

PHILLIP FUTURES PTE LTD

CUSTOMER TRADING AGREEMENT

1 DEFINITIONS

1.1 In this Agreement, the following words and expressions shall have the meanings set out hereunder unless the context otherwise requires:

"this Agreement" means this agreement (as may from time to time be varied or modified in accordance with its provisions) and includes its appendices, schedules and all other documents or instruments made supplemental to it including but not limited to the Application Form(s);

"Account" means the account on which the Customer effects transactions pursuant to this Agreement;

"Application Form" means the application form(s) by which the Customer applies to Phillip Futures to open an account with Phillip Futures;

"Applicable Laws" means all relevant or applicable statutes, laws, rules, regulations, directives and circulars (whether of governmental bodies or authorities or self-regulatory organisations in relation to which Phillip Futures or any person within the The Phillip Group is a member of, or otherwise);

"Associates" means any firm or corporation in which Mr. Lim Hua Min and/or his siblings has whether directly or indirectly and either individually or collectively control of not less than 20% of the voting power in the firm or corporation, and shall include, but not be limited, to the following:

- (a) Phillip Securities Pte Ltd;
- (b) Phillip Securities Nominees (Pte) Ltd;
- (c) Phillip Securities Research Pte Ltd;
- (d) Philip Trading Pte Ltd; and
- (e) Phillip Capital Management (S) Ltd.

"Business Day" means any day on which the relevant Market on which the Transaction is effected is open for trading;

"Clearing House" (in relation to a Market) includes a body corporate, an association or organisation, whether distinct from or forming part of a Market, that clears, settles and/or guarantees contracts and/or options whether on a net or gross basis and/or makes adjustments to the contractual obligations arising out of such contracts and/or options;

"Companies Act" means the Companies Act (Cap. 50);

"Confirmation" means the written notice (including telex, facsimile or any other electronic means from which it is possible to produce a hard copy), which contains the specific terms of a Transaction. Ancillary agreements referred to in the Confirmation are part of such Confirmation;

"Currency" means money denominated in the lawful currency of any jurisdiction;

"Customer" means, without limitation to Clause 10, the person or persons named herein as the applicant(s) (and where the context so admits, includes any one of those persons), and includes the successors in title or legal representatives, whichever is applicable, of the Customer;

"Default" shall have the meaning ascribed to it under Clause 11.1;

"Electronic Broking Facilities" means Phillip Telefutures, Phillip's On-Line Electronic Mart System for Phillip Futures Services and such other telecommunication, computer or electronic network, broking and information facilities and software packages as may be offered by Phillip Futures to the Customer and which may enable the Customer to:

- (a) transmit Orders to Phillip Futures, a third party network, or straight through to an exchange trading engine;
- (b) access market information, indicators and real time prices as well as information on the Customer's Account(s) and other services; and
- (c) engage in any other activities and services as Phillip Futures may include as part of the Electronic Broking Facilities;

"Extraordinary Event" shall have the meaning ascribed to it in Appendix 2;

"Futures Contract" shall be as defined in the SFA;

"Loss" means any and all loss, damage, costs, charges, and/or expenses of whatsoever nature and howsoever arising including legal fees on a full indemnity basis, 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;

"MSCI Indices" shall be as defined in Schedule 3;

"Margin" means any Currencies, cash, and at Phillip Futures' sole discretion, securities or other properties deposited with or held by Phillip Futures or its nominees as security or credit support for any Transaction under this Agreement or the Customer's obligations under this Agreement;

"Market" means a market, an exchange or any other place at which contracts for or in relation to commodities are regularly made, whether within Singapore or otherwise, and including any entity that provides or proposes to provide the physical facilities necessary for executing the Transactions;

"OTC Facilities" means such facilities as may be offered by Phillip Futures to the Customer and which may enable the Customer to trade in the OTC Transactions;

"OTC Transactions" means any Transactions (whether in respect of any commodity, Currency or financial instrument whatsoever or otherwise) which are executed over-the-counter;

"Officer" means any officer or employee of Phillip Futures;

"Order" means any authorisation, request, instruction or order (in whatever form and howsoever sent) given or transmitted to Phillip Futures by the Customer or which Phillip Futures or an Officer reasonably believes to be the authorisation, request, instruction or order of the Customer and includes any authorisation, request, instruction or order to revoke, ignore or vary any previous authorisation, request, instruction or order;

"Phillip Futures" means Phillip Futures Pte Ltd;

"PIN" means the Customer's personal identification number issued by Phillip Futures to the Customer for the purposes of utilisation by the Customer of the Electronic Broking Facilities;

"Person" includes any government, statutory body, business, firm, partnership, corporation or unincorporated body;

"**Relevant Bodies**" means any Market, Clearing House and/or governmental body or authority or self-regulatory organisation in relation to which Phillip Futures or any person in The Phillip Group is a member or otherwise;

"**Relevant Currency**" shall have the meaning ascribed to in Clause 7.1;

"**SFA**" means the Securities and Futures Act 2001 (Act No. 42 of 2001);

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

"**Securities**" shall be as defined in the SFA;

"**The Phillip Group**" means Phillip Futures and its related and associated corporations and entities; and

"**Transaction**" includes any Futures Contract or OTC Transaction.

- 1.2 The headings are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.3 Expressions in the singular form shall include the plural and vice versa, and all references to the masculine gender shall include the female and neuter genders and vice versa.
- 1.4 Except as otherwise provided in this Agreement, any reference in this Agreement to "Clauses", "Appendices", and "Schedules" in this Agreement are to clauses, appendices and schedules respectively in this Agreement.
- 1.5 Any reference to a statutory provision shall include such provision as may from time to time be modified, amended or re-enacted so far as such modification, amendment or re-enactment applies or is capable of applying to any Transaction entered into hereunder.

2 SCOPE AND APPLICATION

- 2.1 The terms and conditions in the Application Form(s) and this Agreement shall apply to the provision by Phillip Futures of any and all trading facilities to the Customer in respect of the Account(s) provided that the specific terms and conditions contained in each Appendix of this Agreement shall apply only upon Phillip Futures' approval of the Customer's application for the particular facility governed by such Appendix.
- 2.2 In the event that any facility to which any Appendix relates is provided expressly subject to terms and conditions other than the terms and conditions contained in this Agreement, such other terms and conditions shall prevail.

