

## **SCHEDULE 4 TERMS AND CONDITIONS APPLICABLE TO SECURITIES**

### **1. APPLICATION OF THIS SCHEDULE**

- 1.1 The clauses in this Schedule 4 shall apply (in addition to all other terms and conditions under the General Terms and Conditions) to Securities Services.
- 1.2 The Client shall also comply with the Securities Trading/Clearing Terms (together with the clauses in this Schedule 4).
- 1.3 In the event of any conflict or inconsistency between:
  - (a) the clauses in this Schedule 4 and other rules, guidelines, notices and documents of Orient Futures pertaining to trading and/or clearing of Securities as Orient Futures may issue from time to time, the clauses in this Schedule 4 shall prevail to the extent of such conflict or inconsistency;
  - (b) the clauses in this Schedule 4 and the terms of any Confirmation, the terms of that Confirmation shall prevail with respect to the Securities Transaction to which that Confirmation relates.
- 1.4 Unless otherwise stated, references to numbered clauses in this Schedule 4 are references to the clauses of this Schedule 4.

### **2. DEFINITIONS FOR THIS SCHEDULE**

- 2.1 All terms used in this Schedule 4 which are defined in the General Terms and Conditions shall, unless otherwise defined here, have the same meanings ascribed to them in the General Terms and Conditions.

- 2.2 In this Schedule 4, unless the context otherwise requires:

**“Acceptable Collateral”** means any Collateral (which may include Margin Instruments) which may be accepted by Orient Futures in its sole discretion to secure obligations of the Client under the Margin Lending Facility, and which shall at all times comply with the types of acceptable collateral for purposes of margin requirements set out in the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations;

**“Corporate Action”** shall mean any event initiated by an Issuer that gives rise to, or could give rise to, a material change to the business and affairs of the Issuer and/or materially affects, or could materially affect, holders of the relevant Securities and on which such holders may or may not be permitted to vote, and includes any of the following:

- (a) a subdivision, consolidation or reclassification of the relevant class or series of capital markets products that the Securities belong to, or a free distribution of additional units of the same or other capital markets products to existing holders by way of bonus, capitalisation or similar event;
- (b) a distribution for consideration to existing holders of the Securities of additional units of the relevant class or series of capital markets products that the Securities belong to or a free distribution of capital markets products granting the right to purchase, subscribe, or receive for consideration units of the relevant class or series of capital markets products

that the Securities belong to;

- (c) any event analogous to any of the foregoing events or otherwise having a dilutive or concentrative effect on the market value of the Securities;
- (d) any event relating to the insolvency, winding up, dissolution, judicial management, receivership, liquidation, amalgamation, merger, reorganisation, take-over or reconstruction of the relevant Issuer, or anything analogous or having a substantially similar effect to any of the aforesaid events happens under the law of any applicable jurisdiction;
- (e) any event relating to a major or significant sale or transfer of business or assets of the relevant Issuer; and
- (f) any event relating to the financing or raising of capital or funds by the relevant Issuer;

**"Custody Account"** means a Securities custody account opened by Orient Futures for the Client from and to which Securities may be debited and credited in connection with Securities Transactions and which shall be subject to such restrictions as Orient Futures may notify to the Client from time to time;

**"Custodised Securities"** means any Securities held by Orient Futures or its Nominee from time to time in the Custody Account;

**"Cut-off Time"** means such time or times on each Trading Day as Orient Futures may determine in Orient Futures' discretion after which no Instruction may be given on a Trading Day;

**"Distribution"** means a payment or distribution of any interest, dividends or distribution of any kind whatsoever;

**"Issuer"** means an issuer of Securities;

**"Loaned Securities"** means Securities that the Client has lent to Orient Futures pursuant to Clause 15, and which Orient Futures has not returned to the Client;

**"NAV"** means net price of the Securities;

**"Nominee"** means such entity or nominee in Singapore or elsewhere appointed by Orient Futures as it deems fit: (a) to hold Securities in custody; (b) to pay for and receive or to deliver up or exchange or to make collections with respect to Securities; or (c) otherwise to perform any of Orient Futures' duties as custodian under this Schedule 4, and shall include the full right and authority for Orient Futures to change such Nominee(s) at its sole discretion from time to time;

