same was received or deemed received by the Client or such other duration as may be stipulated in the said document. If the Client fails to do this, the Client agrees he/it shall no longer have the right to dispute the accuracy of the statement or document. Accordingly, the Company has the right to treat the Client's silence as the Client's representation that the statement or document is accurate. However, should the Company discover at any time that the statement or document is inaccurate, the Company can still amend the same.
- 21.5 The Client irrevocably consents to service of process or any other documents in connection with proceedings in any court by ordinary post addressed to the Client at such address that the Client may notify the Company from time to time in accordance with this Agreement. The Client agrees that process shall be deemed to be received by him, in the case of ordinary post addressed to an address in Singapore, twenty-four (24) hours after posting, or in the case of ordinary post addressed to an address outside Singapore, three (3) days after posting. Nothing in this Clause shall prevent the Company from serving process or any other documents in connection with proceedings in any court in any other manner permitted by the laws of the Republic of Singapore, the law of the place of service or the law of the jurisdiction where proceedings are instituted.

## 22. AMENDMENT

- 22.1 The Company shall be entitled at any time and from time to time to amend, vary, revise, delete or substitute any of the terms and conditions of this Agreement, or add new terms to this Agreement by sending to the Client a notice in writing setting out such amendment, variation, revision, deletion, substitution or addition.
- 22.2 The amendments shall take effect three (3) days from the date on which notification of the amendments is deemed received by the Client under Clause 21.1 via post, personal delivery, facsimile and/or electronic messaging systems. The Client may find the latest version of the Agreement at [www.htisec.com](http://www.htisec.com).
- 22.3 The Client hereby agrees to be bound by these Agreement as supplemented and/or amended from time to time provided that in the event of the Client giving to the Company notice in writing of the Client's objection to the amendments, such notice shall be deemed to constitute notice to terminate the Account..

## 23. JOINT CLIENTS

- 23.1 Where the Client consists of more than one (1) person:
- 23.1.1 the liability and obligations of each of them shall be joint and several and references to the Client shall be construed, as the context requires, to any or each of them;
- 23.1.2 the Company shall be entitled to, but shall not be obliged to, act on instructions, orders or requests from any of them;
- 23.1.3 each of them shall be bound though any other Client or any other person intended to be bound is not, for whatever reason, so bound; and
- 23.1.4 the Company shall be entitled to deal separately with any of the Clients on any matter including the discharge of any liability to any extent without affecting the liability of any others; and
- 23.1.5 the Company shall be entitled to debit the Account(s) at any time in respect of any sum howsoever due or owed to the Company by any of the persons in whose name the Account(s) is opened or maintained or constituting the Client.
- 23.2 Where the Client consists of more than one (1) person, on the death of any of such persons (being survived by any other such persons), this Agreement shall not be terminated and the interest in the Account(s) of the deceased will thereupon vest in and enure for the benefit of the survivor(s) provided that any liabilities incurred by the deceased Client shall be enforceable by the Company against such deceased Client's estate. The Company shall be entitled to retain any of the Client's assets or any sums standing in credit in the Account until such time that the Client's survivor(s) provides the Company with a grant of probate, letter of administration, or any other testamentary document as the Company may require. The surviving Client(s) shall give the Company written notice immediately upon any of them becoming aware of any such death.
- 23.3 Where the Client consists of more than one (1) person, the Company shall be entitled to treat each such person as a separate and distinct Client for the purposes of ascertaining if such person is regarded as an "Accredited Investor", "Expert Investor", "Institutional Investor" or an "Overseas Investor", in each case as defined in the Account Opening Documents. If the Company determines, in its sole and absolute discretion, that the respective investment objectives, financial circumstances, particular needs, investment profile, knowledge and experience of any or all such persons (constituting the Client) are not appropriate for the Account(s) to be opened, or continue to be maintained, the Company may, without prejudice to any of its other rights hereunder, take such steps and impose such procedures or terms and conditions as the Company may deem appropriate, including but not limited to, refusing to open

such Account(s), or requiring such persons to open separate Account(s), or refusing to permit further transactions in such Account(s) (if already opened) (other than transactions which may reduce existing positions), or requiring that such Account(s) (if already opened) be closed.

## **24. CONFLICTS OF INTEREST**

- 24.1 The Company and the Group Companies act simultaneously for a large number of clients, as well as for its own account and that the Company, any Group Company and any of their respective Associated Parties may trade on its/their own account or on the account of any of the Group Companies subject to any Applicable Regulations.
- 24.2 The Client acknowledges that the Company and/or any Group Company and/or their respective clients and/or Associated Parties may:
- 24.2.1 buy, hold, sell, or trade any Relevant Contracts or take the opposite position to the Client's order whether it is on its/their own account or on behalf of its/their other clients;
  - 24.2.2 have a position in the underlying companies, benchmarks, securities and/or other assets of Relevant Contracts;
  - 24.2.3 match the Client's orders with those of its/their other clients;
  - 24.2.4 effect transactions for the Client through the agency of and/or with a counterparty which is a Group Company or an Associated Party; or
  - 24.2.5 have advisory, business or other relationships with companies to which the Relevant Contracts relate or whose investments, securities and/or other assets are held for the Account(s) or are purchased and sold and/or otherwise disposed of for or on behalf of the Client, and the Company, any Group Company and their respective Associated Parties may be directors, officers, employees or representatives of such companies.
- 24.3 The Client hereby agrees to waive prior notice by the Company and expressly consents to the Company effecting transactions for Relevant Contracts as set out in Clause 24.2.1 above.
- 24.4 The Client agrees that the Company may effect transactions for the Client in Relevant Contracts where the Company and/or any Group Company and/or their respective clients and/or Associated Parties has a position in the underlying companies, benchmarks, securities and/or other assets (as the case may be) or is otherwise referenced in those Relevant Contracts as an underwriter, sponsor or otherwise.
- 24.5 In any of the above-mentioned events the Company shall not be obliged to account for any profits or benefits obtained.

## **25. TERMINATION**

- 25.1 Without prejudice to Clauses 14, 19, and 20, this Agreement shall continue in effect until terminated by either party giving not less than seven (7) Business Days' prior written notice to the other.
- 25.2 Service of notice of termination by the Client pursuant to Clause 25.1 shall not affect any transaction entered into by the Company pursuant to this Agreement before the notice has actually been received by the Company.
- 25.3 Upon termination of this Agreement:
- 25.3.1 any orders of the Client that have not been executed shall lapse automatically (to the extent not executed if executed in part);
  - 25.3.2 the Client remains liable to the Company for orders executed by not yet settled prior to termination; and
  - 25.3.3 Client's monies shall be transferred to or deposited in such account(s) as the Client

may direct in writing.

