

APPENDIX 20 MARGIN CALL POLICY

This is a general guideline on the margin call procedures of Orient Futures International (Singapore) Pte. Ltd. (**"the Company"**). All customers are encouraged to maintain an adequate buffer to prevent the account from being under-margined at all times.

Margin call notices are issued by the Company on a daily basis in the event where the TNE (**"Total Net Equity"**) falls below the Company's prescribed maintenance margin requirements. Fulfilment of the margin calls can only be met through a funding equal or greater to the margin call amount or via a direct liquidation of positions to reduce the margin requirements below the prevailing TNE.

Important notes:

- The margin call policy is enforced and to be adhered to on an intra-day basis.
- The Company reserves the right to impose liquidation orders and/or restrict trading regardless of the margin status or the customers on the settlement of the previous close-of-business.
- When stop loss orders are placed, trading account would be deactivated, and trades can only be done via call-in to the Company's execution desk subject to the trading system limitations.
- Reasonable attempts will be made to contact customer on the stop loss level on a best effort basis subject to market conditions.
- On cases of urgent funding scenarios, the Company reserves the right to make an immediate margin call where funds/bank confirmation is expected within an hour from notice issuance.

Where notice on margin calls are issued, the Company may take necessary actions to rectify the deficiency as it sees fit or until the account is regularized.

Margin Requirements

The Company may implement stricter margin requirements in addition to exchange prescribed and/or implement initial margin limits ("IML") as we see fit. Such are assessed based on but not limited to the geographical, financial standing, trading strategy and products of our customer.

If in doubt, customers should contact the Company's sales representative to enquire if there is an applicable margin multiplier or IML on their trading account.

Slippage on liquidation

All liquidation orders are placed as the Company deems fit. At times, due to an increase in volatility or volumes, orders may be subject to slippage. Slippage most commonly occurs during fundamental news events, periods of limited liquidity, or during market close and open periods. During periods such as these, the order type, quantity demanded, and specific order instructions can have an impact on the overall execution received.

Funding arrangements

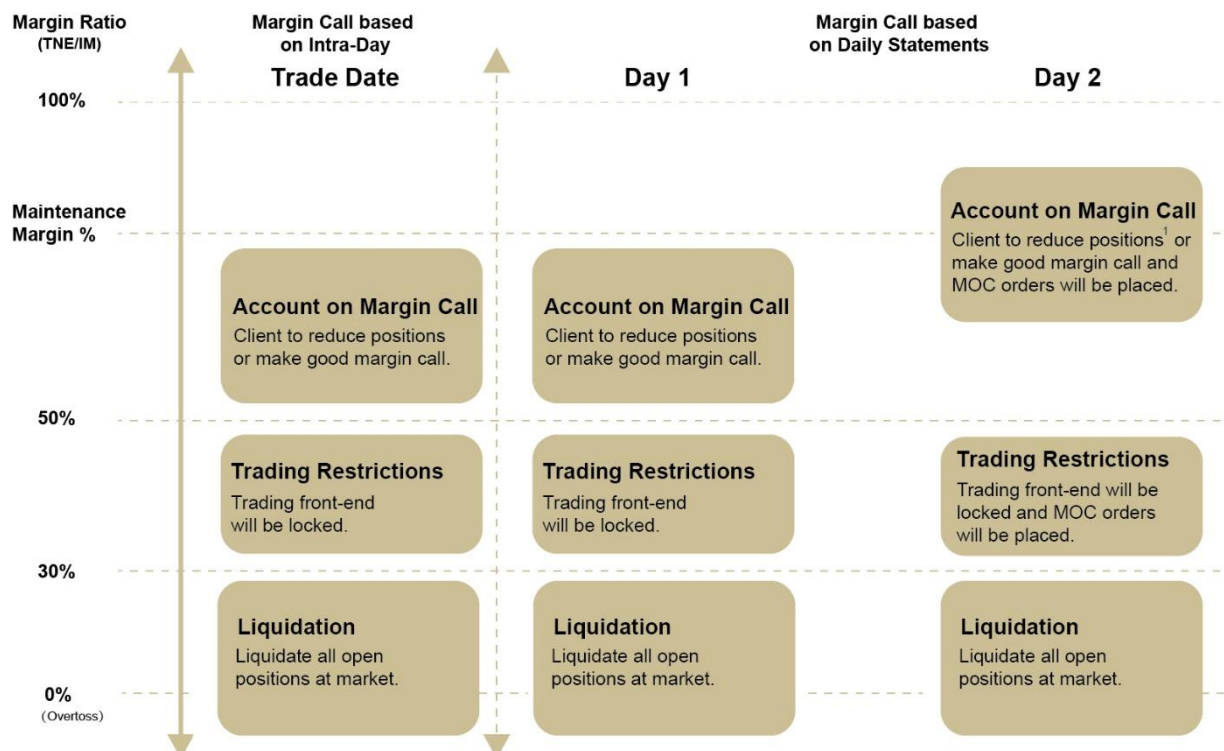
Customers must inform the Company of any form of funding arrangements made to the Company once completed along with the relevant documents. For funding and withdrawal matters, please refer to our **Withdrawal and Deposit article**.

Margin Call Diagram

Margin Call Diagram



新加坡
SINGAPORE



1 -Orient Futures International (Singapore) or "OFIS" reserves the right to lock the client's trading system on a Day 2 margin call.

*Clients with options positions will be liquidated where $NLV/(IM+NOV) \leq 30\%$

*Clients who fund in with JPY will be allowed an extra day of margin call aging to Day 3

Legend

TNE	Total Net Equity which is the sum of all acceptable collaterals, forward and unrealised profits and losses on your reporting account
IM	Initial Margin Requirements that are prescribed by Orient Futures
MM	Maintenance Margin Requirements that are prescribed by Orient Futures
Trade Date	Trade date in which the account becomes under margined
Day 1	First business day after trade date
Day 2	Second business date after the trade date
Day 3	Third business date after the trade date
MTM	Market-to-Market which is based on current market levels. Prices used will be the ones that is made available to the Company
NLV	For options clients, Net liquidating value is the liquidating value of each account, mathematically defined as TNE + NOV
NOV	For options clients, Net option value is the liquidating value of all open option premium/value

System	<p><u>Risk reducing mode</u></p> <p>A Risk Reducing trade is the establishment of a closure of a position in a contract which reduces the Customer's Initial Margin requirements. Trading systems will be set to "liquidate only" where only closing of positions is permitted during the trade day. Do note that this is subject to the system capabilities.</p> <p><u>"Locked" mode</u></p> <p>Trading systems will force all users within the system to be logged out and can only be re-logged in on a "view-only" mode. All liquidation orders will only be permitted via our client services desk and account is to be closely monitored for the Company's < 30% non-negotiable liquidation threshold.</p>
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This document is only for illustration purposes. In the event of any conflict or inconsistency between the contents of this document and the Agreement, the terms and conditions of the Agreement shall prevail.