3 GENERAL CONDITIONS

- 3.1 The acceptance and execution by the Customer of the Risk Disclosure Statement and the Notification on SGX Futures Trading Rule 1.6 provided in Schedules 1 and 2 respectively shall be condition precedents to Phillip Futures' performance of its obligations under this Agreement.
- 3.2 The Customer authorises, consents and agrees to the disclosure by Phillip Futures, and/or any Officer or agent of Phillip Futures at any time and from time to time of any or all information in respect of any particulars or Transaction of the Customer or in respect of any Account to any person in the The Phillip Group, any Relevant Body, or any other person which Phillip Futures or any Officer considers to be appropriate for the purpose or to be in the interest of Phillip Futures. The consent and authority granted by this Clause shall constitute consent and authority for the purposes of the provisions of any Applicable Laws.
- 3.3 Phillip Futures may engage or appoint any Person (who is not an Officer or related to Phillip Futures) including floor brokers and clearing brokers to carry out any Order or to exercise any authority granted to Phillip Futures by the Customer (whether under this Agreement or otherwise). In making such engagement or appointment, Phillip Futures shall not be liable to the Customer for any and all Loss suffered or incurred by the Customer as a result of any act or omission of such Person or entity.
- 3.4 The Customer shall not, without the prior written consent of Phillip Futures, assign, charge or encumber any Account or the Customer's rights therein, or create or permit to create, in favour of any Person (other than Phillip Futures) any interest by way of trust or otherwise in any Account. Phillip Futures shall not be required to recognise any Person other than the Customer as having any interest in any Account.
- 3.5 Phillip Futures shall be entitled (but not obliged) to record (by any means) any communications (through any medium) between Phillip Futures and the Customer or any servant or agent of the Customer using any recording apparatus, without prior warning to the Customer. Any such recording may be used in evidence against the Customer. Phillip Futures may destroy such recordings at any time without giving any reason.
- 3.6 The Customer's relationship with Phillip Futures, the operation of all Accounts and the implementation of all Orders shall be subject at all times to the Applicable Laws. Phillip Futures may take or refrain from taking any action whatsoever, and the Customer shall do all things required by Phillip Futures, in order to procure or ensure compliance with Applicable Laws.
- 3.7 Where the Customer has been introduced to Phillip Futures by a third party, the Customer agrees and acknowledges that Phillip Futures has and will accept no responsibility for any conduct, action, representation or statement of such third party. The Customer further agrees that Phillip Futures may share its fees, commissions and/or other charges with such third party or any other third party.
- 3.8 The Customer hereby ratifies all Transactions effected by Phillip Futures on its behalf prior to the date of this Agreement and agrees that such Transactions shall also be governed by the terms of this Agreement.

4 ORDERS

- 4.1 The Customer may instruct Phillip Futures to execute any Transaction for an Account by placing an Order with Phillip Futures. In effecting such Order, the Customer hereby acknowledges and expressly agrees that Phillip Futures may in its sole and absolute discretion act either as agent or principal to the Customer for its own accounts or for the accounts of Persons associated with or connected to Phillip Futures or an entity in which Phillip Futures or any of its representatives has a direct or indirect interest. In the event that Phillip Futures assumes the role of the counterparty to any Transaction which Phillip Futures has been instructed to execute, Phillip Futures shall be absolutely entitled to all gains, profits and benefits derived from any such Transaction of the Customer with Phillip Futures.
- 4.2 Where the Electronic Broking Facilities are made available to the Customer by Phillip Futures, the Customer may place Orders through the use of such facilities. Any Orders placed through the use of the Electronic Broking Facilities shall also be subject to the terms contained in Appendix 1.
- 4.3 Once an Order is received by Phillip Futures, such Order is binding on the Customer provided that, subject to Clause 4.5, the Customer may give an Order to withdraw, cancel, revoke or vary a previous Order.
- 4.4 Where a Customer gives Phillip Futures an Order to withdraw, cancel, revoke or vary a previous Order, Phillip Futures shall not be obliged to execute such Order until after the Customer confirms with Phillip Futures both that the previous Order has not been executed, and that

the withdrawal, cancellation, revocation or variation as the case may be, will not prejudice Phillip Futures' position (where relevant) with a counterparty broker.

- 4.5 The Customer acknowledges that subsequent Orders given to one of Phillip Futures' representatives may not be sufficient to revoke an earlier Order given to another of Phillip Futures' representatives, or to cancel an Order made with the relevant Phillip Futures representative implementing such Order. The Customer also acknowledges that in the event that the Customer is physically unable to communicate any Order to Phillip Futures, Phillip Futures shall not be liable to the Customer.
- 4.6 Nothing in this Agreement obliges Phillip Futures to enter into any Transaction with or to act on any Order of the Customer, and Phillip Futures may refuse to enter into any Transaction or otherwise act on any Order without giving any reason. Phillip Futures shall bear no liability whatsoever for failing to comply with any Order of the Customer or for exercising or failing to exercise any discretion, power or authority conferred upon Phillip Futures by this Agreement.
- 4.7 Phillip Futures shall be entitled (but not obliged) to verify and be satisfied with respect to the identity of the Person purporting to give such Order or the source and origin of such Order and Phillip Futures may not rely or act upon any such Order unless and until Phillip Futures is satisfied as to the matters on which Phillip Futures sought verification.
- 4.8 In the event that Phillip Futures decides to act on any Order or is otherwise under an obligation to act on any Order, Phillip Futures shall be allowed such amount of time to act upon and implement the Order as may be reasonable, having regard to the systems and operations of Phillip Futures and the other circumstances then prevailing, and shall not be liable for any Loss arising from any delay on the part of Phillip Futures in acting on the Order.
- 4.9 Where any Order is ambiguous or inconsistent with any other Order, Phillip Futures shall be entitled to rely and act upon any Order in accordance with any reasonable interpretation thereof which any Officer, or any Person who has been engaged or appointed by Phillip Futures pursuant to Clause 3.3, believes in good faith to be the correct interpretation.
- 4.10 Phillip Futures shall send to the Customer a Confirmation within 14 Business Days after its receipt of an Order. The Customer shall bear the sole responsibility of ensuring that an Order has been transmitted, received, processed and duly executed, and shall immediately notify Phillip Futures of any failure to receive an appropriate Confirmation that the Order has been received and executed.

5 TRANSACTIONS LIMIT AND RESTRICTIONS

- 5.1 Phillip Futures may, at any time in its sole and absolute discretion, impose upon the Customer any position or Transaction limits, or any trading or Transaction restrictions. Such limits may include minimum sizes for Transactions, specified times or procedures for communicating Orders to Phillip Futures or otherwise.
- 5.2 Phillip Futures may, at any time in its sole and absolute discretion, vary the position or Transaction limits, or any trading or Transaction restrictions. No previous limit or restriction shall set a precedent or bind Phillip Futures.
- 5.3 The Customer acknowledges that the limits referred to in Clause 5.1 may also be set by a Relevant Body and that the limits set by Phillip Futures may exceed those set by the Relevant Body. In placing Orders with Phillip Futures, the Customer shall not exceed any position or Transaction limits, or breach any trading or Transaction restrictions whether imposed by Phillip Futures or any Relevant Body.

