

**CONDITIONS GOVERNING  
PHILLIP SECURITIES ACCOUNTS**

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**PART A: General Conditions**

The terms and conditions set out in this Part A govern the general overall relationship between PSPL and the Customer as well as all accounts, products and services provided or made available by PSPL to the Customer. Certain of such accounts, products and services are subject to, and governed by, additional terms and conditions as set out in the various Sections in Part B. Such additional terms and conditions as set out in a given Section in Part B as applicable to a particular account, product or service provided or made available by PSPL to the Customer, shall be read together with, and regarded as forming a part of, the terms and conditions set out in this Part A, and in the event of any conflict or inconsistency between any term or condition in Part B with any term or condition in Part A, the term or condition in Part B shall prevail to the extent of such conflict or inconsistency.

## Definitions

In this Document, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“Account”** means an account of the Customer opened and maintained with PSPL following acceptance by PSPL of the Customer’s application or written request under which the Customer effects Transactions or uses Primary Services pursuant to this Document (including but not limited to the CFD Account, Managed Account, Margin Account, Multi-Currency Account, Trading Account, Securities Wrap Account, Securities Borrowing and Lending Account and/or Unit Trust Wrap Account);

**“Accredited Investor”** has the same meaning ascribed to it in the SFA;

**“Applicable Laws”** means 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 a party or a relevant Account, Primary Service or Transaction is subject to;

**“Application Form”** means the application form (in the form prescribed by PSPL) by which the Customer applies to PSPL to open an Account;

**“Associate”** means any firm or corporation in which PSPL’s ultimate controlling/majority shareholder(s) has, whether directly or indirectly and either individually or collectively, control of not less than twenty percent (20%) of the voting power in the firm or corporation, including Phillip Securities Nominees Pte. Ltd., Phillip Financial Pte Ltd, Phillip Securities Research Pte Ltd, Phillip Futures Pte Ltd, Phillip Capital Management (S) Ltd and Phillip Private Equity Pte. Ltd.;

**“Authorised Person”** shall have the meaning given to it in Clause 16.5 of Part A;

**“Book-Entry Securities”** shall have the meaning ascribed to it in the Companies Act (Chapter 50 of Singapore);

**“Capital Markets Product”** shall have the meaning ascribed to it in the SFA;

**“CAR”** shall have the meaning ascribed to the term “Customer Account Review” under the Notice on the Sale of Investment Products issued by the MAS under the SFA;

**“CDP”** means The Central Depository (Pte) Limited;

**“CFD Account”** shall have the meaning given to it in Clause 1.1, Section 7 of Part B;

**“CKA”** shall have the meaning ascribed to the term “Customer Knowledge Assessment” under the Notice on the Sale of Investment Products issued by the MAS under the SFA and the Notice on Recommendations on Investment Products issued by the MAS under the FAA;

**“Collateral”** as between PSPL and a Customer means (i) the cash held in the Account(s) or if cash is provided on a title transfer basis in favour of PSPL the debt amount equivalent of the cash which would otherwise have been held in the Accounts. For the purposes of the preceding it is agreed that, unless otherwise specifically agreed with PSPL, all cash or cash equivalent given over to PSPL for the account of the Customer are intended and shall be regarded as title transferred to PSPL; (ii) Marginable Products (if any) and any and all other Securities deposited by the Customer or otherwise beneficially owned by the Customer and applied pursuant to the terms set out below as margin or collateral for the Customer’s Margin Account; (iii) Marginable Products that are bought for the Customer and financed by PSPL; (iv) CFD Margin in a CFD Account; and without prejudice to any of the foregoing, (v) Capital Markets Products deposited by the Customer with or held subject to the control of PSPL which are subject to a security interest (whether by way of lien, charge or otherwise) in favour of PSPL or if the same has been provided on a title transfer basis in favour of PSPL or title transferred in favour of PSPL or a third party (whether by way of a loan, on-loan or by way of settlement of a delivery entitlement on the part of such party) the debt equivalent of the same which were so title transferred; and in all cases (i) to (iv) inclusive includes all interests, benefits, rights and entitlements arising from any and all of them or attaching to the same, and the

proceeds of sale and redemption, any payment or receipt of, on or in respect of any of them;

**“Corporate Action”** shall have the meaning given to it in Clause 11, Section 7 of Part B;

**“Currency”** means money denominated in the lawful currency of any jurisdiction;

**“Customer”** in relation to PSPL with respect to the Primary Services means the person, corporation, partnership or sole proprietorship named in the Application Form as the applicant(s), and for whom PSPL is maintaining or continuing to maintain one or more Account(s) for the Primary Services; and includes such person or corporation’s assignees, successors-in-title and agents;

**“Customer Assessments”** shall have the meaning given to it in Clause 31 of Part A;

**“Default”** shall have the meaning given to it in Clause 22.1 of Part A;

**“Document”** means this document titled “Conditions Governing Phillip Securities Accounts” and shall include all the terms and conditions comprised in Part A of this document and each Section of Part B of this document, as applicable;

**“Electronic Broking Services”** shall have the meaning given to it in Section 2 of Part B;

**“Excess Funds”** shall have the meaning given to it in Clause 3.1 of Part A;

**“Instructions”** means a Customer’s instruction, request, application or order given to PSPL to operate an Account or to execute a Transaction through such medium and in such manner as PSPL may approve, and includes any instruction, request or order to revoke, ignore or vary any previous request or order in respect of a Transaction or Account;

**“Intermediary”** shall have the meaning given to it in Clause 6.1 of Part A;

**“Intermediary Default”** shall have the meaning given to it in Clause 6.2 of Part A;

**“Loss”** means any and all actions, claims, liabilities, losses, damage, costs, charges and/or expenses of

whatsoever nature and howsoever arising, incurred or suffered, including legal costs, cost of funding and loss or cost incurred as a result of the terminating, liquidating or re-establishing of any hedge or related trading position;

**“Margin Account”** means an Account to provide financing facilities to the Customer through margin trading in Marginable Products;

**“Margin Facility”** means the financing facility granted (or to be granted) by PSPL to the Customer for the purchase of Marginable Products;

**“Marginable Products”** means Capital Markets Products acceptable to PSPL or provided as margin or collateral to be bought and carried in Margin Accounts and, without limitation, shall include all actions, claims and rights against any central depository, depository agent, settlement system, clearing house, or member of any central depository in connection with such products;

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

**“Nominee”** includes a nominee, agent, representative, delegate or correspondent whether in Singapore or elsewhere;

**“Outstanding Balance”** shall have the meaning given to it in Clause 24.3 of Part A;

**“Personal Data”** includes any data about an individual who can be identified from that data such as the individual's name, NRIC, passport or other identification number, telephone numbers, address, email address and any other information relating to the individual, which the Customer has provided to PSPL;

**“PhillipCapital Group”** means the group of corporations comprising PSPL and its Associates;

**“Physical Securities”** means physical scrip or certificates being Securities of any kind or physical scrip or certificates evidencing or representing title to Securities of any kind, but excludes Scripless Securities and Book-Entry Securities;

**“Primary Service”** means any and all of the services and/or facilities provided by or through PSPL;

**“Purposes”** shall have the meaning given to it in Clause 7.1(a) of Part A;

**“PSPL”** means Phillip Securities Pte Ltd;

**“Scripless Securities”** means Securities of any kind whatsoever the trading or transactions of which are cleared or settled through any book-entry or scripless system whether in Singapore or elsewhere but excludes Book-Entry Securities;

**“Securities”** shall have the meaning ascribed to it in the SFA;

**“SFA”** means the Securities and Futures Act (Chapter 289 of Singapore);

**“SFR”** means the Securities and Futures (Licensing and Conduct of Business) Regulations promulgated under the SFA;

**“SGX”** means the Singapore Exchange Limited;

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

**“SGX-ST Rules”** means the rules, bye-laws, regulations of the SGX-ST as they may be supplemented or replaced from time to time (including any guidelines, notices, directives, practice notes, advice or recommendations issued by the SGX-ST);

**“Sub-Custodian”** has the definition given to it in Clause 2.1, Section 5 of Part B.

**“Termination Notice”** shall have the meaning given to it in Clause 24.1 of Part A;

**“Trading Account”** has the definition given to it in Clause 1, Section 1 of Part B;

**“Transaction”** includes transactions in such Capital Markets Products or such other products as PSPL may from time to time permit to be carried out under an Account;

**“US Person”** shall mean a United States citizen or corporation, a fiscal resident of the United States or a person liable to tax in the United States on any grounds whatsoever; and

**“US Tax Code”** shall mean the United States Internal Revenue Code of 1939, as amended.

## 1. Interpretation

In this Document, and unless the context otherwise requires:

- (a) a reference to a Clause, Section or Part is to a clause, section or part of this Document;
- (b) a reference to a Clause in respect of a given Part is to a Clause of that Part and a reference to a Clause in a Section is a reference to a Clause of that Section;
- (c) a reference to “include”, “includes” and “including” as they appear in this Document are not limiting and are deemed in each instance to be followed by the words “without limitation”;
- (d) a reference to any agreement or document is to that agreement or document (and, if applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (e) a reference to any party to this Document or any other document or arrangement includes that party's executors, administrators, permitted substitutes, permitted successors and permitted assigns;
- (f) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (g) a Default is continuing if it has not been remedied or waived;
- (h) the singular includes the plural and *vice versa*;
- (i) a reference to an individual or person includes a corporation, partnership, joint venture, association, authority, trust, state or government and *vice versa*; and
- (j) a reference to any gender shall include all genders.

## 2. Scope and Application

- (a) The terms and conditions in the Application Form and in Part A shall apply to and govern each Account currently requested for, all Accounts opened and currently maintained, and all Accounts subsequently opened or established with PSPL,

and in respect of all Transactions and Primary Services.

- (b) If any Primary Service is provided expressly subject to some other terms and conditions, the applicable terms of the Document and the Application Form shall supplement those other terms.
- (c) The terms and conditions comprised in Part A are supplemented by Part B. Part B shall be read together with, and shall form an integral part of this Document.
- (d) In the event of any conflict or inconsistency between the provisions of a Section in Part B and the provisions of Part A, the provision(s) of the Section in Part B shall prevail to the extent of such conflict or inconsistency.
- (e) The terms and conditions in a given Section of Part B which are specified to be applicable to a given Account, Primary Service or Transaction shall (unless otherwise herein expressly stated) apply:
  - (i) (where use or operation of the Account or Primary Service, or entry into a Transaction, requires the prior consent and approval of PSPL) upon PSPL approving the Customer's application for the use of that Account or Primary Service or entry into that Transaction; or
  - (ii) (where use or operation of the Account or Primary Service, or entry into a Transaction, does not require PSPL's prior consent and approval) upon the Customer accessing, using or operating such Account or Primary Service, or giving any Instruction for (or otherwise taking any action to initiate) that Transaction. For the avoidance of doubt, with respect to the Custodial Services (as defined in Section 5 of Part B), the Customer shall be deemed to access and use the Custodial Services should the Customer by word or conduct leave possession or control of any Capital Markets Products to which the Customer is beneficially entitled in the hands of PSPL or its Nominee or give any Instructions with respect to the performance of such Primary Service.



- (f) The terms and conditions of this Document must be read together with the terms and conditions appearing on the Application Form, PSPL's CAR and/or CKA documentation, confirmation notes relating to Transactions and statements of account. All of the foregoing may from time to time be amended, supplemented or replaced from time to time by PSPL. All of the foregoing shall together govern the relationship between PSPL and the Customer.
- (g) By completing the Application Form, agreeing to open an Account, maintaining or operating an Account, issuing any Instructions, entering into any Transaction or accessing, acquiring or using any Primary Service from, with or through PSPL, the Customer acknowledges to PSPL that the Customer has received, read and understood this Document and all its contents, acknowledges and accepts the risks and other matters disclosed in this Document, and agrees to, and undertakes to be bound by, this Document as applicable to the Account, Instructions, Transaction, and Primary Service accessed, acquired or used. The Customer's acknowledgements, acceptance, agreements and undertakings in this Clause shall be conditions precedent to PSPL's performance of its obligations under this Document.

### **3. Interest Waiver/Substitution**

- 3.1 The Customer acknowledges that as a general rule funds of the Customer in the possession or control of PSPL, being funds not immediately or within twenty-four (24) hours required to be applied towards discharge of the Customer's payment obligations ("**Excess Funds**") (whether held in a trust account or subject to a trust in favour of the Customer or held with a clearing house or a member of an exchange or a member of an overseas exchange or otherwise) shall (subject to the authorization on investment management of the same as set out in Clause 5 of Part A) be held commingled with funds of other customers of PSPL (where applicable in a trust account in accordance with the provisions of the SFA).
- 3.2 One result of the preceding is that it would be administratively difficult and so as a matter of economic costs counter-productive to attempt to allocate the

respective interest entitlement (if the trust account is interest bearing) on an individual basis. This is primarily because of the constant fluctuations in the value of the commingled funds in such trust account. It is a condition for PSPL accepting the Customer as a customer that the **Customer agrees therefore to waive and relinquish in favour of PSPL any and all entitlement to interest accruing to the Customer's share of funds in such trust account.**

- 3.3 The Customer by applying to open an Account with PSPL and being a customer of PSPL and/or accessing or using any of PSPL's Primary Services shall therefore be deemed to agree to (and PSPL will and does materially rely on the effectiveness of such agreement) such waiver and relinquishment. **Notwithstanding the foregoing**, where the Excess Funds of the Customer exceeds a minimum aggregate sum for a minimum period of time (both as prescribed by PSPL), PSPL may in return for the interest waived and relinquished by the Customer and at its sole and absolute discretion pay to the Customer interest thereon of such amount or at such rate as PSPL may deem appropriate net of its administration fee for crediting such interest into an Account of the Customer.

#### **4. Maintenance of foreign trust account**

The Customer authorises and consents to PSPL depositing or maintaining moneys and/or any other property received on account of the Customer which are denominated in a foreign currency in a trust or custody account with a custodian outside Singapore which is licensed, registered or authorised to conduct banking business or to act as a custodian, as the case may be, in that jurisdiction.

#### **5. Excess Funds Management**

- 5.1 Without prejudice and in addition to PSPL's rights and powers including its investment entitlement pursuant to Regulation 20 of the SFR, the Customer hereby grants to PSPL the authority at its discretion to invest the Customer's Excess Funds with PSPL (whether such funds are held distinctly or on a commingled basis pursuant to PSPL's entitlement to effect such commingling of customer funds) in such investments as may also be permitted of PSPL by the SFA and/or in

money market funds whether distinctly or as part of a pool of commingled funds and whether with or through any fund manager (including itself or a related entity or Associate, including without limitation Philip Capital Management (S) Ltd) on a discretionary basis, with intent to preserve the principal and enhance returns on such Excess Funds. The Customer acknowledges that any such investment or fund management is at PSPL's sole and absolute discretion and PSPL shall have no liability or responsibility if no such investment is effected or procured to be effected and so long as the investment or the choice of investment manager for investment is made in good faith, PSPL will not be responsible or liable for any loss in principal or lack of enhancement in the value of the principal occasioned by and/or from the investments or fund management effected and the Customer also accepts the risk of any and all Losses or shortfalls that may result from the fund management effected, on a pro-rated basis where relevant. The terms for the discretionary management of such Excess Funds of the Customer shall be *mutatis mutandis* the terms prescribed by PSPL from time to time for the discretionary investments of a customer's funds in money market funds prescribed as terms for the opening and maintenance of a cash management account with PSPL which the Customer can request from PSPL at any time.

- 5.2 The Customer also acknowledges that for cash or cash equivalent of the Customer title transferred in favour of PSPL, the provisions of the preceding Clause will not apply as the Customer will have no proprietary right to such cash or cash equivalent but only a right by way of an unsecured debt obligation as against PSPL. PSPL may however at its discretion pay interest of such amount as from time to time notified to the Customer on the debt equivalent amount of the cash or cash equivalent title transferred in favour of PSPL.

## **6. Delegation and Use of Intermediaries**

- 6.1 PSPL may use, engage or appoint, directly or indirectly, any person (including another broker, correspondent broker, dealer, market-maker, exchange, clearing house, bank, custodian or other third party) ("**Intermediary**"), whether in Singapore or elsewhere, whether or not an officer or employer of PSPL, and whether or not

associated with, connected to or related to PSPL, to carry out any Instructions, execute or clear any Transaction, hold or custodise any of the Customer's funds and assets, or exercise any authority granted to PSPL by the Customer under this Document or otherwise. Such use, engagement or appointment of any Intermediary shall be upon such terms and conditions as PSPL deems fit in its discretion.

- 6.2 If PSPL has exercised reasonable care in its selection of the Intermediary, the Customer acknowledges, agrees and accepts that PSPL has no liability or responsibility for any wrongdoing, act, omission, insolvency, negligence, breach or duty, misconduct, fraud, wilful default or any other failure or default by or in respect of an Intermediary ("**Intermediary Default**"), the Customer shall bear all risks arising from or consequent from or in relation to the acts or omissions or the Intermediary Default of such Intermediary, and the Customer shall indemnify, keep indemnified and hold harmless PSPL from and against any and all Losses (including legal costs on a full indemnity basis) suffered or incurred by PSPL whether directly or indirectly in relation to, arising out of or in connection with any act, or omission, or any Intermediary Default, of an Intermediary or such Intermediary's officers, employees, agents or representatives.
- 6.3 The Customer further acknowledges and agrees that, where PSPL uses, engages or appoints an Intermediary, PSPL may have to accept sole and principal responsibility to the Intermediary for the executed Instructions and/or Transactions. This may be notwithstanding that, as between the Customer and PSPL, PSPL may in fact be the agent of the Customer, and accordingly the Customer shall indemnify, keep indemnified and hold harmless PSPL from and against any and all actions taken by PSPL in good faith in compliance or performance of PSPL's said principal obligation or responsibility. In this connection, the Customer recognises that PSPL may take such measures (including effecting payment and settlement in respect of the Customer's executed Instructions) as may be necessary to ensure non-default of PSPL's own primary responsibility as aforesaid (notwithstanding that as between the Customer and PSPL, the Customer is, or has notified PSPL that it will be, in default).

- 6.4 In view of the fact that PSPL may have accepted principal responsibility and/or liability to another Intermediary, the Customer also acknowledges that any cash or other property (which as between PSPL and the Customer is to be regarded as that of the Customer, or purchased by or for the Customer) may or will be regarded by such Intermediary as being the cash or other property of PSPL or purchased by PSPL for itself. This may in some instances result in prejudice to the Customer. The Customer accepts that this is a necessary risk of dealing in any foreign jurisdiction through PSPL.
- 6.5 The rights and remedies of PSPL in this Clause will apply even though as between PSPL and the Customer, the Customer may be in actual or anticipatory default.

## **7. Personal Data and Disclosure of Information**

- 7.1 The Customer authorises, agrees and consents to allow PSPL, its officers, employees, agents, representatives and third party service providers to:
- (a) collect, use, disclose, transfer, administer and process all information and data (including Personal Data) of the Customer and other relevant individuals of the Customer including its shareholders, beneficial owners, officers, employees, agents, representatives and/or guarantors relating to the Customer, as provided by the Customer now or subsequently provided by the Customer and/or otherwise acquired by PSPL from other sources from time to time, pursuant to or in connection with this Document, for the purposes listed below (the “**Purposes**”):
    - (i) to provide the Customer with marketing, advertising and promotional information, materials and/or documents relating to the investment products and/or services that PSPL or its business partners may be offering or managing, whether such products or services exist now or are created in the future;
    - (ii) to manage the relationship between the Customer and PSPL and/or update the Customer on the Customer’s investments that are offered by PSPL;

- (iii) to set up or close the Customer's Account(s) with PSPL;
- (iv) to maintain (including updating Transactions of) or operate the Customer's Account(s);
- (v) to comply with Applicable Law including the requirements of any regulatory authority, exchange or clearing house;
- (vi) to conduct identity and/or credit checks;
- (b) to send the Customer marketing, advertising and promotional information, materials and/or documents relating to investment products and/or services offered by PSPL or its business partners through the following modes of communication:
  - (i) postal mail and/or electronic transmission to the Customer's email address; and
  - (ii) to the Customer's telephone contact number(s) by way of voice, text (SMS/MMS), fax, VOIP based smart phone application such as Whatsapp, Viber, etc;
- (c) where required under certain circumstances and for the Purposes, to disclose and transfer the Customer's data and information (including Personal Data) to the PhillipCapital Group, third party service providers, agents and/or other business partners of PSPL, whether in or outside of Singapore, for the Purposes; and
- (d) without prejudice to the generality of the foregoing, to disclose to any exchange, market, clearing house, depository or depository agent or any other relevant person any and all information on the Customer and its Account(s) and Transactions including (i) such information as may be necessary to monitor any foreign ownership or other limits imposed by or on an issuer of Capital Markets Products on the holding of any Capital Markets Products and (ii) such information as may be required to fulfil any statutory obligation imposed on the exchange, market or clearing house or under any Applicable Laws.

7.2 When disclosing Personal Data to PSPL, the Customer represents, warrants and undertakes that for any Personal Data of individuals that it discloses to PSPL, it would have prior to such disclosure obtained the appropriate consent from such individuals for the Purposes and ensured that any and all such Personal Data is accurate and complete. Where the Customer

acts as agent for any of its clients, investors, funds, and/or other principals (each, a "Client"), the Customer's acceptance and agreement to the terms of this Clause 7 will be deemed to be given on behalf of all Clients represented by the Customer.

7.3 The Customer understands that the Customer is entitled to withdraw his/her consent for the collection, use and disclosure of his/her Personal Data at any point in time by notifying PSPL's data protection officer (contact details available on [www.phillip.com.sg](http://www.phillip.com.sg)) in writing.

## **8. Foreign Account Tax Compliance Act (FATCA) and Other Laws**

8.1 The Customer authorises PSPL to disclose any personal and account information where such disclosure is required by Applicable Laws (including applicable laws imposing any reporting and/or withholding obligations on PSPL such as the United States Foreign Account Tax Compliance Act and Income Tax Act (Chapter 134 of Singapore)), regulations, orders, agreements, or treaties made by or between tax authorities and/or governments to:

- (a) any entity in the PhillipCapital Group, or any of PSPL's related companies or subsidiaries, wherever situated;
- (b) any government, quasi-government, regulatory, monetary or other authority whether in Singapore or elsewhere, including the United States Internal Revenue Service, the United States Treasury Department, the Inland Revenue Authority of Singapore and MAS;
- (c) any party to whom PSPL is under a legal duty to disclose; and/or
- (d) any party where PSPL in good faith deems it in PSPL's interest to make such disclosure.

8.2 The Customer agrees that the Customer shall be required to, upon demand by PSPL and in a timely manner:

- (a) provide any form, certification or other information, as may be requested by and in a form acceptable to PSPL, that is necessary for PSPL:
  - (i) to prevent withholding tax or qualify for a reduced rate of withholding tax or backup withholding tax in any jurisdiction from or through which PSPL receives payments; or

- (ii) to satisfy reporting or other obligations under the United States Tax Code and the United States Treasury regulations promulgated thereunder or the Income Tax Act (Chapter 134 of Singapore);
- (b) update or replace such form, certification, or other information in accordance with its terms of subsequent amendments; and
- (c) otherwise comply with any reporting obligations imposed by the United States or any other jurisdiction, including reporting obligations that may be imposed by future legislation.

8.3 The Customer acknowledges and agrees that if, and to the extent that, PSPL is required to make any payment, withholding or deduction as a consequence of the Customer failing to comply in a timely manner with the requirement in the preceding representation and warranty, PSPL shall be entitled to, at its sole and absolute discretion, withhold all or a portion of the amounts payable in respect thereof to the Customer if PSPL is required under Applicable Laws (including the laws of the United States) or as a consequence of any agreement between PSPL and any tax, regulatory, governmental or quasi-governmental authority or body (including the United States Treasury Department or similar government division or department) to withhold any payments as a consequence of the Customer failing to comply in a timely manner with the requirement in the preceding representation and warranty. The Customer agrees to hold harmless, indemnify and to keep PSPL fully indemnified from and against any amount of payment, withholding or deduction referred to in this Clause that is in excess of such amount as may be standing to the Customer's Account.

8.4 The Customer acknowledges and agrees that in the event the status of the Customer or any interested person changes from a non-US Person to a US Person, the Customer shall immediately notify PSPL and the Customer shall be required to, upon demand by PSPL and in a timely manner, provide any form, certification, representation, confirmation or other information, as may be requested by and in a form acceptable to PSPL.

8.5 The Customer acknowledges and agrees that PSPL may in its sole and absolute discretion terminate the Account with immediate or subsequent effect by written notice if



the Customer fails to comply in a timely manner with the requirements in this Clause, whereupon PSPL shall be entitled to receive all fees and other monies accrued up to the date of such termination.

- 8.6 The Customer acknowledges and agrees that PSPL shall not be responsible for or liable to the Customer for any Loss to the Customer arising as a result of any act or omission or any error of judgment not amounting to actual fraud in complying with PSPL's reporting or other obligations under Applicable Laws (including the US Tax Code and the United States Treasury regulations promulgated thereunder or under the Income Tax Act (Chapter 134 of Singapore)).

## **9. Exclusion of Liability and Force Majeure**

- 9.1 The Customer agrees that neither PSPL nor any of its officers, employees or Nominees shall be responsible for or liable to the Customer for any Loss suffered by the Customer, including any Loss resulting from any act or omission in relation to any Account, the operation, provision or termination of any of the Primary Services, the exercise of any of PSPL's rights, powers and discretions or the performance of any of its duties and obligations under this Document or the Application Form, any error of judgment or error of fact or delays due to market conditions or changes in market conditions unless it was caused by fraud, gross negligence or wilful default directly attributable to PSPL or its authorised officer, employee or Nominee.
- 9.2 None of PSPL or any of its officers, employees or Nominees shall at any time be responsible or liable whether in tort, in contract or otherwise for any indirect or consequential Loss of any kind (including loss of profit and loss of opportunity) or special or punitive damages.
- 9.3 Neither PSPL nor any of its officers, employees or Nominees shall at any time be responsible or liable for any Loss whatsoever suffered or incurred by the Customer (including but not limited to if performance of any of PSPL's duties and obligations is interrupted, delayed or prevented) which may be caused wholly or in part by circumstances, acts or events beyond PSPL's control, including any act of god, war, terrorism, industrial disputes, natural disaster, adverse weather conditions, riots, strikes, lockouts, governmental or supranational

organisation action, regulations or restriction, change of law, breakdown, failure or malfunction in communication systems, telecommunications disruption, or computer failure.

## **10. Indemnities**

10.1 The Customer hereby agrees to fully indemnify, keep indemnified and hold PSPL, its officers, employees and/or Nominees harmless from and against any and all Loss (including legal costs on a full indemnity basis) suffered or incurred, or which may be suffered or incurred, by PSPL, its officers, employees and/or Nominees arising from, as a result of or in connection with:

- (a) any failure by the Customer to comply with the terms and conditions of this Document or the Application Form, or to fully and punctually perform any of its obligations hereunder or in respect of any Transaction;
- (b) any of the Customer's representations, warranties, agreements and undertakings in this Document or the Application Form being untrue, incorrect, incomplete or misleading in any material respect;
- (c) any actions, claims, demands or proceedings brought by third parties (including Intermediaries) against PSPL further to PSPL acting in accordance with the Customer's Instructions or otherwise in the exercise of its powers under this Document or the Application Form;
- (d) acting or omitting to act in accordance with the Customer's Instructions (or any communication given or purportedly given by any person authorised to act in relation thereto), or taking any action, exercising any right, power and discretion, performing any of its duties and obligations or otherwise acting in any manner in accordance with or as permitted under this Document or the Application Form;
- (e) any change in any Applicable Laws;
- (f) any act or thing done or caused to be done by PSPL in connection with or referable to this Document, the Application Form or any Account, or any Transaction entered into for or with, or any Primary Services provided to, the Customer;
- (g) any dealings with any Account by any person authorised to act in relation thereto; and/or

- (h) the Customer's breach or violation of any third party rights, including violation of any proprietary or intellectual property rights, or the enforcement of any of the terms and conditions of this Document or the Application Form.

10.2 The Customer's obligation to indemnify PSPL under this Clause 10 shall survive the termination of this Document, closure of any Account or termination or cessation of any of the Primary Services. For the avoidance of doubt, this indemnity extends to each of the Accounts and the Primary Services.

## **11. Currency and Currency Risk**

All Transactions for an Account or any of the Primary Services (except for the Multi-Currency Services as defined below in Clause 5, Section 4 of Part B) or relating to or arising out of any of the Primary Services will be settled in Singapore Dollars unless otherwise specified by PSPL in its discretion or, if PSPL agrees, any other currency requested by the Customer, but at a rate of exchange determined by PSPL. The Customer will bear all Losses that result from any currency conversion connected with any Transaction for any Account.

## **12. Notices and communication**

12.1 Communications may be transmitted or sent by PSPL to the Customer by telephone, electronic mail, facsimile, or to any mailing address of the Customer at such number(s) or address(es) last known to PSPL. All written communication shall be deemed received by the Customer:

- (a) two (2) days after despatch by post to the last mailing address of the Customer known to PSPL if the same is a Singapore address or five (5) days after despatch by post to the last mailing address known to PSPL if the same is not a Singapore address;
- (b) immediately upon delivery, if delivered personally to the Customer; and
- (c) at the time of despatch or transmission by PSPL if sent by facsimile or electronic mail to any of the relevant facsimile or electronic mail addresses of the Customer last known to PSPL, whether or not actually received by the Customer.

12.2 The risk of loss or damage to, and the costs of delivery of, any articles or items sent to the Customer shall be borne by the Customer. Where the Customer makes use of the Electronic Broking Services, the Customer shall be deemed to have notice of and be bound by all notices and communications as may be given by PSPL from time to time and accessible by the Customer via the Electronic Broking Services effectively as from the time when the same may be so accessed by the Customer.

### **13. Notification of change in circumstances**

13.1 It shall be the Customer's duty and the Customer hereby undertakes (without the need to be prompted by or being so requested to do so by PSPL) to PSPL that the Customer shall promptly notify PSPL in writing of any change in:

- (a) particulars, circumstances, status of the Customer, including any change in citizenship, residence, tax residency, address(es) on record, telephone and facsimile numbers and email addresses;
- (b) where applicable, constitution of the Customer, shareholders, partners, directors or company secretary, or the nature of the Customer's business;
- (c) if the Customer is a corporation or other entity, its corporate or organisational structure; and
- (d) any information and/or document relating to any Account or to this Document or the Application Form as supplied to PSPL (including valid copies of identification documents such as passport particulars' page and Personal Data relating to any individual).

13.2 The Customer undertakes to provide any relevant supporting documents as PSPL may request for verification. If the Customer fails to comply with this Clause, PSPL shall be entitled to take such action or refuse to take any action as PSPL may see fit (including suspending or closing the Account) and PSPL shall not be responsible for any resulting Loss to the Customer. Any change will be effective only upon PSPL's receipt of the Customer's notification and after PSPL's verification where it deems necessary.

### **14. Conclusive Evidence**

The record(s) of any of PSPL's officers, representatives, agents or employees as to the substance or content of any oral or telephone or other communications between the Customer and PSPL, concerning any monies owing from the Customer to PSPL or from PSPL to the Customer, or any monies or property in any Account, shall be *prima facie* evidence of the facts stated therein and, in the absence of manifest error, be conclusive and binding on the Customer.

## **15. Joint Account**

In the case of the Customer comprising more than one person as joint account holders, the expression "Customer" shall refer to each person jointly and severally. PSPL may debit such Customer's Account at any time in respect of any sum howsoever due or owed to PSPL by any of the joint account holders in whose name the Account is opened or maintained. Further, the delivery of any monies, instruments and any other property in relation to the Account(s) and/or the Transactions may be made by PSPL upon the Instructions of any one of such persons and such delivery shall constitute full and complete delivery by PSPL and shall without limitation be deemed to be sufficient delivery to all such persons. No joint account holder constituting the Customer shall be discharged, nor shall his liability be affected, by any discharge, release, time, indulgence, concession, waiver or consent at any time given or effected in relation to any one or more of the other joint account holders constituting the Customer. Each such joint account holder further jointly and severally represents, warrants and undertakes as follows:

- (a) none of the account signatories is under any legal disability and no one other than the joint account holders themselves has any interest in the Account(s), any of the Primary Services or any part or all of the Capital Markets Products custodied with PSPL;
- (b) in the absence of express Instructions as to which one of the joint account holders is authorised to act on behalf of all of them, any one of the joint account holders shall have full authority to give any Instructions with respect to the Account(s) and any of the Primary Services. Accordingly, any Instructions from any one of the joint account

- holders shall be and shall be deemed to be the Instructions of all the joint account holders constituting the Customer and binding upon all the other joint account holders as if that joint account holder had expressly authorised the other joint account holder to act on his behalf;
- (c) without prejudice to the generality of the above, in the absence of express Instructions as to which one of the joint account holders is authorised to collect Physical Securities or money from PSPL, delivery of the Physical Securities or money by PSPL to either of the joint account holders is deemed to fulfil PSPL's delivery obligations to all account holders;
  - (d) any demand, notice, confirmation, report, statement and other communication if addressed to any joint account holder constituting the Customer and sent in accordance with Clause 12 above, shall be deemed to have been addressed and sent to all the joint account holders constituting the Customer and shall be binding on all joint account holders notwithstanding that they have not been sent to or received by all of the joint account holders. Where any joint account holder shall have received or is deemed to have received any such notice or communication, all the joint account holders constituting the Customer shall be deemed to have received the same;
  - (e) PSPL is entitled to treat each joint account holder generally as authorised to deal with PSPL in connection herewith as fully and completely as if the other joint account holder or holders has no interest herein. Accordingly, all payments by the PSPL to such Customer may be made in favour of or to any joint account holder;
  - (f) the agreements, obligations and liabilities of the Customer herein contained or implied are joint and several; and
  - (g) the doctrine of survivorship shall apply to any Account opened by a Customer comprising more than one person, as between and as amongst the joint account holders provided that any and all property of the Customer shall be held to the order of the survivor(s) subject to the full discharge by the survivor(s) of any and all obligations and liabilities of the Customer (including the deceased

person) to PSPL under these terms and conditions of this Document.