- 25.4 Termination of this Agreement shall not affect any outstanding orders or any legal rights or obligations which may already have arisen, nor shall termination of this Agreement prejudice, impair or otherwise adversely affect any security rights which the Company has under this Agreement or the repayment of all outstanding obligations of the Client, until such time as the obligations and liabilities of the Client to the Company is discharged and paid in full.
- 25.5 Notwithstanding Clause 25.1, the Client shall have no right to terminate this Agreement if the Client has open positions or outstanding liabilities or obligations.
- 25.6 Clauses 3.3, 4.6, 4.11, 4.14, 4.15, 4.18, 4.20, 5, 6.1, 7.3.3, 7.4, 10.1, 11.2, 11.6, 11.9, 13, 16.5, 17, 18.2.2, 19, 20, 21, 23, 25.6, 26, 27, 29, 31, 32, 33 and 34 shall survive the termination of this Agreement

## **26. ONLINE SERVICES**

### **26.1 Provision of Online Services**

- 26.1.1 Subject to this Clause 26, the Company will, at the Client's request, make the Online Services available to the Client. Each transaction that the Client effects using the Online Services shall be governed by this Agreement.
- 26.1.2 The Company may in its sole and absolute discretion, determine and vary the frequency, manner of use or availability of the Online Services from time to time. The Company may also, in its sole and absolute discretion, make changes to the contents of the Website from time to time. The Company shall use its reasonable endeavours to provide the Online Services.
- 26.1.3 The Client shall be responsible for acquiring and maintaining any and all Equipment necessary for utilizing the Online Services. The Company may from time to time stipulate the minimum specifications for the Equipment necessary to access the Online Services but accepts no responsibility for the Client's inability to access the Online Services by reason of any deficiency in the Equipment.
- 26.1.4 In order to utilize the Online Services, it may be necessary for the Company to supply software to enable the Client to utilize the Online Services. If such software is supplied, the Client acknowledges that it only has a non-exclusive and non-transferable licence to use such software and the Company may impose such further terms and conditions on the use of such software that it in its sole and absolute discretion deems fit. Upon termination of the Client's use of the Online Services, any software so licensed to Client shall be returned to the Company and all copies and documentation in respect thereof in Client's possession or control shall be returned to the Company or destroyed.

### **26.2 Deposit and Charges**

- 26.2.1 The Client may be required to place a deposit with the Company before the Client may utilise the Online Services. The Company shall be entitled to set off any debts, liabilities or amounts owed by the Client against the deposit, whether the debts are actual or contingent and irrespective of any differences in currency. The balance of such deposit after setting off, if any, shall be returned to the Client free of interest upon the termination of the Online Services.
- 26.2.2 The Client agrees to pay for all fees and charges associated with the use of the Online Services, including, without limitation, those of any third party service providers whose services are accessed through the Online Services.

### **26.3 Password and Security**

- 26.3.1 The Client agrees that he accepts full responsibility for the secrecy and confidentiality of the user identification code and password (user identification code and password

collectively, known as the “**Security Information**”) issued or to be issued to him by the Company for the purposes of gaining access to the Online Services.

26.3.2 The Client agrees to use or implement such security procedures that the Company may specify from time to time in order to access the Online Services.

26.3.3 The Client further agrees that if instructions or messages are given by the Client to the Company via electronic records after the Online Services has been accessed using the Security Information or the Company’s specified security procedures, there will be an irrefutable presumption that any instructions or messages received by the Company through such means, purporting to be given by the Client, is actually given by the Client and the Client shall be bound by and be responsible and liable for all consequences relating thereto, as if such instructions or messages had been given by the Client..

#### 26.4 **No Representation**

The Client acknowledges that the Online Services are made available to the Client by the Company on an “as is” and “as available” basis without any representations, warranties, conditions or undertakings of any kind, whether express or implied, and confirms that the Company has not given any such representations, warranties, conditions or undertakings in respect of any part of the Online Services or the reliability or quality thereof.

#### 26.5 **Provision and Publication of Information**

26.5.1 The Client acknowledges and agrees that the Company does not guarantee nor warrant the accuracy, completeness, timeliness of any information provided by the Company through the Online Services and that such information is for the Client’s personal use only and that Client will not make copies, retransmit, redistribute or republish or resell such information in any form. Without prejudice to the above, any information obtained from the Online Services that purports to provide up to-date information (including but not limited to foreign exchange rate or other quotations or rates) are indicative rates only and may differ from actual prevailing quotations or rates.

26.5.2 The Client agrees that he cannot delete copyright or other intellectual property rights notices from printouts of electronically accessed information.

26.5.3 The Company gives no warranty or guarantee on the authenticity, identity, competence or otherwise of any third party who created, displayed, supplied or transmitted information on or through the Online Services.

#### 26.6 **Disruption, Suspension and Termination of Services**

26.6.1 The Client agrees that the Company has the sole and absolute discretion to restrict, suspend or terminate the Client’s access to any part of the Online Services without giving reason and/or prior notice to Client.

26.6.2 Due to the nature of transactions over the internet (even with the use of the Security Information or the Company’s specified security procedures), the Client acknowledges and accepts the risks of the possibility of:

26.6.2.1 unauthorised copying, recording or reading of or interference with the Client’s transactions or information from third parties;

26.6.2.2 the use of Online Services being delayed or affected by the failure or interruption of telephone network or computer network or other system that are necessary for the use of the Online Services or system maintenance or system upgrades or computer viruses or attempts to hack into the Company’s computer systems;

26.6.2.3 loss of data or information that may occur due to any reason whatsoever, including but not limited to any failure of any electrical or electronic or computer or hardware, microprocessor or recording or communication system of the Client or the Company or transmission errors or technical faults

or breakdowns or illegal intrusions into the Client's or the Company's computer network or systems;

26.6.2.4 any other event or circumstance beyond the control of the Company, including but not limited to that in Clause 20.1.2; and

the Client hereby releases the Company from all liability or claims that it may have against the Company, by reason of the Client assuming such risks.

26.6.3 The Client must give the Company 30 days' notice in writing to terminate the Online Services. Such notice to terminate the Online Services shall be effective only upon actual receipt thereof by the Company and shall not release any Party from fulfilling obligations incurred prior to the receipt of the notice of termination and these obligations shall continue to be governed by this Clause 26 until such obligations are fully and effectively performed or concluded.

## 26.7 Arrangement for Online Account Opened

26.7.1 The Client is required to maintain two tiers of Margin, one for each of the following types of Account:

26.7.1.1 An online trading Account using online trading system with auto-cut feature; and

26.7.1.2 An online trading Account using online trading system with no auto-cut feature or trading account not using any online trading system.

The Client shall advise the Company of the amount of Margin to be deposited in each Account

*Note: Upon availability of a system to incorporate the different trading accounts into one single account the above arrangement shall be nullified.*

26.7.2 The Client is permitted to transfer margins between trading accounts that the Client maintained with the Company. The Client will need to allow up to one business day for the transfer to be effected.

26.7.3 At the close of the trading day for Relevant Contracts, all Accounts opened by the same Client shall be consolidated for computation of Margin calls in accordance with the requirements set out in the Futures Trading Rules Regulatory Notice 3.3.12.

## 27. MONEY LAUNDERING

27.1 The Client hereby warrants that all monies which will be paid to the Company shall come from a legitimate (and not illegal) source.

27.2 The Client agrees and undertakes to provide any information deemed necessary or desirable by the Company to verify the identity of the Client and any other person or entity having any form of interest in the Account(s), and do all things necessary to enable the Company to comply with applicable anti-money laundering and "know-your-client" laws and regulations. The Client agrees that the Company shall be held harmless against any Losses howsoever arising as a result of any delay or failure to process any application or transaction if such information and documentation as have been requested by the Company have not been provided by the Client.

## 28. DATA PROTECTION

28.1 The Client agrees and accepts that any personal data provided to the Company may be collected, used, disclosed and processed by the Group.

28.2 The Data Protection Policy (amended, supplemented and/or substituted from time to time) is incorporated by reference into and forms part of this Agreement and applies to all personal data

which the Client provides to the Group or which the Group Company obtains from other sources pursuant to its Data Protection Policy. The Data Protection Policy is set out at [www.htisec.com](http://www.htisec.com) and a copy may be obtained from the Company's office.