6 MARGIN REQUIREMENTS

- 6.1 The Customer shall deposit, maintain in the Account and/or otherwise provide Phillip Futures with initial Margin in such amounts and at such times as Phillip Futures may in its sole and absolute discretion stipulate.
- 6.2 The Customer acknowledges that the Margin referred to in Clause 6.1 may also be set by a Relevant Body or a counterparty broker and that the limits set by Phillip Futures may exceed those set by the Relevant Body or counterparty broker. Phillip Futures may, in its sole and absolute discretion, charge interest as well as interest-related fees on any Margin requirements set by Phillip Futures that are above that set by a Relevant Body or counterparty broker.
- 6.3 Phillip Futures may, in its sole and absolute discretion, with or without notice to the Customer, vary the Margin requirements for any Account at any time and by any level, and may also stipulate that such Margin requirements shall apply to existing positions as well as to new positions in the Transactions affected by such change. The Customer acknowledges that Phillip Futures may, in certain market conditions, effect an immediate change in limits or levels and/or require additional Margin to be deposited immediately or within a specified period of time, which period may, in certain circumstances, be less than 24 hours, and waives any right to object on the grounds that such requirement is or was unreasonable. No previous Margin levels shall set a precedent or bind Phillip Futures.
- 6.4 If Phillip Futures determines that additional Margin is required, the Customer shall deposit with Phillip Futures such additional Margin immediately upon demand, provided that, notwithstanding any such demand for additional Margin, Phillip Futures may at any time exercise its rights set out in Clause 11.
- 6.5 The Customer acknowledges that the 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 Transactions traded.
- 6.6 All Margin shall be held by Phillip Futures, 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 Phillip Futures for any and all of the Customer's liabilities to Phillip Futures, whether contingent or actual, under this Agreement or otherwise, and Phillip Futures may realise any of the Margin of the Customer as provided for in this Agreement.
- 6.7 **All Margin shall be in such form as Phillip Futures may stipulate and the value of any such Margin shall be determined by Phillip Futures in its sole and absolute discretion. Phillip Futures shall be entitled to deposit, invest, loan, mortgage, charge, pledge, repledge, hypothecate or otherwise deal with any Margin in whatever form provided to Phillip Futures or any Relevant Body in such manner as may be permitted under the Applicable Laws, 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 Margin deposited by the Customer with Phillip Futures and the Customer acknowledges and consents that interest earned on the Margin deposited under this Agreement may be retained by Phillip Futures for its own account and benefit. Phillip Futures shall at no time be required to deliver to the Customer the identical property delivered to or purchased by Phillip Futures as Margin for the 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.**
- 6.8 Without prejudice to the generality of Clause 6.7, the Customer hereby expressly agrees that Phillip Futures may deposit any Margin of the Customer in any of the following ways:
 - (a) with such custodian as Phillip Futures may, in its sole and absolute discretion, appoint including, where such Margin is denominated in a foreign currency, a custodian outside Singapore, and on such terms as shall be notified to the Customer. Where such Margin is so deposited, Phillip Futures shall separately agree in writing the requirements specified in Regulation 32 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 (if applicable) but otherwise the Customer acknowledges and accepts that different settlement, legal and regulatory requirements and different practices relating to the segregation of the Margin

may apply. The Customer further agrees that Phillip Futures may co-mingle such Margin with the cash and properties of its other customers; and/or

- (b) with a Clearing House, a member of a futures exchange (whether overseas or otherwise) for such purposes as may be permitted under the Applicable Laws or the business rules and practices of the Clearing House or futures exchange (as the case may be).
- 6.9 The Customer shall at its own cost and at Phillip Futures' request, execute and do all such deeds, acts and things (including without limitation, the performance of such further acts or the execution and delivery of any additional instruments or documents) as Phillip Futures may require for the purposes of this Agreement, including but not limited to perfecting Phillip Futures' rights to the Margin provided by the Customer.
- 6.10 For so long as the Customer owes moneys or obligations (of whatsoever nature and howsoever arising) to Phillip Futures, the Customer shall only withdraw Margin from Phillip Futures with Phillip Futures' consent. Phillip Futures may at any time withhold any Margin of the Customer pending full settlement of all such moneys or obligations of the Customer.
- 6.11 In addition and without prejudice to any right which Phillip Futures may have under law or otherwise, Phillip Futures may in its sole and absolute discretion at any time and from time to time without notice to the Customer apply and/or set-off any Margin standing to the credit of the Customer (whether on any Account held with Phillip Futures or the Associates, or otherwise) against all moneys and/or other liabilities of the Customer due, owing or incurred on any Account, whether held with Phillip Futures or the Associates, or otherwise, in any manner and whether actual or contingent, joint or several.
- 6.12 The Customer hereby authorises each of the Associates to act on any instructions as may be issued by Phillip Futures at any time and from time to time to withhold payment, or to deliver, transfer, withdraw or otherwise dispose of any Margin held by them for the Customer. Each Associate is under no duty to enquire about the purpose or propriety of Phillip Futures' instructions given pursuant to this Clause. The Customer also agrees to ratify all instructions given by Phillip Futures under this Clause, and to waive any claims it may have against the Associates resulting from their compliance with this Clause.

7 FOREIGN CURRENCY TRANSACTIONS

- 7.1. If the Customer directs Phillip Futures to enter into a Transaction and such Transaction is effected in a foreign Currency:
- (a) any profit or Loss resulting from exchange rate fluctuations of such Currency will be at the Customer's sole risk;
- (b) all initial and subsequent deposits for Margin purposes shall, unless Phillip Futures otherwise stipulates, be made in such Currency (the "Relevant Currency") and in such amounts as Phillip Futures may, in its sole and absolute discretion require; and
- (c) Phillip Futures may debit or credit the Account in the Relevant Currency when such Transaction is liquidated, and the rate of exchange of any foreign Currency required to be converted to the Relevant Currency shall be determined by Phillip Futures in its sole and absolute discretion on the basis of the money market rates of exchange prevailing at the time of the debit or credit.
- 7.2 Phillip Futures may, at any time in its sole and absolute discretion, convert any amounts in any Account(s) of the Customer's or standing to the credit of the Customer to any other Currency for the purposes of carrying out Orders of the Customer or exercising Phillip Futures' rights under these terms and conditions or under any Account. Exchange rate losses and the costs of conversion shall be borne by the Customer.

8 LIQUIDATION INSTRUCTIONS

- 8.1 The Customer shall for any open position of any Transaction which involves physical settlement:
- (a) give Phillip Futures instructions to liquidate such open position; or
- (b) provide Phillip Futures with sufficient funds in respect of the Account to which such open position relates, and with the necessary delivery documents to take delivery of the underlying subject matter of the Futures Contract,
- not later than 5 Business Days prior to the first notice day for long positions, and not later than 5 Business Days prior to the last trading day for short positions.
- 8.2 If the Customer fails to comply with Clause 8.1, Phillip Futures may:
- (a) liquidate such open position;
- (b) make or receive delivery of the underlying subject matter of the Futures Contract on the Customer's behalf upon such terms and by such methods which Phillip Futures deems fit; and/or
- (c) take any of the actions described in Clause 11.2.
- 8.3 If the Customer fails to deliver to Phillip Futures by the stipulated delivery date any commodity which the Customer has instructed Phillip Futures to sell, Phillip Futures shall, in its sole and absolute discretion, without giving notice to the Customer, borrow any commodity necessary to make such delivery on the Customer's behalf, and the Customer shall indemnify Phillip Futures against any Loss which Phillip Futures may sustain in effecting the delivery and shall indemnify Phillip Futures for such Loss upon Phillip Futures' demand.

9 FEES AND PAYMENTS

- 9.1 The Customer shall promptly pay all of Phillip Futures' fees and/or other charges at such rates and in such manner as Phillip Futures 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 Transaction or otherwise for the maintenance of any Account(s) or the provision of any service or facility to the Customer in connection with any Account(s).
- 9.2 The Customer shall make payment to Phillip Futures' order promptly of any outstanding sum on the due date of the relevant Transaction, or upon demand by Phillip Futures as provided for in this Agreement.
- 9.3 **Phillip Futures shall be entitled to charge interest on any sum or payment due to Phillip Futures from the Customer at such rate and calculated and/or compounded in such manner as Phillip Futures may, in its sole and absolute discretion, impose and determine from time to time and to debit any Account(s) in respect of the interest due.**
- 9.4 All payments to Phillip Futures shall be in the Currency in which they are due (unless otherwise notified by Phillip Futures), in free and clear funds and free of deductions or withholdings. If the Customer is obliged by law to make such deduction, the Customer shall pay to Phillip Futures such greater amount which after deduction shall ensure that the net amount actually received by Phillip Futures will equal the amount which would have been received by Phillip Futures had no such deduction been required.
- 9.5 Any taxes, duties, disbursements, costs and/or other expenses incurred by Phillip Futures in connection with the Account(s) or otherwise in connection with the Customer shall be reimbursed by the Customer.
- 9.6 All interest, fees, commissions and other charges of Phillip Futures 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.