**"Margin Account(s)"** means one or more Accounts through which the Margin Lending Facility is made available to the Client;

**"Margin Lending Facility"** means the aggregate loan facility which Orient Futures makes available to the Client at any time to support the Client's purchase or subscription of or the Client's continued holding of Securities which are listed or to-be-listed;

**"Margin Lending Facility Limit"** means the maximum loan facility to be made available by Orient

Futures to the Client under the Margin Lending Facility which may be varied (from time to time) by Orient Futures without notice at its sole and absolute discretion;

**"Margin Loan"** means the loan and interest owing to Orient Futures under the Margin Lending Facility available through any Margin Account(s) at any time;

**"Margin Position"** means a Security maintained and based on a deposit of Acceptable Collateral by the Client;

**"Margin Instruments"** means Client's Securities in respect of which the Margin Lending Facility was used to support the Client's purchase or subscription of or the Client's continued holding of such Securities;

**"Market Data"** means data (including symbols, information, statistics and any other data in letter or numeral form) made available by Orient Futures disclosing, describing, summarising or otherwise commenting on the trading of Securities on the organised market operated by SGX-ST (such as price, volume and quotation);

**"Securities Lending Collateral"** means any collateral provided by Orient Futures to the Client for the borrowing of Securities by Orient Futures from the Client;

**"Securities Lending Services"** means the Client agreeing to lend Securities in any Account of the Client to Orient Futures;

**"Securities Services"** mean trading, clearing and other services in connection with Securities, provided by Orient Futures to the Client;

**"Securities Trading/Clearing Terms"** mean all other rules, guidelines, notices and documents of Orient Futures pertaining to trading and/or clearing of Securities as Orient Futures may issue from time to time;

**"Securities Transaction"** means any transaction in Securities as Orient Futures may from time to time permit to be carried out under the Account;

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

**"Subscriber Location"** means any separate or discrete address, location, office or branch or place in or from which any Terminal is used to retrieve Market Data;

**"Terminal"** means any apparatus capable of requesting, receiving, processing, displaying or communicating the information contained in the Market Data, including all forms of computer screens, mobile display devices, visual displays and personal computers;

**"Trading Day"**, with respect to an Exchange or Clearing House (as the case may be), means a day on which the Exchange or Clearing House (as the case may be) is open for trading or settling Securities Transactions;

**"Trust Account"** means one or more trust accounts opened by and maintained by Orient Futures for the purposes of holding monies on the Client's account;

**"Transferee"** means another bank, trust company, institution agent of such other bank, trust company or institution.

### **3. GENERAL**

- 3.1 The Client wishes to enter into Transaction(s) from time to time for the purchase, redemption, transfers, custody, switching, lending, sale of and/or other dealings in the Securities, on the terms of and subject to, this Agreement, including without limitation, this Schedule as may be amended, revised, supplemented or modified from time to time and such other terms as agreed between the Client and Orient Futures.
- 3.2 The Client agrees and acknowledges that Orient Futures:
- (a) provides execution-only services in relation to its Securities Transactions and merely carries out Instructions by the Client to buy or sell a specific Security or carry out a specific Securities Transaction. Execution-only services would include, but are not limited to, the Client, on its own initiative directing Orient Futures to place an order for a specific Securities Transaction;
  - (b) does not hold itself out at any time to provide any advisory services. For the avoidance of doubt, Orient Futures does not provide any recommendation or advice in relation to such Securities or Securities Transaction; and
  - (c) accepts no responsibility for the performance of any Securities and that past performance of the Securities is not a guarantee of its future performance and that the price of the Securities may go down as well as up, and in certain circumstances, the Client's right in respect of the Securities may be restricted.
- 3.3 Orient Futures does not undertake any discretionary or non-discretionary management functions or duties on the Client's behalf, and will not be obliged to and will not monitor any of the Client's Securities after the Securities have been purchased or subscribed. The Client is solely responsible for monitoring its Securities.