## **16. Instructions**

- 16.1 The Customer may give Instructions to PSPL to operate an Account or to execute a Transaction.
- 16.2 When giving Instructions, Customer is solely responsible for ensuring the accuracy and completeness of all Instructions, and that the Customer does not give conflicting, inconsistent or contradictory Instructions to PSPL. When placing contingent Instructions, such as “stop-loss” or “stop-limit” orders, the Customer acknowledges that such Instructions will not necessarily limit the Customer’s losses to the intended amounts as it may be impossible to act on or to execute such Instructions under certain market conditions. For over-the-counter Transactions, the Customer further acknowledges that the prices and characteristics of such Transactions are individually negotiated and there is no central source for obtaining prices and hence the prices for such Transactions may not be the best prices available to the Customer.
- 16.3 PSPL is not obliged to act on any Instructions of the Customer or enter into any Transaction with the Customer for any reason and without giving any reason therefore and PSPL shall not be responsible for or liable to the Customer whatsoever as a result of such refusal to act, including if:
- (a) any Instructions are, in PSPL’s opinion, unclear or ambiguous or inconsistent with any other Instructions;
  - (b) any Instructions might cause PSPL to contravene any Applicable Laws (whether or not having legal and binding effect);
  - (c) PSPL is unable to verify the identity of the Customer to its satisfaction;
  - (d) PSPL has any doubt on the authenticity, clarity or completeness of the Instruction; and
  - (e) the form or content of such Instruction is not in accordance with the requirements or policies or practices as prescribed by PSPL from time to time.
- 16.4 Notwithstanding the above, PSPL may:
- (a) act upon any Instruction which PSPL believes to be given by the Customer without inquiry as to the

identity or authority of the person giving or purporting to give such Instruction or the authenticity and correctness thereof or the purpose or propriety of any Instruction;

- (b) act on incomplete or unclear Instructions if PSPL reasonably believes PSPL can correct the information without seeking clarification or confirmation from the Customer, in accordance with any reasonable interpretation thereof which any officer, employee, agent, representative or any intermediary, believes in good faith to be the correct interpretation;
- (c) if PSPL receives conflicting, inconsistent, contradictory or multiple Instructions, and determines the order of acting without seeking clarification or confirmation from the Customer;
- (d) at any time change or implement new security procedures or features relating to modes of Instructions, verifying the Customer's identity or otherwise as PSPL may think are necessary; and/or
- (e) require confirmation of any Instruction from the Customer in any form or manner as it deems appropriate.

16.5 PSPL shall not be responsible or liable for acting on any Instructions which PSPL believes in good faith originates from the Customer or an Authorised Person. The Customer will provide PSPL with the names and specimen signature(s) of the person(s) authorised to give Instructions on the Customer's behalf ("**Authorised Persons**") in writing and give PSPL prompt written notice of any changes thereto. Until PSPL's receipt of such notice, PSPL may rely on the last list of Authorised Persons on PSPL's records. PSPL may verify and satisfy itself as to the identity of the person purporting to give Instructions on behalf of the Customer or the source and origin of such Instructions and PSPL may refuse to rely or act upon any such Instruction unless and until PSPL is satisfied as to the matters on which PSPL sought verification.

16.6 Transactions carried out by PSPL acting on the Customer's Instructions made or given or purporting to be made or given by the Customer or by any other person on behalf of the Customer shall be binding on the Customer for all purposes regardless of the



circumstances prevailing or the nature of the Transaction or arrangement or the amount of money involved and notwithstanding any error or misunderstanding or lack of clarity in the terms of such Instructions or other communications. This is unless the Customer has given an Instruction to withdraw, cancel, revoke or vary a previous Instruction and (i) PSPL has not in the interim executed such Instruction or taken irrevocable action for its execution (whether by onward instruction to an Intermediary to execute such Instruction or otherwise), (ii) PSPL is able, with respect to such unexecuted Instruction to withdraw, cancel or revoke such Instruction before its execution or before irrevocable action is taken for its execution and has effectively done so and (iii) the withdrawal, cancellation, revocation or variation as the case may be, will not prejudice PSPL's position. Notwithstanding the foregoing, where, after a Transaction is carried out, PSPL forms the belief that there was an error or misunderstanding or lack of clarity in the terms of such Instructions or other communications or an Authorised Person has acted in excess of his authority or the Transaction would infringe Applicable Laws, PSPL may, in its sole and absolute discretion, withdraw, cancel, revoke or treat such Instruction as void from the outset or otherwise, and PSPL shall not be responsible or liable for any Loss arising from such actions.

- 16.7 In the event that PSPL decides to act on any Instruction or is otherwise under an obligation to act on any Instruction, PSPL shall be allowed such amount of time to act and implement any Instruction as may be reasonable having regard to the systems and operations of PSPL and the other circumstances then prevailing and shall not be responsible or liable for any Loss arising from any delay on the part of PSPL in acting on any such Instruction.
- 16.8 Where PSPL has executed any Transaction or Transactions on behalf of the Customer in accordance with an Instruction, the Customer shall bear full responsibility for any filing, registration, notification or other compliance or relevant requirements in respect of such Transactions (including any notification to a stock exchange or regulatory body in respect of any position limits, substantial shareholding or any connected or related party transaction). PSPL shall have no obligation

whatsoever to issue any notification, warning or advice to the Customer in this respect.

- 16.9 PSPL may record, by any means and at any time, any communications through any medium between PSPL and the Customer or any representative or agent of the Customer using any recording apparatus. Any such recording may be used in evidence against the Customer. PSPL's record of any such Instructions shall be conclusive and binding. PSPL may, in accordance with its internal procedures and policies and business requirements, periodically destroy such recordings without giving any reason and without having to account to any Customer for the same. No adverse inferences shall be drawn against PSPL for not having made any such recording, or for having destroyed such recording in the ordinary course of its business or pursuant to routine procedures or for not providing, or producing, any such recordings.

## **17. Instructions Received Electronically**

- 17.1 The Customer hereby irrevocably authorises PSPL and its officers, employees, agents and representatives to act in accordance with the Customer's Instructions given by telephone, facsimile or any other form of electronic communication including internet messaging services by the Customer and/or persons authorised in writing by the Customer from time to time, including Instructions to transfer/remit funds from the Account(s) held with PSPL to other account(s) or party(ies) where the Customer may not be the beneficiary or sole beneficiary. The Customer acknowledges that the aforesaid method(s) of communication is provided solely on the basis of the Customer's request and at the risk of the Customer and is not recommended in any way by PSPL.
- 17.2 The Customer acknowledges and confirms that the Customer is aware of the nature of Instructions communicated by telephone, facsimile or any other form of electronic communication including internet messaging services whereby such Instructions may not be received properly or may not be read by the intended recipient and may be read by or be known to unauthorised persons. The Customer agrees to assume and bear all the risks involved in respect of such errors and misunderstanding and PSPL shall not be responsible in any way for the same or breach of

confidentiality thereto and shall also not be liable for any Loss arising therefrom.

- 17.3 The Customer acknowledges that the Customer is fully aware of and understands the risks associated with communicating Instructions by telephone, facsimile or any other form of electronic communication including internet messaging services including the risk of misuse and unauthorised use of username and/or password by a third party and the risk of a person hacking into the internet messaging service being used.
- 17.4 The Customer accepts full responsibility for the monitoring of its Instructions and safeguarding the secrecy of its username and password and agrees that the Customer shall be fully liable and responsible for any and all unauthorised use and misuse of his password and/or username, and also for any and all acts done by any person through using the Customer's username in any manner whatsoever.
- 17.5 The Customer agrees that PSPL and its officers, employees, agents and representatives may act as aforesaid without inquiry as to:
- (a) the authority of the person giving or purporting to give any Instruction; or
  - (b) the authenticity of any telephone, facsimile or any other form of electronic communication including internet messaging services,
- and may treat the same as fully authorised by and binding on the Customer, regardless of the circumstances prevailing at the time of the Instruction or amount of the transaction and notwithstanding any error, misunderstanding, lack of clarity, fraud, forgery or lack of authority in relation thereto, and without requiring further confirmation in any form, provided that PSPL or the officer, employee, agent or representative concerned believed the Instruction to be genuine at the time it was given. Notwithstanding the foregoing and without prejudice to the generality of Clause 16.3, PSPL may at any time refuse to accept or act on any Instructions communicated by telephone, facsimile or any other form of electronic communication including internet messaging services for any reason and without providing the Customer with any reason, including if PSPL has any doubts as to the authenticity, clarity or completeness of such Instructions.

## **18. Deposits/Prepayments and Payments**

- 18.1 PSPL is entitled, when it deems necessary at its sole and absolute discretion, to require the Customer to place cash and/or other property as deposit or prepayment (which shall not bear interest). PSPL is entitled at its sole and absolute discretion to determine the amount of deposit or prepayment payable by the Customer and the time and manner for the placement and nature of such deposit or prepayment. Without prejudice to PSPL's other rights and powers, PSPL shall be entitled to apply the said deposit or prepayment or any part thereof towards payment of any indebtedness owing by the Customer to PSPL arising from any Account, any Transaction or any of the Primary Services.
- 18.2 The Customer shall promptly pay PSPL, as and when monies are due to PSPL or upon PSPL's demand in all other cases, all commissions, fees, costs, fees, charges, monies, deposits, prepayments and/or liabilities owing by the Customer to PSPL and its Nominees referable to any Account, any Transaction or any of the Primary Services (whether charged to, payable by or paid by the Customer or PSPL) at such rate or rates as PSPL may from time to time determine. PSPL reserves its rights to vary or modify the prevailing rate of charges or fees without notice. If the Customer continues to make use of the Primary Services, the Customer shall be deemed to have agreed to such revised rate or charges or fees without reservation. To the extent that PSPL has paid the same on the Customer's behalf to any of its Nominees, the Customer shall forthwith reimburse the same in full to PSPL upon demand by PSPL.
- 18.3 All payments to PSPL shall be in the currency in which they are due, in free and clear funds and free of deductions or withholdings.
- 18.4 If the Customer is required to effect such deductions or withholdings, then the amount due to PSPL shall be increased by such amount as shall result in PSPL receiving an amount equal to the amount PSPL should have received in the absence of such deduction or withholding. Any taxes, duties, disbursements, costs and/or other expenses incurred by PSPL in connection with the Account or the Customer shall be reimbursed in full by the Customer.

- 18.5 If for any reason PSPL cannot effect payment or repayment to the Customer in a particular currency in which payment or repayment is due, PSPL may effect payment or repayment in the equivalent in any other Currency selected by PSPL based on the rate of exchange quoted by PSPL in respect thereof at the relevant time.
- 18.6 All interest, fees, commissions and other charges of PSPL are exclusive of any goods and services tax or any other applicable sales tax which shall be borne by and separately charged to the Customer. PSPL shall be fully entitled to debit any Account of the Customer in respect of any and all payments due to PSPL at such time and in such manner as PSPL may determine. Any and all payments to be made by PSPL to the Customer shall be made in such manner as PSPL may from time to time determine. All such payments shall be subject to all applicable taxes, deductions and withholdings, and less any and all amounts payable by the Customer to PSPL.
- 18.7 Unless PSPL otherwise agrees with the Customer, each obligation of PSPL to make any payment to the Customer under the terms and conditions under this Document and the Application Form is subject to the condition precedent that there is no Default or potential Default subsisting.

## **19. Interest**

The Customer acknowledges that PSPL has the right to charge interest on any and all amount(s) or payments due from the Customer to PSPL at such rate and calculated and/or compounded in such manner as PSPL may in good faith determine to be appropriate. The Customer shall pay such interest to PSPL and (in the event of litigation) such interest shall be payable to PSPL both before as well as after judgment.

## **20. Security**

PSPL shall at all times have a general lien over any and all property of the Customer including Capital Markets Products deposited by the Customer or held in or subject to the control of PSPL (either solely, jointly with others, or as a guarantor for the account of any person for any purpose, including safekeeping) or provided as margin or collateral to be bought and carried in Margin Accounts,

CFD Accounts or any other Accounts as security for any outstanding obligation (whether actual or contingent) owed by the Customer to PSPL. PSPL may at all times exercise this lien by effecting a sell out of any or all of such property of the Customer and apply the net proceeds towards settlement or discharge of the Customer's obligations to PSPL. This general lien is regardless of whether PSPL has made advances in connection with such cash or other property, and irrespective of the number of Accounts the Customer may have with PSPL.

## **21. Set-off**

- 21.1 PSPL may at any time and from time to time without notice set-off any amounts due to the Customer or held in any Account or any other account to which the Customer is beneficially entitled (whether with PSPL or with any Associate) or subject to the control of PSPL (either solely, jointly with others, or as a guarantor for the account of any person for any purpose, including safekeeping) or provided as margin or collateral to be bought and carried in Margin Accounts or CFD Accounts to reduce or extinguish any liability whether present or future, actual or contingent, primary or as surety, owed by the Customer to PSPL or to any of its Associates.
- 21.2 Each and every Associate may, subject to the proviso hereafter set out, enforce the set-off right provided in this Clause in accordance with the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) provided that with respect to credit balances in the Accounts, PSPL's right of set-off has priority and as to any excess credit remaining in the Accounts thereafter, priority as amongst the Associates' benefit to the set-off right shall be as determined by PSPL who may also elect to have the Associates enjoy such right on a pro-rated basis where the said excess is not sufficient to be set off against the aggregate debit balances owing to the Associates by the Customer.
- 21.3 For so long as the Customer owes monies or obligations (for whatsoever nature and howsoever arising) to PSPL, the Customer may not withdraw any cash, Capital Markets Products or other property from PSPL without PSPL's consent. PSPL may at any time withhold any cash, Capital Markets Products or other property

pending full settlement of all such monies or obligations of the Customer.

## **22. Default - Suspension / Closure of Account**

22.1 The Customer agrees that if any one of the following events occurs (“**Default**”), PSPL will have the immediate right, at its discretion, to suspend or close any and any one or more Account and take any one or more of the actions available to it in this Clause:

- (a) the Customer fails to comply with or perform any of its obligations in this Document, the Application Form or in respect of any Account, Transaction or Primary Service;
- (b) the Customer fails to make, when due, any payment or delivery required to be made by it under this Document, the Application Form or in respect of any Account, Transaction or Primary Service;
- (c) any person (whether one or more individuals or sole proprietorships or any partner of a partnership) constituting the Customer dies, becomes bankrupt, of unsound mind, unable to pay his debts as they fall due or has an action commenced against him to place him in bankruptcy, or if an action is commenced to dissolve and/or alter the partners or the constitution of the Customer (where the Customer is a partnership);
- (d) where the Customer is a corporation or any other body corporate, where the Customer becomes unable to pay its debts as and when they are due, or any action or step is commenced or any resolution is passed to place the Customer in liquidation, winding up, insolvency, judicial management, receivership, administrative management, or any similar or analogous proceedings;
- (e) the Customer (or where the Customer comprises two or more persons or where the Account is a joint account, any such person) makes any arrangement or composition with his creditors;
- (f) any claim, action or proceeding of any nature is commenced against the Customer (or where the Customer comprises two or more persons or where the Account is a joint account, any such person), or steps are taken by any person to

enforce any security against the Customer (or where the Customer comprises two or more persons or where the Account is a joint account, any such person);

- (g) PSPL in good faith forms the opinion that its interest would be adversely affected if it does not suspend or close the Account;
- (h) if PSPL becomes aware of suspicious or reasonably possible fraudulent or unauthorized Account activity, which may cause Loss to the Customer or PSPL; or
- (i) a default, event of default or other similar condition or event (however described) occurs in respect of the Customer (or where the Customer comprises two or more persons or where the Account is a joint account, any such person) or any affiliate of the Customer under one or more agreements of any of them (individually or collectively) with PSPL.

22.2 All acts performed by PSPL and/or the Intermediaries prior to receiving written notice of the Customer's death, incapacity or inability (if a natural person) shall be valid and binding upon the Customer and the Customer's successors in title. In the event of the Customer's death, PSPL shall be absolutely protected in acting under this Document until PSPL receives actual notice of death from the legal personal representatives or executors of the Customer. The legal personal representatives or executors will be recognised by PSPL as having the sole authority to act under this Document on behalf of the deceased Customer.

22.3 The Customer shall immediately notify PSPL if any Default occurs, or if a Default or potential Default is likely to occur.

22.4 Upon the suspension or closure of an Account, no further transactions for that Account may be initiated by the Customer.

22.5 If any of the events of Default occurs, without prejudice to any other rights that PSPL may have under this Document or the Application Form, the Customer agrees that PSPL will have the right to take any one or more of the following actions without having to give prior notice to the Customer:



- (a) terminate its relationship with the Customer and demand that the Customer fully pay PSPL all sums owing by the Customer to PSPL;
- (b) terminate any outstanding Transactions or other open positions in the Account, or close-out or otherwise liquidate the same in such manner and upon such terms as PSPL deems fit;
- (c) terminate any Primary Service utilised by the Customer;
- (d) sell any or all Capital Markets Products or any property outstanding which may be long or short held in any and every Account or in custody thereafter apply the net proceeds of sale (after deducting for PSPL's costs and expenses in connection with such sale) towards settlement of all monies owing by the Customer to PSPL or to any Associate or apply any amounts whatsoever nature standing to the credit of the Customer against any amounts which the Customer owes to PSPL (of whatsoever nature, and howsoever arising, including any contingent amounts) or generally to exercise PSPL's right of set-off against the Customer;
- (e) satisfy any obligation the Customer may have to PSPL (either directly or by way of guarantee or suretyship) out of any cash or other property of the Customer in PSPL's custody or control;
- (f) net or set off some or all positions and balances in the Accounts;
- (g) combine two or more of the Accounts;
- (h) take delivery under any of the positions in the Accounts;
- (i) hedge and/or enter into off-setting or other Transactions in order to establish a spread or straddle to protect against any risk of Loss in respect of such positions;
- (j) sell, realise, liquidate or otherwise apply all or any part of the Collateral towards satisfaction of any and all of the Customer's liabilities to PSPL at a price which PSPL deems appropriate in the circumstances;
- (k) cancel or complete any outstanding Instructions or other commitments made on behalf of the Customer for the purchase or sale of any property or for any Transaction or Account;

- (l) borrow or purchase or otherwise procure any such property being the subject matter of any sale and making delivery under such sale;
- (m) cancel any outstanding Instructions in order to close the Account or Accounts;
- (n) suspend (indefinitely or otherwise) or terminate any Account, or PSPL's relationship with the Customer and accelerate any and all liabilities of the Customer to PSPL so that they shall become immediately due and payable;
- (o) hedge and/or close out any outstanding Transaction (including any Transaction which has yet to be settled on the date on which PSPL terminates such Transaction) by determining its value in good faith as of the date of the close-out as soon as practicable after the close-out;
- (p) call upon any Collateral including any guarantees and letters of credit which may have been issued to or in favour of PSPL as security for the Account(s);
- (q) apply any amounts of whatsoever nature standing to the credit of any Account against any amounts which the Customer owes to PSPL (of whatsoever nature and howsoever arising, including any prospective or contingent amounts), or generally to exercise PSPL's right of set-off against the Customer;
- (r) demand any shortfall, after taking any one or more of the above steps, from the Customer, hold any excess pending full settlement of any other obligations of the Customer, or pay any excess to the Customer by way of cheque to the last known address of the Customer; and
- (s) exercise such other authority and powers that may have been conferred upon PSPL by this Document and the Application Form,

on such terms and conditions as deemed appropriate by PSPL. In exercising any one or more of its foregoing rights, PSPL shall not be obliged to furnish any reason to the Customer.

22.6 Any sale or purchase of Capital Markets Products or other property outstanding in the Account or Accounts arising out of Clause 22.5 may be made according to PSPL's judgment and at PSPL's discretion, either by direct sale or purchase in the same contract month (if

applicable) or by sale or purchase in another contract month in which a hedging position is possible; and on any exchange or other market where such business is then usually transacted. It is understood that, in all cases, a prior demand, or call, or prior notice of the time or place of any sale or purchase under this Clause shall not be considered a waiver of PSPL's right to sell or to buy without demand or notice as herein provided, that the Customer shall at all times be liable for the payment of any debit balance owing in such Account(s) with PSPL upon demand, and that in all cases, the Customer shall be liable for any deficiency remaining in such Account(s) in the event of the liquidation thereof in whole or part by PSPL or by the Customer.

- 22.7 In the case of Transactions effected otherwise than on an exchange, in the event of a Default:
- (a) all outstanding Transactions (including any Transaction which has not been performed and in respect of which the value date as determined by PSPL is on or precedes the date on which PSPL terminates such Transaction) entered into between the Customer and PSPL shall be deemed immediately closed-out at prevailing prices (or at such prices PSPL deems fit);
  - (b) the amounts resulting from such close-out shall be converted into Singapore dollars or such other currency as PSPL may from time to time use as the principal currency of its business (together with all margin duly converted into Singapore dollars or such other currency as PSPL may from time to time use as the principal currency of its business) at PSPL's prevailing rates; and
  - (c) set-off against each other and the margin prior to PSPL resorting to its rights under Clause 22.5 and/or making payment or repayment to the Customer (if applicable).

**23. Transfer between Accounts and Consolidation of Accounts**

PSPL may, at any time without notice to the Customer, combine and/or consolidate all or any of the Customer's Accounts with PSPL and PSPL's Associates. Without limiting or modifying the general provisions of this Document, PSPL is hereby specifically authorised to and may, in its discretion, at any time and from time to time

without notice to the Customer apply and/or transfer any sum or sums interchangeably between the different Accounts that the Customer has with PSPL and with any of PSPL's Associates in settlement of any or all the Customer's debts with PSPL and PSPL's Associates.

## **24. Termination by Notice**

- 24.1 The Customer agrees that PSPL has in any event the right to terminate any Account(s) or any Primary Service(s) at any time by giving five (5) days' notice in writing to the Customer ("**Termination Notice**") and PSPL is entitled to cease to provide any Primary Services or do any act in relation to any Transaction or Account after such termination.
- 24.2 PSPL shall be under no obligation to inform the Customer of its reasons for termination.
- 24.3 The Customer remains liable for any outstanding balance ("**Outstanding Balance**") owing to PSPL accrued up to the date of closure/termination of the Account or revocation of the Primary Service(s), and upon receipt of the Termination Notice, the Customer must immediately pay such Outstanding Balance.
- 24.4 Prior to the date of the termination of any Account or Primary Service, the Customer shall instruct PSPL as to the proper disposal or transfer of monies and other property of the Customer in relation to such Account or Primary Service.
- 24.5 Notwithstanding any Termination Notice, if there are any uncompleted Instructions or Transactions in relation to, or intended for any Accounts or Primary Services, PSPL may in its discretion complete those Instructions or Transactions and the terms of this Document shall continue to apply in relation to such Instructions or Transactions.

## **25. Statements and Contract Notes**

Whenever the Customer receives any statements of account, contract notes or any document in relation to any Account or provided pursuant to any of the Primary Services from PSPL, the Customer shall verify the same and shall inform PSPL of any mistakes or omission or disagreements within seven (7) days from the date the statement of account, contract note or document was

despatched or transmitted. If the Customer fails to do this, he agrees that he no longer has the right to dispute the accuracy of the statement, note or document. Accordingly, PSPL has the right to treat the Customer's silence as the Customer's representation that the statement, note or document is accurate. However, if PSPL finds out at any time that any statement, note or document is inaccurate, it may at any time amend the statement, note or document accordingly and may demand immediate repayment from the Customer of any monies erroneously paid over to the Customer as a result of such inaccuracy. The Customer shall immediately notify PSPL if any statement of account, contract note or document provided pursuant to the Account or Primary Services is not received by the Customer in the ordinary course of business.

## **26. Power of Attorney**

By trading with or through PSPL with respect to the Account(s) or utilising any Primary Service, the Customer hereby confirms its irrevocable appointment of each and every director and officer of PSPL (on a several basis), for so long as they are each a director or officer (as the case may be) of PSPL, as the attorney of the Customer for each and all of the purposes of this Document and with power to sign and execute all documents and perform all acts in the name and on behalf of the Customer in connection therewith whether in respect of any Transaction relating to any Account, any Primary Service or in respect of anything required to facilitate or give effect and/or substance to the rights conferred on PSPL under this Document, and to do anything reasonably ancillary thereto. Further, registration of this power of attorney in any jurisdiction may be effected on the Customer's behalf by PSPL at the Customer's expense. The Customer undertakes to hold harmless, indemnify and keep indemnified PSPL and any of the aforesaid attorneys from and against any and all Losses (including legal costs on a full indemnity basis) suffered or incurred by any of them in the proper exercise of their powers under this Clause.

## **27. Ratification**

The Customer agrees to ratify and confirm, and hereby ratifies and confirms, any and all acts and things done or

caused to be done by PSPL (including pursuant to the power of attorney granted in Clause 26) for and on behalf of the Customer or otherwise in relation to any Account, any of the Transactions or Primary Services or any part or all of the Capital Markets Products custodised with PSPL.

## **28. Introductions, Sharing of Fees, Commissions and/or Other Charges**

28.1 The Customer acknowledges that the Customer may have been introduced or referred to PSPL by a third party. If so, the Customer accepts that:

- (a) no such third party shall in any way be regarded as an agent of PSPL and that PSPL accepts the Customer as a customer only on the basis that PSPL does not accept and will accept no responsibility for any conduct, action, representation or statement of any such third party; and
- (b) PSPL may however share its fees, commissions and/or charges with such third party or any other third party or otherwise reward such third party for such introduction or any administrative service that the same may perform for PSPL in relation to the Customer.

28.2 The Customer may from time to time request PSPL to assist him in establishing accounts or transacting with other corporations in the PhillipCapital Group, its business partners or other third parties or PSPL may of its own initiative inform the Customer of such opportunities or direct such parties to so offer such opportunities to the Customer or host market such parties' offers to the Customer. In such a case, the Customer agrees that he shall be solely responsible for deciding for himself whether and if so to actually contract to open, establish and maintain any such account(s) or concluding any transaction directly with the relevant party and that:

- (a) PSPL shall not in any way be regarded as an agent of the relevant third party (even if a member of the PhillipCapital Group) and that the Customer will establish and/or maintain its account or conclude and effect any transaction with the relevant party only on the basis that PSPL will have no liability or responsibility for any

- representation or statements made to be relied on by the Customer in establishing and/or maintaining such account or effecting such transaction; and
- (b) PSPL may however receive one or more payments for it having referred the Customer to the relevant party for the Customer to open and/or maintain an account with such party or effect any transaction with such party. The Customer agrees and consents to the foregoing and PSPL's retention and appropriation wholly for its own account and benefit of such payments.

## **29. Unclaimed Moneys and Assets**

If there are any monies, Capital Markets Products or other property standing to the credit of any Account (including a trust or custody account) or otherwise held by PSPL or its Nominee or Sub-Custodian for and on behalf of the Customer which are unclaimed by the Customer six (6) years after the Customer's last transaction with or through PSPL and PSPL determines in good faith that it is not able to trace the Customer, the Customer hereby irrevocably agrees that all such moneys, Capital Markets Products and other property including any and all accretions and accruals thereon (which in the case of monies shall include all interests earned thereon and all investments and their respective accretions and accruals which may have been made with such monies; and in the case of Capital Markets Products shall include all accretions and accruals thereon) shall be deemed to have been abandoned by the Customer in favour of PSPL and may be appropriated by PSPL to and for itself to utilise in any manner PSPL so wishes for its own benefit. The Customer thereafter shall have no right to claim such moneys, Capital Markets Products or property, or their accretions and accruals with the Customer being deemed to have waived and abandoned all its rights to such moneys, Capital Markets Products or property (and any other property as may accrued to it) in favour of PSPL.

## **30. Uncashed Stale Cheques**

Without prejudice to Clause 29 above, the Customer acknowledges that PSPL operates a stale cheque policy to encourage the timely cashing of cheques issued by

PSPL to or as instructed by the Customer. A cheque issued by PSPL is to be considered “stale” and therefore void the earlier of six (6) months from the date of issue of the cheque or such shorter time as the bank on whom the cheque is drawn against regards the cheque as stale (and thus will not pay out on the cheque by reason of the cheque being stale). The result of a cheque going stale is that PSPL will re-credit the Customer's Account with a sum equal to the face value of the cheque(s) less such charge(s) as its bank may charge PSPL where the Customer or relevant payee of the cheque(s) attempts to bank in or cash the stale cheque(s) after it/they have gone stale. Subject to Clause 29 above, PSPL will charge and debit against such Account for administering the re-credited sum(s) an administration fee as determined by PSPL as from one (1) month after a relevant re-crediting is effected. PSPL will, so long as there still remains any re-credited amount in the Account, re-issue a new cheque for an amount up to the full amount still in credit in the Account upon request of the Customer.

### 31. **Customer Assessments**

The Customer further acknowledges that its application to open an Account, undertake a Transaction or utilise a Primary Service may be subject to PSPL having established that the Customer has the requisite knowledge and competence under Applicable Laws (including relevant CAR and/or CKA requirements under the SFA) (“**Customer Assessments**”). Where PSPL has determined that such Customer Assessments are required in respect of the Customer under Applicable Laws, (a) if the Customer is assessed or is deemed by PSPL not to possess the requisite knowledge and competence, PSPL may refuse to permit the Customer to open an Account, to enter into any such Transaction or to utilise any such Primary Service, without any liability or responsibility whatsoever to the Customer; and (b) the Customer may be assessed or deemed not to possess the requisite knowledge and competence (i) in accordance with Applicable Laws or (ii) by reason of the Customer's failure or refusal to provide all relevant information to PSPL for such Customer Assessments. To the fullest extent permitted by law, in conducting any Customer Assessment, PSPL does not undertake any duty or obligation to ensure that any Transaction or



Primary Service is suitable or recommended for the Customer and PSPL shall not be regarded as making any recommendation or suitability representation to the Customer by reason only that PSPL permitted the Customer to open an Account, enter into any Transaction or utilise any Primary Service.

## **32. Prior Consent for PSPL acting as Principal**

- 32.1 The Customer understands that PSPL acts as the agent of the Customer in respect of all Transactions, except when PSPL discloses to the Customer with respect to any particular Transaction that PSPL acts as principal for PSPL's own account or as an agent for some other person. In order to avoid the need, on each occasion where there is the possibility of PSPL acting as principal or counterparty for PSPL's own account or acting for the account of any person associated with or connected to PSPL in respect of the Customer's Instructions in respect of a Transaction, to seek the Customer's prior consent before the Customer's Instructions may be executed and so to avoid at least any delay in execution and filling of such Instruction, the Customer hereby consents to PSPL, from time to time and at any time, acting as principal or counterparty for PSPL's own account or acting for the account of any person associated with or connected to PSPL in respect of the Customer's Instructions in respect of a Transaction, and waives any and all requirements for prior notice by PSPL in respect of all such Transactions.
- 32.2 Such consent and waiver of the Customer under this Clause shall be deemed to be effective as a formal written consent and waiver for all purposes under all Applicable Laws. Such consent and waiver of the Customer shall stand and remain in effect at all times until and unless revoked by at least five (5) business days' prior written notice by the Customer to PSPL.
- 32.3 Unless otherwise required by any Applicable Law, PSPL has no obligation to provide the Customer with information with respect to any position of the Customer, and except as directed by the Customer, no obligation to close any position in any Account which PSPL may carry on behalf of the Customer. Notwithstanding the aforesaid, PSPL may, without assigning any reason therefore, refuse to act for the Customer in any particular Transaction.

32.4 Where PSPL has as principal, entered into any Transaction with the Customer, and unless otherwise required by law, PSPL shall be absolutely entitled to all gains, profits and benefits derived from any such Transaction of the Customer entered into with PSPL.

### **33. Customer always transacting as principal**

Notwithstanding that the Customer may as between itself and a third party be effecting Transactions for and on behalf of such third party, as between the Customer and PSPL, unless otherwise agreed between the Customer and PSPL, the Customer shall be deemed to be and is transacting solely as principal. The Customer acknowledges, undertakes and agrees to be always primarily liable to PSPL for all Transactions.