- 9.7 Unless Phillip Futures otherwise agrees with the Customer, each obligation of Phillip Futures to make any payment to the Customer under this Agreement is subject to the condition precedent that there is no Default subsisting.
- 9.8 If for any reason Phillip Futures cannot effect payment or repayment to the Customer in a particular Currency in which payment or repayment is due, Phillip Futures may effect payment or repayment in the equivalent of any other Currency selected by Phillip Futures based on the rate of exchange quoted by Phillip Futures in respect of the relevant Currencies at the time the payment or repayment is due.

10 JOINT ACCOUNTS

- 10.1 If an Account is opened or maintained in the name of more than one Person or a partnership:
- (a) the term "Customer" shall refer to each Person or partner jointly and severally, and the liability of each such Person or partner to Phillip Futures shall be joint and several; and
 - (b) Phillip Futures shall be entitled to debit that Account at any time in respect of any sum howsoever due or owed to Phillip Futures by any of the Persons in whose name the Account is opened or maintained or constituting the Customer.
- No Person constituting the Customer shall be discharged, nor shall his liability be affected by, any discharge, release, time, indulgence, concession, waiver or consent given at any time in relation to any one or more of the other such Persons constituting the Customer.
- 10.2 Unless otherwise agreed by Phillip Futures, the Orders of any one Person constituting the Customer shall be deemed to be the Orders of all the Persons constituting the Customer and any notice or communication addressed and sent by Phillip Futures to any one Person constituting the Customer shall be deemed to have been addressed and sent to all the Persons constituting the Customer and where any such Person shall have received or is deemed to have received any such notice or communication, all the Persons constituting the Customer shall be deemed to have received the same.
- 10.3 The doctrine of survivorship shall apply to any Account opened in the joint names of more than one Person or in the name of a partnership. Accordingly, in the event of the death of such Person or any partner constituting the Customer, the Account shall immediately vest in the surviving Person(s) or partner(s) (as the case may be).

11 DEFAULT

- 11.1 A "Default" shall be deemed to occur if:
- (a) the Customer fails to comply with any of its obligations hereunder or under any Account or Transaction;
 - (b) the Customer makes any voluntary arrangement with its creditors or becomes subject to an administration order;
 - (c) the Customer is the subject of a petition presented, an order made, or a resolution passed, to wind up the Customer, to place the Customer in bankruptcy or in judicial management, or to take any similar or analogous action in respect of the Customer;
 - (d) Phillip Futures is of the opinion that the financial condition of the Customer or of any Person guaranteeing the Account(s) of the Customer has materially or adversely changed since the date of this Agreement or the date on which the Account(s) was opened, whichever is earlier;
 - (e) any claim, action or proceeding of any nature is commenced against the Customer, or steps are taken by any Person to enforce any security against the Customer;
 - (f) Phillip Futures has, for more than 2 consecutive Business Days, been unable to establish direct contact with the Customer or any of its designated representatives; or
 - (g) Phillip Futures forms the view, in good faith, that it should take action in order to preserve its rights or interests under any Account or under its relationship with the Customer.
- 11.2 Without prejudice to any other right of Phillip Futures hereunder or otherwise at law, in the event of Default, Phillip Futures may (but is not obliged to) immediately or at any time thereafter, do any one or more of the following:
- (a) suspend (indefinitely or otherwise) or terminate any Account, or Phillip Futures' relationship with the Customer and accelerate any and all liabilities of the Customer to Phillip Futures so that they shall become immediately due and payable;
 - (b) hedge and/or close-out all or any outstanding Transaction (including any Transaction which has yet to be settled on the date on which Phillip Futures terminates such Transaction) or position by determining its value as of the date of the close-out as soon as practicable after the close-out;
 - (c) cancel any of the Customer's outstanding Order;
 - (d) liquidate the Margin or part thereof at a price which Phillip Futures deems appropriate in the circumstances;
 - (e) satisfy any of the Customer's obligations due to it (either directly or by way of guarantee or suretyship) from any Margin;
 - (f) sell any or all of the Securities, Futures Contracts and/or the underlying subject matter of the Futures Contracts long in the Account(s) and/or buy any or all Securities, Futures Contracts and/or the underlying subject matter of the Futures Contracts which may be short in the Account(s) on the Market in any manner and at any time;
 - (g) apply any amounts of whatsoever nature standing to the credit of the Customer against any amounts which the Customer owes to Phillip Futures (of whatsoever nature and howsoever arising, including any contingent amounts), or generally to exercise Phillip Futures' right of set-off against the Customer;
 - (h) call upon any security including but not limited to any guarantees and letters of credit which may have been issued to or in favour of Phillip Futures as security for the Accounts;
 - (i) demand any shortfall after (e), (g) and/or (h) above 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/or
 - (j) exercise such other authority and powers that may have been conferred upon Phillip Futures by this Agreement, including the right to call upon, sell, dispose or realise any of the Security.
- 11.3 Phillip Futures or the Customer may terminate any Account, or the provision of any service or facility under the Account by Phillip Futures to the Customer, by giving 5 Business Days' notice in writing to the other party. Prior to the date of the termination of any Account, the Customer shall instruct Phillip Futures as to the proper disposal or transfer of money and other properties of the Customer. If the Customer fails to do so, Phillip Futures may exercise any of its rights under Clause 11.2 above as if Default had occurred.

12 POWER OF ATTORNEY

- 12.1 The Customer hereby irrevocably appoints Phillip Futures through any of Phillip Futures' directors or Officers as the attorney of the Customer for the purposes of this Agreement and with the power to sign and execute all documents and perform all acts in the name and on behalf of the Customer in connection with this Agreement or any Account.

13 **GENERAL INDEMNITY**

- 13.1 In addition and without prejudice to any other right or remedy of Phillip Futures (at law or otherwise) the Customer shall indemnify and hold Phillip Futures harmless from and against any and all Loss suffered or incurred by Phillip Futures as a result of:
- (a) any failure by the Customer to comply with this Agreement;
 - (b) Phillip Futures acting in accordance with the Orders or in any manner permitted under this Agreement;
 - (c) any change in any Applicable Laws; and/or
 - (d) any act or thing done or caused to be done by Phillip Futures in connection with or referable to this Agreement or any Account.

14 **GENERAL EXCLUSION**

- 14.1 In addition and without prejudice to any other right or remedy which Phillip Futures may have (under this Agreement, at law or otherwise), in the absence of fraud or wilful default on the part of Phillip Futures, it shall not be liable to the Customer in any respect of any Loss suffered by the Customer.
- 14.2 Phillip Futures shall not be liable to the Customer for any and all Loss incurred by the Customer as a result of the suspension of trading and/or change in trading conditions affecting the Market.
- 14.3 Phillip Futures shall not be liable to the Customer for any and all Loss incurred by the Customer arising from any Loss or delay in the transmission or wrongful interception of any Order through any equipment or system, including any equipment or system owned and/or operated by or on behalf of Phillip Futures.
- 14.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, Phillip Futures shall not in any event be liable to the Customer for any indirect or consequential loss, or for punitive damages.

15 **FORCE MAJEURE**

- 15.1 Phillip Futures shall not be liable to the Customer for any Loss or delay caused by events beyond Phillip Futures' control, such as fire, earthquake, flood, lightning, riots, strikes, lockouts, government action, war, telecommunications disruption, computer failure (whether or not as a result of any failure arising from inability to process or use dates falling on or after 1 January 2000 or otherwise) or failure or similar or other events or events commonly known as "force majeure".