### **4. SECURITIES ACCOUNT AND TRANSACTIONS**

- 4.1 The Client may from time to time instruct Orient Futures to enter into a Securities Transaction, and the Client understands and acknowledges that:
- (a) Orient Futures and its related corporations or connected persons may act as principal in the Transaction; or
  - (b) if Orient Futures and its related corporations or connected persons does not act as principal in the Securities Transaction, such Instruction shall be deemed to be an authorisation for Orient Futures on the Client's behalf and as the Client's agent, to enter into a Securities Transaction.
- 4.2 The Client acknowledges and agrees that where Orient Futures acts as principal, Orient Futures may notify the Client of the same in the Confirmation of such Securities Transactions.

### **5. CUSTODY OF SECURITIES**

#### Custody Account and Trust Account

- 5.1 The Client authorises Orient Futures at its sole and absolute discretion to open and maintain in Orient Futures' name:
- (a) a Custody Account; and
  - (b) at any time subsequently, such further Custody Account or accounts of whatever nature as the Client may direct or as Orient Futures may in its reasonable discretion

consider necessary,

for purposes of the terms in this Schedule 4 and effecting Securities Transactions.

- 5.2 All monies received by Orient Futures for the Client's account, including any income and proceeds derived from the sale or holding of Custodised Securities, will be credited to the Trust Account maintained with a bank that is licensed under the Banking Act 1970 of Singapore or such other financial institution as permitted under Applicable Laws.
- 5.3 The Client agrees to waive and relinquish in favour of Orient Futures all claims for interest that may otherwise accrue with respect to its monies in any trust account, including the omnibus Trust Account.
- 5.4 The Client shall provide written Instructions to Orient Futures in respect of any payment of its monies in the Trust Account to any party other than the Client, and such payment shall be subject to the prior approval of Orient Futures in the sole and absolute discretion of Orient Futures.
- 5.5 In respect of Custodised Securities, the Client understands that all such Securities shall be held by Orient Futures for the Client and on its behalf either directly or via, and registered in the name of, a Nominee. The Client understands that:
- (a) where the Custodised Securities are held by a Nominee:
    - (i) the Nominee will act solely on the instructions of Orient Futures for all matters relating to the custody of the Custodised Securities in the Custody Account. Notwithstanding the foregoing, the Nominee shall not permit any withdrawal of the Custodised Securities from the account held with the Nominee, except for the delivery of the Custodised Securities to Orient Futures or on Orient Futures' written instructions; and
    - (ii) in the event of insolvency or default of the Nominee, the Client may not be able to fully recover the Custodised Securities held by the Nominee. Any shortfall in the Securities may be shared among the Client and Orient Futures' other customers pro rata. As the Custodised Securities are commingled with Securities held for other customers, the Client may potentially be exposed to the losses of other customers; and
  - (b) the Custodised Securities may be treated as fungible with other Securities and therefore, Orient Futures is not obliged to deliver any specific Securities to the Client and may instead sell the Securities at the Client's expense and transfer to the Client the proceeds of such sale (if any).

In case of insolvency of Orient Futures, the Client is, on the basis of the records maintained by Orient Futures of its beneficial entitlement to the Custodised Securities and subject to the foregoing, entitled to claim the Custodised Securities from the pool of Securities held by the Nominee, provided there is no dispute regarding the Client's beneficial entitlement to the Custodised Securities.

- 5.6 The Client hereby directs and authorises Orient Futures to withdraw any and all its monies from the Trust Account as necessary to provide the Client the custodial services, give effect to the provisions hereunder, carry out its obligations hereunder and/or exercise its rights hereunder, including but not limited to: (a) purchasing or otherwise transacting in Securities on the Client's behalf, whether through the Nominee or otherwise; and (b) settling transactions and/or fees and expenses due to Orient Futures or other third parties.