### **34. Representations, Warranties and Acknowledgements**

34.1 In addition to the representations and warranties in each applicable Section of Part B of this Document, the Customer represents and warrants that:

- (a) it has full capacity, power and authority (and if an individual, is of full legal age) to enter into, accept and agree to this Document and perform its obligations under this Document and in the Application Form and to make the investments contemplated thereby, to open, maintain and/or continue to maintain all Account(s) from time to time opened, maintained and/or continued to be maintained with PSPL, to give PSPL Instructions thereon, to enter into Transactions, and to acquire or use any Primary Service;
- (b) it has all authorisations, consents, licences or approvals (whether under Applicable Laws or otherwise) required to enter into, accept and agree to this Document, the terms of the Application Form and the investments contemplated thereby, to open, maintain and/or continue to maintain all Account(s) from time to time opened, maintained and/or continued to be maintained with PSPL, to give PSPL Instructions thereon, to enter into Transactions, and to acquire or use any Primary Service;
- (c) any Instructions placed or any other dealings in the Account(s) are solely and exclusively based on its own judgment, after taking independent legal and

- tax advice and after its own independent appraisal and investigation into the risks associated with such Instructions or dealings;
- (d) PSPL shall not be under any duty or obligation to inquire into the purpose or propriety of any Instruction and shall be under no obligation to see to the application of any funds delivered by the Customer in respect of any Account;
  - (e) any person(s) empowered to act on the Customer's behalf have been duly authorised;
  - (f) the Customer is not bankrupt or financially insolvent and no order, declaration or steps are being or have been taken to appoint a trustee in bankruptcy, receiver, receiver and manager, judicial manager, liquidator, administrator or other similar person over the Customer or the Customer's property or assets;
  - (g) the Customer is acting as the principal of the Account and, unless notified to PSPL in writing, the Customer will not be acting as agent, trustee or nominee for any other person or entity and shall be the full legal and beneficial owner of all funds and property in or in respect of the Account. On such notification, PSPL shall require reasonable verification of the identity of the principal, confirmation that the Customer is authorised to act as agent for the principal and such other information that PSPL may require;
  - (h) the Customer shall ensure that it shall at all times be in a position to meet its commitments and obligations in respect of any Transaction;
  - (i) no confiscation order, charging order, restraint order, production order or search warrant under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Chapter 65A of Singapore) has been issued or is pending against the Customer. The Customer shall notify PSPL promptly if any such order or search warrant is issued or pending;
  - (j) the Customer's name does not and has not at any time appeared on the list of Specially Designated Nationals and Blocked Persons maintained by the United States Office of Foreign Assets Control or on any lists or resolutions issued by the United Nations (whether through the Security Council or otherwise) pursuant to which dealings with persons

specified therein are prohibited, restricted or discouraged;

- (k) except with the express written consent of PSPL, and except for any security or encumbrance created hereunder or otherwise in favour of PSPL, the Customer shall not grant and no person has or shall have any right, title or interest in or security or other encumbrance over any Account and/or over any cash or property in any Account;
- (l) any funds and/or assets placed now or subsequently provided by the Customer from time to time with PSPL will at all times comply with all Applicable Laws, including all tax laws and regulations;
- (m) neither its entry into this Document nor into or usage of any Transaction, Account or Primary Service contemplated by this Document or the Application Form will breach any Applicable Laws;
- (n) the declarations made and information provided by the Customer and any information provided from time to time to PSPL are true, accurate, complete and not misleading in any respect and the Customer has not withheld any information that would cause PSPL to refuse to open or maintain any Account, to effect any Transaction or to provide any Primary Service to the Customer. PSPL is entitled to rely fully on such information and representations unless and until PSPL receives notice of any such change from the Customer;
- (o) the Customer has received, read, understood, acknowledged and accepted the terms of the relevant risk disclosure statements, that the risk disclosure statements are not substitutes for taking independent advice, and that no transaction will be entered into in reliance on any statement, advice or information by PSPL; and
- (p) the Customer's acceptance of this Document and any Instructions given or any other dealings in the Account or in relation to any Primary Service are solely and exclusively based on his own judgement and after his own independent appraisal and investigation into the risks associated with such orders or dealings.

The above representations, warranties and undertakings shall be deemed repeated whenever the Customer gives

Instructions to PSPL, enters into any Transaction, acquires or uses any Primary Service, or establishes or operates any Account with PSPL.

- 34.2 The Customer hereby understands, acknowledges and agrees that in order to comply with any applicable market conduct, anti-money laundering and the prevention of the financing of terrorism regulations, PSPL may require detailed verification of the Customer's identity, the source of the payment of monies and purpose/nature of the Customer's Transactions. PSPL reserves the right to request and the Customer agrees to provide such information as is necessary to verify the identity of the Customer and its beneficial owners (if any), the source of the Customer's funds and/or wealth, the purpose/nature of Transactions and any other information necessary to comply with market conduct, anti-money laundering and anti-terrorism rules under Applicable Laws whether in or outside Singapore. In the event of delay or failure by the Customer to produce any information required for verification purposes, PSPL may refuse to accept any deposits in the Account, terminate the Account, carry out any Transaction, provide any Primary Service and/or refuse to pay any withdrawal proceeds. Neither PSPL nor any of its Nominees shall be responsible or liable for any Loss suffered by the Customer as a result of the rejection or delay of any of the foregoing or any compulsory withdrawal of the Account.

### **35. No Waiver**

If PSPL does not exercise or delays exercising a right whether under the terms and conditions under this Document and the Application Form or otherwise, this does not mean that it has given up or waived the right or that it cannot exercise the right later. No failure to exercise or enforce and no delay in exercising or enforcing on the part of PSPL of any right, power or privilege shall operate as a waiver thereof, nor shall it in any way prejudice or affect the right of PSPL afterwards to act strictly in accordance with the powers conferred on PSPL under the terms and conditions under this Document and the Application Form, nor shall any single or partial exercise of any right, power or privilege of PSPL preclude any other or further exercise thereof or the exercise of any other right, power or privilege of PSPL. Further, unless otherwise expressly agreed in

writing by PSPL, no waiver of any provision in this Document, rules and regulations applicable to any exchange or clearing house, or otherwise imposed by PSPL relating to all or any Transaction, Primary Service or Account may be implied from any conduct or course of dealing between the Customer and PSPL. The only way PSPL can waive any of its rights is by way of written notice to the Customer as duly signed by the manager of PSPL or his supervisor.

### **36. Variations**

The Customer agrees, acknowledges and accepts that PSPL may amend, vary or supplement any terms or conditions hereunder of this Document and/or the Application Form or any additional or specific terms or conditions relating to any Account, Primary Service or Transaction by notice to the Customer by any means PSPL deems fit, including notification via the Electronic Broking Services, and any such amendment, variation or supplement shall take effect as from the date of such notice or the date specified in such notice (as the case may be). If the Customer continues to give Instructions in respect of or operate any Account, makes use of any of the Primary Services or to effect any Transaction after receiving such notice, the Customer shall be deemed to have agreed to any such amendments, variations or supplements without reservation.

### **37. Assignment, Charge, Encumbrance**

The Customer shall not without the prior written consent of PSPL assign, charge, pledge, encumber or create or permit to subsist any security right, or create or permit to create or confer any interest (whether by way of trust or otherwise), in favour of any person (other than PSPL), in or over any Account, any cash or property in any Account or the Customer's rights therein. PSPL shall not be required to recognise any person other than the Customer as having any interest in any Account. PSPL may assign any or all of its rights hereunder or under any Account to any person PSPL deems fit, or change the office through which any Transaction is booked, or through which it makes or receives payments or deliveries for the purpose of any Primary Service or Transaction.

### **38. Continuity of Terms**

This Document shall be binding on PSPL and the Customer and their respective successors in title and assigns, and shall continue to be binding on the Customer notwithstanding any change in the name or constitution of PSPL, any change in the ownership structure of PSPL, or the consolidation, amalgamation or merger of PSPL into or with any other entity.

### **39. Severability**

If any provision of this Document is or becomes illegal, invalid or unenforceable, the same shall not affect the legality, validity or enforceability of any other provision of this Document nor the legality, validity or enforceability of such provisions under the law of any other jurisdiction.

### **40. Rights and Remedies**

All of PSPL's rights and remedies under this Document are cumulative of, in addition to, and not exclusive or in derogation of, any other rights or remedies provided or available to PSPL hereunder, by law, in equity or by any other agreement.

### **41. Illegality**

If any event occurs (including the introduction, implementation, operation or taking effect of, any Applicable Laws, or any change in Applicable Laws or in their interpretation or application by any governmental authority or agent) which makes or declares it unlawful or impracticable for either PSPL or the Customer to exercise its rights or perform its obligations under this Document, PSPL shall in good faith determine if this Document may be amended or the trading arrangements restructured in a manner which is lawful. If PSPL determines in good faith that this is not reasonably practicable, PSPL may terminate any Account(s) or any Primary Service according to Clause 24 and take all actions in accordance with Clause 22 as if a Default had occurred for the purpose of that Clause.

### **42. Contracts (Rights of Third Parties) Act**

Unless expressly provided in the terms and conditions of this Document, a person who is not a party to this Document has no rights under the Contracts (Rights of

Third Parties) Act (Chapter 53B of Singapore) to enforce any of the Clauses hereunder. No third party beneficiary's consent is required for any subsequent agreement between the Customer and PSPL to amend or vary (including any release or compromise of any liability) or terminate this Document. Where third parties are conferred rights under this Document, those rights are not assignable or transferable.

#### **43. Governing Law and Jurisdiction**

This Document shall be governed by and construed in accordance with Singapore law. In relation to any legal action or proceedings arising out of or in connection with any Account (including Transactions effected for the Account) or referable to any Primary Service, the Customer hereby submits to the non-exclusive jurisdiction of the courts of the Republic of Singapore and the Customer waives any objection to the proceedings on the ground that the proceedings have been brought in an inconvenient forum. Nothing in this Document restricts the right of PSPL to submit dispute to any other court of competent jurisdiction and the Customer agrees to submit to the jurisdiction of such other court, whether concurrently or not. The Customer hereby nominates and appoints his trading representative, financial adviser or fund manager as the case may be to be his agent for service of process of any documents commencing and otherwise relating to any such legal action or proceedings brought by PSPL.

#### **44. Compliance with Applicable Laws**

The Customer's relationship with PSPL hereunder, the opening, maintaining and operation of all Accounts, the provision of all Primary Services, the implementation and execution of all Instructions, and the entry into and settlement of all Transactions, shall be subject at all times to Applicable Laws. Notwithstanding anything herein to the contrary, PSPL may take or refrain from taking any action whatsoever and the Customer shall do all things required by PSPL (including the giving by the Customer of its full co-operation with any market, exchange or clearing house), in order for PSPL to secure, procure or ensure for PSPL's benefit all compliance with Applicable Laws or any order of court/authority and PSPL shall have no responsibility or



liability whatsoever to the Customer. Further, the Customer shall ensure that all necessary authorisations, licences, approvals and consents of any governmental or other regulatory body or authority applicable to each Transaction are obtained and that the terms thereof and of all Applicable Laws are complied with. PSPL may require the Customer to supply, and the Customer shall supply such evidence of compliance with as PSPL may require. Notwithstanding the foregoing, the absence or lack of any such authorisation, licence, approval or consent shall not be a bar to any action or proceedings for recovery of payment or delivery by PSPL against the Customer in respect of any Account, Primary Service or Transaction. The Customer agrees that PSPL shall not be required to inform or obtain prior consent from the Customer to comply with any order or directive of any court or any applicable regulatory authority issued on or in respect of the Customer's Account. The Customer further agrees that PSPL shall not be required to inform the Customer after having complied with such order or directive, and PSPL shall not be responsible for any loss whatsoever to the Customer's Account arising from PSPL's compliance with such order or directive.

## **PART B : Conditions For The Primary Services**

### **Section 1 : Trading Accounts**

#### **1. Opening a Trading Account**

If the Customer's application to open a trading Account ("**Trading Account**") to trade in Capital Markets Products through PSPL is accepted by PSPL, then PSPL shall open a Trading Account in the name of the Customer upon which the Customer may effect Transactions. PSPL shall be entitled to decline such application without providing the applicant with any reason.

#### **2. Trading through Dealer or Remisier and Customer's Legal Relationship with Remisier**

2.1 PSPL is entitled to and shall assume that the trading representative (whether a dealer or remisier) through whom the Customer commences or continues trading has been selected by the Customer as its own choice or as if it had made that choice itself.

2.2 The Customer acknowledges that if it transacts through a trading representative who is a remisier:

- (a) the remisier is the Customer's agent in transmitting Instructions to PSPL for execution and PSPL is entitled to assume that as between PSPL and the Customer (i) any Instructions said by the remisier to be intended to be executed for the Customer is so intended; and (ii) every Instruction executed by the remisier for the Customer is the Instruction intended to be executed by the Customer; and
- (b) the Customer shall, as between PSPL and the Customer, be liable for all settlement of the Customer's Transactions including purchases and sales of Capital Markets Products executed by the remisier for the Account regardless of whether the remisier would also be liable to PSPL for the same.

#### **3. Authority of Trading Representative**

For the avoidance of doubt, without prejudice to the generality of Clause 35 of Part A, no trading representative is authorised to waive or vary and every trading representative is in fact prohibited from waiving or varying, any of PSPL's rights under the terms and

conditions under this Document and the Application Form. No trading representative shall be authorised or permitted to accept any liability on PSPL's behalf.

#### **4. Instructions and Delivery**

- 4.1. All Instructions in relation to a Trading Account shall be governed by Clause 16 of Part A.
- 4.2. Before placing an Instruction for the sale of Capital Markets Products, the Customer shall ensure that the relevant Capital Markets Products are available for delivery and shall constitute good delivery thereof on the settlement date of the Transaction. If delivery of foreign-listed Capital Markets Products is not made on the settlement date, PSPL shall have the right to buy-in immediately, apply any and all proceeds received by PSPL for the Transaction against all Losses incurred or suffered by PSPL, and bill the Customer for the difference. PSPL shall not be liable to the Customer for any Loss suffered by the Customer as a result of any rise in the market price of the Capital Markets Products between the time the right to buy-in arose and the time it actually buys the Capital Markets Products.
- 4.3. The Customer shall at all times maintain sufficient funds in the Trading Account for the purpose of effecting any Instruction (including funds for paying any commission, fees, costs and other charges which the Customer may be liable for). If at any time there are insufficient funds in the Trading Account to carry out any Instruction, PSPL may, without any liability or responsibility to the Customer, at its absolute discretion, do one or more of the following:
  - (a) decline to accept or act on any Instruction;
  - (b) force sell or liquidate any or all Capital Markets Products;
  - (c) require the Customer to deposit with PSPL such additional funds immediately on demand;
  - (d) transfer the necessary funds from any other Account of the Customer with PSPL; and
  - (e) advance the necessary funds to the Customer for the purpose of effecting any Instruction and to debit the Trading Account with the amount of that advance.
- 4.4. The Customer acknowledges that any deposits made into the Trading Account shall be debited and used to

secure and satisfy the Customer's obligations under any Transaction or any matter in connection with this Document as well as for such other purposes as the Applicable Laws may permit or stipulate.

- 4.5. If PSPL advances any funds to the Customer, the Customer must pay interest on the amount advanced at the rate prescribed and calculated in accordance with PSPL's procedures and requirements, and the Customer shall immediately pay the debit balance on the Trading Account on demand, failing which PSPL shall be entitled to charge default interest at the rate prescribed and calculated in accordance with PSPL's procedures and requirements.

## **5. Automatic Liquidation**

- 5.1 PSPL has the right to liquidate any or all of the Capital Markets Products and Transactions of a Trading Account without notice to the Customer to apply any proceeds therefrom against any amount owed to PSPL, including if the Customer does not pay for any Capital Markets Products which it purchases or settle any other Transaction with respect to Capital Markets Products by the due date of the purchase contract, and PSPL may demand any shortfall after exercising all of its rights under this Document, including under this Clause.
- 5.2 PSPL may but is not obliged to exercise this right on any day after the day on which the right to liquidate first arose.
- 5.3 PSPL shall not be responsible for or liable to the Customer with respect to purchase Transactions relating to Capital Markets Products which the Customer has defaulted on for any Loss suffered by the Customer as a result of any fall in the market price of the Capital Markets Products between the first day the right to liquidate arose and the day it actually sells such Capital Markets Products.
- 5.4 In the case of a purchase of Capital Markets Products for the purposes of returning the same to PSPL, the shortfall in payment by the Customer shall be debited against the Customer's Securities Borrowing and Lending Account maintained with PSPL.

## **6. Customer's Responsibility For Advice or Recommendation From PSPL**

- 6.1 As noted in the Guide and Cautionary Notes for the opening and/or maintaining of a Trading Account with PSPL, **PSPL will, and its representatives are authorised to, give recommendations or suggestions on the suitability of any investment product (that PSPL is licensed to deal in and advise on) specifically for the Customer to buy and/or sell ONLY pursuant to a formal advisory agreement concluded between the Customer and PSPL. For such recommendations and suggestions, the Customer will be expected and required to pay additional fees and/or charges as stated in such agreement. The recommendations and suggestions so given are referred to as “Formal Advice” which is offered as a service option under PSPL’s Advisory Wrap Services.**
- 6.2 Except for Formal Advice, and even for Formal Advice if the Customer did not provide PSPL with the information PSPL requires for a proper suitability specifically for the Customer analysis, no advice or recommendation the Customer may receive from PSPL or its representatives takes into account the Customer’s particular investment objectives, financial situation or particular needs. Without prejudice to the preceding, the Customer acknowledges and accepts that other than execution-related advice (which refers to advice which is solely incidental to the execution activities of PSPL and where no discrete fee is charged for the advice rendered, and as amended under Applicable Laws) or pursuant to an express agreement in writing otherwise to provide recommendations or investment advice, PSPL does not and shall not undertake any advisory, fiduciary or similar or other duties or act as investment adviser to the Customer.
- 6.3 The Customer confirms, understanding and accepting 6.1 and 6.2 above, and further therefore represents (with full intention of PSPL relying on such representation) that except where the Customer actually requests and enters into an agreement for Formal Advice, the Customer does not wish or expect to be provided with any financial advice by PSPL to which section 27 of the Financial Advisers Act (Chapter 110 of Singapore) applies; and accordingly will not purport to file a civil claim for any advice or recommendation or suggestion received by the Customer from PSPL or its representatives that is not Formal Advice alleging any breach of such section on

the part of PSPL. The Customer makes such representation fully aware and accepting that the Customer shall be solely responsible to determine the merits and suitability of each and every Transaction not pursuant to any Formal Advice, and that the Customer will have made his own informed decision and (including where relevant) taken all necessary independent legal, tax, financial and other advice in relation to any Account, Transaction or Primary Service and before entering into any such Transaction with or through PSPL.

- 6.4 As such, the Customer also acknowledges and agrees that any information concerning trading and investment opportunities by or supplied by PSPL or on its behalf (and whether oral, provided through the Electronic Broking Services or otherwise) not being Formal Advice can only comprise and be accepted as (i) informational only; or (ii) no more than by way of generally circulating advice; or (iii) (if relevant) Execution-Related Advice with respect to Excluded Investment Products not intended to be specifically suitable for the Customer. Although PSPL shall take reasonable care to ensure that no such information is untrue or misleading at the time they are made or provided to the Customer:
- (a) no guarantee is given by PSPL as to its truth, accuracy or completeness;
  - (b) as such information concerning trading and investment opportunities is not generally prepared with individual customers or classes of customers in mind, they are all to be treated as general information for general circulation only, which does not take into account any specific investment objectives, financial situation or particular needs of any particular person, and is not suitable for use by the Customer as an individual customer without independent verification by the Customer; and
  - (c) each such piece of investment information is subject to change without notice.
- 6.5 Further, the Customer fully understands that except pursuant to an agreement for Formal Advice, PSPL (as a provider fundamentally of execution only broking services) is under no obligation to make any extraneous market information available to the Customer or to provide the Customer with any financial, market or investment information or suggestion. If PSPL does provide such investment information, PSPL is not

providing such information as a required service to the Account, PSPL is not acting as a financial or investment adviser, and PSPL assumes no responsibility for the performance or outcome of any transaction or investment made by the Customer after receipt of such information or for the performance of the Customer's portfolio in part or as a whole.

- 6.6 The Customer also agrees that it shall not in any event give any Instructions in reliance on any representation, advice, view, opinion or other statement made by PSPL, its employees or its trading representative(s) not being Formal Advice without the Customer being responsible for, independently verifying and determining that the same is appropriate and suitable for the Customer to act on. The Customer also acknowledges that except for authorized Generally Circulating Advice or Execution-Related Advice with respect to Excluded Investment Products not intended to be specifically suitable for the Customer, PSPL prohibits a trading representative giving any trading suggestions, recommendations or information on its behalf. Any such out of scope and prohibited suggestions, recommendations or information if made must therefore be regarded as having been made in the trading representative's own personal capacity. If contrary to the foregoing, the Customer does so rely on them, the Customer shall not hold PSPL either directly or indirectly responsible or liable for any Loss suffered by the Customer as a result of this.

## **7 Limits and Restrictions:**

PSPL may in its sole and absolute discretion without giving any reason and without notice to the Customer at any time and from time to time impose any trading or Transaction restrictions or any limits upon the Customer, including position limits, Transaction limits and limits on contract size in respect of any Account, and the Customer shall not breach or exceed such restrictions and limits. Any limits and restrictions imposed by PSPL may be varied by PSPL from time to time and without prior notice to the Customer. No previous limit or restriction shall set a precedent or bind PSPL. PSPL may impose stricter limits than any regulatory imposed limits and the Customer shall be obliged to comply with the limits imposed by PSPL.

## **Section 2 : Electronic Broking Services**

### **Definitions**

In this Section, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“PIN”** means personal identification number(s); and

**“Service Providers”** has the definition given to it in Clause 1.1, Section 2 of Part B.

### **1. Services**

- 1.1 PSPL makes available for access and/or use a variety of computer or electronic network, platform and/or service(s) (which may be either wholly or partially computerised and/or automated) (the **“Electronic Broking Services”**) whether maintained and/or provided by PSPL or such parties as may be approved by PSPL (collectively, the **“Service Providers”**) for the purposes of the Customer’s trading in Capital Markets Products and such other transactions as PSPL may from time to time approve to be traded via the Electronic Broking Services. They include Phillip’s On-line Electronic Mart System (“POEMS”), POEMS Mobile, POEMS ProTrader, FAME, CFDTrader and CQ Trader and the Long Bridge App.
- 1.2 The Electronic Broking Services are services provided by PSPL that may enable the Customer to:
- (a) transmit Instructions to PSPL for acceptance and/or execution;
  - (b) engage in any other activities and services as PSPL may include as part of such Electronic Broking Services from time to time, and/or
  - (c) receive, subject to the limitations and exclusions of representations, warranties and liabilities below, access to key market indicators, real-time quotes as well as information on the Account(s). In terms of technical data, the Electronic Broking Services provide source information, analyses and commentaries on Capital Markets Products, as determined by PSPL.

### **2. User Guide**

The Customer agrees to abide by the procedures and



instructions set out in the relevant user guide(s) (as may

be amended, superseded or replaced from time to time) in respect of any item of the Electronic Broking Services which the Customer wishes to access or avail itself of. PSPL reserves the right to amend, vary or supplement any user guide(s) or prescribe any additional user guide(s) relating to the Electronic Broking Services.

### **3. Terms and Conditions**

All Instructions transmitted via the Electronic Broking Services in relation to Transactions for any Account with PSPL are also subject to the terms and conditions set out in this Section 2 and also to the same terms and conditions governing the maintenance and operation of that Account and the relevant Primary Service(s) generally. Without prejudice to the foregoing, the Customer shall enter into such further agreement(s) and/or execute such further document(s) in respect of the Electronic Broking Services as PSPL may require from time to time. PSPL reserves the right to amend, vary or supplement the terms and conditions in this Section 2 or prescribe additional terms and conditions relating to the Electronic Broking Services.

### **4. Authorisation**

PSPL is authorised by the Customer to debit the Customer's Account(s) as it deems appropriate for all charges incurred in the use of the Electronic Broking Services.

### **5. Use of the Electronic Broking Services**

- 5.1 The Customer acknowledges that it shall be bound by any Instructions, access and/or use in respect of the Electronic Broking Services (whether such Instructions, access and/or use are authorised by the Customer or not) referable to the Customer's security codes. The Customer agrees and acknowledges that any Instructions referable to the Customer's security codes (whether such Instructions are authorised by the Customers or not) are irrevocable and binding on the Customer upon transmission through the Electronic Broking Services (notwithstanding any typographical or keystroke errors made when Instructions are given, any corruption or distortion of Instruction which may occur when such Instructions are transmitted through the Electronic Broking Services, or that such Instructions

may exceed any position or transaction limits or restrictions (whether imposed by the relevant exchange, PSPL or otherwise)) and PSPL shall be entitled (but not obliged) to effect, perform or process such Instructions without the Customer's further consent and without further reference or notice to the Customer.

- 5.2 The Customer accepts that quoted prices may change prior to the execution of an Instruction and not all Instructions will be executed in chronological sequence with the orders being placed. Any Instructions given by the Customer shall be deemed to be given or made at the time and in the format received by PSPL (regardless of the circumstances prevailing at the relevant time).
- 5.3 The Customer shall not, and shall not permit any person to:
- (a) gain unauthorised access or use of the Electronic Broking Services;
  - (b) make any modifications, adjustments or alterations to any information or services available on the Electronic Broking Services;
  - (c) by any use, action or omission, knowingly damage, disable, impair, overburden, tamper, restrict or otherwise interfere with any part, function or operation of the Electronic Broking Services, any PSPL or third party server or computer, the networks connected to any PSPL or third party server, the system of any exchange, or interfere with any other user of the Software;
  - (d) introduce any code, virus, trojan horse, malicious or hidden mechanism that would impair the operation of the Electronic Broking Services, PSPL's or any third party's servers, system of any exchange and computers or other devices or software, or would permit other users access to the Electronic Broking Services;
  - (e) resell, sub-licence, supply or otherwise transfer or permit access to or make available the Electronic Broking Services in whole or in part to others; or
  - (f) use the Electronic Broking Services to gain any unauthorised access to the system of any exchange or any computer system.
- 5.4 The Customer agrees and accepts that PSPL and its Service Providers undertake no responsibility or liability and is to have no responsibility or liability whatsoever in relation to any Electronic Broking Services or any part

thereof that is provided and/or maintained by a third party and with whom the Customer has entered into an agreement or otherwise secured consent/approval for the Customer's use for the purposes of effecting Transactions for Accounts with PSPL. The choice of using such third party Electronic Broking Services or part thereof is agreed by the Customer to be wholly the choice of the Customer and the Customer acknowledges and accepts that it is solely responsible for and will bear all risks in relation to the usage of such third party Electronic Broking Services.

- 5.5 The provision of the Electronic Broking Services (insofar as it is owned and provided by and/or maintained by PSPL) is on the basis that, in PSPL's good faith opinion, it shall deliver such functionality and performance as may be reasonably expected and necessary in delivering a service within the scope of this Document to enable the Customer to effect Transactions electronically. To the fullest extent permitted by law, PSPL does not however make or give any warranty that such expectation will be realised with respect any specific Transaction or will always be realised.
- 5.6 Instructions transmitted via the Electronic Broking Services are placed at the Customer's sole risk. The Customer agrees to check and ensure that such Instructions have been properly received and accepted by PSPL and acknowledges that the use of the Electronic Broking Services for transmissions of Instructions also implies full responsibility that no unauthorised person shall have the right to access and use the Electronic Broking Services via the security code(s) of the Customer. Due to the nature of transactions carried out over the internet and telecommunication networks, the Customer acknowledges and accepts the existence of risks unique to the Electronic Broking Services. Such risks include the following:
- (a) delay in or inability to access or use the Electronic Broking Services due to any hardware, software, system or connection failure, error, malfunction, omission, interruption, delay in transmission or computer virus;
  - (b) loss of data or information or confidentiality of the same that may occur due to any cause whatsoever, including any failure of any of PSPL's

electrical, electronic, computer, microprocessor, recording or communication system;

- (c) the need to conduct maintenance of the Electronic Broking Services system infrastructure from time to time, and any delay, failure, error, omission which may ensue; and
- (d) any communications being transmitted over the internet (whether using the Electronic Broking Services or otherwise) being intercepted or accessed by unauthorised or unintended parties, and therefore not arriving at the intended destination or may not arrive in the form transmitted.

5.7 The Customer understands that the transmission of Instructions to PSPL through or using the Electronic Broking Services may not be received by PSPL for reasons beyond PSPL's reasonable control including mechanical, software, computer, telecommunications or electronic failure. Unless the Customer receives confirmation of receipt of the same from PSPL, Instructions sent through or using the Electronic Broking Services may not have been received and accordingly, may not be processed or accepted by PSPL. PSPL shall not be responsible for or liable to the Customer in any way for any Loss whatsoever or howsoever caused arising, directly or indirectly, in connection with the transmission, or delay, or failure of transmission of Instructions to PSPL through or using the Electronic Broking Services or lack of confirmation of receipt of any Instructions by PSPL for whatever reason. The Customer shall notify PSPL forthwith of any failure to receive an appropriate response and/or confirmation that Instructions have been received and/or executed.

5.8 The Customer hereby acknowledges and agrees that (in addition to the exclusion of liability below and in this Document) PSPL is to have no responsibility or liability with respect or referable to such risks and in any event releases PSPL from any claim which it may have with respect to or referable to such risks or any one or more of them even if PSPL has been advised or is aware of the possibility of such Loss arising.

## **6. Modification and Termination of the Electronic Broking Services**

PSPL has the right, in its sole and absolute discretion, at any time for any reason whatsoever and in any manner it deems fit, without giving any prior notice thereof to the Customer, to amend, modify, suspend or terminate the operation of the Electronic Broking Services or the Customer's right of access to and/or use of any of the Electronic Broking Services, including amending the specifications for user interfaces, the minimum information technology requirements and/or any other process relating to the use of the Electronic Broking Services or any part or parts thereof, as PSPL reasonably deems necessary or desirable to maintain and/or improve the security, functionality, usability or any other aspects of the Electronic Broking Services, and PSPL shall not be responsible in any way for any Loss whatsoever resulting therefrom (including loss of profit or loss of opportunity) which may be suffered by the Customer referable to such termination. For the avoidance of doubt, the Customer's obligation to pay all fees, costs, charges, expenses and amounts accrued up to (and including) the date of termination shall survive the termination of the use of the Electronic Broking Services.

## **7. Reproduction/Distribution**

The Customer is not entitled to and shall not, and shall not permit any person to, reproduce, transmit, disseminate, sell, distribute, publish, broadcast, circulate and/or exploit (whether for commercial benefit or otherwise) the information and/or reports obtained from or through the use of the Electronic Broking Services or any aspects of the Electronic Broking Services, except with the express written consent of PSPL. The Customer shall also not use such information and/or records and the Electronic Broking Services for any wrongful or illegal purpose.

## **8. Intellectual Property**

- 8.1. In requesting PSPL to provide the Electronic Broking Services, the Customer accepts and acknowledges the fact that all intellectual property rights (whether by way of copyright or otherwise) in the Electronic Broking Services and the information and reports available from and generated on the Electronic Broking Services vest solely in and shall remain the exclusive property of PSPL

and/or third parties who created the same and are protected under patent, copyright, trade mark and other intellectual property laws and other Applicable Laws.

- 8.2. The Customer accepts and acknowledges that it has no ownership, proprietary rights, copyright or any other intellectual property right in the Electronic Broking Services, each component thereof, and the related documentation.
- 8.3. The Customer therefore agrees not to do anything that will violate or infringe PSPL's intellectual property rights or its obligations to third party owners of such intellectual property rights (including (i) copying in whole or in part materials broadcast over the Electronic Broking Services for resale or otherwise supply or make available the same to others, (ii) copying the Electronic Broking Services and/or any software forming part thereof in whole or in part or (iii) deleting, obscuring or otherwise tampering with any copyright notices or other indications of protected intellectual property rights and/or ownership from the Electronic Broking Services, any software forming part thereof and/or any materials supplied to the Customer by PSPL through the Electronic Broking Services) and shall take all necessary measures to preserve and protect these rights, including in particular strict observances of specific intellectual property rights notices accompanying or applicable to any accessible content. The Customer agrees to comply with any request by PSPL to protect its and other third parties' respective copyrights, other intellectual property rights or moral rights, whether statutory or otherwise howsoever.

## **9. Limitation of Liability**

- 9.1. None of PSPL or its Service Providers, or their respective officers, employees or Nominees has any responsibility or liability to the Customer for any Loss arising directly or indirectly from the Customer's use or reliance on the Electronic Broking Services and/or the information and/or reports accessed from the Electronic Broking Services. The provisions in Clause 9 of Part A shall *mutatis mutandis* apply with respect to the Electronic Broking Services and such information and/or reports. Without prejudice to the preceding, none of PSPL or its Service Providers, or their respective officers, employees or Nominees is or will be responsible or liable to the Customer for any Loss should the

Customer fail (otherwise than through fraud, willful default or gross negligence directly attributable to PSPL) to gain access to the Electronic Broking Services for any reason.

- 9.2. It is the Customer's responsibility to obtain independent professional advice in respect of any information and/or reports obtained via the Electronic Broking Services, and to verify such information and/or reports.
- 9.3. None of PSPL or its Service Providers, or their respective officers, employees or Nominees (except for fraud, willful default or gross negligence directly attributable to PSPL) is to have any responsibility for or liability to the Customer for suffering any prejudice or Loss whatsoever and howsoever caused or arising from the use of the Electronic Broking Services, including any one or more of the following events or matters:
- (a) any reliance by the Customer on any information and/or reports which are incomplete, inaccurate, corrupted, non-sequential, untrue or out-of-date, notwithstanding that such information and/or reports may or may not have been customised for the use of the Customer;
  - (b) any loss or unauthorised use of the Electronic Broking Services;
  - (c) any delay, fault, defect, deficiency, malfunction in, breakdown, disruption, failure, interruption, defects, glitches, loss of access to, non-performance or unavailability of the Electronic Broking Services or any telecommunications, computer or other electronic equipment or system (whether or not owned, operated or maintained by PSPL or any other person and whether or not used in the provision or operation of any service) through any cause whatsoever, (including errors due solely to malfunction of the Electronic Broking Services or Electronic Broking Services equipment, infrastructure or programs, viruses, worms or any harmful, invasive or corrupted files or to any "force majeure" event (i.e. events beyond the reasonable control of any party including floods, extraordinary weather conditions, earthquakes, or other acts of God, fire, war, acts of terrorism, insurrections, riots, labor disputes, accidents, actions of government, communications, power failures, the malfunction of



- any equipment or software) whether or not leading to either or both of the Electronic Broking Services being totally or partially inaccessible or unavailable and/or Instructions given via the Electronic Broking Services not being acted upon promptly or at all);
- (d) any delay, failure, omission, cessation or interruption in the acceptance, recognition or execution of the Instructions of the Customer, including the need to verify Instructions due to considerations of security and wrongful interception of any Instruction;
  - (e) any inability or failure to accept and/or recognise and/or properly and accurately store, process and/or transmit dates or data incorporating or relying on dates, or the processing, storage and/or transmission of any inaccurate date or data;
  - (f) any telecommunication or interconnection defects, faults or problems, system crashes, software errors or defects, sabotage or unlawful access;
  - (g) corruption or loss of any data stored in any equipment, terminal or system or Instruction or in the course of transmission through the internet, any computer or any electronic or telecommunications system used by PSPL or any other person whether or not in connection with the Account or the provision or operation of any service, including any errors generated in the transmission of any data or Instruction;
  - (h) the failure of any electronic protective measures, including filters and anti-virus software, whether for the protection of the integrity of the Electronic Broking Services or the filtering out of inappropriate orders for execution or howsoever otherwise; or
  - (i) any breach of PSPL's obligations or duties to the Customer caused by or arising from any one or more of events or matters set out in any one or more of the foregoing sub-Clauses.