- 28.3 The Client consents to the Group's collection, use, disclosure and processing of any personal data provided in accordance with the Data Protection Policy and this Agreement.
- 28.4 The Client shall comply with the Personal Data Protection Act 2012 (the "PDPA") in providing the Group with the personal data of any individual, including:
- 28.4.1 obtaining the consent of such individual;
  - 28.4.2 complying with notification or registration requirements in respect of personal data as required under the PDPA;
  - 28.4.3 developing, implementing and maintaining appropriate technical and organisational measures against the accidental, unauthorised or unlawful processing, destruction, loss, damage or disclosure of personal data and adequate security programmes and procedures to ensure that unauthorised persons do not have access to any equipment used to process personal data;
  - 28.4.4 recording and retaining all consents, refusals and withdrawal of consents to the collection, use, disclosure and/or processing of personal data, unless such consent is not required under the PDPA; and
  - 28.4.5 establish retention policies which identify personal data records for destruction or anonymisation as required by the PDPA
- 28.5 In the event that the Group is held liable for contravention of the PDPA as a result of any acts of violation committed by the Client, the latter shall, to the extent that it is liable, indemnify the Group from any Losses incurred by the Group in relation to such acts of violation.
- 28.6 Upon termination of this Agreement, closure of all account(s) the Client holds with the Group, incapacity or insolvency of the Client, upon written request from the Client, the Group shall forthwith cease to use or process any personal data received from or on behalf of the Client shall return on demand, or at the request of the Client destroy or permanently erase all personal data and copies of those personal data in its possession or control.
- 28.7 This Agreement shall prevail in the event of any inconsistency with the Data Protection Policy.

## 29. SEVERABILITY

Each of the provisions of this Agreement is severable and distinct from the others and, if one or more of such provisions is or becomes illegal, invalid or unenforceable, the remaining provisions shall not be affected in any way. In the event that any provision would be invalid if part of the wordings thereof were not deleted, the provision shall apply as if the relevant wordings were deleted.

## 30. ASSIGNABILITY

The provisions of this Agreement shall be binding on and enure to the benefit of the successors, assigns and personal representatives (where applicable) of each party hereto provided that the Client may not assign, transfer, charge or otherwise dispose of any of the Client's rights or obligations hereunder without the prior written consent of the Company. The Company may assign all or a part only of its rights and obligations under this Agreement to any person without the prior consent or approval of the Client.

## 31. THIRD PARTY RIGHTS

- 31.1 The Company, its Group Companies and their respective Associated Parties may enforce all of the terms in this Agreement. A person who is a permitted successor to or assignee of the rights of the Company is deemed a party to this Agreement and the rights of such successor or assignee shall, subject to and upon any succession or assignment permitted by the terms in this Agreement, be regulated by the terms in this Agreement.
- 31.2 Except as provided in this Clause, no provision of this Agreement shall be enforceable under the Contracts (Rights of Third Parties) Act, (Cap. 53B) by a person who is not a party.

## 32. GENERAL

- 32.1 The rights and remedies provided to the Company under this Agreement are cumulative and are without prejudice to and not exclusive of any rights or remedies provided by law.
- 32.2 The Client hereby authorises the Company to conduct a credit enquiry (or a personal credit enquiry in case of an individual client) or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client.
- 32.3 Nothing herein contained 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 or in its own capacity.
- 32.4 The Company may obtain confidential information relating to the Account(s), the Client (including the Client's affiliates and subsidiaries (together with the Client, the "**Client Group**")) and their respective Associated Parties (each, a "**Representative**") during the ordinary course of the Client's relationship with the Company. The Client hereby expressly agrees that:
- 32.4.1 the Company may disclose any or all such information relating to the Account(s), the Client Group and/or the Representatives to any third party (including any Group Company), as it considers necessary to comply with any laws, regulations, orders, judgments, guidelines, policies, measures, arrangements, requests or other requirements issued by any legal, regulatory, governmental, tax, enforcement, administrative or statutory authority, stock exchange or clearing house, or other self-regulatory or industry bodies or associations both within and outside Singapore, including but not limited to the PRC (collectively, the "**Regulatory Authorities**", and each, a "**Regulatory Authority**"), without further consent from or notification to the Client in any case;
- 32.4.2 any Group Company may disclose any or all such information relating to the Account(s), the Client Group and/or the Representatives to any third parties, including but not limited to a Regulatory Authority, as may be required for such Group Company to comply with any laws, regulations, orders, judgments, guidelines, policies, measures, arrangements, requests, or other requirements issued by such Regulatory Authority, without further consent from or notification to the Client; and
- 32.4.3 the Company may disclose any or all such information relating to the Account(s), the Client Group and/or the Representatives to any Group Company as it considers necessary, without further consent from or notification to the Client.
- 32.5 Save as expressly provided in the Agreement, whenever the Company deals with the Client, it will always be on the basis that only the Client is the Company's client and is acting as principal in all respects and so if the Client acts on behalf of another person, whether or not the Client identifies such person to the Company, such person will not be the Company's client and the Company does not and will not have or accept in any circumstances whatsoever any responsibility towards any such person and the Client hereby acknowledges and agrees that the Client shall be solely responsible for settling all liabilities resulting from transactions effected pursuant to and in accordance with this Agreement in connection with or on behalf of any such person.

- 32.6 Whilst the Client expects the Company to keep confidential all matters relating to the Account(s), the Client hereby expressly agrees that the Company may make such disclosure of all matters relating to the Account(s) to any Group Company anywhere and as may be required under any Applicable Regulations of any relevant market, banking or governmental authority without further consent from or notification to the Client.
- 32.7 Time shall in all respects be of essence in the performance of all the Client's obligations under this Agreement.
- 32.8 A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or future exercise of that right, power or privilege. Any liability of the Client to the Company under this Agreement may in whole or in part be waived, released, compounded, compromised or postponed by the Company in its sole and absolute discretion, without in any way prejudicing or affecting any rights in respect of that or any liability not so waived, released, compounded, compromised or postponed.

### **33. GOVERNING LAW**

- 33.1 This Agreement and all rights, obligations and liabilities shall be governed by and construed in accordance with the laws of Singapore.
- 33.2 The Client hereby submits to the non-exclusive jurisdiction of the courts of Singapore in relation to all matters arising from or in connection with this Agreement, but the Company will be at liberty to proceed against the Client in any court in any jurisdiction.

### **34. ARBITRATION**

At the sole option of the Company and in its sole and absolute discretion, any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force and as may be amended by the rest of this Clause. The appointing authority shall be the Singapore International Arbitration Centre ("**SIAC**"). The place of arbitration shall be in Singapore at the SIAC. There shall be only one (1) arbitrator. The language to be used in the arbitral proceedings shall be English.

## SCHEDULE

### PART A: NOTIFICATION OF RULE 1.6 OF THE FUTURES TRADING RULES

#### 1. Notification

The Company is required under the Futures Trading Rules to notify the Client of the following sub-rules in Rule 1.6 of the Futures Trading Rules (Exclusion of Liability, Disclaimer of Warranties & Statutory Immunity). Capitalised terms used in this Part shall have the same meaning ascribed to it in the Futures Trading Rules.