16 **COMMUNICATIONS**

- 16.1 Communications may be sent by Phillip Futures to the Customer at any e-mail, facsimile, telex, or postal address of the Customer last known to Phillip Futures. Any such communications shall be deemed received by the Customer (in the case of e-mail, facsimile or telex communications) immediately upon transmission by Phillip Futures, or (in the case of posted communications) one Business Day after the communication was dispatched by Phillip Futures (in the case of a Customer who has a Singapore residential address) or 7 Business Days after the communication was dispatched by Phillip Futures (in the case of a Customer who has a non-Singapore residential address).
- 16.2 The risk of loss of or damage to, and the costs of delivery of, any articles or items sent to the Customer shall be borne by the Customer.
- 16.3 Any communications from the Customer to Phillip Futures, whether they be instructions relating to any of the Accounts or otherwise, shall be given in accordance with Phillip Futures' general operating procedures.

17 **STATEMENTS, CONFIRMATIONS AND ADVICE**

- 17.1 The Customer shall verify all statements, Confirmations and advice sent by Phillip Futures to the Customer. If no objection is raised in writing within 5 Business Days of the Customer's receipt of such statement, Confirmation and/or advice, such statement, Confirmation or advice shall, except for manifest or clerical errors, be deemed conclusive and binding against the Customer. Any objection raised by the Customer shall be accompanied by satisfactory evidence supporting the alleged inaccuracy and shall be directed to Phillip Futures in accordance with Clause 16.3. However, Phillip Futures may at any time rectify any error on any statement, Confirmation or advice which has been proved to its satisfaction.
- 17.2 The Customer shall immediately notify Phillip Futures if a statement, Confirmation or advice is not received by the Customer in the ordinary course of business.

18 **CUSTOMER'S REPRESENTATIONS AND UNDERTAKINGS**

- 18.1 The Customer hereby warrants and represents to Phillip Futures as follows:
- (a) in the case of the Customer being a natural person:
 - (i) that he has full capacity and authority to accept and agree to this Agreement, to open and maintain all Account(s) from time to time established with Phillip Futures, and to give Phillip Futures Orders; and
 - (ii) that except as disclosed to Phillip Futures in writing prior to or on the date hereof, the Customer is not:
 - (aa) a partner, officer, director, owner of more than 10 percent of the equity interest, correspondent, agent or Person associated therewith, associated person or employee of a futures broker, nor a relative of a spouse of any of the foregoing persons who shares the same home as any of the foregoing persons; or
 - (bb) an employee of any Market, any member or firm registered on any Market, any bank, any trust company, any insurance company, or any corporation, firm or individual engaged in the business of dealing in securities, bills of exchange, acceptances or other forms of commercial paper or the underlying subject matter of any Futures Contract, or of any corporation a majority of its share capital of which is owned by a Market;

- (b) in the case of the Customer being joint account holders or a partnership:
 - (i) that each of the partners or the joint account holders of the Account is not under any legal disability and the provisions of this Agreement are enforceable against all of them in accordance with its terms;
 - (ii) that it has all authorisations, consents, licences or approvals (whether under Applicable Laws or otherwise) required to accept and agree to this Agreement, to open and maintain all Account(s) from time to time established with Phillip Futures, and to give Phillip Futures Orders; and
 - (iii) that where not prohibited by any Applicable Law, each joint account holder's properties (whether held jointly or in such joint account holder's sole name and/or control) shall be available as security in favour of Phillip Futures for the Customer's liability hereunder;
- (c) in the case of the Customer being body corporate:
 - (i) that it is a corporation duly organised and validly existing under the laws of the country of its incorporation and is a legal entity capable of suing or being sued and that the provisions of this Agreement are enforceable against the Customer in accordance with its terms;
 - (ii) that it has all authorisations, consents, licences or approvals (whether under the Applicable Laws or otherwise) required to accept and agree this Agreement, to open and maintain all Account(s) from time to time established with Phillip Futures, and to give Phillip Futures Orders;
 - (iii) that the certified true copies of the Customer's certificate of incorporation or registration, charter, statute, memorandum and articles or other instrument constituting or defining its constitution, and the board resolutions of the Customer delivered to Phillip Futures are true and accurate and still in force; and
 - (iv) that to the best of the knowledge of the Customer, no steps have been taken or are being taken to appoint a receiver and/or manager or liquidator over, or to wind up the Customer, and that it will immediately notify Phillip Futures of any possible intent on the part of the Customer and/or any of its creditors to wind-up the Customer;

18.2 Without prejudice to Clause 18.1, the Customer further represents, warrants and/or agrees that:

- (a) all the information in this Agreement provided by it is true, correct and complete as of the date of this Agreement and the Customer will notify Phillip Futures immediately of any changes in such information;
- (b) it will at all times maintain complete and exclusive control of the Account, including giving complete instructions with respect to any Transaction on the Account(s), and that it will keep itself fully informed of all Transactions and other activities in the Account(s);
- (c) it is familiar with and understands and will keep itself updated on all Applicable Laws, and that in any event it is separately advised on such matters and does not and will not rely on Phillip Futures in relation to these matters;
- (d) any Orders placed or any other dealings in the Account is solely and exclusively based on its own judgment, and after its own independent appraisal of and investigation into the risks associated with such Orders or dealings;
- (e) the properties provided to Phillip Futures hereunder, whether as Margin or otherwise, is and will be free of any encumbrance or lien;
- (f) Phillip Futures has no duty or obligation to inquire into the purpose or propriety of any Order and shall be under no obligation to see to the application of any funds delivered by the Customer in respect of any Account; and
- (g) any person(s) empowered to act on the Customer's behalf has been duly authorised.

18.3 The above representations and undertakings shall be deemed repeated whenever the Customer gives Orders to Phillip Futures, or whenever the Customer establishes a new Account with Phillip Futures.

19 OPINIONS, REPORTS, SUMMARIES, ANALYSES AND INFORMATION BY PHILLIP FUTURES

19.1 Other than reports or statements of fact, any opinions, reports, summaries, analyses or other information, of whatsoever nature and howsoever supplied to the Customer by or on behalf of Phillip Futures, are merely expressions of Phillip Futures' views or opinions. Although Phillip Futures will take reasonable care to ensure that no such opinion, report, summary, analysis or other information is untrue or misleading at the time of production thereof:

- (a) no guarantee is given by Phillip Futures as to its accuracy or completeness;
- (b) as such opinions, reports, summaries, analyses or other information may not be prepared with individual Customers or classes of Customers in mind, they are to be treated as general views and opinions only and are not suitable for use by individual Customers or classes of Customers without independent verification; and
- (c) each such view or opinion is subject to change without notice.

19.2 The Customer acknowledges that while such opinions, reports, summaries, analyses or other information may be supplied to it by or on behalf of Phillip Futures, the Customer remains solely liable for its own decision on the relevant matter. The Customer further agrees that Phillip Futures or its representatives shall not be responsible for any Loss that may be incurred by the Customer in reliance of any such opinion, report, summary, analysis or other information so provided by Phillip Futures or its representatives.

19.3 For the avoidance of doubt, unless otherwise agreed by Phillip Futures in writing, Phillip Futures does not and is not willing to assume any advisory, fiduciary or similar duties to the Customer. Phillip Futures assumes, and relies on the assumption that the Customer has taken independent legal, tax, financial and other advice in relation to any Account or Transaction between Phillip Futures and the Customer.