9.4. Without prejudice to the foregoing, the Customer in any event acknowledges and accepts that it is not feasible except in return for significant payment to ensure otherwise (which the Customer is unwilling to pay) for the Customer to be guaranteed uninterrupted access to and reliability of all information and services on the Electronic Broking Services and the Customer thus accepts that the Customer is primarily responsible both to ensure the

accuracy and completeness of information so accessed before relying on the same as well as ensuring that the Customer shall take adequate measures (including, where relevant insurance coverage) to mitigate the Customer's Loss so that in no event shall PSPL, its agents or employees be liable to the Customer for more than an aggregate sum exceeding S\$10,000 for any and all defaults referable to the Electronic Broking Services and/or its use and/or failure to be permitted its use.

- 9.5. These limitation of liability provisions are in addition to all other limitation of liability provisions in this Document.

## **10. Disclaimer of Warranties**

- 10.1. The Electronic Broking Services are provided "as is" and, to the fullest extent permitted by Applicable Laws, PSPL makes no warranty, guarantee or representation of any kind, express or implied whatsoever, including warranties or terms (i) that the software of the Electronic Broking Services shall be uninterrupted or error free or that any failures to operate properly can or will be corrected; or (ii) as to the accuracy, completeness, timeliness, adequacy, merchantability, functionality or fitness for any particular use or purpose in relation to the information furnished under the Electronic Broking Services or any other feature or aspect of the Electronic Broking Services, including investment advice and/or access to information or the execution of any buy or sell recommendations and/or the cancellation or amendment of the same. Further, to the fullest extent permitted by Applicable Laws, PSPL or any third party that contributes in any manner to the provision, use or development of the software of the Electronic Broking Services disclaim any express or implied warranties, terms, guarantees or representations express or implied whether in law, tort, fact or in contract, including those of non-infringement, satisfactory quality or fitness for a particular purpose relating to the software of the Electronic Broking Services.
- 10.2. The Customer shall be solely responsible, and at its own cost and expense, for obtaining and maintaining all hardware and software, and all internet access, telecommunication and other such services, required for the Customer to use the Electronic Broking Services. PSPL does not represent or warrant that any of the Electronic Broking Services is compatible with the

Customer's equipment nor that the Customer will be able to download, install or use the Electronic Broking Services on the Customer's equipment.

## **11. Cooperation with Regulatory Authorities**

The Customer also agrees that PSPL has no liability and shall not be responsible for any Loss or inconvenience that may be suffered by the Customer as a result of any action by any exchange, market or clearing house or MAS in exercise of their respective regulatory or supervisory functions over PSPL. The Customer agrees to permit PSPL and/or any exchange, market or clearing house or MAS to have access to such terminal or device as PSPL and/or any exchange, market or clearing house or MAS may request and to co-operate in any of their investigations in relation to any aspect of the Electronic Broking Services.

## **12. Indemnity**

- 12.1 The Customer must indemnify, keep indemnified, and hold PSPL harmless from and against any and all Losses (including legal costs on a full indemnity basis) arising or which may arise out of or in connection with the Customer's use of, or inability to use, the Electronic Broking Services, any breach or violation of this Section 2, any Applicable Laws or any statements, comments, or remarks made by the Customer using the Electronic Broking Services or any third party rights, including violation of any proprietary or intellectual property rights, or the enforcement of any of the terms in this Section 2.
- 12.2 The Customer shall co-operate with PSPL as fully as reasonably required in the defence of any third party claim subject to these indemnity provisions. PSPL reserves the right (but is not obliged to) to assume the exclusive defence and control of any matter otherwise subject to indemnification by the Customer. The Customer shall not in any event settle any matter without the prior written consent of PSPL.
- 12.3 The Customer also hereby agrees to indemnify, keep indemnified and hold PSPL harmless from and against any Loss which PSPL may suffer as a result of or in relation to the Customer's Instructions, use or purported use of the Electronic Broking Services including any unauthorised use by any party of the Customer's security

codes, any failure or malfunction in the Customer's hardware and/or software used in connection with the Electronic Broking Services, or any viruses and other malicious, invasive, destructive or corrupting code, program or macros, Trojan Horse, worms, logic bombs or other software routine or hardware components designed to permit unauthorised access which have been introduced by or permitted to be introduced by the Customer to the Electronic Broking Services, which affects or causes PSPL's hardware, software and/or other automated system to fail or malfunction.

12.4 The Customer's obligations to indemnify PSPL in this Section 2 shall survive the termination of the Electronic Broking Services and are in addition to any other indemnity provided in the Document or Applicable Laws.

### **13. Security**

13.1 The Customer must at all times ensure that the integrity and the security of the Electronic Broking Services is preserved and maintained. Accordingly the Customer must ensure, *inter alia*, that there is no unauthorised use of the personal identification number(s) ("**PIN**") or security code(s). The Customer will forthwith on being aware of any unauthorised access, or theft of the PIN(s) or security code(s) notify PSPL and provide such particulars as PSPL may require. The Customer is solely responsible to ensure that none of the events as mentioned in this Clause occurs, but if any of them does occur, the Customer shall hold harmless, indemnify and keep PSPL fully indemnified from and against any Loss that PSPL may suffer as a consequence of such unauthorised access and use.

13.2 PSPL is authorised to act on orders given by the Customer via the Electronic Broking Services and may:

- (a) assume that any order given or purportedly given by the Customer is authentic;
- (b) rely on and/or hold the Customer solely responsible and liable in respect thereof as if the same were carried out or transmitted by the Customer on his behalf;
- (c) assume that any person claiming to be the Customer is in fact such person. Specifically, PSPL shall be entitled to act on any orders transmitted to PSPL via the Electronic Broking Services by the Customer or any person by any

use (whether authorised or unauthorised by the Customer) of the Customer's security code(s), and PSPL shall not be responsible or liable for any Loss to the Customer by so doing; and

- (d) rely on any electronic order which includes the Customer's security code(s) without enquiry as to the sender's authority or identity.

13.3 The Customer acknowledges that he shall be bound by any orders, access and/or use (whether such orders, access and/or use are authorised by the Customer or not) referable to the Customer's security codes. The Customer agrees and acknowledges that any orders referable to the Customer's security codes (whether such orders are authorised by the Customers or not) are irrevocable and binding on the Customer upon transmission through the Electronic Broking Services and PSPL shall be entitled (but not obliged) to effect, perform or process such orders without the Customer's further consent and without further reference or notice to the Customer.

## **Section 3 : Margin Financing**

### **Definitions**

In this Section 3, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“Cash Collateral”** shall have the meaning given to it in Clause 4.1, Section 3 of Part B;

**“Charged Marginable Products”** shall have the meaning given to it in Clause 0, Section 3 of Part B;

**“Clearing House Collateral”** shall have the meaning given to it in Clause 7.2, Section 3 of Part B;

**“Excess Collateral”** shall have the meaning given to it in Clause 6.5, Section 3 of Part B;

**“Margin Call”** shall have the meaning given to it in Clause 6.1, Section 3 of Part B;

**“Related Assets”** shall have the meaning given to it in Clause 0, Section 3 of Part B;

**“Secured Obligations”** shall have the meaning given to it in Clause 0, Section 3 of Part B; and

**“Substitute Collateral”** shall have the meaning given to it in Clause 5, Section 3 of Part B.

### **1. Margin Account**

- 1.1 If the Customer's application to open a Margin Account is accepted by PSPL, PSPL shall open a Margin Account for the Customer and grant the Customer access to its Margin Facility to facilitate the Customer's purchase and/or trading in Marginable Products. If granted, the Margin Facility shall only be used by the Customer for financing the purchase of Marginable Products only.
- 1.2 Notwithstanding the foregoing, to the extent that the Customer not already having a Margin Account gives any Instruction for the purchase of Capital Markets Products and fails to effect settlement or procure the effecting of settlement on the settlement due date but has excess and acceptable property available to act as Collateral for the Customer, the Customer shall be deemed to have requested the opening and maintenance of the Margin Account on the terms

hereunder for the purposes of any and all such Instructions given from time to time and to apply such excess property as Collateral to the degree and amount required or to the extent of such excess (whichever be the lesser amount).

- 1.3 PSPL shall have the right to reduce, cancel or vary, and from time to time review any Margin Facility and nothing in this Document shall be deemed to impose on PSPL any obligation at law or in equity to make or continue to make available to the Customer a Margin Facility. Where PSPL has cancelled a Margin Facility, all monies outstanding or owing by the Customer to PSPL under or in connection with the Margin Account shall become due and payable immediately upon demand. Upon such demand, the Customer shall immediately repay all such monies outstanding or owing by the Customer to PSPL.

## **2. Credit Limit and Interest**

The Customer shall not permit or cause its Outstanding Balance to exceed the credit limit from time to time set by PSPL for the Margin Account. The Customer agrees to pay interest to PSPL on the Outstanding Balance at such rate as PSPL may from time to time notify the Customer.

## **3. Temporary Increases in Credit Limit**

PSPL may, in its sole and absolute discretion, grant the Customer a temporary increase beyond the credit limit set by PSPL. Any such temporary increase may be revoked by PSPL at any time without notice to the Customer and without prejudice to any of its rights under this Document, including the right to liquidate the Collateral.

## **4. Initial Margin and where Collateral is kept**

- 4.1 The Customer agrees, before commencing trading on the Margin Account which the Customer has expressly requested the opening of, to deposit or procure the deposit with PSPL an initial margin or collateral comprising of cash or cash equivalent (collectively "**Cash Collateral**") or Marginable Products over which a collateral interest by way of charge with ancillary title transfer rights as noted below shall be vested in PSPL or both, in such amount as PSPL may require.

- 4.2 All Collateral (not the subject of a title transfer in favour of PSPL or a third party through PSPL or pending the exercise of PSPL's ancillary title transfer rights to the same) shall be kept in the Customer's account maintained with PSPL or in such sub-account as may be maintained by PSPL with its Nominee(s) together with a credit for Collateral title transferred in favour of PSPL or to a third party through PSPL (and for which PSPL owes a duty to return by way of an unsecured debt) by way of unsecured receivables due from PSPL.
- 4.3 Nothing in this Section 3 shall have the effect of constituting PSPL as a fiduciary of the Customer or otherwise with respect to the Marginable Products deposited or purchased in the Margin Account, any relationship of a trustee and beneficiary between PSPL and the Customer, or any further relationship other than as expressly contemplated in this Section 3.
- 4.4 Where the Margin Account is opened as a consequence of a deemed request of the Customer (pursuant to Clause 1.2 above), PSPL shall procure margin or collateral from the Customer as described in Clause 4.1 above. Any and all cash provided by the Customer whether for margin or as payment for margin trading shall to the extent possible be applied towards payment for margin trading as and when such trading arises and payment with respect thereto becomes due and thus to the extent that such payment reduces both the Cash Collateral return obligation and the payment obligation of the Customer correspondingly.

## **5. Maintenance Margin**

The Customer shall maintain such margin or collateral with PSPL which is between the Outstanding Balance and the current value of the Collateral in compliance with such maintenance level requirements as may be prescribed by PSPL in accordance with such terms and conditions relating to Marginable Products as imposed by PSPL from time to time and as notified to the Customer. For the avoidance of doubt, for the purposes of calculating the value of the Collateral, the value of Collateral title transferred in favour of PSPL or to a third party through PSPL (and for which PSPL owes a duty to return by way of an unsecured debt) shall be included in such calculation to the extent of the collateral provided or procured to be provided by PSPL in favour of the



Customer as security for such debt obligation comprises cash, cash equivalent or Marginable Products which the Customer shall be deemed to have onward provided to PSPL as Collateral (collectively "**Substitute Collateral**").

**6. Additional Margin/Alternative Source of Margin/Cumulative Margin and Collateral posting and Default Consequences**

- 6.1 PSPL may require additional margin to be deposited immediately or within a very short period of time which may be less than twenty-four (24) hours as and when it deems fit (by any method of communication allowed under this Document) (a "**Margin Call**") (including where the purchased or deposited Marginable Products carried in the Margin Account are subject to unusually rapid or volatile fluctuations in value, or are deemed not able to be liquidated promptly, or where such purchased or deposited Marginable Products do not have an active market, or upon immediate suspension of a counter from trading on the SGX-ST or any other exchanges or markets).
- 6.2 The Customer shall promptly comply with the requirements of the Margin Call, including providing additional margin, and hereby waives any right to object on the grounds that the Margin Call is unreasonable. Without prejudice to the Customer's obligation to pay margin immediately when the same becomes due, the Customer must notify PSPL immediately if the Customer cannot, or believes it would not be able to, meet a Margin Call when due.
- 6.3 If PSPL has notified the Customer and provided a specific date or time by which the Customer is required to meet a Margin Call, PSPL can still take necessary steps to protect its financial interests before such specified date, including exercising any of PSPL's rights under this Section 3, before the Customer has been furnished with the Margin Call or before the time given for meeting the Margin Call has elapsed.
- 6.4 The Customer shall not have a right to an extension of time with regard to Margin Calls. If PSPL grants any such extension of time for Margin Calls in its discretion, then unless PSPL expressly states in writing that such extension of time is intended to override or prevail over

PSPL's rights under this Section 3, such extension of time shall be deemed to have been granted subject always to PSPL's rights under this Section 3.

- 6.5 The Customer also acknowledges that PSPL is permitted (but not obliged) to treat as margin or collateral (whether initial margin or maintenance margin) Excess Collateral of the Customer (including Substitute Collateral with respect to unsecured receivables and Marginable Products return obligations of PSPL due to the Customer as a result of a title transfer collateral having been provided to PSPL). For the purposes of the preceding, "Excess Collateral" shall refer to such Collateral of the Customer provided as collateral for obligations of the Customer otherwise than referable to margin trading so as to effectively determine whether the Customer satisfies its collateral or margin provision requirements for margin trading cumulatively with its collateral or margin provision requirements otherwise to PSPL. Insofar as such Excess Collateral comprises cash, cash equivalent or cash receivables due to the Customer, they may be applied by way of payment for Marginable Products purchased by the Customer and effectively reduce pro tanto or in toto (as the case may be) the amount of financing required by the Customer and correspondingly the amount of cash or cash equivalent PSPL is otherwise obliged to return to the Customer.
- 6.6 In the event that Excess Collateral is so treated, the Customer acknowledges that the collateral requirements otherwise than for margin trading shall be cumulated with the margin provision and maintenance requirements of the Customer and cumulatively calculated and complied with. In the event that the Customer is unable to satisfy in whole such cumulative requirements, the Customer shall be deemed to be in default of all the Customer's collateral and margin provision and maintenance requirements.

## **7. Forced Liquidation / Use of Collateral**

- 7.1 Without prejudice and in addition to all other rights of PSPL under this Document, PSPL shall have the discretion to at any time apply (whether by selling or disposing or otherwise) any or all Collateral (including for the avoidance of doubt the Marginable Products in the Margin Account, any Cash Collateral or cash provided as payment for margin trading and other Capital Markets

Products of the Customer) in any manner which PSPL may decide in its sole and absolute discretion, including towards the payment of any amounts due and payable by the Customer to PSPL under any Account or towards meeting any of the Customer's obligations and liabilities to PSPL (including the obligation to comply with any margin requirements and the obligation to provide additional margin such as causing the Margin Account to meet with the margin and credit balance requirements under this Document), whether or not any time which has been allowed for the Customer to provide any additional margin or take any other action has elapsed. Any such sale or disposal may be made at PSPL's discretion on any exchange or other market where such business is usually transacted or at a public auction or private sale or PSPL may be the purchaser for its own account.

7.2 The Customer further acknowledges and agrees that:

- (a) as a general rule Collateral of the Customer in the possession or control of PSPL (whether held in a trust account or subject to a trust in favour of the Customer or held with a clearing house or a member of a futures exchange or a member of an overseas futures exchange or otherwise) will be held commingled with Collateral of other customers of PSPL (where applicable in a trust account in accordance with the provisions of the SFA);
- (b) one result of the preceding is that it would be administratively difficult and as a matter of economic costs counter-productive to attempt to allocate the respective interest entitlement (if the trust account is interest bearing) on an individual basis. This is primarily because of the constant fluctuations in the value of the commingled Collateral in such trust account;
- (c) it is a condition for PSPL accepting the Customer as a customer that the Customer agrees therefore to waive and relinquish in favour of PSPL any and all rights and entitlements to interest and investment earnings accruing to the Customer's share of Collateral, whether held in such trust account or subject to a trust in favour of the Customer or held with any clearing house as collateral for any applicable Transaction in respect of the Customer (such portion of Collateral held

with any clearing house referred to herein as  
“**Clearing House Collateral**”);

- (d) at no time shall PSPL be held liable or responsible in any way for any Loss suffered or incurred by the Customer as a result of any investment of Clearing House Collateral by any clearing house;
- (e) the deposit or provision of any Clearing House Collateral in any clearing house shall be subject to:
  - (i) the clearing rules of such clearing house;
  - (ii) any security deed or document which such clearing house may require its clearing members to enter into to govern the provision of Clearing House Collateral (which form may be prescribed and amended or supplemented from time to time by such clearing house); and
  - (iii) any applicable law or regulation (including the SFA);
- (f) the Customer by applying to open an Account with PSPL and being a customer of PSPL and/or accessing or using any of PSPL's Primary Services shall therefore be deemed to agree to (and PSPL will and does materially rely on the effectiveness of) such waiver and relinquishment as set out in Clause 3 of Part A; and
- (g) PSPL may however pay from time to time such portion of any actual interest and investment earnings it may receive with respect to such Collateral as it deems appropriate.

## **8. Withdrawal of Collateral**

The Customer acknowledges and agrees that the Collateral in the Margin Account (or where relevant fungible equivalent of the same) may only be withdrawn by the Customer if the Customer gives not less than two (2) days' notice of such withdrawal to PSPL and only if the Customer continues to comply with any and all margin requirements imposed by PSPL after such withdrawal. Withdrawal of cash balances or cash amounts representing excess over margin shall be subject to the approval of PSPL and PSPL may refuse to approve any such withdrawal in order to preserve the Customer's margin at such levels as PSPL deems fit (whether or not in excess of regulatory requirements).

## **9. Security**

9.1 As a continuing security for the Outstanding Balance and all other obligations and liabilities owing to PSPL under, or in connection with the Account (collectively the **"Secured Obligations"**), the Customer hereby assigns all the Collateral to PSPL by way of security/collateral coupled with such title transfer rights as may be provided for below in Clause 12 to enable PSPL to borrow, on-lend, or deliver the same to third parties in discharge of delivery obligations of such Marginable Products to such third parties. Without prejudice to the generality of the foregoing and (i) insofar as the Collateral comprises Marginable Products, the Customer hereby charges the Collateral, with full title guarantee and by way of first fixed charge all the Customer's rights, benefits, title, interest and entitlements in or to or arising from:

- (a) all Marginable Products (including both scrip and Book-Entry Securities) comprising Collateral both present and future together with any substituted and/or additional Marginable Products which the Customer may now or hereafter hold or beneficially own, and which are or are given over to the possession and control of PSPL;
- (b) all dividends, interest and other monies payable in respect of the said Marginable Products in sub-Clause (a) above and all other rights, benefits and proceeds in respect of or derived from the same (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise) (the **"Related Assets"**); and
- (c) all actions, claims and rights against the CDP, any relevant depository agent, settlement system or clearing house or member of the CDP or any other person in connection with such Charged Marginable Products (as hereafter defined),

and in each case whether or not the same is constituted, evidenced or represented by scrips, certificates or other documents evidencing title thereof for which are now or hereafter deposited with or delivered to or transferred to or lodged with or registered or held by PSPL or its Nominees (whether in the name of or held in the account of or to the order of or under the control and direction of PSPL or its Nominees) or in PSPL's possession or custody or the custody or the possession of its Nominees or transferred to or lodged with PSPL or its Nominees by the Customer or by others in the Customer's name(s) or

for the Customer's account or sub-account or at the Customer's request or with the Customer's consent, whether for safe custody, security, collection or for any specific purpose or generally (hereinafter collectively and individually called the "**Charged Marginable Products**"), in favour of PSPL for the payment and discharge of all of the Secured Obligations; and (ii) insofar as the Collateral comprises cash or cash equivalent, the Customer agrees that all right, title and interest in and to any Cash Collateral which is transferred or given over to PSPL shall vest in PSPL free and clear of any liens, claims, charges or encumbrances or any other interest of the Customer or of any third person; and nothing in these terms is intended to create or does create in favour of PSPL an interest only by way of any mortgage, charge, lien, encumbrance or other security interest in any Cash Collateral.

- 9.2 The Customer hereby covenants with PSPL to discharge the Secured Obligations and to perform, observe and comply with all the undertakings, covenants, stipulations, terms and conditions under this Document and the Application Form. In respect of Charged Marginable Products which are Book-Entry Securities, the security interest created hereunder shall be created and/or perfected (as the case may be), in accordance with the provisions of this Clause and the other relevant provisions of this Document.
- 9.3 The Customer shall (unless otherwise directed by PSPL from time to time) forthwith authorise and procure the transfer of the Charged Marginable Products which are Book-Entry Securities or which are held by the Customer or the Customer's depository agent (or such part thereof as shall be required by PSPL) from any of the Customer's Account(s) to PSPL's Account with the CDP or PSPL's sub-account(s) with its depository agent or any account of PSPL's Nominees as PSPL may direct.
- 9.4 PSPL, whether acting by itself or through its Nominee, may in PSPL's sole and absolute discretion from time to time, require the Customer to execute or authorise and procure the due execution and registration, in favour of PSPL and/or its Nominees, the instrument(s) of assignment and/or instrument(s) of charge or any other prescribed form of transfer, request or application for transferring or creating security interest over the Charged Marginable Products or any interest therein in

favour of PSPL or its Nominees which are or are capable of being converted into Book-Entry Securities and the Customer shall forthwith execute such instrument(s) or form(s) as PSPL and/or its Nominees may direct.

- 9.5 Without prejudice to the foregoing, where the Charged Marginable Products which are Book-Entry Securities over which a security interest hereunder is to be created remains in an account or sub-account of the Customer with a depository agent, who is also PSPL or the depository agent of PSPL, such depository agent is irrevocably authorised as agent of the Customer to execute any and all forms, notices, instruments, transfers, authorisations, agreements or documents as PSPL may from time to time require or deem necessary or desirable to effect or perfect the creation in favour of PSPL of a security interest over the Charged Marginable Products, as directed by PSPL from time to time at PSPL's discretion and the Customer hereby ratifies and confirms and undertakes at all times to allow, ratify and confirm all and whatsoever such agent shall do or cause to be done in respect of any and all such forms as instructed by PSPL and that the Customer's agent shall be indemnified by the Customer against all costs, charges, expenses and Loss which it may incur in so doing.
- 9.6 PSPL and/or its Nominees shall have the sole and absolute discretion to determine from time to time, whether or not to register the Charged Marginable Products (whether or not they are Book-Entry Securities) or any part thereof in PSPL's name and/or the name of its Nominees including (without prejudice to the generality of the foregoing) the power to deliver and deposit with and/or withdraw and/or transfer from the CDP the Charged Marginable Products or any part thereof.
- 9.7 If at any time there are Related Assets, which have been charged or assigned to PSPL hereunder, the Customer undertakes, as and when required by PSPL, to further execute forthwith such documents and to give such Instructions as to effect the creation, in favour and at the option and discretion of PSPL, of a security interest by way of mortgage, assignment, charge, pledge, encumbrance, lien or other security interest on such Related Assets.

9.8 Without prejudice to the generality of any provisions of this Document, the Application Form or any other agreement or any other powers granted by the Customer to PSPL, as security for the discharge of the Secured Obligations, the Customer hereby covenants that it will forthwith on request by PSPL and/or its Nominees and for that purpose PSPL through any of its authorised officers is irrevocably authorised as agent of the Customer to execute any and all forms, notices, instruments, transfers, authorisations, agreements or documents as PSPL may from time to time require or deem necessary or desirable to open, operate, keep and maintain in relation to the Charged Marginable Products one or more sub-account(s) with PSPL (if an authorised depository agent) or the depository agent with whom PSPL also maintains a sub-account for the purposes of this charge in relation to the Charged Marginable Products, and do all such things in connection with such account(s) and/or sub-account(s) as PSPL and/or its Nominees shall think fit (including giving instructions to the CDP, the relevant depository agent and/or its nominees in relation to the Charged Marginable Products for transfer of the Charged Marginable Products from the Customer's Account(s) to a sub-account or sub-accounts) with PSPL or the depository agent with whom PSPL also maintains a sub-account for the purposes of this charge for purpose of securing the discharge of the Secured Obligations and/or perfecting the title or security interest of PSPL to the Charged Marginable Products and the Customer hereby ratifies and confirms and undertakes at all times to allow, ratify and confirm all and whatsoever PSPL as the Customer's agent shall do or cause to be done in respect of any and all such forms as instructed by PSPL and that the Customer's agent shall be indemnified by the Customer against all costs, charges, expenses and Loss which it may incur in so doing

## 10. Enforcement of Security

The Customer agrees that section 21 of the Conveyancing and Law of Property Act (Chapter 61 of Singapore) ("**CLPA**") shall not apply to the security created under Clause 9 above and that PSPL may exercise the power of sale conferred on mortgagees by the CLPA (as varied and extended by these Clauses) free from the restrictions imposed by section 25 of the



CLPA. The security shall become immediately enforceable and the power of sale and other powers conferred by section 24 of the CLPA (as varied and extended by these Clauses) shall be immediately exercisable at any time after the Customer shall have failed to pay or satisfy when due and in the manner provided or on demand any part of the Outstanding Balance and at any time the Customer is in breach of any of the terms and conditions under this Document and the Application Form.

## **11. Further Assurance**

The Customer shall, when required by PSPL, execute (a) such further legal or other charges or assignments in favour of PSPL, as it shall from time to time require, and on such terms as PSPL may decide, over any, some or all of the Collateral and all rights relating thereto both present and future; and, (b) other transfers or documents which PSPL may from time to time require for perfecting its title to the same or enabling it to vest the same in itself or its Nominees or in any purchaser, including any forms used in relation to any Book-Entry Securities for the creation of any form of statutory security interests.

## **12. Borrowing, On-Lending and Creation of Further Security and Use Rights**

12.1 Notwithstanding any provision to the contrary in this Document or the terms expressly appearing on PSPL's Application Form as may be revised from time to time or the terms of any collateral or charge documentation with respect to the Customer's Capital Markets Products and other property (collectively the "**Terms**") but subject to Clause 7 above, the Customer agrees that with respect to ALL the Customer's Capital Markets Products and other property that now or in the future is in PSPL's possession and/or control (whether being Collateral or otherwise posted as collateral to PSPL or otherwise) PSPL may:

- (a) on a title transfer basis borrow for itself and, where Regulation 45 of the SFR so obliges PSPL, as principal in return either for PSPL providing such collateral or on-holding (as between the Customer and PSPL) for the duration of such borrowing any collateral PSPL may receive from PSPL's borrower(s) (and which PSPL will ensure in either

case will be of such amount as is required of PSPL to provide under Regulation 45 of the SFR as may be applicable) for the Customer's benefit as security (whether singly or collectively with other customers of PSPL) for the return of the borrowed Capital Markets Products. The borrowing of Capital Markets Products from the Customer by PSPL will be governed by Section 6 of Part B;

- (b) create, to the maximum extent permitted by Applicable Laws, over the said Securities and other property any encumbrance in favour of a third party by way of security, re-security, charge, re-charge, pledge, re-pledge, hypothecation, re-hypothecation or otherwise to secure PSPL's obligations to a third party account (if mortgaged, pledged or hypothecated otherwise than on a pool basis and otherwise for an amount that does not exceed the aggregate amounts owed by all customers collectively in the pool to PSPL); and/or
- (c) to the maximum extent permitted by Applicable Laws assign, invest, use or otherwise dispose of the said Capital Markets Products and other property for PSPL's own benefit either separately or together with identical property provided by other customers or parties.

12.2 For the avoidance of doubt, PSPL reiterates that PSPL shall not be obliged with respect to any of the Customer's Capital Markets Products or other property (and in particular any Collateral) to retain the same in its possession or control (being entitled to treat all of the same as fungibles) or to retain for the duration of the Customer's account with PSPL like Capital Markets Products or other property of equivalent amount. PSPL's only obligation is, subject to the Customer having discharged all the Customer's existing obligations and properly terminated the Customer's Margin Account with PSPL and subject otherwise to PSPL's rights under this Document (including any right of interim liquidation or sale of the Customer's Capital Markets Products and other property) as the Customer may be entitled to demand of PSPL, to return to the Customer like Capital Markets Products and other property (as relevant) of equivalent amount.

12.3 The Customer also agrees that notwithstanding any contrary provision elsewhere in the Terms that in the event of the Customer's insolvency:

- (a) PSPL has the right at PSPL's option to convert any obligation PSPL may otherwise have to return the Customer Capital Markets Products and/or other property (other than cash) (where the same is not secured by any Substitute Collateral) into an obligation instead to pay the aggregate market value for the same; and
- (b) subject such converted payment obligation to PSPL's general right of set-off (in addition to any other rights of set-off and/or consolidation of accounts or obligations PSPL may have at law or in contract).

### **13. Set-off rights**

Without prejudice to any other right which PSPL may have whether under law by other terms in the Document (in particular Clause 21 of Part A thereof) or otherwise, PSPL is expressly conferred by the Customer a right to effect a set-off against the Customer's obligations to PSPL whether referable to the Customer's Margin Account or cash account any money or credit balance in any account with PSPL or maintained by PSPL for the Customer's benefit (including the trust account PSPL is obliged to maintain for the Customer pursuant to PSPL's obligations under the SFA and the SFR and including such money sum as PSPL may otherwise be obliged to pay to the Customer as a consequent of exercising PSPL's right of conversion under Clause 11 of Part A, effecting as PSPL deems necessary or appropriate any currency conversion.

### **14. Waiver of Interest**

The Customer acknowledges and agrees that the provisions of Clause 3 of Part A shall *mutatis mutandis* apply to with respect to interest that may be earned by such credit balances as may be held in the Margin Account (which are not utilised for the payment of shares) as if the same were Excess Funds for the purposes of this Clause.

### **15. Fees**

The Customer shall also pay such administrative or other fees as are charged by PSPL for administering the interest on the Margin Account. The Customer hereby authorises PSPL to deduct from the Margin Account such sums as may be required for and in payment of such fees.

## **Section 4 : Multi-Currency Services**

### **Definitions**

In this Section 4, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“Multi-Currency Account”** shall have the meaning given to it in Clause 5, Section 4 of Part B;

**“Payment”** shall have the meaning given to it in Clause 3, Section 4 of Part B;

**“Relevant Currency”** shall have the meaning given to it in Clause 3, Section 4 of Part B; and

**“Settlement Currency”** shall have the meaning given to it in Clause 3, Section 4 of Part B.

#### **1. Condition Precedent**

PSPL shall provide the Customer with multi-currency services based on the terms and conditions set out in this Section 4 (the **“Multi-Currency Services”**).

#### **2. Payment**

The Customer using the Multi-Currency Services may pay any sum due to PSPL in such other currency (apart from SGD) as is acceptable to PSPL.

#### **3. Payment and Currency Account for Capital Markets Products**

Where payment is made for the purchase of any Capital Market Products or for contra losses incurred or any amount due under the Customer's Account(s) in a currency different from the denominated currency of settlement (the payment currency being the **“Relevant Currency”** and the latter currency of settlement, which shall *prima facie* be the currency the Capital Markets Products transacted in are denominated in being the **“Settlement Currency”**), PSPL may generally maintain separate debit and credit entries in its books in respect of the two currencies (the Settlement Currency and Payment Currency), instead of immediately converting the Relevant Currency to the Settlement Currency in settlement of the Customer's obligation. The Customer's payment as aforesaid (the **“Payment”**) shall be

accounted for by PSPL in the manner illustrated in the following examples (please note that for simplicity, commissions, charges etc. have not been included in the following illustrative examples):

Example 1:

Customer buys 2,000 U.S. Dollar Listed Securities at US\$2.80 per share. Assume the total value of the purchase contract for these US Dollar Listed Securities is US\$5,600.00.

The Payment made by Customer is S\$8,000.

The Customer's client ledger will reflect the following (note: DR means debit balance and CR means credit balance):

<b>US\$ Account</b>	5,600 (DR)
Purchase of 2,000 U.S. Dollar Listed Securities at US\$2.80	
<b>S\$ Account</b>	
Cash deposit	8,000 (CR)

Example 2:

Subsequently, the Customer makes a Payment of US\$5,000.00 and purchases 1,000 Singapore Dollar Listed Securities at S\$7.00 per share. Assume the total contract value is S\$7,000.00.