#### 2. Extract

Please refer to the extract of Rule 1.6 of the Futures Trading Rules (Exclusion of Liability, Disclaimer of Warranties & Statutory Immunity) below:

##### **Rule 1.6.1: No Liability for Loss**

*“Unless otherwise expressly provided in this Rules or in any other agreements to which the Exchange is a party, none of the Exchange, SGX RegCo, or their respective directors, officers, employees, representatives or agents shall be liable to any Person for any loss (consequential or otherwise, including, without limitation, loss of profit), damage, injury, or delay, whether direct or indirect, arising from:*

- (a) any action taken in connection with the discharge of the Exchange’s regulatory responsibilities including the suspension, interruption or closure of the Markets; or*
- (b) any failure or malfunction of Exchange Systems.*

*“Exchange Systems” refers to any pre-trade, trade or post-trade systems, including the Trading System, operated by the Exchange in connection with the Markets.”*

##### **Rule 1.6.1A: Indemnity**

*“(1) Each Trading Member indemnifies each of the Exchange, SGX Regco and their respective directors, officers, employees, representatives and agents (“Indemnified Persons”) against any loss or liability reasonably incurred or suffered by an Indemnified Persons where such loss or liability arose out of or in connection with:—*

- (a) any breach by the Trading Member of its obligations under the Rules; or*
  - (b) any wilful, unlawful, reckless or negligent act or omission by the Trading Member.*
- (2) Without prejudice to the generality of Rule 1.6.1A(1), in the event that any legal, arbitration or other proceedings are brought to impose any liability on all or any of the Indemnified Persons for an alleged failure on the part of any Indemnified Person to prevent or to require action by a Trading Member or any of its directors, officers, employees, representatives or agents, the Trading Member shall reimburse the relevant Indemnified Person for:—*
- (a) all expenses and legal fees incurred by or on behalf of the relevant Indemnified Person in connection with such proceedings;*
  - (b) any payment made by or on behalf of the relevant Indemnified Person with the approval of the Trading Member in connection with any settlement of such proceedings; and*
  - (c) any payment made by or on behalf of the relevant Indemnified Person as a result of any order, award or judgment made in such proceedings.*

*The Trading Member shall render such co-operation as the Indemnified Person reasonably requires in respect of such proceedings including without limitation the production of any document or records.*

- (3) Without prejudice to Rule 1.6.1A(2), the Trading Member shall pay to an Indemnified Person, if the Indemnified Person so requires, the costs incurred by or on behalf of the*

*Indemnified Person of producing or obtaining, pursuant to a court order or other legal process, records relating to the business or affairs of a Trading Member or any of its directors, officers, employees, representatives or agents, regardless of the party requiring such production or obtainment.”*

**Rule 1.6.2: Statutory Immunity**

*“As provided under the Act, the Exchange or any Person or entity acting on its behalf including any director or any Committee Member shall be immune from any criminal or civil liability for anything done (including any statement made) or omitted to be done with reasonable care and in good faith in the course of, or in connection with, the discharge or purported discharge of its obligations under the Act or this Rules.”*

**Rule 1.6.3: Disclaimer of Warranties**

*“All warranties and conditions, both express and implied as to condition, description, quality, performance, durability, or fitness for the purpose or otherwise of any of the Exchange Systems or any component thereof are excluded except as required by law. The Exchange does not warrant or forecast that the Exchange Systems, any component thereof or any services performed in respect thereof will meet the requirements of any user, or that operation of the Exchange Systems will be uninterrupted or error-free, or that any services performed in respect of the Exchange Systems will be uninterrupted or error-free.”*

**Rule 1.6.4: Index Related Disclaimers**

*“The Exchange, Index Provider and any other party involved in, or related to, making or compiling any index do not guarantee the originality, accuracy or completeness of such indices or any data included therein. Contracts on any index (“Index Contracts”) are not sponsored, guaranteed or endorsed by the Index Provider or any other party involved in, or related to, making or compiling such indices. Neither the Index Provider nor any other party involved in, or related to, making or compiling any index makes any representations regarding the advisability of investing in such Index Contracts. Neither the Index Provider nor any other party involved in, or related to, making or compiling any index makes any warranty, express or implied, as to the results to be obtained by any person or any entity from the use of such index or any data included therein. Neither the Index Provider nor any other party involved in, or related to, making or compiling any MSCI Index makes any express or implied warranty, and expressly disclaims all warranties of merchantability and fitness for a particular purpose or use with respect to such index or any data included therein. Without limiting any of the foregoing, in no event shall an Index Provider or any other party involved in, or related to, making or compiling any index have any liability for any direct, special punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages. In addition, neither the Exchange, an Index Provider nor any other party involved in, or related to, making or compiling any index shall have any liability for damages, claims, losses or expenses relating to any futures or options contracts that may be caused by any errors or delays in calculating or disseminating such index. “Index Provider” as used herein refers to MSCI, FTSE, IISL, NKS or such other index provider and their respective affiliates with whom the Exchange has or shall enter into agreements with for the creation and exploitation of indices and index-linked products.”*

**Rule 1.6.5: Notification to Customers**

*“Members shall notify Customers of the above exclusion of liability and disclaimer of warranty by the Exchange either by way of inclusion in the contracts granting access to the Markets or such other manner as approved by the Exchange.”*

## **PART B: NOTIFICATION ON PROHIBITED TRADING PRACTICES**

### **1. Notification**

This statement is being provided to the Client pursuant to Rule 3.3.5 of the Futures Trading Rules. This statement reproduces, for the Client's information, provisions of the SFA and the Futures Trading Rules which prohibit certain trading practices. The Client acknowledges that the Client has read and understood this statement and undertakes not to engage in any such prohibited trading practices. The Client further acknowledges that these provisions may be amended from time to time by the relevant authorities, and the Client should therefore refer to the relevant rules and regulations for the updated provisions on these prohibited trading practices. A copy of the SFA and Futures Trading Rules may be extracted from the website <http://mas.gov.sg> and <http://rulebook.sgx.com> respectively.

### **2. Extracts from the SFA**

Please refer to the following for the extracts of the relevant provisions of the SFA on prohibited trading practices. Terms used in this Section 2 shall have the same meaning ascribed to it in the Securities and Futures Act, Chapter 289.

#### ***DIVISION 1 – PROHIBITED CONDUCT (CAPITAL MARKETS PRODUCTS)***

##### **(a) Section 197 – False trading and market rigging transactions**

- “ (1) No person shall do any thing, cause any thing to be done or engage in any course of conduct, if his purpose, or any of his purposes, for doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, is to create a false or misleading appearance —*
- (a) of active trading in any capital markets products on an organised market; or*
  - (b) with respect to the market for, or the price of, any capital markets products traded on an organised market.*
- (1A) No person shall do any thing, cause any thing to be done or engage in any course of conduct that creates, or is likely to create, a false or misleading appearance of active trading in any capital markets products on an organised market, or with respect to the market for, or the price of, any capital markets products traded on an organised market, if —*
- (a) he knows that doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance; or*
  - (b) he is reckless as to whether doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance.*
- (2) A person must not maintain, inflate, depress, or cause fluctuations in, the market price of any capital markets products —*
- (a) by means of any purchase or sale of any capital markets products that does not involve a change in the beneficial ownership of the capital markets products; or*
  - (b) by any fictitious transaction or device.*
- (3) Without prejudice to the generality of subsection (1), it is presumed that a person's purpose, or one of a person's purposes, is to create a false or misleading appearance of active trading in capital markets products on an organised market if the person —*
- (a) effects, takes part in, is concerned in or carries out, directly or indirectly, any transaction of purchase or sale of the capital markets products, being a transaction*