20 GOVERNING LAW AND JURISDICTION

20.1 This Agreement, any Account, and the relationship between the Customer and Phillip Futures, shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Customer and Phillip Futures submit to the non-exclusive jurisdiction of the courts of the Republic of Singapore.

20.2 Service of process may be effected in any manner permitted for communications hereunder.

21 MISCELLANEOUS

21.1 The rights and remedies of the parties under this Agreement are cumulative and are without prejudice and in addition to any rights or remedies which the parties may have at law or in equity, and no exercise by a party of any one right or remedy under this Agreement, at law or in equity, shall (save to the extent, if any, provided expressly in this Agreement, or at law or in equity) operate to hinder or prevent the exercise of any other right or remedy by that party.

21.2 Time shall be of essence in this Agreement in relation to any of the Customer's obligations hereunder.

Appendix 1

ELECTRONIC BROKING FACILITIES

1 AUTHORISED USE

- 1.1 The Customer has the sole responsibility and shall be liable for the security and safekeeping of the Customer's user ID, password and/or PIN issued by Phillip Futures to the Customer. Accordingly, the Customer shall be fully responsible and liable for any Orders placed with Phillip Futures through the use of the Electronic Broking Facilities.
- 1.2 The Customer agrees that Phillip Futures shall be entitled to rely on the correct entry of a PIN in Order to ascertain whether any Order given to Phillip Futures is that of the Customer's and to act on that assumption. The Customer shall be liable for all such Orders placed with Phillip Futures.
- 1.3 In placing Orders using the Electronic Broking Facilities, the Customer hereby agrees that any such Orders are only considered as having been received by Phillip Futures upon Phillip Futures sending a notification to the Customer through the Electronic Broking Facilities of its receipt and informing the Customer that the Order has been either accepted or rejected for execution. Any such notification shall be deemed to have been received by the Customer when the same is issued by Phillip Futures and the Customer shall be bound thereby notwithstanding that such notification may not have actually been received by the Customer for any reason whatsoever. The Customer shall bear the sole responsibility of keeping records of the same.

2 DISTRIBUTION AND INTELLECTUAL PROPERTY

- 2.1 The Customer is not entitled to and shall not 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 Facilities, except with the express written consent of Phillip Futures. The Customer shall also not use such information and/or records for any wrongful or illegal purpose.
- 2.2 In requesting Phillip Futures to provide the Electronic Broking Facilities, the Customer accepts and acknowledges the fact that all intellectual property rights (whether by way of copyright or otherwise) in the information and reports available from and generated on the Electronic Broking Facilities as well as the Electronic Broking Facilities itself vest solely in and shall remain the exclusive property of Phillip Futures. The Customer therefore agrees not to do anything that will violate or infringe Phillip Futures' intellectual property rights and shall take all necessary measures to preserve and protect these rights.

3 TRANSMISSION OF ELECTRONIC DATA

- 3.1 Phillip Futures shall not be liable to the Customer for any Loss suffered or incurred by the Customer due to any inability of the Customer to access the Electronic Broking Facilities for any reason whatsoever, or for any errors, defect, malfunction or failure (whether total or partial) of the Electronic Broking Facilities (or any part thereof) or interruption or delay in response time of the Electronic Broking Facilities whether resulting or arising from any repair or servicing of the Electronic Broking Facilities; any damage, destruction, breakdown, mechanical or other defect, howsoever caused, to the Electronic Broking Facilities (or any part thereof); any corruption or damage to the Electronic Broking Facilities (or any part thereof); any failure by Phillip Futures, its officers, employee, agents or servants to receive the Customer's instructions or Orders notwithstanding that the instruction or Order has been received by the Electronic Broking Facilities; or, any other cause whatsoever.

4 DISCLAIMER

- 4.1 Phillip Futures makes no warranty, guarantee or representation of any kind, express or implied, as to the quality or the merchantability or fitness for any particular use or purpose in relation to the information furnished under the Electronic Broking Facilities or any other features or aspect of the Electronic Broking Facilities, including but not limited to investment advice and/or access to information and/or the execution of any buy or sell recommendations and/or the cancellation or amendment of the same.
- 4.2 Phillip Futures may, through the Electronic Broking Facilities, provide quotes on prices at which Phillip Futures may be prepared to transact with the Customer. The Customer acknowledges that it is possible that errors may occur in any such prices so quoted by Phillip Futures. In such circumstances, without prejudice to any rights it may have under statute or common law, neither party will be bound by any Transaction purported to have been entered into (whether or not confirmed by Phillip Futures) at a price which was, or ought reasonably to have been known to either party to be materially incorrect at the time of the Transaction. The party asserting that such Transaction is avoided under this Clause shall give notice to the other within 7 Business Days of the Transaction. If the Customer gives notice to Phillip Futures under this Clause, Phillip Futures shall determine, acting reasonably, whether the price quoted was materially incorrect. Except in the case of fraud, Phillip Futures does not accept any liability for any loss or damage 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.
- 4.3 Phillip Futures shall not be responsible in any way whatsoever for the content, accuracy, timeliness or completeness of any information, data or other services provided through the Electronic Broking Facilities. As such, any information, data or services provided through the Electronic Broking Facilities should not be relied upon in relation to any investment decision, trading activities or Orders placed by the Customer who shall, at all times, rely on its own assessment and judgement in respect of any investment decision or proposed Transaction.
- 4.4 Phillip Futures shall not be under any obligation to review the status of the Customer's Account for compliance with any applicable margin requirements. Notwithstanding this, Phillip Futures may, in its sole and absolute discretion, review the status of a Customer's Account for the purposes of ensuring compliance with any applicable margin requirements provided that Phillip Futures shall bear no liability whatsoever for any such review.

5 RIGHTS OF ACCESS

- 5.1 Phillip Futures shall bear 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 regulatory body in the exercise of its regulatory or supervisory functions over Phillip Futures. The Customer shall permit Phillip Futures and/or any regulatory body to have access to such terminals as Phillip Futures and/or the regulatory body may request, and the Customer shall co-operate in answering any of their queries in relation to any aspect of the Electronic Broking Facilities.

6 SECURITY

- 6.1 The Customer shall at all times ensure that the integrity and the security of the Electronic Broking Facilities are preserved and maintained. Accordingly the Customer shall ensure, inter alia, that there is no unauthorised use of Customer's user ID, password and/or PIN. The Customer shall forthwith on being aware of any unauthorised access or theft of the PIN(s) or security code(s) notify Phillip Futures and provide such particulars as Phillip Futures may require.

6.2 The Customer shall bear the sole responsibility of complying with the obligations under this Clause. In the event that the Customer breaches its obligations under this Clause, the Customer shall indemnify Phillip Futures for any Loss that Phillip Futures may suffer as a consequence of such unauthorised access and use.

7 RISK WARNING

7.1 The Customer hereby represents and declares that it understands and accepts the following associated with trading using the Electronic Broking Facilities:

- (a) that electronic trading and order routing systems differ from traditional open outcry pit trading, and that Transactions undertaken using an electronic system are subject to the rules and regulations of the exchange(s) offering the system and/or listing the contract. In this connection, the Customer hereby undertakes, prior to engaging in such Transactions to familiarise itself with, and from time to time to keep itself updated on, the rules and regulations of the relevant exchange(s) offering the system and/or listing the relevant futures contracts, and to understand, among other things, the system's order matching procedure, opening and closing procedures and prices, error trade policies and trading limitations or requirements; and
- (b) trading through an electronic trading or order routing system exposes the Customer to risks associated with system or component failure. Such system or component failure may result in the inability to enter new Orders, execute existing Orders, or modify or cancel Orders previously entered, as well as a loss of Orders or order priority.