The Customer's client ledger will reflect the following:

<b>US\$ Account</b>	
Purchase of 2,000 U.S. Dollar Listed Securities at US\$2.80	5,600 (DR)
Cash deposit	<u>5,000 (CR)</u>
	<u>600 (DR)</u>
<b>S\$ Account</b>	
Cash deposit	8,000 (CR)
Purchase of 1,000 Singapore Dollar Listed Securities at S\$7.00	7,000 (DR)
	<u>1,000 (CR)</u>

Example 3:

Subsequently, the Customer sells the 1,000 Singapore Dollar Listed Securities at S\$8.00 per share. Assume the total contract value is S\$8,000.00. The Customer also purchases 1,000 Malaysian Ringgit Listed Securities at RM12.00 per share. Assume the total contract value for this transaction is RM12,000.00.

The Customer's client ledger will reflect the following:

**US\$ Account**

Purchase of 2,000 U.S. Dollar Listed Securities at US\$2.80	5,600 (DR)
Cash deposit	5,000 (CR)
	<hr/>
	600 (DR)

**S\$ Account**

Cash deposit	8,000 (CR)
Purchase of 1,000 Singapore Dollar Listed Securities at S\$7.00	7,000 (DR)
Sale of 1,000 Singapore Dollar Listed Securities at S\$8.00	8,000 (CR)
	<hr/>
	9,000 (CR)

**RM Account**

Purchase of 1,000 Malaysian Ringgit Listed Securities at RM12.00	12,000 (DR)
	<hr/>
	12,000 (DR)

**4. Foreign Currency Denominated Capital Markets Products**

Where, in using the Multi-Currency Services, the Customer trades in any foreign currency denominated Capital Markets Products on his Margin Account, the Customer understands and acknowledges that, in addition to the terms and conditions set out in this Section 4, the terms and conditions set out in Section 3 of Part B shall apply to any such trading, and that PSPL shall calculate the value of the Customer's Outstanding Balance and Collateral in Singapore Dollars using such

exchange rate as PSPL may determine in its sole and absolute discretion.

## **5. Multi-Currency Account**

Accounts denominated in differing currencies for the purposes of the Multi-Currency Services shall each be known generically as a Multi-Currency Account.

## **6. Exchange Rate**

The exchange rate applied for any currency conversion shall be PSPL's prevailing exchange rate applicable to the transaction or for the currencies in question, to be determined by PSPL in its sole and absolute discretion. Any Loss resulting from exchange rate fluctuations shall be at the Customer's sole risk.

## **7. Changes in the Exchange Rate**

7.1 Where the Multi-Currency Service is being used in conjunction with the Customer's Account, and in the event that prior to onward payment by PSPL for the purchases or contra losses referable to trading by the Customer of the Capital Markets Products, a change in the exchange rate causes the sum due in the relevant Settlement Currency or Currencies to be greater than the amount realisable from converting the Payment or any net credit balances in the Multi-Currency Accounts, PSPL may, at its sole and absolute discretion, by notice to the Customer through any of the permitted methods of communication set out in this Document, require the Customer to immediately top up the short-fall and refrain from purchasing Capital Markets Products until such short-fall is topped up by the Customer.

7.2 PSPL shall on every business day (i.e., days on which PSPL is open for business in Singapore) carry out a notional consolidation and set-off between all the Customer's Multi-Currency Accounts based on a notional conversion of all debits/ credits in such Multi-Currency Accounts into their equivalent in Singapore Dollars. Where the Multi-Currency Service is being used in conjunction with the Customer's Account and in the event that such a notional consolidation exercise indicates an aggregate notional net debit amount/balance for any reason whatsoever (including a change in any currency exchange rate), PSPL may, at its



sole and absolute discretion, by notice to the Customer through any of the permitted methods of communication set out in this Document, require the Customer to immediately top up the amount in the Customer's Account and refrain from purchasing Capital Markets Products until such debit amount/balance is topped up by the Customer. Notwithstanding the foregoing, PSPL may, at any time, convert any amounts in any currency standing to the credit of the Customer in any Account for the purposes of carrying out the Customer's Instructions or to offset the amount due in another currency. In so doing, the rate of exchange of any currency required to be converted into the Settlement Currency shall be determined by PSPL in its sole and absolute discretion.

## **8. Interest**

The Customer acknowledges and agrees:

- (a) that the provisions of Clause 3 of Part A shall *mutatis mutandis* apply with respect to interest that may be earned by such credit balances as may be held in any Multi-Currency Account; and
- (b) to pay interest to PSPL on the Outstanding Balance in any Multi-Currency Account at such rate as PSPL may from time to time notify the Customer.

## **9. Consolidation/Set-Off**

Without prejudice to PSPL's rights under Clause 21 of Part A, on the occurrence of any of the events in Clause 22 of Part A, PSPL shall be entitled to consolidate and (where relevant) set off any (or all) Multi-Currency Account(s) against each other (effecting such conversions of the relevant currency amount as appropriate at such time based on such rates as PSPL may in good faith believe appropriate). Until all debit balances stated as due in any Multi-Currency Account are paid, the Customer shall not be entitled to request or make any withdrawal from any credit balance in any Multi-Currency Account.

## **10. Nominee/Custodian**

PSPL may on the terms set out in Section 5 of Part B and subject to such relevant restrictions as may be prescribed in the SFR, hold all Capital Markets Products purchased for the Customer either directly or through a

Nominee or custodian (who may effect such holding through sub-Nominees or Sub-Custodians). Such Nominee/custodian and/or such sub-Nominees/Sub-Custodians may or may not be within Singapore and in the latter case and subject to the restrictions mentioned above, the Customer consents to PSPL having sole and absolute discretion in the appointment or approval in appointment of the same. All costs associated with the holding of Capital Markets Products by any of them shall be for the Customer's Account. Accruals with respect to any and all Capital Markets Products custodised, if in money form, shall be held or accounted for in its original currency of receipt or its Singapore Dollar equivalent (as PSPL thinks fit) and credited to a Multi-Currency Account denominated in the same currency.

## **11. Withdrawals**

Where the Customer wishes to withdraw any sums from any credit balance in any Multi-Currency Account and such sums as it wishes to withdraw are denominated in a foreign currency, the Customer may make such withdrawal only from its net credit balance and in whatever currency as may be allowed by PSPL in its sole and absolute discretion and (where relevant) at the prevailing exchange rate for the currency in question, to be determined by PSPL in its sole and absolute discretion. Any such withdrawal by the Customer is subject to the condition precedent that no Default in respect of the Customer has occurred or is subsisting.

## **12. Security Interest of PSPL in Customer's Capital Markets Products**

On the Customer's default of any secured obligation, PSPL may exercise its security rights to effect a sale of the Capital Markets Products (on such terms and on such timing as it in good faith believes appropriate) and apply the proceeds thereof as follows:

- (a) first towards the costs and expenses referable to the exercise and enforcement of the security interest;
- (b) thereafter towards accrued interest; and
- (c) finally towards discharge or reduction of the obligation defaulted upon. Any surplus shall be credited into the relevant Multi-Currency Account (as determined by PSPL in its sole discretion).

## **Section 5 : Custodial Services**

### **Definitions**

In this Section 5, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“Bonus Related Assets”** shall have the meaning given to it in Clause 5.2, Section 5 of Part B;

**“Custodial Services”** shall have the meaning given to it in Clause 1, Section 5 of Part B; and

**“Related Assets”** means dividends, interest and other moneys payable in respect of the Customer’s Capital Markets Products and all other rights, benefits and proceeds in respect of or derived from the same (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise).

### **1. Bare Custodial Services**

- 1.1 Unless otherwise agreed, the Customer expressly authorises PSPL as custodian to receive and hold all Capital Markets Products and other assets of the Customer for the benefit of the Customer, and PSPL shall supply such custodial services (the **“Custodial Services”**) to the Customer on the terms set out in this Section 5.
- 1.2 The Customer acknowledges in any event that PSPL, when acting as custodian, is not a fiduciary to the Customer or otherwise with respect to the Customer’s Capital Markets Products but shall be regarded generally only as a bare custodian and not trustee of the Capital Markets Products. There shall be no relationship of trustee and beneficiary between PSPL and the Customer, or any further relationship in relation to PSPL’s provision of Custodial Services other than as expressly contemplated in this Section 5.
- 1.3 PSPL’s duties are strictly restricted to the duties expressly provided under this Section 5, including the following:
  - (a) to hold or procure to be held to PSPL’s order all documents evidencing ownership of the Customer’s Capital Markets Products and identify

- in PSPL's books which products belong to the Customer;
- (b) to procure that all Capital Markets Products other than bearer Securities are registered in the name of PSPL or such other Nominee(s) or Sub-Custodian (as the case may be) as PSPL may appoint in accordance with Clause 2 or, where due to the nature of the law or market practice of any relevant jurisdiction, it is in the Customer's best interests or it is not feasible to do otherwise, any Sub-Custodian;
  - (c) to hold or procure that all bearer Capital Markets Products of the Customer are held in safe custody and ensure that such bearer Capital Markets Products are held in such a manner that it is readily apparent that such Capital Markets Products are not the property of PSPL or any Sub-Custodian. Such bearer Capital Markets Products of the Customer shall be segregated by PSPL or any Sub-Custodian (as the case may be) from all property of PSPL or the Sub-Custodian and shall be identified as held by PSPL or Sub-Custodian for the account of the Customer. Where any Capital Markets Products are in uncertificated form, or otherwise transferable by book entry transfer, PSPL may use the services of any depository agent, on such terms as it may think fit, for the purpose of the holding and transfer of such bearer Capital Markets Products (or entitlements thereto);
  - (d) except to the extent permitted or not prohibited by the SFA or its regulations (including Regulation 26 of the SFR), to hold and/or procure that any Sub-Custodian holds Capital Markets Products, if registered in the same name as investments of PSPL or Sub-Custodian, in an account designated separately from that used for investments of PSPL or Sub-Custodian (as the case may be);
  - (e) on receipt of the Customer's instructions or with the Customer's authority to make or accept delivery of Capital Markets Products which have been sold, purchased, transferred or otherwise acquired or lent or disposed of by the Customer or its agent, such acceptance or delivery to be made in accordance with the normal practice for transactions of the type concerned;

- (f) to use its reasonable endeavours to collect and receive all Related Assets, provided that the Customer acknowledges and accepts that PSPL (whether directly or through any delegate or agent) shall have no duty or responsibility but is entitled, if it so chooses to:
  - (i) exercise or discharge any obligations conferred or imposed by reason of PSPL's holding of the Capital Markets Products or to investigate, participate or take any affirmative action in connection therewith or otherwise;
  - (ii) send or give notice of any proxy form or other document which PSPL may receive in respect of the Capital Markets Products;
  - (iii) recognize any claim in the nature of a trust or equitable claim by anyone other than the Customer in respect of the Capital Markets Products or any part thereof; or
  - (iv) otherwise make any notification to the Customer in respect of the custody Capital Markets Products, or take any other action in relation to the custody Capital Markets Products;
- (g) to credit to the Customer's account all income and other payments received by PSPL under sub-Clause (f) of this Clause 1.3;
- (h) to sign, execute and/or complete such documents, certificates or forms from time to time required for fiscal and taxation purposes in connection with the collection of income from the Capital Markets Products including bonds and note coupons; and
- (i) to keep or (to the extent reasonably practicable) procure there to be kept by any Sub-Custodian or any Nominee appointed by PSPL (as the case may be), such books records and statements, in retrievable form, as may be necessary to provide an adequate record of all Capital Markets Products held and transactions carried out by or on behalf of the Customer.

1.4 PSPL may refuse to provide the Custodial Services in relation to any Capital Markets Products or assets which PSPL deems unsuitable to be held hereunder without giving any reason therefor or being responsible or liable for any Loss thereby occasioned.

## **2. Nominees/Sub-Custodians**

- 2.1 The Customer hereby expressly authorises PSPL to utilise one or more Nominee(s) or Sub-Custodians for the purpose of providing the Custodial Services for the benefit of the Customer and PSPL shall use reasonable care in the selection of any Nominee or Sub-Custodian. In the event that a Nominee is being used, the Customer is deemed to have contracted as principal with such Nominee.
- 2.2 PSPL may utilise the services of a foreign custodian as Nominee or Sub-Custodian where it deems this to be necessary or appropriate and the Customer hereby expressly consents to PSPL having the full authority and discretion to appoint and use such foreign custodian as it deems necessary or appropriate.
- 2.3 Where Capital Markets Products are held by a Nominee or Sub-Custodian, PSPL shall separately agree in writing the requirements as may be required under Applicable Laws. Nothing shall, to the fullest extent permitted by law:
- (a) prevent or preclude PSPL, a Nominee or Sub-Custodian, each in their sole and absolute discretion, from time to time mutually agreeing to vary, amend or terminate the terms of their agreement with respect to such custody arrangements;
  - (b) prevent or preclude such variation, amendment or termination taking effect on or after notice to the Customer; and
  - (c) require that prior written consent of the Customer be obtained for any such variation, amendment or termination.
- 2.4 The Customer acknowledges and accepts that different settlement, legal and regulatory requirements and different practices relating to the segregation of Capital Markets Products held by a Nominee or Sub-Custodian may apply. In addition, PSPL and any Nominee or Sub-Custodian may deposit Capital Markets Products with, and hold Capital Markets Products in, any securities depository on such terms as such systems customarily operate. The Customer agrees that where the context permits, any reference to PSPL herein shall also include a reference to its Nominee, Sub-Custodian and/or any

other person appointed by PSPL in accordance with this Clause.

### **3. Custodial responsibilities and power**

- 3.1 PSPL shall be entitled to do, subject and on receipt of the Customer's instructions to the contrary, any act or refrain from doing any act unless (as the case may be) prohibited or required by Applicable Laws, in relation to any Capital Markets Products custodised with PSPL, which under the terms of the Customer's agreement with PSPL, PSPL is not specifically (as the case may be) either specifically prohibited or required to do.
- 3.2 Without prejudice to the foregoing, the Customer hereby specifically instructs PSPL that, until it receives written instructions to the contrary, whenever the Customer purchases Capital Markets Products through PSPL, and the sums standing to the credit of the Customer's Account are sufficient to satisfy the purchase price of the Capital Markets Products purchased, PSPL is to withdraw from the Customer's Account such sum as is equal to the purchase price and appropriate such sum to PSPL in satisfaction of the Customer's obligation to pay the purchase price, or where the shares are contra sold, to use such sums for any contra losses incurred (if any).
- 3.3 Also without prejudice to any of the foregoing, any amount payable by the Customer pursuant to the Custodial Services hereunder shall be payable to PSPL or its Nominees or Sub-Custodians, as the case may be, on demand and may be deducted from the Capital Markets Products or such Account as PSPL deems appropriate.

### **4. Liability**

- 4.1 PSPL shall not be responsible for or liable to the Customer for any Loss suffered or incurred by the Customer, or profit or advantage of which the Customer may be deprived, which arises from or in connection with:-
  - (a) the manner in which PSPL holds the Capital Markets Products hereunder or deals with monies received or intended to be received in connection herewith;

- (b) the loss, theft or destruction of, or any damage to, any of the Capital Markets Products or certificates relating thereto; or
- (c) the performance or non-performance of PSPL hereunder,

except insofar as the same arises as a result of the gross negligence, fraud and/or wilful default of PSPL.

- 4.2 While PSPL will use reasonable care in the selection of any Nominee or Sub-Custodian. PSPL shall not be responsible for or liable to the Customer for any Loss suffered or incurred by the Customer or profit or advantage of which the Customer may be deprived, which arises from or in connection with:
- (a) the insolvency of any Sub-Custodian or Nominee; or
  - (b) any act or omission of any Sub-Custodian or Nominee, except insofar as the same arises as a result of the gross negligence, fraud or wilful default of the relevant Sub-Custodian or Nominee.
- 4.3 PSPL shall not be responsible or liable for any act, omission or insolvency of any entity providing central depository, clearing and/or settlement facilities.
- 4.4 The Customer acknowledges and agrees that PSPL shall be under no duty to supervise compliance by the Customer with any restrictions on the investment powers of the Customer.
- 4.5 The Customer agrees and acknowledges that the rights generally available or accruing to the holder of any Capital Markets Products may under the laws of foreign jurisdictions, not be available to or accrue to the benefit of or be offered to the Customer and the Customer agrees that in such circumstances, PSPL shall not be responsible to inform the Customer, inquire, investigate, take any action or make any demands in relation to such rights and the Customer shall have no recourse against PSPL for any claims whatsoever arising out of or in connection with or in relation to such rights.
- 4.6 These limitation of liability provisions are in addition to all other limitation of liability provisions in this Document.

## **5. Commingling of Customer's Capital Markets Products and Records**

- 5.1 PSPL shall keep records (or shall procure that such



records will be kept) and hold all Capital Markets Products of the Customer held by or through PSPL hereunder in a way that makes it clear that Capital Markets Products do not belong to PSPL or any Nominee or Sub-Custodian. Where Capital Markets Products in PSPL's custody are held by a Nominee or Sub-Custodian, PSPL will take reasonable steps to ensure that the records of the relevant entity make it clear that the investments are held by or on PSPL's behalf for the Customer and that they do not belong to PSPL or any such Nominee or Sub-Custodian. The purpose of this is to make clear, in the event of the failure of any such entity that the assets are held on behalf of third parties and, are not available to creditors of that entity if it fails. However, it cannot be guaranteed that there would be no loss of assets in the event of such a failure. Where the assets are held by a Nominee or Sub-Custodian outside Singapore, it may not be possible under the relevant law of that country for those assets to be separately identifiable from the assets of the Nominee or Sub-Custodian or from PSPL's assets and accordingly there may be a greater risk of loss in the event of a failure of any such Nominee or Sub-Custodian.

- 5.2 The Capital Markets Products held by or through PSPL hereunder may also be registered collectively with other Capital Markets Products both of PSPL and/or other customers of PSPL in the same name and where so registered, the Customer's entitlements may not be identifiable by separate certificates or other physical documents of title or equivalent electronic records (although PSPL and/or its delegate will maintain records such that it will be readily apparent the degree of the Customer's interest in the commingled Capital Markets Products so collectively held but on the express understanding and agreement of the Customer that where such commingling and aggregation of the Capital Markets Products of the Customer and other persons result in entitlements to Related Assets which otherwise without such commingling or aggregation would not have accrued to the Capital Markets Products (the "**Bonus Related Assets**"), PSPL has full discretion as to the allotment of such Bonus Related Assets as amongst its customers, (including the Customer as it deems fit) and should PSPL, any Nominee or Sub-Custodian default, any shortfall in the Capital Markets Products registered in that name may be shared pro rata among all

customers of PSPL or the Sub-Custodian or Nominee whose Capital Markets Products are so registered.

## **6. Customer's Rights In Respect of Customer's Capital Markets Products and Corporate Actions**

- 6.1 The Customer acknowledges and agrees that registration of the Customer's Capital Markets Products in the name of PSPL or such other Nominee(s) or any Sub-Custodian (as the case may be) as PSPL may appoint in accordance with Clause 2 above may mean that the Customer will lose incentives and shareholder benefits (in particular voting rights, notices and rights of attendance at general meetings) attaching to the Capital Markets Products that the Customer would otherwise enjoy if the Capital Markets Products were registered in the name of the Customer.
- 6.2 Further, PSPL accepts no duty to notify the Customer of any impending Corporate Action relating to any of the Capital Markets Products of the Customer and the Customer is to keep itself informed of same. In particular, PSPL will not notify the Customer of notices for general or other meetings of shareholders and will not seek the Customer's instructions as to how to exercise voting rights attached to Capital Markets Products. Where PSPL does receive voting instructions from the Customer in due time, PSPL shall use its best efforts to give effect to the same. However, where the Customer's Capital Markets Products are commingled and pooled with those of other PSPL customers, this may not be possible and PSPL reserves the right to vote the entirety of the commingled Capital Markets Products consistently with the instructions of all affected customers giving PSPL voting instructions in time in accordance with the majority amongst them in number of products held.
- 6.3 The Customer agrees to provide PSPL with the Customer's instructions in relation to a Corporate Action in due time before any relevant deadline set by the relevant company or their registrars for PSPL to determine in good faith whether it is feasible to act on the same. Due time refers to reasonable time before the deadline set by the relevant company or their registrars to process instructions on a good faith basis only in relation to the Corporate Action. If PSPL does not, for any reason, receive instructions from the Customer by the deadline above in relation to a Corporate Action,

PSPL will act or take no action as it deems fit with respect to such Corporate Action. Sometimes the terms of a Corporate Action will require an election to be made on behalf of PSPL's Nominee's entire holding in a company on an 'all or nothing' basis. In these circumstances, PSPL may not be able, even if it wishes to, to act in accordance with the instructions of the Customer even if received in due time. PSPL reserves the right in these circumstances not to comply with the Customer's instructions. Some Corporate Actions permit a registered holder to subscribe for additional shares in a company. In these cases, applications to subscribe will be made on behalf of PSPL's Nominee's entire holding in that company. The additional shares will be allocated to the Nominee on the basis of that holding. PSPL will then allocate the shares amongst all the customers involved on a pro-rata basis. The shares allocated to the Customer may be different to what the Customer would have received if the Capital Markets Products had been held by the Customer directly. It may be that on some occasions no shares are allocated to the Customer. The Customer acknowledges and accepts that this is a consequence of PSPL holding the Customer's Capital Markets Products on a commingled basis with other customers' products.

- 6.4 Where the Customer's Capital Markets Products are commingled and pooled with those of other PSPL customers, the Customer acknowledges and agrees that the options available in relation to the Capital Markets Products during a Corporate Action may be different from what the Customer would have received if the Capital Markets Products were held directly. The Customer agrees that PSPL reserves the right and discretion to apportion the total entitlement received in respect of the pooled Capital Markets Products between the Customer and the other customers involved. In the event that there is balance after apportionment resulting in a fractional entitlement, the Customer agrees to waive his right to such fractional entitlement and to abandon the same in favour of PSPL and such fractional entitlement may be appropriated by PSPL to and for itself.

## **7. Statements and Information**

PSPL shall provide or procure the provision to the Customer with such reports and statements concerning the Capital Markets Products and at such intervals as agreed between them from time to time. PSPL may (but is not obliged to), on the request of the Customer and subject to payment by the Customer of such fee as may be determined by PSPL, furnish to the Customer such information in respect of the Customer's Capital Markets Products as the Customer may reasonably request.

#### **8. Return of Capital Markets Products Custodised**

The Customer shall not have any right to specific Capital Markets Products custodised with or through PSPL, but will be entitled, subject to this Section 5, to delivery by PSPL of Capital Markets Products of the same class, denomination and nominal amount, and which rank *pari passu* with those accepted by PSPL as being the Capital Markets Products so custodised, subject always to any capital reorganisation or share exchange which may have occurred. Such delivery may be to the Customer or any third party specified by the Customer.

#### **9. Authorisations**

Without prejudice to Clauses 1, 3 above and 10 below, PSPL is authorised (but not obliged), either by itself, through a Nominee or Sub-Custodian (if so, subject to Clause 2 above) or otherwise, and whether in Singapore or elsewhere to do any lawful act or thing which in the discretion of PSPL is necessary to preserve the integrity of the Capital Markets Products custodised and/or any Account and/or to protect the reasonable interests of the Customer and/or PSPL.

#### **10. Customer Primarily Liable**

Notwithstanding that the Customer may as between itself and a third party be effecting transactions on and/or in respect of any part or all of the Capital Markets Products custodised for and on behalf of such third party, as between the Customer and PSPL, the Customer shall be deemed to be, and is, transacting as sole principal. The Customer acknowledges, undertakes and agrees to be always primarily liable for such transactions in all or part of the Capital Markets Products custodised.

#### **11. Instructions**

- 11.1 PSPL need only act on Instructions (oral or otherwise) from the Customer in respect of any Account or any part or all of the Capital Markets Products custodised. PSPL shall not be required to act in accordance with any Instruction from the Customer which purports to dispose of or deal with Capital Markets Products or other property which are in fact not held in any Account and/or which are not in fact Capital Markets Products custodised.
- 11.2 PSPL shall only be required to act on or effect any Instruction from the Customer within a reasonable time. For the avoidance of doubt, subject to Clause 20, in the event that the Customer wishes to withdraw any part or all of the Capital Markets Products custodised, the Customer shall give at least one (1) day's notice, or such other minimum notice period as PSPL may otherwise specify, to PSPL prior to such withdrawal.

**12. Holding of Capital Markets Products on Aggregate or Omnibus Basis**

Without prejudice to any applicable terms for the provision of custody services with respect to Capital Markets Products herein, the Customer acknowledges and consents to the fact that any Capital Markets Products belonging to the Customer held with PSPL, an Intermediary or Nominee for any reason whatsoever may (to the extent that the same has not been the subject of any permitted borrowing) be held with Capital Markets Products held by PSPL for itself (where not prohibited or not otherwise required by law) or other customer of PSPL on an aggregate or omnibus basis. This may in some instances result in prejudice to the Customer and the Customer accepts and consents to this. PSPL shall not be responsible or liable for any Loss suffered or incurred by the Customer.

**13. Instructions from Third Party**

Any instructions (oral or otherwise) purported to be given by any person other than the Customer, need not be acted on by PSPL but PSPL is authorised to act on any and all such instructions which PSPL in good faith has reason to believe is from the Customer as soon as such instructions have been received by PSPL without requiring written confirmation thereof. PSPL shall not be

responsible for or liable for any Loss incurred by the Customer as a result of PSPL so acting.

#### **14. Representations, Warranties and Undertakings**

The Customer represents, warrants and undertakes that:

- (a) he is the legal and beneficial owner of the Capital Markets Products custodised;
- (b) the Capital Markets Products custodised are fully paid up and paid for, in the required or regular form and in good delivery order; and
- (c) there is no defect in title, security interest or encumbrance affecting the Capital Markets Products custodised.

#### **15. Security**

In addition and without prejudice to the foregoing, all Capital Markets Products custodised are hereby charged by way of first fixed charge to PSPL as continuing security for all of the Customer's liabilities to PSPL whether the same accrue under or pursuant to the Account or otherwise. Clauses 9, 10 and 11 of Section 3 of Part B will apply *mutatis mutandis* to the security created under this Clause. Save for the charge mentioned in this Clause, the Customer shall not create nor shall the Customer allow to be created any security interest of whatsoever nature over any part or all of the Capital Markets Products custodised without the prior consent in writing of PSPL.

#### **16. On-Lending and Creation of Further Security and Use Rights**

Notwithstanding any provision to the contrary in this Document or the terms expressly appearing on the Application Form as may be revised from time to time as applicable to the Customer or the terms of any collateral or charge documentation with respect to the Customer's Capital Markets Products and other property (collectively the "**Terms**") but subject to Clause 7 of Section 3, the Customer agrees that with respect to ALL the Customer's Capital Markets Products and other property that now or in the future is in PSPL's possession and/or control (whether posted as collateral to PSPL or otherwise) PSPL shall have the same rights of borrowing, on-lending and delivery on a title transfer basis over such Capital Markets Products as the Capital

Markets Products which are subject to Clause 12 of Section 3 above.

## **17. Set-off rights**

Without prejudice to any other right which PSPL may have whether under law, the Document (particularly pursuant to Clause 21 of Part A) or otherwise, PSPL is expressly conferred by the Customer a right to effect a set-off against the Customer's obligations to PSPL whether referable to the Customer's Margin Account or cash account any money or credit balance in any account of the Customer with PSPL or maintained by PSPL for the Customer's benefit (including the trust account PSPL is obliged to maintain for the Customer pursuant to PSPL's obligations under the SFA) and including such money sum as PSPL may otherwise be obliged to pay to the Customer as a consequence of exercising PSPL's right of conversion under Clause 11 of Part A, effecting as PSPL deems necessary or appropriate any currency conversion.

## **18. Default and Termination**

In the event that any of the events set out in Clause 22 of Part A occurs, then in addition to the rights set out in that Clause, PSPL shall be further entitled to immediately enforce the security created pursuant to Clause 15 above by way of disposing or otherwise dealing with any part or all of the Capital Markets Products custodised using or employing any and all powers granted hereunder or otherwise to a mortgagee or chargee under the laws of Singapore.

## **19. Fees and Expenses**

19.1 In consideration of the Custodial Services provided by PSPL hereunder, the Customer shall pay to PSPL fees (exclusive of goods and services or other relevant value added tax) as agreed or as may be varied and notified by PSPL to the Customer. The Customer shall, on demand, pay to or reimburse (or shall procure payment to or, reimbursement of) PSPL for all expenses, including management or supervisory fees, agents' and other advisers' fees, disbursements and operating expenses incurred in connection with:

- (a) the performance by PSPL of its obligations hereunder; and

- (b) the enforcement or preservation by PSPL of its rights hereunder,
- (c) together with any applicable goods and services tax or other tax thereon.

19.2 The Customer hereby authorises PSPL to debit the Customer's Account with all amounts due or which may become owing by the Customer to PSPL hereunder, together with any applicable goods and services or other value added tax, thereon.

## **20. Contra Losses**

The Customer agrees that:

- (a) no Capital Markets Products of the Customer custodised by PSPL and/or its Nominee(s) or Sub-Custodians may be withdrawn by the Customer if there are any contra losses outstanding; and
- (b) if any contra loss is not paid by the Customer within 14 days or such time as PSPL may determine, PSPL is entitled to sell such of the Customer's Capital Markets Products in PSPL's custody as may be necessary to reimburse PSPL of such contra loss.



## **Section 6 : Securities Borrowing and Lending Service**

### **Definitions**

In this Section 6, unless the context otherwise requires, the following words and expressions shall bear the following meaning:

**“Distribution”** has the definition given to it in Clause 8, Section 6 of Part B;

**“Excess Collateral”** has the definition given to it in Clause 3.3, Section 6 of Part B;

**“Information Sheet”** refers to the information sheet provided to the Customer by PSPL in respect of the Securities Borrowing and Lending (“SBL”) Service;

**“PSPL Collateral”** has the definition given to it in Clause 2, Section 6 of Part B; and

**“SBL Collateral”** has the definition given to it in Clause 3.1, Section 6 of Part B.

### **1. General**

- 1.1 The Customer agrees that any and all borrowings of Capital Markets Products by a Customer from PSPL, and by PSPL from the Customer, shall be governed by this Section 6 and the Customer acknowledges that PSPL shall rely on the foregoing in agreeing to and/or making any loan of Capital Markets Products to a Customer and borrowing Capital Markets Products from a Customer, as the case may be. The Customer further agrees that both the Customer and PSPL act as sole and respective principals to one another in any and all borrowings of Capital Markets Products by a Customer from PSPL and by PSPL from a Customer.
- 1.2 In addition, all borrowings by a Customer of Capital Markets Products from PSPL, and by PSPL from the Customer, shall at all times be subject to Applicable Laws, including the provisions of all relevant SGX-ST Rules as well as the provisions of Regulation 45 of the SFR.

### **2. Provision of Collateral**

Without prejudice to the generality of Clause 1 above and in accordance with the requirements of Regulation

45 of the SFR:

- (a) the Customer shall, when borrowing Capital Markets Products from PSPL, at all times ensure that it provides collateral of a value specified by PSPL which will in any case be no less than one hundred and five percent of the value of the Capital Markets Products borrowed by the Customer from time to time and which the Customer has yet to return; and
- (b) PSPL shall, when borrowing Capital Markets Products from a Customer, at all times ensure that it provides collateral of one hundred and five percent of the value of the Capital Markets Products borrowed by PSPL from time to time and which PSPL has yet to return ("**PSPL Collateral**").

### **3. Security and Title Transfer Rights and Cumulative Margin and Collateral Posting and Default Consequences**

- 3.1 The Customer agrees that for the purposes of the Customer's borrowing of Capital Markets Products, an account ("**SBL Account**") will be opened and maintained on the books of PSPL into which will be credited all property (including Capital Markets Products and cash) to be provided with respect to and which are intended to be appropriated as collateral and/or security as may be acceptable to PSPL from time to time (including property provided by way of initial margins or comprising proceeds from sale of Capital Markets Products borrowed) for any and all borrowings of Capital Markets Products of the Customer (the "**SBL Collateral**").
- 3.2 For the purposes of the Customer's borrowings of Capital Markets Products from PSPL, the Customer shall, as required by Regulation 45 of the SFR, transfer the title to the SBL Collateral in favour of PSPL such that all right, title and interest in the SBL Collateral, including cash or cash equivalent shall vest in PSPL free and clear of any liens, claims, charges or encumbrances or any other interest of the Customer or of any third person; and nothing in this Document is intended to create or does create in favour of PSPL an interest only by way of any mortgage, charge, lien, encumbrance or other security interest in any SBL Collateral. Further, the Customer shall take such further actions and complete and execute

any and all documentation that PSPL may require to ensure that title to SBL Collateral of the required collateral value pursuant to Regulation 45 of the SFR shall at all times vest in PSPL.

- 3.3 For the purposes of PSPL's borrowing of Capital Markets Products from the Customer, PSPL shall, as required by Regulation 45 of the SFR, transfer the title to the PSPL Collateral in favour of the Customer such that all right, title and interest in the PSPL Collateral, including cash or cash equivalent shall vest in the Customer free and clear of any liens, claims, charges or encumbrances or any other interest of PSPL or of any third person; and nothing in this Document is intended to create or does create in favour of the Customer an interest only by way of any mortgage, charge, lien, encumbrance or other security interest in any PSPL Collateral. Further, PSPL shall take such further actions and complete and execute any and all documentation that the Customer may require to ensure that title to PSPL Collateral of the required collateral value pursuant to Regulation 45 of the SFR shall at all times vest in the Customer. Notwithstanding the foregoing, the Customer hereby instructs PSPL to hold all such PSPL Collateral on the Customer's behalf in accordance with Section 5 of Part B, for the purposes of PSPL providing the Primary Services to the Customer (including to facilitate the execution of Transactions). For the avoidance of doubt, the PSPL Collateral will be subject to all security, set-off and other rights that PSPL may have under the terms and conditions of this Document.
- 3.4 Notwithstanding the preceding, the Customer also acknowledges that PSPL is permitted to treat as SBL Collateral, any Excess Collateral of the Customer, for the purposes of effectively determining whether the Customer satisfies its collateral requirements for Capital Markets Products borrowing cumulatively with its collateral or margin provision requirements otherwise to PSPL. For the purposes of the preceding, "Excess Collateral" shall refer to such Collateral of the Customer provided as collateral for obligations of the Customer otherwise than referable to Capital Markets Products borrowing by the Customer or excess Collateral provided by PSPL to the Customer for any Capital Markets Products borrowed by PSPL from the Customer. Insofar as such Excess Collateral comprises cash, cash

equivalent or cash receivables due to the Customer, they may also at the discretion of PSPL be applied by way of payment for shares purchased by the Customer to satisfy the Customer's obligation to return borrowed Capital Markets Products and correspondingly the amount of cash or cash equivalent PSPL is otherwise obliged to return to the Customer.