- that does not involve any change in the beneficial ownership of the capital markets products;*
- (b) makes or causes to be made an offer to sell the capital markets products at a specified price, where the person has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with the person has made or caused to be made or proposes to make or to cause to be made, an offer to purchase the same number, or substantially the same number, of the capital markets products at a price that is substantially the same as the firstmentioned price; or*
  - (c) makes or causes to be made an offer to purchase the capital markets products at a specified price, where the person has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with the person has made or caused to be made or proposes to make or to cause to be made, an offer to sell the same number, or substantially the same number, of the capital markets products at a price that is substantially the same as the firstmentioned price*
- (4) The presumption under subsection (3) may be rebutted if the defendant establishes that the purpose or purposes for which he did the act was not, or did not include, the purpose of creating a false or misleading appearance of active trading in the capital markets products on the organised market.*
  - (5) For the purposes of this section, a purchase or sale of capital markets products does not involve a change in the beneficial ownership if any of the following persons has an interest in the capital markets products after the purchase or sale:*
    - (a) a person who had an interest in the capital markets products before the purchase or sale;*
    - (b) a person associated with the person mentioned in paragraph (a)*
  - (6) In any proceedings against a person for a contravention of subsection (2) in relation to a purchase or sale of capital markets products that did not involve a change in the beneficial ownership of the capital markets products, it is a defence if the defendant establishes that the purpose or purposes for which the defendant purchased or sold the capital markets products was not, or did not include, the purpose of creating a false or misleading appearance with respect to the market for, or the price of, the capital markets products.*
  - (7) The reference in subsection (3)(a) to a transaction of purchase or sale of the capital markets products includes -*
    - (a) a reference to the making of an offer to purchase or sell the capital markets products; and*
    - (b) a reference to the making of an invitation, however expressed, that expressly or impliedly invites a person to offer to purchase or sell the capital markets products.”*
- (b) Section 198 – Market manipulation in relation to securities and securities-based derivatives contracts**
- “ (1) A person must not effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities, or securities-based derivatives contracts, of a corporation, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining or stabilising the price of securities, or securities-based derivatives contracts, as the case may be, of the corporation on an organised market, with the intent to induce other persons to subscribe for, purchase or sell securities, or securities-based derivatives contracts, as the case may be, of the corporation or of a related corporation.*

- (2) *A person must not effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities, or securities-based derivatives contracts, of a business trust, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining or stabilising the price of securities, or securities-based derivatives contracts, as the case may be, of the business trust on an organised market, with the intent to induce other persons to subscribe for, purchase or sell securities, or securities-based derivatives contracts, as the case may be, of the business trust*
- (3) *In this section —*
- (a) *a reference to transactions in securities or securities-based derivatives contracts of a corporation includes —*
- (i) *a reference to the making of an offer to purchase or sell such securities or securities-based derivatives contracts, as the case may be; and*
  - (ii) *a reference to the making of an invitation, however expressed, that directly or indirectly invites a person to offer to purchase or sell such securities or securities-based derivatives contracts, as the case may be; and*
- (b) *a reference to transactions in securities or securities-based derivatives contracts of a business trust includes —*
- (i) *a reference to the making of an offer to purchase or sell such securities or securities-based derivatives contracts, as the case may be; and*
  - (ii) *a reference to the making of an invitation, however expressed, that directly or indirectly invites a person to offer to purchase or sell such securities or securities-based derivatives contracts, as the case may be.”*

**(c) Section 199 – False or misleading statements, etc.**

*“No person shall make a statement, or disseminate information, that is false or misleading in a material particular and is likely —*

- (a) *to induce other persons to subscribe for securities, securities-based derivatives contracts or units in a collective investment scheme;*
- (b) *to induce the sale or purchase of securities, securities-based derivatives contracts or units in a collective investment scheme, by other persons; or*
- (c) *to have the effect (whether significant or otherwise) of raising, lowering, maintaining or stabilising the market price of securities, securities-based derivatives contracts or units in a collective investment scheme,*

*if, when he makes the statement or disseminates the information —*

- (i) *he does not care whether the statement or information is true or false; or*
- (ii) *he knows or ought reasonably to have known that the statement or information is false or misleading in a material particular.”*

**(d) Section 200 – Fraudulently inducing persons to deal in capital markets products**

*“(1) No person shall –*

- (a) *by making or publishing any statement, promise or forecast that he knows or ought reasonably to have known to be misleading, false or deceptive*
- (b) *by any dishonest concealment of material facts;*
- (c) *by the reckless making or publishing of any statement, promise or forecast that is misleading, false or deceptive; or*
- (d) *by recording or storing in, or by means of, any mechanical, electronic or other device information that he knows to be false or misleading in a material particular;*

*induce or attempt to induce another person to deal in capital markets products.*

- (2) *In any proceedings against a person for a contravention of subsection (1) constituted by recording or storing information as mentioned in subsection (1)(d), it is a defence if it is established that, at the time when the defendant so recorded or stored the information, he had no reasonable grounds for expecting that the information would be available to any other person.*
- (3) *In any proceedings against a person for a contravention of subsection (1) in relation to the dealing in capital markets products that are securities, securities-based derivatives contracts or units in a collective investment scheme, the opinion of any registered or public accountant as to the financial position of any company at any time or during any period in respect of which he has made an audit or examination of the affairs of the company according to recognised audit practice shall be admissible, for any party to the proceedings, as evidence of the financial position of the company at that time or during that period, notwithstanding that the opinion is based in whole or in part on book-entries, documents or vouchers or on written or verbal statements by other persons.*

**(e) Section 201 – Employment of manipulative and deceptive devices**

*“No person shall, directly or indirectly, in connection with the subscription, purchase or sale of any capital markets products —*

- (a) employ any device, scheme or artifice to defraud;*
- (b) engage in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception, upon any person;*
- (c) make any statement he knows to be false in a material particular; or*
- (d) omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.*

**(f) Section 201A – Bucketing**

- “ (1) A person must not knowingly execute, or hold himself out as having executed, an order for the purchase or sale of a derivatives contract, without having effected in good faith a purchase or sale of that derivatives contract in accordance with the order or with the business rules and practices of an organised market on which the derivatives contract is to be purchased or sold.*
- (2) A person must not knowingly execute, or hold himself out as having executed, an order to make a purchase or sale of a spot foreign exchange contract for purposes of leveraged foreign exchange trading, without having effected in good faith a purchase or sale in accordance with the order.”*

**(g) Section 201B – Manipulation of price of derivatives contracts and cornering**

*“A person must not, directly or indirectly —*

- (a) manipulate or attempt to manipulate the price of a derivatives contract traded on an organised market, or of any underlying thing which is the subject of such derivatives contract; or*
- (b) corner, or attempt to corner, any underlying thing which is the subject of a derivatives contract.”*