Appendix 2

OTC FACILITIES

1 **NOTIFICATION**

1.1 In providing a market and prices for OTC Transactions, Phillip Futures hereby notifies and the Customer hereby consents to Phillip Futures' prior notification that its dealing staff authorized by Phillip Futures to accept Orders may quote OTC prices by reference to prices from other regulated financial institutions to customers counter-parties but such prices may not be the same as the prices that Phillip Futures may be able to secure from such parties for its own contracts with such parties or otherwise act as market-makers to customers in providing its own bids and offers for trades with Phillip Futures on an OTC basis.

1.2 Unless otherwise specified, (i) Phillip Futures shall act as principal to the Customer in respect of OTC Transactions; and (ii) all OTC Transactions (regardless of whether the underlying subject matter is traded on an exchange or whose specifications mirror the referenced commodity traded on an exchange) are entered into on the basis that they shall be cash settled and not physically settled.

Where an OTC Transaction may be physically settled, the provisions below under the heading - "Terms and Conditions Applicable to Exchange Related OTC Transactions" shall also apply.

2 **DEFAULT**

2.1 In the event of a Default under Clause 11.1 (c) of this Agreement, all outstanding Transactions (including any Transaction which has not been settled and in respect of which the value date as determined by Phillip Futures is on or precedes the date on which Phillip Futures terminates such Transaction) entered between the Customer and Phillip Futures shall be deemed immediately liquidated at prevailing prices (or, if not available, at such prices Phillip Futures in good faith deems fit) and the amounts resulting converted into Singapore dollars or such other Currency as Phillip Futures may from time to time use as the principal Currency of its business (together with all Margin and/or security duly converted into Singapore dollars or such other Currency as Phillip Futures may from time to time use as the principal Currency of its business) at Phillip Futures' prevailing rates and set-off against each other and the Margin prior to Phillip Futures resorting to its rights under Clause 11.2 of this Agreement and/or payment or repayment to the Customer (if applicable).

2.2 If there occurs in relation to any Transaction or otherwise in relation to an Account or Accounts an Extraordinary Event (as defined below), Phillip Futures shall have the sole and absolute discretion to determine any adjustments or action necessary in relation to such Transaction or any or all Transactions or otherwise to an Account or Accounts 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 Transaction or some or all Transactions, or terminating the Transaction in question or some or all Transactions, or an Account or Accounts or otherwise. Provided Phillip Futures undertakes such adjustment and/or 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 Phillip Futures on the account of the Customer or which the Customer is consequently liable for as a result of such adjustment or action.

An "Extraordinary Event" shall mean any event which Phillip Futures in good faith believes to have a material adverse effect on any Transaction and shall include without limitation, any Market Disruption Event (as defined below), any form of exchange control restriction or requirement of whatsoever nature affecting availability, convertibility, credit or transfers of Currencies, financial instruments or funds, 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 Transaction and/or any form of restriction or requirement which in Phillip Futures' good faith opinion adversely alters or changes the rights or obligations which Phillip Futures in good faith undertook upon the establishment of such Transaction.

Without prejudice to the fore-going therefore, Phillip Futures shall with respect to any and all OTC Transactions be the calculation agent (the "Calculation Agent") for all underlying reference pricings of a Transaction and all relevant settlement and other pricing for the purposes of determining the respective rights and obligations of the parties by reference to such pricing. Phillip Futures does not assume any obligation or duty to, or any relationship of agency or trust for or with the Customer for such Transactions (the Customer acknowledging that such obligations are inconsistent with a principal to principal relationship between the parties). Any determinations and calculations by Phillip Futures shall (in the absence of manifest error) be final and binding on the Customer, provided that Phillip Futures has acted in good faith;

Without prejudice to the foregoing, in the event of a determination by Phillip Futures in good faith that any material disruption to the price source set out in the terms for any Transaction or in a relevant reference market has occurred (each such event a "Market Disruption Event"), Phillip Futures shall be entitled to determine in good faith the market pricing of the underlying reference instrument for the purposes of the parties' respective rights and obligations under such transaction and its determination shall be final and binding on the parties. In addition, Phillip Futures has the sole and absolute discretion to determine:

- (i) whether a Market Disruption Event has occurred during the life of an Investment or on its settlement date and (b) if such Market Disruption Event occurs on the settlement date what price or level should the relevant closing level of the underlying reference instrument be for the purposes of settlement of a relevant Transaction; or
- (ii) whether any adjustments to the terms of the Transaction should be made as a result of any event(s) affecting the underlying reference instrument or (if the same is an index) any of its constituent components or combination thereof to which the relevant reference instrument and Transaction relate (including but not limited to an index adjustment event such as a material change in the formula for or the method of calculating the Index or failure to calculate and publish the index);

Any such discretion exercised by, or any calculation made by Phillip Futures (in the absence of manifest error) shall be binding on the Customer who should note that Phillip Futures when making any such adjustments or calculations, will not take into account the Customer's individual circumstances and/or tax or other consequences of such adjustments or calculations.

3. **TERMS AND CONDITIONS APPLICABLE TO EXCHANGE RELATED OTC CONTRACTS**

3.1 **SCOPE**

3.1.1 **Application:** The clauses in this Appendix apply to Exchange related contracts ("ER Contracts") to be entered into from time to time between Phillip Futures and the Customer on an OTC principal to principal basis as set out below and under which physical settlement of such contracts is an option subject to the terms below.

3.2. **Specific Terms For ER Contracts:**

Phillip Futures will only enter into ER Contracts with the Customer, from time to time on the following terms:

3.2.1 **ADDITIONAL RISK DISCLOSURE:**

(i) **Relationship Between Parties**

The relationship between the Customer and Phillip Futures for ER Contracts is as described in these Terms.

Neither that relationship, nor the services Phillip Futures may provide for any other transaction with or for the Customer nor any other matter, will give rise to any fiduciary or equitable duties or duties as an adviser on the part of Phillip Futures.

The relationship between the Customer and Phillip Futures with respect to a concluded ER Contract (the "Transaction") is intended to be, in all cases **a bi-lateral principal to principal transaction and strictly on a "buyer beware" basis but with us expressly intended to be riskless principal in the transaction to the Customer in the sense that (i) Phillip Futures' obligation to the Customer with respect any concluded ER Contract is limited only to passing on to the Customer the benefit of such rights as Phillip Futures may actually have to enforce under a corresponding ER Market Contract (as the expression is defined below); and (ii) Phillip Futures' obligation to perform on any ER Market Contract is dependent upon the Customer's performance of the Customer's obligations under the corresponding ER Contract and hence the Customer's liability to indemnify and keep Phillip Futures harmless against any default in the Customer's performance leading to a default of Phillip Futures' performance.**

Notwithstanding (ii) in the preceding sentence, Phillip Futures are entitled where Phillip Futures determine in good faith the same to be in Phillip Futures' interest to proceed with performing under a corresponding ER Market Contract notwithstanding the Customer's default under the relevant ER Contract without prejudice to Phillip Futures' right to damages and indemnity from the Customer.

(ii) **CONFLICTS OF INTEREST AND DUTY**

Phillip Futures' only obligation with respect any Transaction is as riskless principal to the Customer and therefore that Phillip Futures will also conclude in good faith a corresponding ER Market Contract (as the expression is defined below).