- 3.5 In the event that Excess Collateral is so applied in accordance with Clause 3.4 above, the Customer acknowledges that the collateral requirements otherwise referable to Capital Markets Products borrowing by the Customer shall be cumulated with the collateral provision and maintenance requirements of the Customer referable to Capital Markets Products borrowing by the Customer and cumulatively calculated and complied with. In the event that the Customer is unable to satisfy in whole such cumulative requirements, the Customer shall be deemed to be in default of all the Customer's collateral and margin provision and maintenance requirements.

#### **4. Commingling of Collateral and Return Obligation of SBL Collateral**

- 4.1 The Customer agrees that PSPL may commingle and hold any or all SBL Collateral (as may not be the subject of any title transfer in favour of PSPL) together with the Capital Markets Products and/or money that PSPL may hold for its other Customers whether as collateral or otherwise.
- 4.2 As such, PSPL shall not be obliged with respect to any of the Customer's Capital Markets Products or other property to retain the same in its possession or control (being entitled to treat all of the same as fungibles) but, subject to PSPL's rights to borrow and/or on-lend the same as set out in Clause 12 of Section 3, shall only be obliged to retain for the duration of the Customer's borrowing of Capital Markets Products from PSPL or at any time only like Capital Markets Products or other property of equivalent amount and description or their equivalent value. As such the Customer further agrees that:
- (a) in relation to the preceding the Customer acknowledges, without prejudice to the Customer's consent in Clause 3 of Part A, that it would be administratively and operationally difficult, if not

impossible (in view of the constant ebb and flow of the aggregate balance in such account) to account separately for each of PSPL's customers the interest due to their fluctuating cash balances (insofar as the same has not been the subject of a title transfer in favour of PSPL) being part of a larger pool of money since interest will be received on a lump sum basis. The Customer further acknowledges and accepts that such an exercise would be likely to cost more than any interest earned. In the circumstances, the Customer agrees that it is a material condition that the Customer waives and relinquishes in PSPL's favour all claims for interest that might otherwise accrue with respect any cash component of the SBL Collateral;

- (b) PSPL's only obligation is, subject to the Customer having discharged all the Customer's existing obligations and properly terminated the Customer's SBL Account with PSPL and subject otherwise to PSPL's rights under this Document (including any right of interim liquidation or sale of the Customer's SBL Collateral) to return to the Customer like Capital Markets Products of equivalent amount or their cash value. Without prejudice to the generality of the foregoing, insofar as the SBL Collateral had been the subject of a title transfer in favour of PSPL, PSPL's only obligation to effect the said return of the same will be by way of discharge of an unsecured debt obligation; and
- (c) as such, notwithstanding any contrary provision agreed between the parties, in the event of the Customer's insolvency, PSPL has the right at their option to convert any obligation PSPL may otherwise have to return the Customer Capital Markets Products into an obligation instead to pay the aggregate market value for the same, and to subject such converted payment obligation to PSPL's general right of set-off (in addition to any other rights of set-off and/or consolidation of accounts or obligations PSPL may have at law or in contract).

## **5. Value of Collateral Provided**

- 5.1 The Customer agrees that the initial value of the collateral required to be placed as SBL Collateral with

PSPL by the Customer with respect to any borrowing of Capital Markets Products by the Customer shall be not less than the initial margin requirement as specified by PSPL and in any event shall be of a value not less than the prescribed minimum value under Applicable Laws. Should the value of the SBL Collateral relative to the value of Capital Markets Products borrowed and remaining to be returned at any time thereafter fall below the minimum margin requirement set by PSPL, PSPL shall thereupon and thereafter have the discretion to demand the immediate return of the Capital Markets Products borrowed and/or sell or dispose and/or appropriate any or all SBL Collateral which PSPL holds for the Customer or is obliged to return to the Customer on satisfaction of the Customer's obligations to PSPL in any manner in order to purchase equivalent Capital Markets Products to the Capital Markets Products borrowed and to appropriate the same towards satisfaction of the Customer's return obligations so as to bring about a position where the value of SBL Collateral meets PSPL's margin requirements. Without prejudice to the foregoing, the Customer acknowledges and agrees that PSPL shall determine the respective market values of Capital Markets Products borrowed by the Customer as well as the SBL Collateral on a daily marked-to-market basis. With respect to each borrowing, margin shall be calculated by reference to such procedure(s) for calculating margin as may be prior notified by PSPL to the Customer from time to time for any and all relevant borrowings of Capital Markets Products. In respect of Capital Markets Products borrowed from the Customer by PSPL, the Customer acknowledges and agrees that PSPL will determine the respective current market values of the Capital Markets Products borrowed by PSPL from the Customer and the PSPL Collateral provided by PSPL to Customer for such borrowing on at least a daily marked-to-market basis. With respect to each borrowing of Capital Markets Products by PSPL, margin shall be calculated by reference to such procedure(s) for calculating margin as set out in the relevant Information Sheet.

5.2 Without prejudice to the foregoing, the Customer also notes and agrees that:

- (a) should the value of the SBL Collateral in PSPL's possession and control fall below margin maintenance levels, PSPL is entitled to request

(and the Customer shall comply with any such request) to provide such amount of additional collateral as required to satisfy PSPL's margin requirements and in the interim, the Customer is not permitted to effect any new borrowings of Capital Markets Products;

- (b) should the value of the SBL Collateral fall below the minimum margin requirement set by PSPL, PSPL is entitled (but not obliged) at PSPL's absolute discretion and without notice to the Customer to realise the SBL Collateral (or any part thereof) and apply the proceeds therefrom to purchase such amounts of Capital Markets Products equivalent to the Capital Markets Products borrowed and appropriate the same as Capital Markets Products returned by the Customer to satisfy PSPL's margin requirements; and
- (c) PSPL is entitled at any time to revise its margin requirements and its determination of the value of any component of the SBL Collateral other than cash shall be final and determinative as between the parties so long as made in good faith. In this connection, the Customer recognises and accepts that depending on the quality of the Capital Markets Products provided as SBL Collateral a larger deduction or hair-cut for valuation process will be made by PSPL.

## **6. Undertakings by the Customer**

The Customer makes the following undertakings to PSPL:

- (a) all SBL Collateral deposited or provided by the Customer shall be in the form of cash, securities issued by the Government or its agencies, acceptable Capital Markets Products and such other instruments as PSPL may from time to time prescribe;
- (b) all selling Transactions intended by the Customer to be satisfied by the delivery of Capital Markets Products borrowed from PSPL shall be prior notified to PSPL by the Customer and effected only through PSPL through the Customer's SBL Account maintained with PSPL. In addition, the Customer shall in each case make a prior request for the required borrowing as a pre-condition to

effecting a sale Transaction as intended. Unless PSPL indicates otherwise to the Customer, the Customer's request will be deemed accepted and for the purposes of calculating the period of borrowing, the commencement date for such borrowing shall be deemed to be the date of acceptance of the Customer's request regardless of the actual date the lending is actually effected by PSPL's delivery of the borrowed Capital Markets Products on the Customer's behalf in settlement of the Customer's delivery obligation to be satisfied by such Capital Markets Products but provided that it is expressly acknowledged and agreed that pending such delivery no title to the borrowed Capital Markets Products will pass from PSPL. In this connection, the Customer further acknowledges and agrees that all proceeds (being the purchase price) for the sale transaction settled by delivery of the borrowed Capital Markets Products are received by PSPL as part of and subject to the terms of the SBL Collateral; and

- (c) all purchase transactions intended to be satisfied by money comprised in the SBL Collateral shall be prior notified to PSPL by the Customer and such notice shall be deemed to be a request for a release of the money in substitution of the Capital Markets Products purchased becoming part of and subject to the terms for the SBL Collateral and effected only through PSPL through the Customer's cash trading account maintained with PSPL. In each such case, the Customer further acknowledges that the Capital Markets Products to be so purchased must be of Capital Markets Products acceptable to PSPL for the purposes of the SBL Collateral and be either:
  - (i) of at least equivalent value as the money to be drawn out of the SBL Collateral to pay for the Capital Markets Products purchased; or
  - (ii) is of a value which taken together with the rest of the SBL Collateral (after release of the money requested to be released and applied towards payment for the Capital Markets Products purchased) satisfies PSPL's margin requirements.

## **7. Customers who are Accredited Investors**



PSPL shall assume that the Customer is not an Accredited Investor for the purposes of all Capital Markets Products borrowed by the Customer and PSPL and the Customer shall therefore be subject to the same collateral provision requirements detailed in this Section 6, unless the Customer expressly notifies PSPL that it is, and wishes to be regarded as, an Accredited Investor for the purposes of its borrowing of Capital Markets Products from PSPL. For the avoidance of doubt, notwithstanding that the Customer is an Accredited Investor, for the purposes of determining the collateral provision requirement of the Customer as a borrower, the Customer shall, unless PSPL expressly agrees otherwise in writing, be required to provide, collateral to the same extent and terms as a Customer who is not an Accredited Investor.

## **8. Customer or PSPL's obligations in relation to borrowed Capital Markets Products**

8.1 In respect of the Capital Markets Products borrowed by the Customer from PSPL, the Customer shall:

- (a) on the date of the payment or distribution of any interest, dividends or other distribution of any kind whatsoever (each, a **"Distribution"**) arising from any such borrowed Capital Markets Products or on such other date as PSPL and the Customer may from time to time agree, pay and deliver a sum of money or property equivalent to the Distribution to PSPL (with any such endorsements or assignments as shall be customary and appropriate to effect the settlement thereof), regardless of whether the Customer has received the same;
- (b) undertake to use the Customer's best endeavours to arrange for any voting rights attached to any such borrowed Capital Markets Products in respect thereof, to be exercised in accordance with the instructions of PSPL; and
- (c) undertake to procure that all instructions received from PSPL in respect of conversions, subdivisions, consolidations, redemptions, takeovers, pre-emptions, options (including an option to take a Distribution in the form of Capital Markets Products or a certificate or other document which may at a future date be exchanged for Capital Markets Products) or other rights, are complied with.

8.2 In respect of the Capital Markets Products borrowed by PSPL from the Customer, PSPL shall:

- (a) on the date of the Distribution arising from any such borrowed Capital Markets Products or on such other date as PSPL and the Customer may from time to time agree, pay and deliver a sum of money or property equivalent to the Distribution to the Customer (with any such endorsements or assignments as shall be customary and appropriate to effect the settlement thereof) to the extent that the same has been received by PSPL;
- (b) undertake to use PSPL's best endeavours to arrange for any voting rights attached to any such borrowed Capital Markets Products in respect thereof, to be exercised in accordance with the instructions of the Customer; and
- (c) undertake to procure that all instructions received from the Customer in respect of conversions, subdivisions, consolidations, redemptions, takeovers, pre-emptions, options (including an option to take a Distribution in the form of Capital Markets Products or a certificate or other document which may at a future date be exchanged for Capital Markets Products) or other rights, are complied with.

## 9. **Borrowing Fee**

The Customer shall pay PSPL a borrowing fee to be calculated with respect to each borrowing by reference to such fee calculation formula or amount as determined by PSPL and as notified to the Customer for any and all of the Customer's borrowing(s) of Capital Markets Products. The borrowing fees may be deducted and/or drawn from the cash collateral component of the SBL Collateral. The Customer shall also pay all out-of-pocket expenses incurred by PSPL in connection with the loan of Capital Markets Products and shall continue to pay any fees and expenses stated herein notwithstanding that the borrowed Capital Markets Products may be suspended from trading.

The Customer also agrees in connection with the foregoing that except as notified by PSPL, no compensation will be payable to the Customer in connection with any borrowing of the Customer's Capital Markets Products by PSPL and further that, PSPL is the

sole beneficiary of any fee or commission that PSPL may earn from any borrowing of such Capital Markets Products. Notwithstanding the foregoing, PSPL may in its discretion determine to pay the Customer for PSPL's borrowing of such Capital Markets Products of the Customer such fees as notified to the Customer from time to time.

#### **10. Period of Borrowing**

The Customer shall be entitled to borrow Capital Markets Products and/or continue the borrowing of Capital Markets Products subject to the following:

- (a) PSPL's shall be entitled to demand return of the Capital Markets Products borrowed by the Customer upon notice of not less than the time prescribed for settlement for the sale/purchase of the relevant Capital Markets Products on the exchange that it is listed on;
- (b) no borrowing, unless otherwise separately agreed with PSPL, shall be permitted whose period extends over any relevant record date/period including dividend and/or accrual and accretion entitlement and/or book closure date of the Capital Markets Products borrowed; and
- (c) the Customer has not in the interim breached any of its obligations to PSPL.

#### **11. Withdrawals**

For avoidance of doubt, and subject to the Customer at all times maintaining the requisite minimum in value of SBL Collateral relative to the value of the Capital Markets Products borrowed, the Customer is permitted, with PSPL's prior consent (but without prejudice to PSPL's first and paramount fixed security interest over the SBL Collateral with or in PSPL's possession) and at PSPL's discretion, to withdraw cash from the Customer's SBL Account so long as (i) such withdrawal does not result in the value of the SBL Collateral remaining being less than level specified by PSPL (and only if the SBL Collateral requirements continue to be satisfied after such withdrawal), (ii) such withdrawal does not result in fact there being excess cash comprising the SBL Collateral which is not otherwise earmarked to a Customer's request for release pursuant to satisfy a pending purchase transaction effected through PSPL as

per Clause 6(c) above and (iii) there is no event of Default subsisting in respect of the Customer.

## **12. Variation of terms of borrowing**

The Customer acknowledges and agrees that PSPL has the right at any time and from time to time to vary the terms for the borrowing or continued borrowing of Capital Markets Products, or lending or continued lending of Capital Markets Products, by giving notice equal to at least the time prescribed for settlement pursuant to sale / purchase of the relevant security on the exchange it is listed on.

## **13. Communication of requests**

The Customer may make a request for a borrowing through any means of communication and agents (including the Customer's remisier) as the Customer is permitted to effect a Transaction through PSPL.

## **14. Terminology**

In this Section 6, the expressions such as "borrow", "lend" and "redeliver" reflect terminology used in the market for transactions of the kind provided for subject to these terms and conditions under this Section 6 on the understanding that title to Capital Markets Products "borrowed" or "lent" shall pass from PSPL as lender to the Customer as borrower with respect to Capital Markets Products borrowed by the Customer, and from the Customer to PSPL when borrowed by PSPL, and title to equivalent Capital Markets Products redelivered or deemed redelivered, by the Customer to PSPL shall pass to PSPL, and, by PSPL to the Customer shall pass to the Customer, on such redelivery or deemed redelivery. Notwithstanding the foregoing, the Customer may (by prior arrangement with or with the consent of PSPL) effect any purchase or subscription of Capital Markets Products pursuant to any employee stock/share option scheme by paying and/or procuring the payment of the price for the same (whether or not pursuant and consequent upon the exercise of the Customer's option rights as an employee) for the purposes of effecting a redelivery of borrowed Capital Markets Products. In such a case, redelivery shall be deemed effective as from the later of the date of full payment for the Capital Markets Products and the Customer's absolute assignment (on a

recourse basis) of all the Customer's entitlement with respect the purchased/subscribed for Capital Markets Products in form and substance acceptable to PSPL and the payment in addition to PSPL of an agreed fee in consideration of PSPL accepting such assignment in lieu of physical redelivery of Capital Markets Products.

## **15. Delivery**

- 15.1 The Customer undertakes to redeliver Capital Markets Products within the time prescribed for settlement for the sale/purchase of the relevant Capital Markets Products on the exchange it is listed on from the receipt of notice from PSPL requiring such redelivery, throughout the period of the loan of the borrowed Capital Markets Products.
- 15.2 PSPL may call for the redelivery of all or any Capital Markets Products at any time in the ordinary course of business upon notice of not less than the time prescribed for settlement for the sale/purchase of the relevant Capital Markets Products on the exchange that it is listed on. The Customer shall redeliver such Capital Markets Products not later than the expiry of such notice and shall execute and do all such assurances, acts and things which the Customer is required to do including where relevant the execution and delivery of a duly executed CDP Form 4.1 (or such other forms as may be prescribed by CDP from time to time) to PSPL. Simultaneously with the redelivery of the Capital Markets Products in accordance with such call, PSPL shall redeliver the equivalent SBL Collateral in respect of the borrowed Capital Markets Products and repay any cash collateral to the Customer.
- 15.3 If the Customer does not redeliver the borrowed Capital Markets Products in accordance with such call, PSPL may elect to continue the loan of the borrowed Capital Markets Products provided that if PSPL does not elect to continue such loan, it may by notice to the Customer, terminate such loan. In the event that the Customer fails to redeliver Capital Markets Products to PSPL, PSPL shall be entitled, at its sole and absolute discretion and without notice to the Customer, to "buy-in" the Capital Markets Products. If such right of "buy-in" is exercised by PSPL, the Customer shall be liable to account to PSPL

for the total costs and expenses incurred by PSPL as a result of such “buy-in”.

- 15.4 The procedures for the Customer to request return of Capital Markets Products lent to PSPL, and the arrangements for dealing with the situation where such Capital Markets Products cannot be delivered by PSPL will be as set out in the relevant Information Sheet.

## **Section 7 : Contracts for Differences**

### **Definitions**

In this Section 7, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“CFD”** means contracts for differences;

**“CFD Information Sheet”** means a document which sets out matters and terms relating to CFD trading;

**“CFD Margin”** shall have the meaning given to it in Clause 7.1, Section 7 of Part B;

**“CFD Margin Call”** shall have the meaning given to it in Clause 7.4, Section 7 of Part B;

**“CFD Margin Requirements”** shall have the meaning given to it in Clause 7.3, Section 7 of Part B;

**“CFD Transaction”** means Transactions in CFD;

**“Default”** shall have the meaning given to it in Clause 10.1, Section 7 of Part B;

**“Extraordinary Event”** shall have the meaning given to it in Clause 10.4, Section 7 of Part B;

**“GTC”** means “Good Till Cancelled”;

**“GTD”** means “Good Till Date”;

**“Hedge Position”** shall have the meaning given to it in Clause 3, Section 7 of Part B; and

**“Relevant Rules”** means the rules of any exchange, market or trading platform.

### **1. Contracts For Differences Trading Facility**

- 1.1 The Customer agrees that for the purposes of trading in CFDs, a separate account shall be established by PSPL for the Customer known as the **“CFD Account”**. The Customer’s trading of CFDs shall be through the CFD Account and shall comply with the terms and conditions of this Section 7, which shall apply in addition to all other applicable terms and conditions under this Document and the Application Form and all other rules, guidelines and documents of PSPL pertaining to trading in CFDs as

PSPL may issue from time to time, including the CFD Information Sheet defined in Clause 2 below.

- 1.2 An account limit on the CFD Account will be set by PSPL and may be varied from time to time according to the Customer's credit status and the amount of funds deposited with PSPL. The Customer agrees that PSPL may, in its sole and absolute discretion, apply a limit to:
  - (a) the size of any order or Transaction or series of orders or Transactions which the Customer may enter into; and/or
  - (b) the amount of any loss or liability to which the Customer may be exposed with respect to its trading (including unrealised loss determined on a marked to market basis by PSPL in good faith).
- 1.3 The CFD Account is distinct from any other Account for the purposes of this Document and is thus distinct from the Trading Account generally as well as the Margin Account. One consequence is that margins/collateral required for the Customer's trading in CFDs shall be separately provided. For avoidance of doubt, any interim excess in margin or collateral the Customer may have with PSPL for the Trading Account or in his Margin Account shall be disregarded in calculating available margin/collateral for the Customer's trading in CFDs under the CFD Account.
- 1.4 Where CFD Transactions are intended to be effected on and subject to the Relevant Rules, then it shall be a condition to the Customer being permitted to effect any such CFD Transaction that the Customer agrees and is deemed by giving any order for such CFD Transaction to have agreed to ensure that it has read and understood the Relevant Rules for effecting such CFD Transactions and ensured that it shall at all times take no action or fail to take any action referable to any trading or transaction it effects or intend to effect with respect to such CFD Transactions that would cause PSPL to be deemed in breach of the Relevant Rules. The Customer in particular is assumed to and should in particular ensure that it is familiar with the requirements of the Relevant Rules as to the provision of margins and settlement terms for the Transactions.

## **2. CFD Information Sheet**



Notwithstanding these terms and conditions under this Document and the Application Form, the Customer agrees to be bound by the CFD Information Sheet, including the initial and maintenance margin requirements, margin calls, trading hours and list of available underlying financial instruments, markets, and exchanges. If any terms and conditions in the CFD Information Sheet are in conflict with or are inconsistent with the terms and conditions in this Document, the terms and conditions of the CFD Information Sheet are intended to and shall prevail to the extent of such conflict or inconsistency.

### 3. CFD – The Product

The Customer acknowledges and agrees that:

- (a) trading in CFDs involves trading on the outcome of the price of a financial instrument (eg. equity) or of an index and the Customer will not be entitled to delivery of, or be required to deliver, the underlying financial instrument nor ownership thereof or any other interest therein. A CFD has a fixed tenure and needs to be closed out at or before its expiry date, failing which an automatic roll-over will be effected by PSPL;
- (b) PSPL conducts CFD trading with customers (including the Customer) in relation to individual equities, equity indices and/or commodities and all CFD trades conducted are open-ended margined products in that they are automatically subject to being rolled over unless specifically closed out by the Customer or otherwise pursuant to these terms. The Customer acknowledges that PSPL is entitled to but not obliged to hedge its own exposure (“**Hedge Position**”) under a CFD Transaction with the Customer by entering into with, or acquiring from, a third party any CFD or other instrument or financial product. The Customer thus acknowledges that PSPL may charge and the Customer shall pay such charge (for convenience referred hereafter as “**interest**”) with respect each of its CFD open positions of such amount and/or at such rate as PSPL may from time to time notify the Customer and which rate may incorporate any market charges incurred by PSPL in relation to a Hedge Position;

- (c) all CFD Transactions are effected as between the Customer and PSPL on a principal to principal basis and as such the Customer further acknowledges and accepts the following:
- (i) that PSPL owes the Customer no fiduciary duties or any duty of good faith or reasonable care except as specifically and expressly provided for in these terms;
  - (ii) that PSPL is not acting as fiduciary or adviser to the Customer, nor is there any fiduciary or adviser relationship between PSPL and the Customer; and
  - (iii) the Customer will effect its own due diligence and will make its own independent decision and ensure that in each case a CFD Transaction is suitable, appropriate and proper for the Customer based on its own judgment and upon advice from such legal, tax, regulatory, accounting and/or other advisers as the Customer deems necessary and appropriate before the Customer enters into or offers to enter into the same, the Customer being fully aware that it is entering into the transaction on a strictly buyer beware basis;
- (d) notwithstanding that trading in CFDs does not give rise to the Customer having any proprietary rights to the underlying financial instrument, the Customer acknowledges that the Customer may, in certain circumstances (for example but not limited to under the provisions of the Code of Takeovers and Mergers), have disclosure or other obligations as if the Customer had effected a transaction to buy or sell the underlying financial instrument and thus agrees to abide by all disclosure or other obligations under Applicable Laws where relevant;
- (e) that although PSPL will, in its sole and absolute discretion in good faith, provide the Customer with information on actual and potential CFD Transactions, it is the Customer's responsibility to ask PSPL for any explanations that the Customer may require in order for it and/or its advisers to assess the risks attached to any such transaction and its suitability for the Customer;

- (f) that information and explanations related to the terms and conditions of any CFD Transaction shall not be considered investment advice or a recommendation to enter into any CFD Transaction;
- (g) that the Customer has not and shall not rely on any communication (written or oral) from PSPL as legal, tax, regulatory or accounting advice, nor (except as provided for under the next sub-section below) as investment or financial or other advice;
- (h) that PSPL is not giving the Customer advice on the merits of any CFD Transaction or any particular aspect of it unless, in relation to a particular potential or actual CFD Transaction, PSPL has expressly acknowledged in writing that PSPL is doing so; and that where such advice is given, it is subject to any agreed terms between the parties for the giving of such advice; and
- (i) that no communication (written or oral) received from PSPL, whether before a CFD Transaction is entered into or before it is terminated or expires, shall be deemed to be an assurance, guarantee or opinion as to the anticipated results of any CFD Transaction.

#### **4. Customer's Responsibility**

The Customer shall be responsible for:

- (a) monitoring the amount of CFD Margin deposited with PSPL from time to time against the amount of CFD Margin currently required and any additional CFD Margin that may be necessary for the purpose of complying with obligations under Clause 7 below;
- (b) ensuring that monies sent to PSPL are correctly designated, including where applicable, that the monies are by way of CFD Margin and to which Account they should be applied; and
- (c) notifying PSPL immediately in writing of any material change in the Customer's financial circumstances and/or any material change to any of the information given by the Customer in the Application Form (including change of employment, address, contact details).

## **5. Procedures Regarding Acceptance of Customer's Orders**

- 5.1 The Customer may instruct PSPL to execute any CFD Transaction by giving an Instruction to PSPL in accordance with Clause 16 of Part A, and supplemented by this Clause 5.
- 5.2 The Customer further acknowledges that PSPL may elect not to enter into any CFD Transaction with the Customer in its sole and absolute discretion, including situations where PSPL has not satisfied itself that it can hedge its exposure or where, in a respect of a CFD Transaction relating to specific securities of a company, that company undergoes insolvency or Corporate Actions.
- 5.3 PSPL shall be allowed such amount of time to act and implement the Customer's Instruction as may be reasonable, having regard to the systems and operations of PSPL and the other circumstances then prevailing. This may cause delays in the processing of the Instruction and the execution/entry into a CFD Transaction, and the Customer may receive an order execution based on the price of the underlying financial instrument existing in the market at the time of execution (being such time as PSPL agrees to accept and actually accepts the Customer's Instruction). The price may be different from the price at which the underlying financial instrument was trading when the Customer's Instruction was received. PSPL shall not be responsible or liable for any Loss arising from any delay on the part of PSPL in accepting the Customer's Instruction.
- 5.4 Unless otherwise stipulated, all orders in respect of an Instruction shall be day orders only. GTC orders are valid until they are cancelled by the Customer or by the Customer's trading representative. GTD orders are valid until the date specified in the order by the Customer or by the Customer's trading representative, until they are fulfilled or cancelled by the Customer or by the Customer's trading representative. Should the price of a GTC order or GTD order be too far away from the then prevailing market price of the underlying financial instrument, PSPL reserves the right not to accept the order. It is the Customer's responsibility to keep track of GTC and GTD orders.

- 5.5 Without prejudice to PSPL's general discretion to decline a Customer's Instruction, PSPL further reserves the right at its sole and absolute discretion, in periods of extreme market volatility and heavy trading volume, to limit and restrict the types of orders it will consider accepting from the Customer. Under certain circumstances, PSPL may also decline to consider or accept GTC orders and stop orders. Furthermore, PSPL retains the right at its sole and absolute discretion and without prior notice, to prioritise the consideration of customer Instructions (including the Customer's Instructions) such that orders based on the market price of the underlying financial instrument may have higher priority for PSPL's consideration over those based on limit prices. PSPL shall bear no responsibility or liability whatsoever for failing to consider or accept any Instruction of the Customer or for exercising or failing to exercise any discretion, power or authority conferred upon PSPL by this Document.
- 5.6 If under the Relevant Rules, a CFD can only be transacted in a specified amount or in multiples thereof, the Customer must ensure that the contract quantity of the CFD Transaction set out in the Customer's order is in the specified amount or a multiple thereof, as applicable. All CFD Transactions must be entered into in accordance with all Relevant Rules.

## **6. Pricing**

- 6.1 PSPL may quote prices at which it may be prepared to deal in CFDs with the Customer through such medium and manner as approved by PSPL from time to time and may, in its sole and absolute discretion, quote different prices and charge commission and other charges at different rates to different customers. Upon the Customer's request, PSPL may quote a higher or lower figure for each CFD Transaction as compared to then prevailing market prices for the underlying financial instruments. The Customer may only enter into a CFD at PSPL's currently quoted price for the given CFD requested for by the Customer and within any applicable minimum and/or maximum trade size, unless otherwise agreed to by PSPL.
- 6.2 PSPL may, at its sole and absolute discretion, also notify the Customer of certain instruments in respect of which PSPL will not quote, restrictions on the amount for which

PSPL will quote, or other conditions that may apply to PSPL's quote, but any such notification shall not be binding on PSPL.

- 6.3 For avoidance of doubt, it is acknowledged that PSPL's quotes are all in the nature of "invitations to treat" and not offers. As such, the Customer further acknowledges that none of such quotes may be accepted by the Customer and thereby conclude a CFD Transaction between the Customer and PSPL. The Customer's giving of Instructions based on such quotes shall be the relevant offers open for acceptance by PSPL and thereby concluding a CFD Transaction.
- 6.4 Despite the preceding, the Customer acknowledges that it is possible that errors may occur in the prices quoted by PSPL which may be due to errors in the prices of the underlying financial instruments and which errors are carried over into the Instructions given by the Customer. In such circumstances, without prejudice to any rights it may have under statute or common law, neither party will be bound by any contract which purports to have been made (whether or not confirmed by PSPL) at a price which was, or ought reasonably to have been known to either party to be materially incorrect at the time of the contract. PSPL also reserves the right to cancel such a contract. The party asserting that the contract is avoided under this Clause shall give notice to the other within seven (7) calendar days of the contract. If the Customer gives notice to PSPL under this Clause, PSPL shall determine, acting reasonably, whether the price quoted was materially incorrect. Without limiting the generality of this Section 7, save where there has been, and only to the extent of, any fraud by PSPL, PSPL does not accept any responsibility or liability for any Loss suffered by the Customer as a result of the Customer's reliance on a price which the Customer knew, or ought reasonably to have known, to be materially incorrect.
- 6.5 A quoted price may change at any time after it has been quoted and prior to the use thereof by the Customer in making an offer to enter into a CFD Transaction based on such quoted price. Quotes, which are given by PSPL as "indication only" or which have been communicated to the Customer as being no longer valid cannot be used by the Customer as a basis for making an offer to enter into a CFD Transaction.

## 7. CFD Margin Requirements

- 7.1 The Customer shall deposit, maintain in each relevant CFD Account and/or, as otherwise required by PSPL, provide PSPL with margin ("**CFD Margin**") in such form and amounts at such times and in respect of such CFD Account as PSPL may from time to time in its sole and absolute discretion require, whether or not such requirement of PSPL is identical to or reflects or is greater than any applicable requirements of any governmental or self-regulatory organisation in any jurisdiction (including any exchange or market or operator of a relevant trading platform) which is required to be maintained by PSPL and/or the Customer for CFD Transactions for the CFD Account.
- 7.2 The Customer hereby acknowledges and agrees that separate CFD Margin shall be provided by the Customer in respect of each CFD Account as PSPL may require, and that the CFD Margin in respect of each CFD Account shall be treated as separate for the purposes of this Document. Upon specific Instructions provided by the Customer, PSPL may (but is not obliged to) transfer all or part of the CFD Margin held by PSPL for the Customer in respect of any CFD Account to any other Account or to utilise such CFD Margin for any purposes as required by the Customer.
- 7.3 The Customer hereby also acknowledges and agrees PSPL may, in its sole and absolute discretion, with or without notice to the Customer, vary the CFD Margin requirements ("**CFD Margin Requirements**") for any CFD Account at any time and by any level and may also stipulate that such CFD Margin Requirements shall apply to existing positions as well as new positions in the CFD Transactions affected by such change.
- 7.4 The Customer hereby also acknowledges and agrees that PSPL may, in certain market conditions, effect an immediate change in CFD Margin limits or levels and/or require additional CFD Margin (by any method of communication specified under this Document) to be deposited immediately or within a very short period of time which may be less than twenty-four (24) hours ("**CFD Margin Call**"), and waives any right to object on the grounds that such CFD Margin Call is unreasonable. No previous CFD Margin Requirements shall set a precedent or bind PSPL. The Customer hereby also

acknowledges and agrees to provide such additional CFD Margin immediately upon the CFD Margin Call, provided that, notwithstanding any such CFD Margin Call, PSPL may at any time exercise its rights set out in Clause 10 below and refuse any request by the Customer to enter into any further CFD Transactions until PSPL has confirmed receipt of the called CFD Margin in cleared funds. Notwithstanding the fact that PSPL may make CFD Margin Calls, the Customer agrees that it is the Customer's principal responsibility to monitor any open CFD positions and all other relevant factors used to calculate CFD Margin payable and PSPL is not obliged to make CFD Margin Calls of the Customer at all or within any specific time period nor shall PSPL be responsible for or liable to the Customer for any failure by PSPL to contact the Customer. Without prejudice to the Customer's obligation to pay CFD Margin immediately when the same becomes due, the Customer must notify PSPL immediately if the Customer cannot, or believes it would not be able to, meet a CFD Margin Call when due.