**(h) Section 202 – Dissemination of information about illegal transactions**

- “(1) A person must not circulate or disseminate, or authorise or be concerned in the circulation or dissemination of, any statement or information to any of the following effect if any condition in subsection (2) is satisfied:
- (a) *the price of any securities or securities-based derivatives contract, of a corporation will, or is likely, to rise or fall or be maintained by reason of any transaction entered into or to be entered into or other act or thing done or to be done in relation to the securities or securities-based derivatives contracts, of that corporation (or of a related corporation) which to the person’s knowledge was entered into or done in contravention of section 197, 198, 199, 200 or 201, or if entered into or done would be in contravention of section 197, 198, 199, 200 or 201;*
  - (b) *the price of any securities or securities-based derivatives contract, of a business trust will, or is likely, to rise or fall or be maintained by reason of any transaction entered into or to be entered into or other act or thing done or to be done in relation to the securities or securities-based derivatives contracts, of that business trust which to the person’s knowledge was entered into or done in contravention of section 197, 198, 199, 200 or 201, or if entered into or done would be in contravention of section 197, 198, 199, 200 or 201;*
  - (c) *the price of a class of derivatives contracts will, or is likely to, rise or fall or be maintained by reason of any transaction entered into or to be entered into, or other act or thing done or to be done, in relation to that class of derivatives contracts by one or more persons which to the person’s knowledge was entered into, or done, in contravention of section 197, 200, 201, 201A or 201B, or if entered into, or done, would be in contravention of section 197, 200, 201, 201A or 201B*
  - (d) *the price of a class of spot foreign exchange contracts for purposes of leveraged foreign exchange trading, will, or is likely to, rise or fall or be maintained by reason of any transaction entered into or to be entered into, or other act or thing done or to be done, in relation to that class of spot foreign exchange contracts for purposes of leveraged foreign exchange trading, by one or more persons which to the person’s knowledge was entered into, or done, in contravention of section 197, 200, 201, 201A or 201B, or if entered into, or done, would be in contravention of section 197, 200, 201, 201A or 201B.*
- (2) *For the purpose of subsection (1), the condition is either —*
- (a) *the person mentioned in subsection (1), or a person associated with that person, has entered into or purports to enter into any such transaction, or has done or purports to do any such act or thing; or*
  - (b) *the person mentioned in subsection (1), or a person associated with that person, has received, or expects to receive, directly or indirectly, any consideration or benefit for circulating or disseminating, or authorising or being concerned in the circulation or dissemination of, the statement or information*

**(i) Section 203 – Continuous disclosure**

- “(1) *A person to whom this subsection applies must not intentionally, recklessly or negligently fail to notify the approved exchange of such information as is required to be disclosed by the approved exchange under the listing rules or any other requirement of the approved exchange, if the person is required by the approved exchange under the listing rules or any other requirement of the approved exchange to notify the approved exchange of information on specified events or matters as they occur or arise for the purpose of the approved exchange making that information available to an organised market operated by the approved exchange.*
- (2) *Subsection (1) applies to any of the following:*

- (a) *an entity, the securities or securities-based derivatives contracts of which are listed for quotation on an approved exchange;*
  - (b) *a trustee-manager of a business trust, where the securities or securities-based derivatives contracts of the business trust are listed for quotation on an approved exchange;*
  - (c) *a responsible person of a collective investment scheme, where the units in the collective investment scheme are listed for quotation on an approved exchange.*
- (3) *Despite section 204 or 335, a contravention of subsection (1) is not an offence unless the failure to notify is intentional or reckless*

## **DIVISION 2 – PROHIBITED CONDUCT (FINANCIAL BENCHMARK)**

### **(j) Section 207 – Manipulation of financial benchmarks**

- “(1) A person must not do any thing, cause any thing to be done or engage in any course of conduct, if the person’s purpose, or any of the person’s purposes, for doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, is to create a false or misleading appearance as to the price, value, performance or rate of any financial benchmark.*
- (2) A person must not do any thing, cause any thing to be done or engage in any course of conduct that creates, or is likely to create, a false or misleading appearance, as to the price, value, performance or rate of any financial benchmark, if —*
- (a) the person knows that doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will likely create, that false or misleading appearance; or*
  - (b) the person is reckless as to whether doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will likely create, that false or misleading appearance.”*

### **(k) Section 209 – False or misleading statements (financial benchmark)**

*“A person must not make a statement, disseminate any information or express any opinion that is false or misleading in a material particular to a person who carries out the activity of administering a financial benchmark if —*

- (a) the person intends that the statement, information or opinion be used for the purpose of administering a financial benchmark; and*
- (b) the person knows or ought reasonably to have known that the statement, information or opinion is false or misleading in a material particular, or is reckless as to whether the statement, information or opinion is false or misleading in a material particular.*

## **DIVISION 3 – INSIDER TRADING**

### **(l) Section 218 – Prohibited conduct by connected person in possession of inside information**

*“(1) Subject to this Division, where —*

- (a) a person who is connected to a corporation possesses information concerning that corporation that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities or securities-based derivatives contracts of that corporation; and*

- (b) *the connected person knows or ought reasonably to know that –*
  - (i) *the information is not generally available; and*
  - (ii) *if it were generally available, it might have a material effect on the price or value of those securities or securities-based derivatives contracts of that corporation,*

*subsections (2), (3), (4), (5) and (6) shall apply.*
- (1A) *Subsections (2), (3), (4A), (5) and (6) apply if –*
  - (a) *a person is connected to –*
    - (i) *a corporation that is the trustee of, or manages or operates, a business trust; or*
    - (ii) *a corporation that is the trustee or manager of a collective investment scheme –*
      - (A) *that invests primarily in real estate and real estate-related assets specified by the Authority in the Code on Collective Investment Schemes; and*
      - (B) *all or any units of which are listed on an approved exchange;*
  - (b) *the connected person possesses –*
    - (i) *where the person is connected to a corporation mentioned in paragraph (a)(i), any information concerning the corporation or business trust that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities or securities-based derivatives contracts of the corporation or business trust; or*
    - (ii) *where the person is connected to a corporation mentioned in paragraph (a)(ii), any information concerning the corporation or collective investment scheme that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities or securities-based derivatives contracts of the corporation, or the price or value of CIS units in the scheme*
  - (c) *the connected person knows or ought reasonably to know that –*
    - (i) *the information is not generally available; and; or*
    - (ii) *if it were generally available, it might have a material effect on –*
      - (A) *where the person is connected to a corporation mentioned in paragraph (a)(i), the price or value of securities or securities-based derivatives contracts of the corporation or business trust; and*
      - (B) *where the person is connected to a corporation mentioned in paragraph (a)(ii), the price or value of securities or securities-based derivatives contracts of the corporation, or the price or value of CIS units in the collective investment scheme.*
- (2) *The connected person must not (whether as principal or agent) –*
  - (a) *subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell –*
    - (i) *the securities or securities-based derivatives contracts mentioned in subsection (1); or*
    - (ii) *the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A); or*

- (b) *procure another person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell –*
  - (i) *the securities or securities-based derivatives contracts mentioned in subsection (1); or*
  - (ii) *the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A).*
- (3) *The connected person must not, directly or indirectly, communicate the information mentioned in subsection (1) or (1A), or cause the information to be communicated, to another person if the connected person knows, or ought reasonably to know, that the other person would or would be likely to –*
  - (a) *subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell –*
    - (i) *the securities or securities-based derivatives contracts mentioned in subsection (1); or*
    - (ii) *the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A); or*
  - (b) *procure a third person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell –*
    - (i) *the securities or securities-based derivatives contracts mentioned in subsection (1); or*
    - (ii) *the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A).*
- (4) *In any proceedings for a contravention of subsection (2) or (3) against a person connected to a corporation referred to in subsection (1), where the prosecution or plaintiff proves that the connected person was at the material time —*
  - (a) *in possession of information concerning the corporation to which he was connected; and*
  - (b) *the information was not generally available,*