### Custodial Services

- 5.7 All Securities delivered, purchased or held pursuant to this Schedule 4 shall, subject to Orient Futures' sole and absolute discretion, be held on the Client's behalf, in its capacity as beneficial owner, or (subject to Orient Futures' approval) on behalf of such other person as the Client may direct, via Instruction provided to Orient Futures.
- 5.8 Orient Futures is hereby appointed and authorised by the Client to perform, whether directly or indirectly, all or any of the following at the Client's cost and risk, in the capacity as the Client's agent, on the terms in this Clause 5.8, but reserves the right to refuse to do so, at its sole and absolute discretion if there are grounds for such refusal:
- (a) to acquire, purchase, subscribe for, sell, liquidate, transfer, dispose of, redeem or otherwise deal in any Securities on the Client's behalf in accordance with Instructions, including to enter into any agreement or instrument on the Client's behalf relating to any Securities in accordance with Instructions;
  - (b) to hold or to arrange for any of the Custodised Securities to be held in custody directly by Orient Futures (or indirectly through its Nominee(s));
  - (c) to procure that all of the Custodised Securities other than bearer securities are registered in the name of (i) Orient Futures or its Nominee; or (ii) any sub-custodian (or its nominees), where due to the nature of the law or market practice of any relevant jurisdiction, it is in the Client's best interests or it is not feasible to do otherwise. In these circumstances, the Custodised Securities will still be held in such a way that it is readily apparent that the Custodised Securities are not the property of Orient Futures, the Nominee or any sub-custodian (as the case may be);
  - (d) to hold or procure that all of the Custodised Securities that are bearer securities are held in safe custody and ensure that the Custodised Securities are held in such a manner that it is readily apparent that they are not the property of Orient Futures or its Nominee. The Custodised Securities shall be segregated by Orient Futures or its Nominee (as the case may be) from all property of Orient Futures or the Nominee and shall be identified as held by Orient Futures or the Nominee for the Client's account. Where any of the Custodised Securities are in uncertificated form, or otherwise transferable by book-entry transfer, Orient Futures may use the services of any securities depository, on such terms as it may think fit, for the purpose of the holding and transfer of the Custodised Securities (or entitlements thereto);
  - (e) except to the extent permitted or not prohibited by the SFA, to hold and/or procure that any Nominee or sub-custodian holds the Custodised Securities, if registered in the same name as investments of Orient Futures or the Nominee or sub-custodian in an account designated separately from that used for investments of Orient Futures, the Nominee, or sub-custodian (as the case may be);
  - (f) on receipt of the Client's Instructions or with the Client's authority to make or accept delivery of the Custodised Securities which have been sold, purchased, transferred or otherwise acquired or lent or disposed of by the Client or the Client's agent, to effect such acceptance or delivery in accordance with the normal practice for transactions of the type concerned;
  - (g) to use its reasonable endeavours to collect and receive Related Assets (as defined below) including income and other proceeds due with respect to the Custodised Securities provided that the Client's acknowledges and accepts that Orient Futures whether directly or through any Nominee, delegate or agent) shall have no duty or responsibility but is entitled, if it so chooses to:
    - (i) exercise or discharge any obligations conferred or imposed by reason of Orient Futures' holding of the Custodised Securities or to investigate,