- 7.5 In making such determination in respect of the CFD Margin provided for any CFD Account, PSPL shall not be required to take into consideration margin held by PSPL for the Customer in respect of any other Account. The Customer acknowledges that the CFD Margin may be held and used to secure the performance of the Customer's obligations as well as for such other purposes as the Applicable Laws may permit or stipulate for the CFD Transactions traded.
- 7.6 All CFD Margin shall be held by PSPL, notwithstanding any provision or Instructions to the contrary, as continuing security and shall be subject to a general lien and right of set off in favour of PSPL for any and all of the Customer's liabilities to PSPL (whether contingent or actual) under this Document or otherwise, and PSPL may realise any of the CFD Margin of the Customer as provided for in this Document.
- 7.7 PSPL shall be entitled to deposit, pledge, repledge or loan any CFD Margin in whatever form provided to PSPL or otherwise, and shall not be under any obligation to account to the Customer for any interest, income or benefit that may be derived therefrom. No interest shall be paid on any type of CFD Margin deposited by Customer with PSPL and the Customer acknowledges



and consents that interest earned on the CFD Margin deposited under this Document may be retained by PSPL for its own account and benefit. PSPL shall at no time be required to deliver to the Customer the identical property delivered to or purchased by PSPL as CFD Margin for the CFD Account(s) but only property of substantially the same kind and amount, subject to adjustments for quantity and quality variations at the market price prevailing at the time of such delivery.

- 7.8 The Customer shall at its own cost and at PSPL's request, execute and do all such deeds, acts and things (including the performance of such further acts or the execution and delivery of any additional instruments or documents) as PSPL may require for the purposes of this Document, including perfecting PSPL's rights to the CFD Margin provided by the Customer.

## **8. Withdrawal of CFD Margin**

For so long as the Customer owes moneys or obligations (of whatsoever nature and howsoever arising) to PSPL, the Customer shall only withdraw CFD Margin from PSPL with PSPL's consent. PSPL may at any time withhold any CFD Margin of the Customer pending full settlement of all such moneys or obligations of the Customer. Until such time, the CFD Margin will not constitute a debt due from PSPL to the Customer, nor will the Customer have any right to receive repayment of these funds. Margin excess arising from pledged share collateral shall not be available for withdrawal.

## **9. Opposite Positions Prohibited**

The Customer acknowledges that it is not entitled to and shall not hold simultaneous opposing CFD positions on the same underlying financial instrument. For example, if the Customer originally placed a sell order and subsequently placed a buy order for a CFD on the same underlying financial instrument, this will close all or part of the Customer's original sell trade and may create a new open CFD position. If the Customer has more than one open CFD position on the same underlying financial instrument, such trades (or part thereof) will be closed in the order "First In, First Out" (commonly known as "FIFO").

## **10. Default and Extraordinary Event/Closure of Accounts**

10.1 A "Default" for the purpose of this Section 7 shall be deemed to occur if any of the events pertaining to a Default under Clause 22 of Part A occurs.

PROVIDED in the case of CFD Transactions effected otherwise than on an exchange, in the event of a Default under sub-Clauses (c) or (d) of Clause 22 of Part A, all outstanding CFD Transactions (including any CFD Transaction which has not been performed and in respect of which the value date as determined by PSPL is on or precedes the date on which PSPL terminates such CFD Transaction) entered between the Customer and PSPL shall be deemed immediately liquidated at prevailing prices (or, if not available, at such prices PSPL deems fit) and the amounts resulting converted into Singapore dollars or such other currency as PSPL may from time to time use as the principal currency of its business (together with all CFD Margin duly converted into Singapore dollars or such other currency as PSPL may from time to time use as the principal currency of its business) at PSPL's prevailing rates and set-off against each other and the CFD Margin prior to PSPL resorting to its rights below and/or payment or repayment to the Customer (if applicable).

10.2 Without prejudice to any other right of PSPL hereunder or otherwise at law, in the event of Default, PSPL may (but is not obliged to) immediately or at any time thereafter, with or without notice to the Customer, take any one or more of the actions in Clause 22.5 of Part A, and:

- (a) liquidate the CFD Margin or part thereof at a price which PSPL deems appropriate in the circumstances;
- (b) vary commission rates, the financing charge, any buying or selling spreads or any other applicable fees or charges; and
- (c) call upon any security including any guarantees and letters of credit which may have been issued to or in favour of PSPL as security for the CFD Account(s).

10.3 If there occurs in relation to any CFD Transaction (otherwise than on an exchange) or otherwise in relation to a CFD Account(s) an Extraordinary Event (as defined below), PSPL shall have the sole and absolute discretion

to determine any adjustments or action necessary in relation to such CFD Transaction or any or all Transactions or otherwise to a CFD Account(s) in view of the Extraordinary Event. Such adjustments or actions may include altering or varying the quantities of currencies or financial instruments or the exchange rates or specifications of currencies or instruments bought or sold in respect of such CFD Transaction or some or all CFD Transactions, or terminating the CFD Transaction in question or some or all CFD Transactions, or a CFD Account(s) or otherwise. Provided PSPL undertakes such action in good faith, any such adjustment or action shall be binding on the Customer who shall be liable for any additional Loss incurred by PSPL on the account of the Customer or which the Customer is consequently liable for as a result of such adjustment or action.

- 10.4 An "Extraordinary Event" shall mean any event which PSPL in good faith believes to have a material adverse effect on any CFD Transaction and shall include any form of exchange control restriction, requirement of whatsoever nature or any technical issues affecting availability, convertibility, credit or transfers of currencies, financial instruments or funds (including scenarios where the price of any underlying financial instrument is not available on the relevant exchange), any form of debt or other moratorium on jurisdictions, individuals or entities, any devaluation, redenomination or demonetisation of the underlying currencies or financial instruments of any CFD Transaction, any form of restriction or requirement and/or improper conduct by the Customer in relation to a CFD Account, which in PSPL's good faith opinion adversely alters or changes the rights or obligations which PSPL in good faith undertook upon the establishment of such CFD Transaction.
- 10.5 The CFD Account or the Primary Service provided in relation to such CFD Account provided by PSPL may also be terminated as of right without the need for any reason whatsoever by PSPL or the Customer giving the other party not less than five (5) days' notice in writing. Without prejudice to the foregoing, PSPL in any event reserves the right not to disclose the reason for terminating the account. Such notice to terminate the CFD Account or Primary Service shall not be a waiver of all accrued obligations of each party in respect of the CFD Account and these accrued obligations shall

continue to be governed by these terms until such obligations are performed. The Customer accepts that during the notice period, the Customer can only liquidate outstanding positions and is not allowed to put on new positions in the CFD Account.

- 10.6 Prior to the date of the termination of any CFD Account or Primary Service, the Customer shall instruct PSPL as to the proper disposal or transfer of money and other properties of the Customer in relation to such CFD Account or Primary Service. If the Customer fails to do so, PSPL may exercise any of its rights as if a Default had occurred in respect of the Customer. Nothing in this Clause shall prejudice any of PSPL's other rights under this Document.
- 10.7 To the fullest extent permitted by the law, the Customer acknowledges and agrees that PSPL is not intended to have any liability and shall not be responsible for or liable to the Customer for any Loss whatsoever that may arise or that may be suffered or incurred by the Customer as a result of a termination of the CFD Account or a relevant Primary Service or part thereof by PSPL or any of its actions under this Clause. Any fees, expenses, costs and other charges of PSPL accrued or incurred up to the effective date of termination shall be paid by the Customer. After the termination of the CFD Account or the relevant Primary Service, PSPL shall close the CFD Account at such time that it deems appropriate.

## **11. Adjustments and Corporate Actions**

Without prejudice to any other right of PSPL hereunder or otherwise, if the underlying security of the CFD on which the Customer is trading becomes subject to possible adjustments as a result of:

- (a) a subdivision, consolidation or reclassification of shares, or a free distribution of shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution to existing holders of the underlying security of additional shares, other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the issuer equal proportionately with such payments to holders of the underlying shares, or securities, rights or warrants granting the right to a distribution

of shares or to purchase, subscribe, or receive shares; or

- (c) any event in respect of the shares analogous to any of the foregoing events or otherwise having a dilutive or concentrative effect on the market value of the shares (such events, “**Corporate Actions**”),

PSPL may determine the appropriate adjustment, if any, to be made to the contract value of that CFD and/or the related contract quantity to account for the dilutive or concentrative effect necessary to preserve the economic equivalent prior to that event, to be effective as of the date determined by PSPL and such determination shall be conclusive and binding on the Customer. Notwithstanding the foregoing, PSPL reserves the right to close all open CFD positions relating to the underlying security before the occurrence of the abovementioned adjustments.

## **12. Market Disruption, Suspension of Trading, Delisting of Underlying Financial Instrument or Closure of Hedge Position**

On the occurrence of any one, some or all of the following circumstances or events:

- (a) the underlying security on which the Customer is trading is the subject of a take-over offer or merger offer or the issuer of such equity has entered into or is the subject of insolvency or liquidation proceedings;
- (b) the underlying financial instrument on which the Customer is trading is suspended or delisted from trading;
- (c) any event which disrupts the market, including the suspension of or limitation of trading by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise howsoever and which is, in the sole and absolute determination of PSPL, material;
- (d) any breakdown or failure of transmission, communication or computer facilities, interruption of power supply or electronic or communications equipment failure; or
- (e) PSPL’s counterparty in a Hedge Position unwinds or closes out the Hedge Position or for any other reason PSPL is no longer able to maintain the Hedge Position;

PSPL may in its sole and absolute discretion with or without notice to the Customer (and without prejudice to any other rights or remedies it may otherwise have under the terms and conditions of this Document or at law) take any or all of the following actions:

- (a) close any or all open CFD positions, refuse any trades, cancel any orders and fill any orders in each case at such level as PSPL may consider in good faith to be appropriate in all the circumstances;
- (b) require open long CFD positions to be settled in full from the date of suspension or such date(s) which PSPL shall determine;
- (c) impose mandatory maintenance CFD Margin Requirements on open short CFD positions based on the last done market price of the underlying financial instrument prior to suspension (or on such date(s) which PSPL shall determine);
- (d) close or terminate the CFD position if the underlying security is delisted or suspended for an unduly long period of time and cash-settle the contract at such price(s) which PSPL shall determine;
- (e) suspend or modify the application of any of the terms and conditions of this Document to the extent that it is impossible or not reasonably practicable to comply with them; or
- (f) take all such other actions as PSPL deems appropriate in the circumstances.

### **13. Account Adjustment for Dividends**

An adjustment to the Customer's CFD Account shall be made with reference to any dividend attributable to the underlying security of any CFD, or in the case of an applicable index CFD (i.e. an index CFD specifically notified to be subject to such dividend adjustment in a relevant CFD Information Sheet) the dividend attributable to the component security of the index, and shall be made as follows:

- (a) where the Customer holds a long CFD position, PSPL shall adjust the account in favour of the Customer by the dividend (net of relevant taxes) per share or pro-rated in the case of an index CFD, multiplied by the contract quantity; and

- (b) where the Customer holds a short CFD position, PSPL shall adjust the CFD Account in favour of PSPL by the gross dividend per share or pro-rated in the case of an index CFD, multiplied by the contract quantity.

PSPL reserves the right to make any further adjustments to the amount credited to (or debited from) the Customer CFD Account to take into account any fees imposed by PSPL and/or exchange rate risks arising from the price of the CFD Transactions.

#### **14. Fees, Interest, Commissions and Charges**

The Customer shall promptly pay all fees, interest, commissions, transaction costs and charges at such rates and in such manner as PSPL may in its sole and absolute discretion impose and stipulate from time to time with respect to the execution, performance and/or settlement of any contract or otherwise for the maintenance of the CFD Account. The Customer shall make payment to PSPL's order promptly of any outstanding sum on the due date of the relevant contract, or upon demand by PSPL as provided for in this Document. PSPL shall be entitled to charge interest on any sum or payment due to PSPL from the Customer at such rate and calculated and/or compounded in such manner as PSPL may, in its sole and absolute discretion, impose and determine from time to time and to debit the Customer's CFD Account in respect of the interest due. In the event that there are insufficient cleared funds in the Customer's CFD Account, the Customer acknowledges that any amount due and payable from the Customer under this Clause is a debt due and owing by the Customer to PSPL.

## **Section 8 : Unit Trusts**

### **Definitions**

In this Section 8, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“CPF”**: means the Central Provident Fund;

**“CPFIS”**: means the CPF Investment Scheme;

**“Dealing Day”**: means a day on which the Fund accepts instructions for subscription, redemption or switching orders;

**“Fund”**: means any investment company, unit trust, mutual fund or other collective investment scheme whose investments may be offered to the public, or specifically to Accredited Investors in the case of a Restricted Scheme in Singapore for subscription and which are distributed by or made available through PSPL;

**“Fund Investment”**: means any unit, sub-unit, share, stock or other securities in any Fund and, where the context so requires, any instrument evidencing ownership thereof or representing rights to receive, subscribe for the same, or evidencing or representing any other rights and interest therein;

**“Fund Literature”**: means the current prospectuses, explanatory memoranda, annual reports and accounts, semi-annual unaudited accounts and other promotional and advertising material, publications and statistical information relating to any Fund;

**“Guardian”**: shall have the meaning ascribed to it in Clause 10.1, Section 8 of Part B;

**“Restricted Scheme”**: means a collective investment scheme, whether constituted in Singapore or elsewhere, in respect of which an offer of units in the scheme for subscription or purchase, or an invitation to subscribe for or purchase units in the scheme, is made to Accredited Investors and which satisfies section 305(3) of the SFA;

**“SRS”**: means the Supplementary Retirement Scheme;

**“Unit Account Delegate”** shall have the meaning ascribed to it in Clause 5.6, Section 8 of Part B; and



**“Unit Trust Wrap Account”**: shall have the meaning ascribed to it in Section 10 of Part B.

## **1. Unit Trusts**

- 1.1 The Customer agrees that for the purposes of investing in any Funds distributed by or made available through PSPL, a Trading Account or a Unit Trust Wrap Account will be established by PSPL for the Customer after accepting the Customer’s application to do so. All Fund dealings and transactions between PSPL and the Customer thereunder, shall be governed by the terms and conditions contained in this Section 8, which shall apply in addition to all other applicable terms and conditions set out under this Document, the Application Form, confirmation notes and statements of account and such other documentation as PSPL may require the Customer to complete, execute and/or deliver to PSPL from time to time (including in relation to any Customer Assessments). The Customer acknowledges and agrees that he, ultimately as the investor, rather than PSPL, makes the final Fund Investment decisions in his Trading Account or Unit Trust Wrap Account.

## **2. Information**

- 2.1 Pursuant to the Customer’s request, and subject to an express agreement in writing for PSPL to provide recommendations or investment advice to the Customer, PSPL may provide the Customer advice in relation to the choice of Funds for the Customer’s Fund Investments, which PSPL believes to be consistent with the Customer’s risk profile, financial means and investment objectives as may be notified to PSPL by the Customer. In doing so, PSPL makes no representation or warranty that such advice provided is the full, best or only choices available to the Customer. Before the Customer makes any Fund Investment, whether through his Trading Account or Unit Trust Wrap Account, the Customer should obtain and read the most recent Fund Literature for each Fund and ensure that the Customer understands and accepts the terms, features and merits of the Fund and the risks associated with the Fund and that it is in fact the Fund the Customer wishes to invest in.
- 2.2 Where the Customer has received financial advice from a third party financial adviser in relation to his Fund

Investments, the Customer expressly acknowledges that (a) he does not wish to receive, and PSPL accordingly does not provide, any financial advisory services to the Customer, (b) the Instructions given by the Customer or on the Customer's behalf with respect to each Transaction in a Fund Investment is made further to and in accordance with the advice and recommendation (including as to products and suitability) independently provided by the Customer's chosen financial adviser to the Customer and (c) PSPL only carries out the Customer's Instructions for the execution of such transactions and PSPL assumes no responsibility for the performance or outcome of any such Transactions.

### **3. Subscription, Redemption, Transfer, Switching and Cancellation of Fund Investments**

- 3.1 The Customer agrees that PSPL shall be his agent for the purpose of carrying out the Customer's Instructions with respect to the subscription, redemption, transfer, switching and/or cancellation of Fund Investments or in relation to any other Instructions the Customer may wish to give to the Fund from time to time and which PSPL may agree to process.
- 3.2 PSPL reserves the right to reject Instructions for, and impose such conditions or restrictions on, the subscription, redemption, transfer, switching and/or cancellation of Fund Investments, as it deems fit.
- 3.3 PSPL will endeavour to execute all Instructions with respect to the subscription, redemption, transfer, switching and/or cancellation of Fund Investments within a reasonable amount of time. However, the Customer acknowledges that due to various constraints including any requirement under Applicable Laws, including those pertaining to the prevention of fraud, money-laundering, terrorist financing and the provision of financial or other services to any person or entity which may be subjected to sanctions, PSPL may not always be able to execute the Customer's Instructions at any specific time or on the same Dealing Day.
- 3.4 The Customer further acknowledges that acceptance by PSPL of any Instruction in relation to any Fund Investment will not necessarily result in the execution of an Instruction. The Customer's Instruction will only be executed if (a) market conditions permit and (b) such

execution is in accordance with all Applicable Laws. The Customer further acknowledges that any Fund which receives a subscription, redemption, or switching Instruction from PSPL is not obliged to accept such subscription, redemption, or switching Instruction in whole or in part. If PSPL is unable to execute any Instruction in such circumstances, such Instruction shall be deemed to have expired. PSPL will inform the Customer of such expiry as soon as reasonably practicable.

- 3.5 Subject to Clause 3.6 below, all subscription, redemption or switching and/or cancellation Instructions received by PSPL on a Dealing Day before the cut-off time specified by PSPL shall be delivered to the Fund on the same Dealing Day and if received after the specified cut-off time shall be delivered to the Fund on the next Dealing Day. Such cut-off times may be earlier than the cut-off times specified in the relevant Fund Literature and PSPL may revise such cut-off times at any time in PSPL's sole and absolute discretion.
- 3.6 Without prejudice to Clause 3.5, all subscription, redemption, switching and/or cancellation Instructions for a Fund that is a Restricted Scheme, received by PSPL by the cut-off date as specified by PSPL shall be delivered to such Fund on its Dealing Day and if received after the same cut-off date shall be delivered to such Fund on the next Dealing Day. Such cut-off times may be earlier than the cut-off times specified in the relevant Fund Literature and PSPL may revise such cut-off times at any time in PSPL's sole and absolute discretion.
- 3.7 The Customer agrees that PSPL may (but shall not be obliged to) aggregate the Customer's subscription, redemption, or switching order for Fund Investments with other subscription, redemption, or switching orders received from PSPL's other Customers for the same Fund, and place an aggregated subscription, redemption, switching order with the Fund.
- 3.8 Where PSPL places an aggregated subscription or switching order for Fund Investments, PSPL will allocate any Fund Investments issued among its various purchasing Customers, including the Customer, in the order determined by PSPL. The Customer further acknowledges and accepts that the aggregation of the Customer's order with PSPL's other Customers' orders

may operate on some occasions to the Customer's advantage and others to the Customer's disadvantage.

- 3.9 PSPL will pay any redemption monies (net of any fees, charges or expenses incurred in connection with the redemption) received by PSPL. PSPL has no obligation to ascertain the adequacy of the redemption monies received.
- 3.10 The Customer may transfer all or any of the Customer's cash Fund Investments to another person by an instrument in writing in transfer form (or such other form as PSPL may from time to time approve) in accordance with such terms and conditions as PSPL may determine from time to time. PSPL may charge the Customer a fee for effecting the transfer.
- 3.11 Where the Customer has instructed PSPL to participate in any periodic investment scheme offered by any of the Funds as the Customer's agent, the provisions of this Clause 3, shall apply mutatis mutandis to any subscription of Fund Investments under such periodic investment scheme. The Customer must give PSPL not less than 60 days' prior written notice to terminate the Customer's Instructions to participate in any periodic investment scheme.
- 3.12 The Customer may elect to switch from one Fund Investment to another Fund Investment at any time if switching is permitted. A financial adviser representative should only recommend to a Customer to switch funds if the replacement Fund continues to fit the Customer's financial needs and risk profile and is not detrimental to the Customer's interests.
- 3.13 The Customer shall have the right to cancel the subscription order by completing the cancellation advice and submitting it to PSPL within **7 calendar days** from receipt of the Customer's subscription order. The Customer's right to cancellation of the subscription is subject to PSPL's terms and conditions for cancellation as set out in the relevant forms as prescribed by PSPL from time to time.
- 3.14 Notwithstanding and without prejudice to the provisions of this Clause 3, Clause 3.13 does not apply to an Accredited Investor.

#### **4. Receipt and Disbursement of Monies**

- 4.1 The Customer's Trading Account or Unit Trust Wrap Account, as the case may be, will be used to subscribe to Fund Investments, deposit Customers' redemption proceeds and distribution income from the Customer's Fund Investments, and pay (among other things) fees and expenses attributable to the Customer's Fund Investments.
- 4.2 The Customer shall make payment of subscription monies, including fees, charges and expenses, in connection with the subscription of Fund Investments, on or before the time specified by PSPL, failing which PSPL may, in its sole and absolute discretion:
- (a) decline to place a subscription order on the Customer's behalf; or
  - (b) grant the Customer credit, and debit the Trading Account or Unit Trust Wrap Account, as the case may be, for the amount advanced. Interest will be charged on such advances at such rate as PSPL may prescribe from time to time. The Customer shall immediately discharge the debit balance in his Trading Account or Unit Trust Wrap Account on PSPL's demand, failing which PSPL may debit any Trading Account or Unit Trust Wrap Account, and/or liquidate the Customer's Fund Investments to discharge such debit balance.
- 4.3 In the case of Fund Investments subscribed using CPF or SRS monies, the Customer irrevocably authorizes PSPL as a designated CPF Investment Administrator, to submit all instructions, and such other relevant information as may be required from, the CPF Agent Bank, the CPF Board or the SRS Operator (whichever is applicable).

## **5. Custody of Fund Investments / Distributions**

- 5.1 The Customer acknowledges and agrees that PSPL shall register Fund Investments subscribed for the Customer in PSPL's name. PSPL as the Custodian will record and hold in a separate account in its books all Fund Investments received and held by it for the Customer's account and shall arrange for all Fund Investments to be held in safe custody in such manner as PSPL may in its sole and absolute discretion determine. PSPL shall not, even if otherwise having the power and right to do so, vote in respect of any of the Customer's Fund Investments, unless and except, as

specifically instructed by the Customer in writing. As Custodian, PSPL will collect all distributions, interest, redemption proceeds, dividends and other income payable or receivable in respect of the Customer's Fund Investments. On receipt of any distributions made by any Fund Investment on the Customer's behalf, PSPL as Custodian will credit to the Customer's Trading Account or Unit Trust Wrap Account the distribution amount allocated to the Customer's Fund Investment within the relevant customary period.

- 5.2 Where monies are payable in respect of any of the Fund Investment in more than one currency, PSPL will collect them in such currency as may be permissible by Applicable Laws as PSPL may in its sole and absolute discretion determine.
- 5.3 Unless the Customer instructs otherwise (or the relevant Fund no longer accepts any further investments in it), dividends received by PSPL as the Custodian in respect of any of the Customer's Fund Investments shall be deemed to be subject to the Customer's instructions to **reinvest** the same in further Fund Investments of the same Fund and at the then prevailing price in respect of such Fund Investments.
- 5.4 In respect of Fund Investments subscribed using CPF or SRS monies, and made before PSPL was designated as a CPF Investment Administrator, dividends declared by the Fund shall be credited to the Customer's CPF Investment Account, CPF Special Account, SRS Account (whichever is applicable). PSPL shall comply with any other conditions as may be imposed on PSPL in its capacity as CPF Investment Administrator by the CPF Board.
- 5.5 At the Customer's request, and subject to being fully indemnified by the Customer and on production of such evidence as PSPL may require, PSPL may, at its sole and absolute discretion, assist the Customer in securing any tax privileges to which the Customer may be entitled in any jurisdiction in connection with the Customer's Fund Investment. This includes executing such ownership and other certificates and affidavits as may be reasonably requested by the Customer for fiscal or tax purposes in connection with the Fund Investments held pursuant to the terms and conditions under this Document and the Application Form and making or

procure the making of such applications and reports as may be required under the Applicable Laws of any jurisdiction in order to apply for or secure any tax privileges to which the Customer is or may otherwise be entitled in connection with such Fund Investments. The Customer shall indemnify, keep indemnified and hold PSPL harmless from and against all Loss incurred or suffered by PSPL in connection with or in relation to the provision of such assistance to the Customer at the Customer's request.

- 5.6 PSPL shall, as the Custodian, be entitled to appoint, without the Customer's further consent, any bank, merchant bank, trust company, nominee company, depository or member firm of any securities exchange ("**Unit Account Delegate**") to act as (i) a Sub-Custodian of any of the Customer's Fund Investments held by PSPL as the Custodian pursuant to these terms and conditions; and (ii) as an administrator to assist in the performance of PSPL's obligations pursuant to these terms and conditions on such terms as PSPL may (subject only to PSPL's obligations under the Applicable Laws), in PSPL's sole and absolute discretion, consider appropriate, provided that if PSPL has exercised reasonable care and skill in the selection of any Unit Account Delegate, PSPL shall not be liable or responsible for any Loss arising from any act or omission of any Unit Account Delegate in connection with the Fund Investments in its custody.
- 5.7 Without prejudice to and in addition to PSPL's rights and powers including PSPL's investment entitlement pursuant to regulation 20 of the SFR, the Customer hereby grants PSPL the authority at its discretion to **invest excess non-CPF funds** held in the Customer's Unit Trust Wrap Account (if not used to subscribe to Fund Investments) in accordance with Clause 5.1 of Part A. The Customer acknowledges that PSPL earns a trailer fee of 0.3% from the fund managers of the money market funds.

## **6. Withdrawals from the Customer's Trading Account or Unit Trust Wrap Account**

- 6.1 The Customer can request a partial withdrawal of cash ("**withdrawal request**") from the Customer's Trading Account or Unit Trust Wrap Account at any time by providing PSPL with the Customer's withdrawal

Instructions. Payment of a withdrawal request will normally be made to the Customer within seven business days of PSPL's receipt of the Customer's withdrawal request, provided there are sufficient cash and cash equivalent funds for the time being held in the Customer's Trading Account or Unit Trust Wrap Account and subject to the maintenance of a minimum investment sum in the Customer's Trading Account or Unit Trust Wrap Account.

- 6.2 Should there be insufficient cash and cash equivalent funds for the time being held in the Customer's Trading Account or Unit Trust Wrap Account to meet the Customer's withdrawal request, PSPL will contact the Customer or the Customer's financial adviser representative to advise the Customer that some or all of the Customer's Fund Investments will need to be redeemed to fulfil the said withdrawal request. The Customer will have to instruct PSPL to redeem some or all of the Customer's Fund Investments in the Customer's Trading Account or Unit Trust Wrap Account. The Customer acknowledges that redemptions are subject to the redemption terms of each Fund. Upon the Customer's instructions to redeem any of the Customer's investments, PSPL will endeavour as soon as reasonably practicable to process the Customer's redemption instructions and pay to the Customer the proceeds of such redemption received by PSPL (less all payments for the time being due and payable by the Customer on the Customer's Trading Account or Unit Trust Wrap Account). The Customer should note, however, that PSPL's processing of the Customer's redemption Instructions and payment to the Customer could be delayed, depending on the individual fund managers' operations and processes and on the redemption procedures for individual funds. PSPL has no obligation to ascertain or verify the adequacy of the redemption monies received.

## **7. Termination**

- 7.1 The Customer may terminate the Trading Account or Unit Trust Wrap Account by submitting the requisite termination form to PSPL and the redemption Instruction for CPFIS investments as applicable. Such termination will only take effect from the later of (a) the effective date of termination as stated in the requisite termination form



or (b) the date when PSPL determines that there are no outstanding payments, obligations and/or liabilities due from the Customer to PSPL (whether subject to notice or not and whether matured or not and whether held singly or jointly) under this Document (such date, the **“termination date”**).

7.2 In addition and without prejudice to PSPL's rights under this Document and the Application Form, PSPL may terminate the Customer's Trading Account and/or Unit Trust Wrap Account if:

- (a) the Customer fails to observe any of these terms and conditions in this Section 8;
- (b) PSPL is of the opinion in good faith that PSPL's interest would be adversely affected if PSPL does not terminate the Trading Account or Unit Trust Wrap Account; or
- (c) the Customer is a person to whom an offer to subscribe for or purchase the relevant Fund Investment is unlawful or not authorised as described in the relevant Fund Literature including, for the avoidance of doubt, if the Customer is a U.S. Person as such term is defined under the U.S. Securities Act of 1933.

7.3 Upon the termination date, PSPL shall be deemed to have been authorised by the Customer to transfer all of the Customer's Fund Investments, liquidate any or all of the Customer's Fund Investments and/or to transfer the proceeds thereof and any other cash or cash equivalents in the Customer's Trading Account or Unit Trust Wrap Account (where applicable) to the Customer or such other person acting on the Customer's behalf and the Customer agrees to carry out all such acts and things, and execute all documents, as may be necessary, desirable or reasonably requested by PSPL to effect such transfer and to take delivery of such Fund Investments, proceeds and/or cash or cash equivalents, provided always that PSPL has no obligation to arrange for the transfer of the same until all the Customer's outstanding obligations and liabilities to PSPL under these terms and conditions have been fully discharged. The Customer agrees that PSPL may:

- (a) continue to act on the Customer's instructions received up to and including the termination date at PSPL's discretion;

- (b) deduct from the Customer's Trading Account or Unit Trust Wrap Account the sum of any outstanding fees and charges and/or payments due and payable to PSPL;
- (c) redeem such of the Fund Investments from the least volatile Fund (from each category of Funds subscribed using cash and made through PSPL calculated on a bid-to-bid basis) and/or the money market funds (if any) as PSPL deems fit and to apply the proceeds from such redemption towards the payment of the outstanding fees and charges and/or payments payable to PSPL if there are insufficient cash or cash equivalents in the Trading Account or Unit Trust Wrap Account for that purpose; and
- (d) continue to charge the Customer's Trading Account or Unit Trust Wrap Account with fees and charges for transactions between the termination date and the date on which all Fund Investments in the Customer's Trading Account or Unit Trust Wrap Account are disposed of or have been transferred in accordance with the Customer's written instructions.

7.4 Clauses 7 and 8 shall survive any termination of this Document.

## **8. Exclusion of Liability and Indemnity**

- 8.1 PSPL and any Unit Account Delegate accept no responsibility and shall not be liable to the Customer:
- (a) for advising or giving any recommendation to the Customer as to whether or not to invest in any Fund except under an express advisory agreement with PSPL. The Customer acknowledges the desirability and importance of seeking independent financial or professional advice with respect to dealing or investments in any Fund;
  - (b) for any disbursement, obligations, penalties, demands, actions, proceedings, judgment, suits, Loss (including any consequential loss and any loss of investment opportunity), or damages of whatsoever nature suffered or incurred by the Customer as a result of, or in connection with, any subscription, holding, cancellation or redemption of any Fund or any other transaction made or omitted to be made by the Customer on the basis of any

information provided by PSPL pursuant to these terms and conditions or any Instruction which PSPL believe in good faith to originate from the Customer, and

- (c) for any Loss or failure or delay in complying with their obligations under this Document caused by force majeure, act of god, war, terrorism, industrial disputes, natural disaster, adverse weather conditions, failure of communication systems or any other cause beyond the control of PSPL and any Unit Account Delegate.

8.2 The Customer shall indemnify, keep indemnified and hold PSPL and any Unit Account Delegate harmless from and against all Loss (including legal costs on a full indemnity basis) incurred or suffered by PSPL and/or any Unit Account Delegate arising out of or in connection with, this Document or from any cause whatsoever including anything done or omitted pursuant to Instructions given or purportedly given by the Customer or his authorised person, or the purchase, holding, switching, cancellation and redemption of Fund Investments, save where such Loss is due to the gross negligence, wilful default or fraud of PSPL or any Unit Account Delegate.

8.3 These limitation of liability and indemnity provisions are in addition to all other limitation of liability and indemnity provisions in this Document.

## **9. Representations, Warranties and Acknowledgements**

9.1 The Customer acknowledges that the Funds are subject to investment risks, including possible loss of the principal amount invested. The Customer represents and warrants that the Customer is fully aware of the risks involved in investing in the Funds and will obtain from either PSPL or the relevant Fund representative an up-to-date version of the Fund Literature that might exist as of the date of any transaction. The Customer acknowledges and agrees that PSPL shall have no liability whatsoever to the Customer for any error, misstatement or omission in any Fund Literature and that PSPL makes no representation or recommendation in relation to any Funds.

9.2 If the Customer commences or continues trading in Fund Investments through a financial adviser representative,

the Customer warrants that the financial adviser representative has been selected by the Customer as his own choice or as if the Customer had made that choice itself. The Customer acknowledges that no financial adviser representative is authorised to waive or vary any of PSPL's rights under these terms and conditions and that no financial adviser representative is allowed to accept any liability on PSPL's behalf.

- 9.3 Unless PSPL otherwise agrees in writing, PSPL does not and is not willing to assume any advisory, fiduciary or similar or other duties to the Customer. In this connection, PSPL assumes, and relies on the assumption, that the Customer has taken the necessary independent legal, tax, financial and other advice in relation to his Fund Investments or transactions carried out pursuant to the terms and conditions in this Document. Accordingly, the Customer shall bear full responsibility for all of the Customer's instructions and/or decisions made by the Customer under his Trading Account or Unit Trust Wrap Account.
- 9.4 The Customer acknowledges and agrees that PSPL may also earn **trailer fees** from the Fund depending on the Fund and amount of total Fund Investments subscribed through PSPL based on the market value of the total Fund Investments, which may be up to 1.5% per annum based on the market value of the total Fund Investments.