As a riskless principal, Phillip Futures are not intended to incur any loss or damage for having effected a corresponding ER Market Contract and as such and amongst other things:

(a) In the event of severe market disruption and/or price volatilities which may result or may have resulted in the current market value of a commodity which is the subject matter of a corresponding ER Market Contract falling to what Phillip Futures' counterparty may regard as an unacceptable level giving rise to their right to do any of the following with respect to the corresponding ER Market Contract :

- (1) to close out the corresponding ER Market Contract;
- (2) to require an immediate delivery of additional margin;

then in such event Phillip Futures shall have corresponding rights under the ER Contract with the Customer.

(b) The Customer also acknowledge that business on the relevant exchange on which the ER Market Contract is concluded may from time to time be suspended or restricted in the interests of, inter alia, maintaining a fair and orderly market. In such circumstances Phillip Futures may be unable to close out the corresponding ER Market Contract and the Customer acknowledge that in such event the Customer shall correspondingly have no right to close out the ER Contract with Phillip Futures.

(c) In the event that Phillip Futures are required to effect payment or delivery of any relevant warrant(s) under the corresponding ER Contract Phillip Futures shall correspondingly be entitled to payment/warrant(s) delivery from the Customer under the corresponding Transaction to put us in funds/warrant(s) in due time to onward effect payment/delivery under the corresponding ER Contract. As such the Customer's right to the return of any payment/warrant(s) delivery made to us is dependent on Phillip Futures' actual receipt of any corresponding return of payment/warrant(s) from Phillip Futures' counter-party under the corresponding ER Market Contract.

[The price Phillip Futures conclude the ER Contract may not the same as the price of the corresponding exchange registered/executed Contract (such corresponding exchange registered/executed contract to be hereafter referred to as the "ER Market Contract"). Phillip Futures shall not be liable to account to the Customer for any such differential.]

(iii) **NON-Exchange MEMBER**

The Customer acknowledge that Phillip Futures are not a member of any of the exchanges for which Phillip Futures are prepared on a bi-lateral principal to principal OTC basis to conclude with the Customer an ER Contract which is a look-a-like contract of the exchange traded contract that Phillip Futures will conclude with a relevant member of the relevant exchange and therefore that the ER Contract concluded between us while related and corresponding to an ER Market Contract which Phillip Futures conclude on a back to back basis for Phillip Futures' own account is not a contract which is registered with or concluded on the relevant or by a relevant exchange broker/member.

The Customer also acknowledge that as a non-exchange member it is incumbent on us to conclude corresponding ER Market Contracts with a relevant exchange member and as such the holding of any underlying commodity or warrant in respect thereof will necessarily be effected through such exchange member or its custodian.

The Customer further acknowledge and agree that holding of any commodity or documents of title to commodities which the Customer have acquired from us pursuant to an ER Contract concluded with us or intend to effect delivery with respect to will be procured by us to be held by such exchange member or its custodian **and in accordance with their terms for such holding. The same will apply with respect to any and all commodity delivery obligation which Phillip Futures are obliged to discharge under a relevant corresponding LME Market Contract which Phillip Futures conclude held to delivery/settlement date.**

Accordingly the Customer agree that so long as Phillip Futures exercise good faith:-

(i) in the selection of such exchange member or its custodian for holding of any commodity or documents of title to commodities which the Customer have acquired from us pursuant to an ER Contract concluded with us or intend to effect delivery with respect to; and

(ii) in agreeing respectively to such exchange member and/or its sub-custodian's terms respectively for the delivery of commodities and/or for the holding of any commodity or documents of title to commodities which the Customer have acquired from Phillip Futures pursuant to an ER Contract concluded with Phillip Futures or intend to effect delivery with respect to

as between the Customer and Phillip Futures, Phillip Futures are intended to have and shall have no liability whatsoever with respect to the delivery obligations under any corresponding ER Contract or for any default on the part of the relevant exchange member or its sub-custodian and the Customer shall ensure that the Customer will take all actions as may be required and give Phillip Futures such authority as may be required and in each case in due time to ensure that Phillip Futures may comply with and not be default of the terms for the delivery of commodities or their respectively sub-custody.

(iv) **LIQUIDATION INSTRUCTIONS**

Without prejudice to the foregoing, the Customer shall for any open position of any ER Contract which involves physical settlement:

- (a) give Phillip Futures instruction to liquidate such open position; or
- (b) provide Phillip Futures with sufficient funds in relation to such open position, and (where relevant) with the necessary delivery documents to take or make delivery of the underlying subject matter of the ER Contract, not later than [5] Business Days prior to the settlement date of such ER Contract.

Schedule 1

PHILLIP FUTURES PTE LTD – RISK DISCLOSURE STATEMENT

Customer is requested to read, acknowledge receipt of and retain one copy of the following Risk Disclosure Statement.

SECURITIES AND FUTURES ACT 2001 (ACT 42 OF 2001)

SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS 2002

RISK DISCLOSURE STATEMENT REQUIRED TO BE FURNISHED UNDER SECTION 128(1) AND TO BE KEPT UNDER REGULATION 39(2)(c) BY THE HOLDER OF A CAPITAL MARKETS SERVICES LICENCE TO TRADE IN FUTURES CONTRACTS OR LEVERAGED FOREIGN EXCHANGE CONTRACTS

1. This statement is provided to you in accordance with section 128 (1) of the Securities and Futures Act 2001.
2. This statement does not disclose all of the risks and other significant aspects of trading in futures, options and leveraged foreign exchange. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures, options and leveraged foreign exchange may not be suitable for many members of the public. You should carefully consider whether such trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances. In considering whether to trade, you should be aware of the following:
 - (a) **Futures and Leveraged Foreign Exchange Trading**
 - **Effect of 'Leverage' or 'Gearing'**

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

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

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

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

Selling ('writing' or 'granting') an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of the amount of premium received. The seller will be liable to deposit additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a futures contract or a leveraged foreign exchange transaction, the seller will acquire a futures or a leverage foreign exchange position, as the case may be, with associated liabilities for margin (see the section on Futures and Leveraged Foreign Exchange Trading above). If the option is 'covered' by the seller holding a corresponding position in the underlying futures contract, leveraged foreign exchange transaction or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, limiting the liability of the purchaser to margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.
 - (c) **Additional Risks Common to Futures, Options and Leveraged Foreign Exchange Trading**
 - **Terms and Conditions of Contracts**

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

- **Suspension or Restriction of Trading and Pricing Relationships**

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

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

- **Deposited Cash and Property**

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

(d) **Commission and Other Charges**

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

(e) **Transactions in Other Jurisdictions**

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

(f) **Currency Risks**

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

(g) **Trading Facilities**

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits may vary: you should ask the firm with which you conduct your transactions for details in this respect.

(h) **Electronic Trading**

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

(i) **Off-Exchange Transactions**

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

Schedule 2

NOTIFICATION ON FUTURES TRADING RULE 1.6

In line with practices in other established futures exchanges, the SGX-DT requires that this notification on the following Futures Trading Rule 1.6 be provided for your acknowledgement that it is acceptable and accepted by you:

Exclusion of Liability, Disclaimer of Warranties & Statutory Immunity

1.6.1 No Liability for Loss.

Unless otherwise expressly provided in this Rules or in any other agreements to which the Exchange is a party, the Exchange shall not be liable to any Person for any loss (consequential or otherwise, including, without limitation, loss of profit), damage, injury, or delay, whether direct or indirect, arising from:

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

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

1.6.2 Statutory Immunity.

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

1.6.3 Disclaimer of Warranties.

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

1.6.4 Index Related Disclaimers.

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

1.6.5 Notification to Customers.

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