*it shall be presumed, until the contrary is proved, that the connected person knew at the material time that —*

  - (i) *the information was not generally available; and*
  - (ii) *if the information were generally available, it might have a material effect on the price or value of securities or securities-based derivatives contracts of that corporation.*
- (4A) *In any proceedings for a contravention of subsection (2) or (3) against a person connected to a corporation mentioned in subsection (1A)(a)(i) or (ii), the presumption in subsection (4B) applies until the contrary is proved, if the prosecution or plaintiff proves that the connected person was at the material time —*
  - (a) *in possession of information concerning the corporation, business trust or collective investment scheme, as the case may be; and*
  - (b) *the information was not generally available.*
- (4B) *For the purpose of subsection (4A), the presumption is the connected person knew at the material time that —*
  - (a) *the information was not generally available; and*
  - (b) *if the information were generally available, it might have a material effect on —*

- (i) where the person is connected to a corporation mentioned in subsection (1A)(a)(i), the price or value of securities or securities-based derivatives contracts of the corporation or business trust; or
- (ii) where the person is connected to a corporation mentioned in subsection (1A)(a)(ii), the price or value of the securities or securities-based derivatives contracts of the corporation or the price or value of CIS units in the collective investment scheme.

(5) In this Division,

- (a) "connected person" means a person referred to in subsection (1) or (1A) who is connected to a corporation; and
- (b) a person is connected to a corporation if –
  - (i) he is an officer of that corporation or of a related corporation;
  - (ii) he is a substantial shareholder in that corporation or in a related corporation; or
  - (iii) he occupies a position that may reasonably be expected to give him access to information of a kind to which this section applies by virtue of –
    - (A) any professional or business relationship existing between himself (or his employer or a corporation of which he is an officer) and that corporation or a related corporation; or
    - (B) being an officer of a substantial shareholder in that corporation or in a related corporation.

(6) In subsection (5), "officer", in relation to a corporation, includes –

- (a) a director, secretary or employee of the corporation;
- (b) a receiver, or receiver and manager, of property of the corporation;
- (c) a judicial manager of the corporation;
- (d) a liquidator of the corporation; and
- (e) a trustee or other person administering a compromise or arrangement made between the corporation and another person."

**(m) Section 219 – Prohibited conduct by other persons in possession of inside information**

"(1) Subject to this Division, where –

- (a) a person who is not a connected person referred to in section 218 (referred to in this section as the insider) possesses information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities, securities-based derivatives contracts or CIS units; and
- (b) the insider knows that –
  - (i) the information is not generally available; and
  - (ii) if it were generally available, it might have a material effect on the price or value of those securities, securities-based derivatives contracts or CIS units, as the case may be,

subsections (2) and (3) shall apply.

(2) The insider must not (whether as principal or agent) –

- (a) *subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any such securities, securities-based derivatives contracts or CIS units, as the case may be; or*
  - (b) *procure another person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell, any such securities, securities-based derivatives contracts or CIS units, as the case may be.*
- (3) *The insider must not, directly or indirectly, communicate the information mentioned in subsection (1), or cause the information to be communicated, to another person if the insider knows, or ought reasonably to know, that the other person would or would be likely to –*
- (a) *subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1); or*
  - (b) *procure a third person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell, the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1)”*

### **3. Extracts from the Futures Trading Rules**

Please refer to the following for the extracts of the relevant provisions of the Futures Trading Rules on prohibited trading practices. Capitalised terms used in Section 3 shall have the same meaning ascribed to it in the Futures Trading Rules.

#### **(a) Rule 3.4.1: Market Manipulation**

*“A Member, Approved Trader or Registered Representative shall not manipulate or attempt to manipulate the price of a contract or of any underlying, or corner, or attempt to corner, any underlying.”*

#### **(b) Rule 3.4.2: Churning**

*“A Member, Approved Trader or Registered Representative is prohibited from churning or generating commissions through creating excessive transactions in a Customer’s Account.”*

#### **(c) Rule 3.4.3: False Trading, Bucketing, Fraudulent Inducement to Trade and Employment of Fraudulent Device**

*“A Member, Approved Trader or Registered Representative shall not:*

- (a) *engage in, or knowingly act with any other Person in, any act or practice that will or is likely to create a false or misleading appearance of active trading in any contract or a false or misleading appearance with respect to the price of any contract;*
- (b) *knowingly execute, or hold out as having executed, an order for the purchase or sale of a contract, without having effected a bona fide purchase or sale of the contract in accordance with this Rules;*
- (c) *induce or attempt to induce another person to trade in a contract:*
  - (i) *by making or publishing any statement, promise or forecast that it knows or ought reasonably to know to be false, misleading or deceptive;*
  - (ii) *by any dishonest concealment of material facts;*

- (iii) *by the reckless making or publishing of any statement, promise or forecast that is false, misleading or deceptive; or*
- (iv) *by recording or storing in any mechanical, electronic or other device information that is knowingly false or materially misleading; or*
- (d) *directly or indirectly in connection with any trading in a contract:*
  - (i) *employ any device, scheme or artifice to defraud;*
  - (ii) *engage in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception upon any Person;*
  - (iii) *make any false statement of a material fact; or*
  - (iv) *omit to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.”*

**(d) Rule 3.4.3A: Duty to Monitor for Trading Misconduct**

*“A Member must have in place processes to review orders and trades for the purpose of detecting suspicious trading behaviour.”*

**(e) Rule 3.4.4: Duty to Inform Exchange of Prohibited Trading Practices**

*“A Member, Approved Trader or Registered Representative shall immediately inform the Exchange if it reasonably suspects, or knows of, any commission or attempted commission of the acts prohibited under Rules 3.4.1, 3.4.2 and 3.4.3.”*

**(f) Rule 3.4.5: Dissemination of False or Misleading Information**

*“A Member, Approved Trader or Registered Representative shall not disseminate false or misleading reports concerning market information or conditions that may affect the price of any contract, if the Member, Approved Trader or Registered Representative:*

- (a) *knows or ought reasonably to know that the information is false or misleading; or*
- (b) *is reckless about the truth of the information.*

*This prohibition includes circulation or aiding in the circulation in any manner of rumours which cast doubt on the integrity of any contract or underlying.”*

**(g) Rule 3.4.6: Professional Misconduct**

*“A Member, Approved Trader or Registered Representative shall not:*

- (a) *permit the use of the Member’s facilities or Membership privileges by another Member, Approved Trader or Registered Representative or non-Member in a manner that impairs the dignity or degrades the good name of the Exchange, or creates a market or other situation detrimental to the Exchange, or effectuates manipulations or cornerings or attempts at either, or to itself do any of the foregoing;*
- (b) *engage in any conduct which impairs or tends to impair the dignity or the good name of the Exchange;*
- (c) *commit an act which is substantially detrimental to the interest of the Exchange;*
- (d) *refuse to comply with an order of the Exchange, the Disciplinary Committee or the Appeals Committee;*