## **10. Joint Minor Terms for Unit Trust Wrap Account**

- 10.1 Specifically in relation to a Unit Trust Wrap Account, in the case of the Customer comprising more than one person, and where one of whom is a person by virtue of his age who is deemed under relevant laws to lack contractual capacity (hereafter, a "minor"), the main applicant shall be the minor's parent or lawful guardian ("**Guardian**").
- 10.2 For the duration that the minor lacks contractual capacity and for so long as the Guardian as the other joint account holder is alive and not (to PSPL's actual knowledge) otherwise contractually incapacitated (the "**Minor Duration**"), only the Guardian shall have authority to operate the joint account and PSPL shall have no liability to any of the Customer for acting solely on the instructions of the Guardian during such period. During the Minor Duration, Fund Investments registered

in the joint names of a minor and his Guardian may be realised or transferred by the Guardian acting solely.

- 10.3 Forthwith on the minor attaining the age of contractual capacity, the joint account (assuming it then still remains a joint account between the erstwhile minor and the Guardian) shall continue as an ordinary joint account between two persons of respective contractual capacities.
- 10.4 If the Guardian dies before the minor attains the age of contractual capacity, the Capital Markets Products and other assets (including money or other property) in the joint account shall pass to a custodial account held for benefit of, but purely as bailee without fiduciary responsibilities to, the minor until he/she attains the age of contractual capacity. PSPL may also, at its sole and absolute discretion pending the minor attaining contractual capacity, act in accordance with the instructions of, and subject to an indemnity in form and substance satisfactory to PSPL from, such person as may demonstrate to PSPL's satisfaction (by the production of appropriate documentation) to have sole and lawful guardianship of the minor. PSPL may at all times act in accordance with the terms of any court order directed at PSPL for compliance without the obligation to verify the merits of the application upon which the court order proceeded and may (but shall not be obliged to) challenge or object to such court order.
- 10.5 The Guardian represents and warrants to PSPL that pending the minor attaining the age of contractual capacity and ratifying his/her rights and obligations as a joint account holder, the Guardian will be the source and provider of both (A) the initial funding for the Transactions (including Fund Investments) intended to be effected with and through PSPL as well as (B) all payments to PSPL otherwise than by way of debit of the joint account.
- 10.6 The Guardian further represents, warrants and undertakes in PSPL's favour that pending the minor attaining the age of contractual capacity and ratifying his/her rights and obligations as a joint account holder, the Guardian shall ensure that the joint account will not at any time have any debit balance and if despite and contrary to the foregoing the joint account goes into debit that the Guardian shall forthwith on PSPL's demand put

PSPL in funds for application towards full payment of the debit balance.

- 10.7 The Guardian acknowledges and accepts (both for himself and the minor) that to the extent that PSPL is or may be obliged (whether as a regulatory/legal requirement or as a principle of fair dealing with PSPL's customers or as a matter of prudent or good business practice as adopted by PSPL at PSPL's discretion) to carry out with respect PSPL's customers any product/service and/or risk awareness or suitability assessment and/or due diligence, the same may simply be conducted with respect to the Guardian pending the minor attaining the age of contractual capacity and ratifying his/her rights and obligations as a joint account holder.
- 10.8 Forthwith upon the minor attaining the age of contractual capacity, the former minor shall be obliged to proactively notify PSPL of his/her no longer being a minor and either securing the termination of the Unit Trust Wrap Account or ratifying his/her rights and obligations as a joint account holder or the Guardian may request the Fund Investments be transferred to the former minor's name. As part of such ratifying or transfer process, the erstwhile minor shall pro-actively co-operate with PSPL to have PSPL properly discharge with respect to the erstwhile minor any product/service and/or risk awareness or suitability assessment and/or due diligence that PSPL would then have conducted if the erstwhile minor were then a joint applicant with his/her erstwhile Guardian for a normal joint account or a sole applicant for a normal account, as the case may be.
- 10.9 The Guardian, in any event, and for the Minor Duration accepts sole and full responsibility for ensuring the suitability of all Transactions (including Fund Investments) in and for the joint account and in particular that the minor joint account holder shall not during such time period have any liability over and above the minor's share of the credit and property in the joint account.
- 10.10 The Guardian formally acknowledges and accepts (both for himself and the minor) that the rule of survivorship is intended and will apply to the joint account between the Guardian and the minor; the joint account being opened expressly with that intention and basis.

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

- 11.1 The Customer shall promptly pay fees and/or other charges to PSPL for the services performed by PSPL pursuant to these terms and conditions at such rates as PSPL may impose from time to time, as notified to the Customer in the relevant form as prescribed by PSPL from time to time. The Customer acknowledges that PSPL may vary PSPL's scale of fees under this Document at any time, and such variation will be governed by Clause 36 of Part A of this Document.
- 11.2 The Customer shall pay or reimburse PSPL all costs (including legal costs on a full indemnity basis), fees and out-of-pocket expenses imposed by any relevant Funds and all taxes, duties or levies payable in respect of any Fund Investments subscribed, held or redeemed pursuant to these terms and conditions.
- 11.3 In the event that there is insufficient cash balance in the Customer's Trading Account or Unit Trust Wrap Account to pay any payments due and payable to PSPL, the Customer hereby agrees to pay the full amount of such shortfall into the Customer's Trading Account or Unit Trust Wrap Account on demand, failing which the Customer agrees, consents and authorises PSPL to act on the Customer's behalf (at PSPL's sole and absolute discretion) to redeem such number of Fund Investments from the least volatile Fund (from each category of Funds subscribed using cash and made through PSPL calculated on bid-to-bid basis) and to apply the proceeds from such redemption towards the payment of the shortfall. Any redemption proceeds in excess of the shortfall shall be credited to the Customer's Trading Account or Unit Trust Wrap Account.
- 11.4 The Customer acknowledges that, in addition to the fees and charges payable to PSPL pursuant to these terms and conditions, each Fund Investment in which the Customer may invest pursuant to these terms and conditions also bears its own investment management fees and other expenses which shall be borne and paid solely by the Customer.

## **12. Notices, Statements of Account, Confirmation Notes or Documents**

- 12.1 Any confirmation notes issued in respect of Fund Investments applied for or switched by the Customer will

be sent to the Customer at the Customer's last mailing address on PSPL's records. If the Customer places orders via the Electronic Broking Services, the Customer consents to receiving confirmation notes and statements electronically. The Customer will receive a monthly statement of account if there is transaction in the Trading Account or Unit Trust Wrap Account within the month or a quarterly statement of account if there is no transaction for the month.

- 12.2 PSPL shall use all reasonable efforts to make available to the Customer on request all annual and bi-annual reports and accounts produced by the relevant Fund in respect of which Fund Investments are held on behalf of the Customer pursuant to these terms and conditions and shall procure that all notices issued by such Funds are received by PSPL in relation to the Customer's Fund Investments and are notified to the Customer.



## **Section 9 : Managed Account Services**

### **Definitions**

In this Section 9, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“Delegates”** shall have the meaning given to it in Clause 9.2, Section 9 of Part B;

**“FA”** means financial adviser;

**“Investments”** shall have the meaning given to it in Clause 1, Section 9 of Part B;

**“Managed Account”** shall have the meaning given to it in Clause 1, Section 9 of Part B;

**“Managed Account Services”** shall have the meaning given to it in Clause 1, Section 9 of Part B;

**“Representative”** shall have the meaning given to it in Clause 9.3, Section 9 of Part B; and

**“Schedule”** refers to the schedule of Investments and fees provided to the Customer by PSPL in respect of the Managed Account Services.

#### **1. Managed Account Services**

PSPL agrees that it will, subject to its acceptance on its sole and absolute discretion of the Customer's request as indicated in the Customer's Application Form for a managed account, open a discretionary account (the **“Managed Account”**) and undertake on behalf of the Customer, whether individually or jointly with the funds of such other parties as the PSPL may at its discretion decide, the investment of the Customer's funds and the management of a portfolio of Capital Markets Products procured through the use of such funds (the **“Investments”**) and other related services (the **“Managed Account Services”**), subject to the terms and conditions of this Section 9, which shall apply in addition to all other applicable terms and conditions under this Document and the Application Form.

#### **2. Appointment and Functions of PSPL as the Manager**

The Customer agrees to appoint PSPL as the manager to manage the Managed Account for the benefit of the

Customer with full authority from the Customer to invest the Customer's funds at PSPL's sole and absolute discretion, without reference to the Customer and at such times as PSPL thinks fit, in any Investments in accordance with the investment guidelines set out in the **Schedule** to the extent relevant to the type of Managed Account opened. For this purpose (but without limiting the generality of the foregoing), in connection with the provision of Managed Account Services, PSPL is authorised by the Customer to take such other steps including to:

- (a) make, purchase, sell, deal, redeem, hold, subscribe for, convert or otherwise deal with any Investments of whatever nature, at such time and at such prices and denominated in such currency and on such terms as it sees fit, and to sign any documentation required in connection with such transactions;
- (b) to exercise or refrain from exercising any right (including governance and ownership rights) conferred by a particular Investment to buy, sell, subscribe for, exchange or redeem an Investment;
- (c) exchange or convert all or any part of the Managed Account for or into any Investment;
- (d) carry out of such foreign exchange transactions in connection with the Investments as PSPL may deem necessary or desirable;
- (e) pay and collect monies from the Managed Account for any purpose related to the management of the Managed Account pursuant to the terms and conditions under Part A and Section 9 of Part B of this Document;
- (f) to monitor scrip and cash positions and to collect dividends, interest and other payments in respect of any of the Investments and the proceeds of any realisations thereof on the Customer's behalf;
- (g) deal with the Managed Account as PSPL in its sole and absolute discretion considers advisable and generally to exercise on the Customer's behalf all powers in relation to the Managed Account which the Customer could exercise if personally managing the Managed Account;
- (h) do any act or execute any document or enter into any contract or agreement it deems necessary or desirable for the management of the Managed

Account herein, in the name of, binding against, and on behalf of the Customer;

- (i) place orders for the execution of Investment transactions with or through such Intermediaries as PSPL may select, subject to terms of business agreed with PSPL or implied by market practice;
- (j) to conduct transactions outside the market in which Investments are normally traded, so long as PSPL purchases or sells at terms it considers appropriate and beneficial to the Managed Account having regard to all the circumstances;
- (k) to deposit the Investments into one or more bank accounts opened and operated by PSPL which will be maintained and designated as Customers' Trust Accounts with any licensed bank or licensed financial institution in and outside Singapore and its branches, offices or branches of such offices in and outside Singapore;
- (l) at PSPL's sole and absolute discretion and for the purpose of covering the Customer's or the Managed Account's settlement obligations with respect to short positions in Capital Markets Products effected for the Customer or the Managed Account, to borrow relevant Capital Markets Products and on such terms as PSPL deems appropriate provided that the aggregate limit for such borrowing shall not exceed fifty percent (50%) of the value of the assets of the Managed Account at the time of such borrowing as determined by PSPL in good faith;
- (m) at PSPL's sole and absolute discretion and for the purpose of enhancing the value of the Managed Account enter into an agreement from time to time to lend out Capital Markets Products being assets of the Managed Account on such terms as PSPL deems appropriate (including the taking of collateral for the borrower's obligations where appropriate or required by law and the fixing of the duration for the lending) provided that the aggregate limit for such lending shall not exceed fifty percent (50%) of the value of the assets of the Managed Account at the time of such lending as determined by PSPL in good faith; and
- (n) to exercise any and all powers in respect of the Investments as if PSPL was the beneficial owner thereof.

### **3. Documents and Information**

The Customer agrees from time to time to sign (or cause to be signed on its behalf) all such documents and to provide all such information or documents as PSPL may consider necessary or desirable in connection with management of the Managed Account herein, the terms and conditions set out in this Section 9 and/or the applicable terms and conditions set out in this Document and in the Application Form or which is required by any Applicable Law. The Customer shall be responsible for ensuring that information provided to PSPL is true, accurate, complete, up-to-date and not misleading in any respect.

### **4. Safe Custody/Execution of Instructions**

The Customer acknowledges and agrees that PSPL, insofar as it provides execution and/or clearing services for dealing transactions for the Managed Account and consequential custodial services, does so separately under its capital markets services licence for dealing in Capital Markets Products and providing custodial services with respect to Capital Markets Products and strictly in accordance with the relevant terms and conditions in this Document and Application Form. The Customer acknowledges and agrees to the relevant terms and conditions in this Document and Application Form for provision of dealing and custodial services.

### **5. Investment Guidelines**

The investment guidelines in the Schedule may be amended at any time, either (a) by mutual agreement, or (a) by the Customer on written notice to PSPL provided that such amended investment guidelines shall not take effect until agreed to in writing by PSPL.

### **6. Representations and Warranties**

The Customer hereby makes the following representations and warranties, in addition to Clause 34 of Part A of this Document, to PSPL and which PSPL has relied on to agree to open the Managed Account for the Customer and provide the Managed Account Services to the Customer:

- (a) (for corporations) the Customer has been duly organised and validly existing under the laws of the country in which it is established or incorporated,

- with full power and authority to enter into and perform its obligations under this Document;
- (b) it has all necessary power and authority to authorise PSPL to negotiate, execute, deliver and perform any agreement in connection with the provision of Managed Account Services under this Section 9 on its behalf and to perform its obligations under any such agreements and enter into the transactions contemplated by this Section 9, and has taken all steps necessary to appoint the Investment Manager to perform the services envisaged in this Section 9;
  - (c) it is acting as principal with respect to the transactions contemplated under this Section 9 and shall accordingly be liable as principal for all obligations under this Section 9;
  - (d) the Customer understands the Investments involve a degree of risk;
  - (e) the Customer is not entering and executing this Document in reliance of any representation or warranty by PSPL or any of its agents, employees or servants;
  - (f) the Customer is tax-compliant in all the jurisdictions that he/she/it operates in and will at all times remain in compliance with all Applicable Laws, including all tax laws and regulations, exchange control requirements and registration requirements with regards the Managed Account(s) and assets of the Customer ("**Tax Laws**");
  - (g) all funds and assets the Customer places and will place with PSPL, and any profits that may accrue from their use are placed and will be dealt with in full compliance with the Tax Laws of the countries where the Customer is domiciled (i.e. where the Customer calls as home), resident or deemed resident in, employed, engaged in any business or trade, of which the Customer is a citizen or general or permanent resident, and/or which the Customer is legally otherwise subject to;
  - (h) the funds deposited in the Managed Account are from legitimate sources in connection with the Customer's regular business activities and which do not constitute the benefits of criminal conduct within the meaning of the Corruption, Drug

- Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Chapter 65A of Singapore);
- (i) the Customer agrees to instruct and authorise PSPL to carry out any foreign exchange transaction in relation to the Managed Account;
  - (j) the Customer is the beneficial owner of the Investments or is the legal trustee of the Investment on behalf of beneficial owners, and the Customer undertakes (and where the Customer is not the beneficial owner of the Investments, for itself and for each of the beneficial owners) to indemnify PSPL fully and keep PSPL harmless from and against any and all claims and demands by any person or persons thereto or thereon; and
  - (k) the Customer's funds are made available for discretionary management by PSPL pursuant to the terms and conditions of this Section 9 free from any liens or other encumbrances.

## **7. Conflicts**

- 7.1 The provision of the Managed Account Services of PSPL to the Customer is not deemed exclusive. Nothing in the terms and conditions of this Section 9 or this Document or Application Form shall in any way be deemed to restrict the right of PSPL from performing investment management or other services for any other person or entity, and the performance of such services for others shall not be deemed to violate or give rise to any duty or obligation to the Customer. PSPL may retain for its benefit all fees, commissions, brokerages or similar payments and other monies payable thereby. In exercising its rights and discretion under the terms and conditions of this Section 9, PSPL is entitled to have regard to the collective interests of all of its Customers as well as the particular interests of the Customer.
- 7.2 The Customer acknowledges that other customers of PSPL and customers of PSPL's Associates and their respective officers, directors and employees may have an interest in a Security which is purchased, sold or otherwise traded for the Managed Account. The Customer agrees that Transactions for the Managed Account may be inconsistent with transactions recommended to, or engaged in by PSPL on behalf of, other customers of PSPL, or customers of PSPL's Associates, or transactions engaged in by such

Associates, their respective officers, directors or employees. PSPL and its Associates are not liable to account to the Customer for any fee, profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions. PSPL has no obligation to buy or sell for the Investments any security that it may buy or sell for the account of other Customers but shall seek in good faith to allocate investment opportunities fairly among all its Customers.

- 7.3 The Customer consents and agrees that, to the extent permitted by Applicable Laws, PSPL may (but is not obliged to) aggregate investment sale and purchase orders for the Managed Account with similar orders being made contemporaneously for other accounts managed by PSPL if, in PSPL's reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to the Managed Account, based on an evaluation that the Managed Account is benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. The Customer acknowledges and agrees that aggregation may operate to the advantage or disadvantage of the Customer and that PSPL shall not be responsible or liable for any Loss caused to the Customer as a result of aggregation.

## **8. Reports**

- 8.1 PSPL shall use all reasonable efforts to make available to the Customer a report on the Managed Account in such form as it deems appropriate in its sole and absolute discretion and at monthly intervals. These reports shall be sufficient evidence of the Investments held in the Managed Account and of Transactions in connection with the Managed Account. For the avoidance of doubt, any contract or confirmation notes that PSPL may receive with respect to transactions for the Managed Account on the Customer's behalf will be received by and custodised with PSPL and may not be provided to the Customer.
- 8.2 The Customer acknowledges that the value of Investments in the Managed Account stated in the report on the Managed Account provided by PSPL shall reflect PSPL's good faith effort to ascertain the price of the Investments. The Customer acknowledges that

variations in market conditions will mean that the value of Investments shown in the report on the Managed Account and any other reports do not necessarily reflect realisable values.

## **9. Authority / Mandate Instructions**

- 9.1 The Customer authorises PSPL to perform all acts (on its behalf or otherwise) at any time which are in PSPL's sole opinion necessary or desirable to permit it to perform its duties and exercise its rights and discretion under the terms and conditions of Part A and Section 9 of Part B of this Document and to act on the Instructions of the Customer and to comply with the provisions of any Applicable Laws or obligation (including any requirement imposed on it to disclose information relating to the Managed Account to any taxation or other governmental authority) to which PSPL may be subjected in relation to the terms and conditions in this Section 9, this Document and the Application Form.
- 9.2 PSPL may act by any of its officers or employees and may delegate the performances and its powers, duties and discretion hereunder to, and may effect any transaction through any agent or broker ("**Delegates**") as it deems fit including any such agent or broker that may be an Associate of PSPL. PSPL and its Delegates, shall, without the need for prior consent of or subsequent notification to the Customer, be entitled to appoint or retain third parties (including any Associate of PSPL) to perform any Managed Account Services.
- 9.3 Where the Customer (i) maintains a Trading Account with PSPL in its capacity as a dealer and/or is serviced by a representative ("**Representative**") associated with PSPL, or (ii) has been referred or advised by a third party financial adviser ("**FA**") on the account, the Customer authorises and instructs PSPL to provide the Representative or FA with any information within its knowledge relating to the Customer, whether such information has been acquired by PSPL pursuant to, or in connection with the terms and conditions of this Section 9 and/or the relevant terms and conditions in this Document and Application Form or otherwise and such other information as the Representative or FA may request relating to the Managed Account and its transactions. The Customer acknowledges and confirms that its said authorization and Instruction is to permit the



Representative or FA to have access to information with respect to the Managed Account so as to enable the Representative or FA to be better placed to service the Customer for the Customer's trading or investment activities.

- 9.4 The Customer also acknowledges and consents to PSPL having the right to pay any fees or commission to third parties (including the Representative or FA) through whom the Customer was informed of the services of PSPL available to the Customer both on a one off basis as well as by way of periodic payments and for such third parties to receive and appropriate for themselves such fees or commissions without the need to account for the same to the Customer.
- 9.5 The Customer also acknowledges and agrees that PSPL shall not be imputed with notice or knowledge of any information the Customer may have communicated to his Representative or FA if such information had not in fact been on-ward communicated by the Representative or FA to PSPL.

## **10. Fees, Charges and Expenses**

- 10.1 In consideration of the Managed Account Services agreed to be provided by PSPL in accordance with the terms and conditions in this Section 9, Document and Application Form, the Customer agrees to pay PSPL management and performance fees as set out in the **Schedule**. The Customer also agrees to pay all costs and expenses (including all taxes, duties, levies, brokerage, commissions and fees, including all fees due and payable for custodian services rendered from time to time incurred) in connection with the Managed Account (including fees of Delegates or third parties appointed under Clause 9.2).
- 10.2 PSPL may charge to and recover from the Managed Account any costs, expenses and the amounts due to it hereunder. PSPL shall have a general lien over the Managed Account or any and all other property and rights of the Customer maintained with or subject to the control of PSPL for all amounts payable to it by the Customer whether present or in the future, actual or contingent and in whatever currency. PSPL may at all times exercise this lien by effecting a sell out of any or all of the Capital Markets Products (if any) and apply the net

proceeds towards settlement or discharge of the Customer's obligations to PSPL. PSPL may at any time without prior notice to the Customer realise any part of the Managed Account and may apply the proceeds (or any other amounts held to or payable to the Customer) in or towards settlement of such amounts and may convert any sum from one currency to another at such rates of exchange as it deems fit for this purpose.

- 10.3 PSPL shall be entitled to receive and retain for its absolute use and benefit (without any liability to account to the Customer) any brokerage rebates, commissions, fees, other payments or benefits which it receives in connection with or derives from any transaction involving the Managed Account and may pay such rebates, commissions, fees, payments or benefits to such persons as it deems fit for the purposes of the transactions involving the Managed Account.
- 10.4 The Customer understands that, in addition to the fees paid by the Customer in accordance with the terms and conditions of this Section 9, each collective investment scheme including any unit trust in which PSPL may invest pursuant to these terms and conditions also bears its own investment management fees and other expenses.

## **11. Borrowing Powers**

PSPL is not authorised to borrow money on behalf of the Customer against the security of the assets of the Managed Account unless PSPL first enters into an agreement with the Customer for such authorisation.

## **12. Exclusion of Liability**

- 12.1 PSPL makes no representation, warranty or guarantee as to the performance, returns, increase in or retention of value or profitability of the Managed Account. PSPL will manage the Managed Account, subject to this Section 9 and the applicable terms and conditions set out in this Document and in the Application Form, in accordance with its usual business practice and will not be responsible or liable for any loss resulting from any decline in value of the Managed Account, the exercise of any of PSPL's rights and discretions or the performance of any of its duties for the purpose of managing Customer's Managed Account, an error on judgment or

error of fact, except only in the case of PSPL's own wilful default or gross negligence, or any Loss arising whether directly or indirectly out of or in connection with the reports and/or information supplied by PSPL.

- 12.2 PSPL shall not be responsible for or liable to investigate the creditworthiness or status of any issuer, guarantor, exchange, broker or other person liable in respect of any authorised investment, the validity or binding effect thereof or of any related document or any similar matter. PSPL shall not be liable for the acts or defaults of any agent, broker, custodian or nominee engaged in connection with this Document unless it can be shown that PSPL failed to exercise due care in the selection thereof or for any act or omission or any loss arising by reason of any cause beyond the Manager's reasonable control.
- 12.3 This exclusion of liability provisions are in addition to all other exclusion of liability provisions in this Document.

### **13. Withdrawals And Closure of Account**

- 13.1 The Managed Account may be closed at any time by a party giving five (5) days' written notice to that effect to the other party. Notwithstanding such termination, PSPL shall be entitled to receive all fees due for the period of the provision of the Managed Account Services. All acts performed by PSPL prior to receiving written notice of such closure from the Customer will be valid and binding upon the Customer and the Customer's successors in title, and if there are any uncompleted commitments made by PSPL in relation to the Investments in, or intended for, the Managed Account, PSPL may honour those commitments and the terms of this Section 9 shall continue to apply in relation to such Investments until they are delivered to the Customer. Upon closure of the Managed Account and subject only to the completion or closing out of any binding but uncompleted transaction involving the Managed Account, PSPL shall no longer be obliged to manage the Managed Account for the Customer or to execute any further transactions in relation to the Managed Account or any part thereof unless it agrees to do so, and the Customer shall request PSPL to transfer all or part of the Investments of the Managed Account in specie to the Customer and/or liquidate or realise all or part of the Investments of the Managed Account at the market prices prevailing and

transfer to the Customer the cash proceeds thereof. If any or all of the Investments in the Account may not be able to be liquidated, PSPL shall transfer the Investments to the Customer and the Customer agrees to carry out all such acts as may be necessary to take delivery of the Investments.

13.2 The Customer may, subject to the Customer having discharged all outstanding obligations (including contingent obligations) to PSPL, make withdrawals from the account by giving PSPL written notice to that effect.

#### **14. Voting Rights**

14.1 The Customer agrees that PSPL may (but is not obliged to) procure the exercise or otherwise of any voting rights and attendance at any meeting relating to any of the Investments at its discretion, and the Customer agrees that PSPL may appoint or procure the appointment of proxy voting agents for this purpose. The Customer authorises PSPL to execute (or direct any proxy voting agent to execute) all proxy forms and instruments in connection with the purposes set out in this Clause 14.1.

## **Section 10 : Advisory Wrap Services**

### **Definitions**

In this Section 10, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

**“Securities Wrap Account”** means the Securities Wrap account established by PSPL for the Customer for the purpose of the Customer being provided with financial advisory services with respect principally to the Customer’s dealings in Capital Markets Products through PSPL after PSPL’s acceptance of the Customer’s application to do so.

**“Unit Trust Wrap Account”**: means the Unit Trust Wrap account established by PSPL for the Customer for the purposes of the Customer being provided with financial advisory services with respect to the Customer’s dealings in any Funds distributed by or made available through PSPL after PSPL’s acceptance of the Customer’s application to do so.

### **1. Advisory Wrap Services**

- 1.1 Following PSPL’s acceptance of the Customer’s application to open and maintain a Securities Wrap Account and/or Unit Trust Wrap Account (as relevant), PSPL will, in accordance with these terms, provide financial advisory services to the Customer in relation to such account(s).
- 1.2 In providing the financial advisory services with respect to the Customer’s designated Securities Wrap Account or Unit Trust Wrap Account, as the case may be, PSPL will undertake reasonable due diligence and care to ensure the suitability of any advice given.
- 1.3 The Customer will have no obligation to accept any recommendation made by PSPL. The Customer shall retain sole control and authority over the trading and investment decisions of the Customer and shall be entitled to determine, in the sole discretion of the Customer, whether to accept, reject or implement any recommendation made by PSPL. Where a Customer chooses not to accept in whole or in part any recommendation, the Customer is deemed not to accept such recommendation.

- 1.4 Where the Customer does not accept or is deemed not to accept any recommendation but still proceeds to give instructions to buy or sell any relevant Capital Markets Product otherwise than as recommended, the Customer acknowledges and agrees that PSPL cannot, in such circumstances, be held responsible for the suitability of the Capital Markets Product bought or sold by the Customer and that it is the Customer's own responsibility to ensure the Capital Markets Product the Customer is buying or selling contrary to the recommendation of PSPL suits his/her needs and investment objectives.
- 1.5 The Customer acknowledges and agrees that PSPL and/or its Associates may have an investment position in the Capital Markets Product(s), which are the subject of recommendations by PSPL.
- 1.6 The Customer understands and acknowledges that PSPL relies on the Customer's declaration, warranties, representations and agreement above in agreeing to accept the Customer's application to open and maintain a Securities Wrap Account and/or Unit Trust Wrap Account (as relevant) and in the making of its recommendations.

## 2. Recommendations

- 2.1 PSPL will carry out a review of the financial situation, investment objectives and other particular needs of the Customer (the "**Needs Analysis**"), which, for the avoidance of doubt, shall include all such information pursuant to paragraph 11 of the Notice on Recommendations on Investment Products (Notice No. FAA –N16) ("the Notice") issued by the MAS pursuant to the Financial Advisers Act (Chapter 110) to the extent that the Customer has chosen to provide the same. As required pursuant to paragraph 9 of the Notice, where the Capital Markets Product recommended is a Specified Investment Product ("SIP"), PSPL will also give due consideration to the Customer's knowledge or experience in the SIP to the extent that the Customer chooses to provide relevant information to PSPL with respect to such knowledge and experience. The Customer is advised to provide all relevant information as required and/or requested by PSPL for the purposes of the Needs Analysis and, where applicable, for the assessment of the Customer's knowledge or experience in the SIP ("**Customer's Information**"). The Customer

hereby warrants and represents to PSPL, and shall be deemed to warrant and represent to PSPL on each occasion that any Customer's Information is provided to PSPL, that all the Customer's Information provided to PSPL is accurate, correct, complete and up-to-date, and agrees that PSPL shall be entitled to rely and act on such Customer's Information without verifying the Customer's Information, or any further inquiry or investigation.

- 2.2 The Customer shall, at all times, be responsible and liable for the accuracy, correctness and completeness of the Customer's Information and shall promptly update and inform PSPL of any change in the Customer's Information. Notwithstanding the aforesaid, PSPL may, before or at the time of providing any specific recommendation, confirm with the Customer that there are no material changes to the Customer's Information.
- 2.3 The Customer acknowledges and agrees that any specific recommendation by PSPL will be based on the Needs Analysis, and, where applicable, the Customer's knowledge and experience in SIP, or any other information provided to PSPL by the Customer. The Customer further acknowledges and agrees that any inaccurate, incorrect or incomplete information provided by the Customer, whether during the Needs Analysis or otherwise, may adversely affect the specific recommendation and hence, its suitability to the Customer's particular circumstances.
- 2.4 Where a Customer does not, for any reason whatsoever, provide all or any of the Customer's Information, PSPL may, in its discretion, either refuse to provide advice, or make a recommendation to the Customer. In the event that PSPL makes a recommendation, the Customer acknowledges and agrees that PSPL cannot, in the circumstances, be held responsible for the suitability of any Capital Markets Product recommended to the Customer failing to take account of the facts or factors which the Customer has chosen not to provide to PSPL and that it is the Customer's own responsibility to ensure the Capital Markets Product recommended to him in fact suits his needs and investment objectives bearing in mind the facts or factors not provided to PSPL.
- 2.5 The Customer understands that PSPL does not (unless specifically notified to the Customer) receive any

remuneration (other than the fees received from the Customer for the provision of its financial advisory service) from any third party, including commission, fee or other benefit, for making any recommendation in respect of a Capital Markets Product. In the event that PSPL may receive any such remuneration for making a recommendation in respect of an investment product, PSPL will disclose such fact and the amount of such remuneration to the Customer while making that recommendation. For the avoidance of doubt, PSPL is entitled, notwithstanding any commission, fee or benefit it may receive from the provider of the investment product, to charge a fee to the Customer for the services provided under these terms.

- 2.6 PSPL may provide advice or other services to others whose financial situation and investment objectives may be different and hence may mean such persons' respective interests may be in conflict or competition with that of the Customer, or who may end up taking positions opposite to the Customer's, based on PSPL's distinct advice to them. Despite the foregoing and by reason of PSPL being obliged generally to observe (for the benefit of each of its respective customers) confidentiality of customer information, no confidential information of any customer is taken into consideration in the making of any financial advice or recommendation to any other customer.

### **3. Communication**

- 3.1 The Customer hereby authorizes PSPL to contact the Customer in relation to this agreement via facsimile, phone, post or email, including without limitation for the purpose of providing the Customer with any recommendation. All communications sent by PSPL to the Customer ("Information") by facsimile, post or e-mail to the address or number last notified and received by PSPL or by any other form of communication, electronic or otherwise, shall be conclusively deemed to have been duly received by the Customer.
- 3.2 PSPL shall not be obliged to, and will not, provide any execution instructions in relation to any recommendation. If the Customer deems it fit to accept and act upon any recommendation, it will be the responsibility of the Customer to issue instructions to execute transactions thereon as he deems fit.



- 3.3 The Customer acknowledges and agrees that recommendations to the Customer will only be provided through designated officers or agents of PSPL who in turn will, on a best efforts basis, endeavour to make themselves available for consultation by the Customer.
- 3.4 The Customer will inform PSPL promptly if the Customer becomes aware of any improper or unlawful use of the Information or any infringement of the intellectual property rights in the Information. The Customer shall not disclose or make available any Information to any other person or use or otherwise deal with any Information except for the Customer's own personal use and for such purposes as permitted by PSPL.

#### 4. Fees

- 4.1 The Customer agrees to pay fees for the Advisory Wrap services, and shall ensure that all fees are remitted on time and accurately to PSPL, by way of transfer into PSPL's bank account as notified to the Customer, or in such other manner as may be instructed by PSPL from time to time. All fees are payable within 14 days from the date of invoice for the fees.
- 4.2 Fees payable shall include (1) a **WRAP fee** that accrues daily based on the net asset value of the assets in the Securities Wrap Account or Unit Trust Wrap Account determined at the close of each business day, payable on a monthly basis. Net asset value shall mean the market value of all assets in the Securities Wrap Account or Unit Trust Wrap Account less all liabilities, fees, expenses and charges payable or chargeable in relation to or in connection with any transaction pursuant to these terms and conditions, and (2) a **Brokerage fee**, including **Clearing fee** and prevailing **GST** that is payable to the designated broker for all Transactions. For Unit Trust Wrap Accounts, an **Upfront fee** is also payable at the time of each receipt of the Customer's investment amount. For the purposes of this Clause, a "business day" shall mean a day on which dealings take place or may be effected in relation to the relevant Fund.

#### 5. Limitation of Liability

To the maximum extent permitted by law, neither PSPL nor any of its employees, agents or representatives shall be liable for any loss, liability, cost or damage including

in any way arising in relation to any recommendation made under these terms, howsoever caused, or resulting from matters beyond their reasonable control, save where it has been established that PSPL is grossly negligent and has acted in bad faith.