- (e) *refuse to comply with a final arbitration award;*
- (f) *fail to answer Customers' complaints promptly and in appropriate detail;*
- (g) *commit any fraudulent or dishonest act or any act of bad faith;*
- (h) *act in a dishonourable or uncommercial manner;*
- (i) *make a material mis-statement to the Exchange, the Disciplinary Committee or the Appeals Committee, or in any information supplied to the Exchange or its officers;*
- (j) *make, or cause to be made, a false or misleading entry in any books, records, reports, slips, documents or statements relating to the business, affairs, transactions, conditions, assets or accounts of the Member;*
- (k) *omit from making, for whatever reason, a material entry in any books, records, reports, slips, documents or statements relating to the business, affairs, transactions, conditions, assets or accounts of the Member;*
- (l) *alter or destroy any books, records, reports, slips, documents or statements relating to the business, affairs, transactions, conditions, assets or accounts of the Member without a valid reason;*
- (m) *make use of or reveal any confidential information obtained by reason of participating in any investigative proceeding or hearing;*
- (n) *refuse to appear before the Exchange, the Disciplinary Committee or the Appeals Committee at a duly convened hearing or in connection with any investigation; or*
- (o) *refuse to fully answer all questions or produce all books and records in relation to any audit, hearing or investigation."*

**(h) Rule 3.4.8: Good Faith Bids and Offers**

*"A Member or an Approved Trader shall not knowingly enter, or cause to be entered, bids or offers into the Trading System other than in good faith for the purpose of executing bona fide transactions."*

**(i) Rule 3.4.9: Fictitious Transactions Without Change in Ownership**

*"The creation of fictitious transactions or the placing of orders which do not involve any change in ownership, or the execution of such an order with knowledge of its character by a Member, Approved Trader or Registered Representative is prohibited. A Member, Approved Trader or Registered Representative shall not accept buying and selling orders at the same time and price from a Customer for the same contract month of the same futures contract or in the case of option contracts, a put or call option contract with the same class of options, the same strike price and expiration month. This Rule does not apply if orders are entered in the following circumstances:*

- (a) *the orders are from a fund manager whose instructions are intended to switch the contract from one (1) sub-account to another for legitimate commercial reasons;*
- (b) *the orders will be booked out finally to different beneficial owners; or*
- (c) *if the Member or the Approved Trader establishes to the Exchange that it was not a purpose of the orders to create a false market."*

**(j) Rule 3.4.10: Overtrading by a Member, Approved Trader or Customer**

*"The following provisions apply in relation to overtrading:*

- (a) *a Member shall not execute any trade beyond any limits imposed by that Member's sponsoring Clearing Member, the Exchange, the Clearing House or MAS. A Member shall ensure that its Customers do not trade beyond any limits. A Member shall be guilty of overtrading if such Member or its Approved Trader enters into any trade or trades beyond any limits imposed from time to time by its sponsoring Clearing Member, the Exchange or MAS. If a Member is charged with violating this Rule:
 
  - (i) *the Exchange may at its discretion suspend that Member from trading until such time as the Disciplinary Committee or the Appeals Committee has completed the hearing in respect of such charge against such Member;*
  - (ii) *its sponsoring Clearing Member shall, upon being notified by the Exchange or the Clearing House as the case may be, withhold any profits due or owing to such Member from the transaction that resulted in overtrading, or such monies due or owing to such Member as directed by the Exchange or the Clearing House, and shall not release any such profits or monies until the Disciplinary Committee or the Appeals Committee has completed the hearing in respect of the charge against the Member; and*
  - (iii) *without prejudice to the foregoing, the Exchange may, in any case of overtrading, direct the Clearing House to withhold any profits due or owing to any Clearing Member from the transaction that resulted in overtrading, or such monies due or owing to such Member, until the Disciplinary Committee or the Appeals Committee has completed the hearing in respect of the charge against the Member; and**
- (b) *[deleted]*
- (c) *each trade entered into beyond any limits imposed by a sponsoring Clearing Member, the Exchange, the Clearing House or MAS shall be deemed to be a distinct and separate violation of this Rule and shall be punishable as such. If a Member is charged by the Exchange for overtrading, it is not necessary for the Exchange to show that the Member intended to overtrade. The act of overtrading is sufficient to constitute an offence under this Rules."*

**(k) Rule 3.4.11: Knowingly Taking Advantage of an Error Prohibited**

*"A Member, Approved Trader or Registered Representative shall not knowingly take advantage of a situation arising from:*

- (a) *a breakdown or malfunction in any Exchange Systems; or*
- (b) *error entries made by the Exchange on the Trading System."*

**(l) Rule 3.4.13: Front Running – Priority of Customers' Orders**

*"A Member, Approved Trader or Registered Representative shall not trade in contracts for its own accounts or for an account associated with or connected to that Member, Approved Trader or Registered Representative, if that Member, Approved Trader or Registered Representative also has in hand Customers' orders (including discretion orders) to do the same at the prevailing market price or at the same price. This Rule does not apply if:*

- (a) *that Member, Approved Trader or Registered Representative has no access to the Customer's order flow information;*
- (b) *the Customer has prescribed that the order be executed under specified conditions and the order cannot be executed by reason of those conditions; or*

(c) *the transaction is entered into in circumstances prescribed by MAS.*

**"Customer"** as used in this Rule 3.4.13 does not include the Member's Approved Traders, Registered Representatives or Persons associated with or connected to the Member, Approved Trader or Registered Representative."

**(m) Rule 3.4.14: Trading Against Customers' Orders Prohibited**

*"A Member, Approved Trader or Registered Representative shall not knowingly effect a transaction to buy from or sell to a Customer any contract for:*

- (a) *an account in which the Member, Approved Trader or Registered Representative has an interest; or*
- (b) *the account of any Person associated with or connected to the Member, Approved Trader or Registered Representative.*

*This Rule does not apply if the Member, Approved Trader or Registered Representative has first entered the Customer's order into the Trading System and waited at least 10 seconds before entering an opposite order, or if the Member, Approved Trader or Registered Representative has obtained the Customer's prior written consent. "Customer" as used in this Rule 3.4.14 does not include the Member's Approved Traders, Registered Representatives or Persons associated with or connected to the Member, Approved Trader or Registered Representative."*

**(n) Rule 4.1.9: Withholding and Order Withdrawal**

*"A Member, Approved Trader or Registered Representative shall not withhold or withdraw from the Trading System any Customer's order or any part of a Customer's order for any reason, unless it is for the benefit of the Customer or pursuant to the Customer's instruction."*

**(o) Rule 4.1.10: Cross Trades**

*"A Member or Approved Trader who knowingly receives buy and sell orders from different Customers at the same time and price, for the same Contract Month of the same Contract, shall first expose the leg which is the better bid or offer than the prevailing bid or offer in the Trading System. If there is no prevailing bid or offer, the Member or Approved Trader shall first expose the leg which has the better price than the last traded price, or if there is no last traded price, the last settlement price. This Rule 4.1.10 does not apply if the orders are entered by:*

- (a) *different Approved Traders on behalf of different Customers; or*
- (b) *different Customers directly into the Trading System and the Member or its Approved Trader does not know or have access to that Customer's order flow information.*

*However, if the Exchange suspects that a cross trade was pre-arranged in either one of the above circumstances in contravention of Rule 4.1.13, the onus is on the Member or the Approved Trader to show otherwise."*

**(p) Rule 4.1.13: Pre-arranged Trades Prohibited**

*"A Member or Approved Trader shall not make any purchase or sale which has been pre-arranged except for:*

- (a) *an exchange of Underlying for Futures Contracts as contemplated in this Rules; or*
- (b) *a Negotiated Large Trade as contemplated in this Rules.*

*For the avoidance of doubt, a request for a quote from a designated market maker approved by the Exchange does not constitute a pre-arranged trade.”*