- participate or take any affirmative action in connection therewith or otherwise;
- (ii) send or give notice of any proxy form or other document which Orient Futures may receive in respect of the Custodised Securities;
- (iii) recognise any claim in the nature of a trust or equitable claim by anyone other than the Client in respect of the Custodised Securities or any part thereof; or
- (iv) otherwise make any notification to the Client in respect of the Custodised Securities, or take any other action in relation to the Custodised Securities;
- (h) to credit, in such manner as the Client shall instruct, all income and other proceeds received by Orient Futures under sub-clause (g) above;
- (i) to deal with administrative actions relating to the Custodised Securities, including to sign, file, execute and/or complete such documents, certificates or forms from time to time in connection with the Custodised Securities;
- (j) to complete and deliver on the Client's behalf as owner any ownership certificates in connection with the Securities which may be required to obtain distribution of any capital or income arising from the Custodised Securities or to facilitate the sale or transfer of the Custodised Securities;
- (k) to surrender the Custodised Securities against receipt of the moneys or other proceeds payable at maturity or on redemption of the Custodised Securities if called prior to maturity;
- (l) to exercise any right or discharge any obligations conferred or imposed by reason of Orient Futures' direct or indirect holding of the Custodised Securities or to investigate, participate or take any affirmative action in connection therewith or otherwise;
- (m) to keep or (to the extent reasonably practicable) procure there to be kept by any Nominee or sub-custodian (as the case may be), such books, records and statements, in retrievable form, as may be necessary to provide an adequate record of all of the Custodised Securities held and transactions carried out by the Client or on the Client's behalf; and
- (n) to generally do all such other acts and things and take all such other steps and exercise such discretion, rights and powers as Orient Futures may consider expedient or desirable for the purpose of or in connection with Orient Futures' provision of Services to me. Without prejudice to the foregoing: (i) the Client hereby specifically instructs Orient Futures that, until Orient Futures receives written Instructions to the contrary, whenever the Client purchases Securities through Orient Futures, and the sums standing to the credit of the Client's Account are sufficient to satisfy the purchase price of the Securities purchased, Orient Futures is to withdraw from such Account such sum as is equal to the purchase price and appropriate such sum to Orient Futures (or the relevant party to whom payment is due) in satisfaction of the Client's obligation to pay the purchase price; and (ii) any amount payable by me in respect of the custodial services shall be payable to Orient Futures or its Nominees, sub-custodians or agents (as the case may be) on demand and may be deducted from the Custodised Securities or the Client's Account without prior notice to the Client.

5.9 The Client understands that the Custodised Securities may be registered collectively with other Securities of Orient Futures' other customers in the same name, and where so registered:

- (a) the Client's entitlements under the Custodised Securities may not be identifiable by separate certificates or other physical documents of title or equivalent electronic records. Orient Futures and/or its Nominee will nevertheless maintain records such that it will be readily apparent the degree of the Client's interest in the commingled Securities so collectively held, but on the express understanding and agreement that

where such commingling and aggregation of the Custodised Securities and the Securities of other persons result in entitlements to any dividends, interest and other monies payable in respect of the Securities and all other rights, benefits and proceeds in respect of or derived from the same (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise) (the “**Related Assets**”) which otherwise without such commingling or aggregation would not have accrued to the Custodised Securities (the “**Bonus Related Assets**”), Orient Futures has full discretion as to the allotment of such Bonus Related Assets as amongst its customers, including the Client as it deems fit. Should Orient Futures, the Nominee or any sub-custodian, as the case may be, default, any shortfall in the Securities registered in that name may be shared pro rata among all customers of Orient Futures whose Securities are so registered; and

- (b) Orient Futures may not be able to act on the Client’s sole Instructions in respect of any of the Custodised Securities (or any unit thereof), and may only be able to act on the collective instructions of all customers who have interests in the relevant Securities.

5.10 In acting as custodian for the Client and notwithstanding any other provision herein (including any provision affording any discretion to Orient Futures in respect of any Securities), Orient Futures shall:

- (a) be regarded as bare custodian in respect of the Custodised Securities and its sole duty shall be to take such care of such Securities as it would in respect of similar properties or assets belonging to Orient Futures;
- (b) not in any event be regarded as a fiduciary to or trustee for the Client or any other party with respect to the Custodised Securities, and there shall be no relationship of trustee and beneficiary in respect thereof. Without prejudice to the foregoing, Orient Futures shall be under no responsibility or obligation to take any action or notify the Client in respect of any Securities unless otherwise expressly instructed by the Client and agreed to by Orient Futures; and
- (c) have:
  - (i) no responsibility or duty to the Client to investigate, participate in or take any action (or omit to take any action) whatsoever concerning proxies received, attendance at meetings and voting thereat, or exercising any rights, entitlements or obligations in respect of any Securities; and
  - (ii) no liability for any losses suffered or incurred by the Client arising out of or in connection with any act, inaction, omission, fraud, negligence or insolvency of any Issuer.

5.11 No Securities may be deposited with Orient Futures or with the Nominee under this Agreement unless:

- (a) it is registered in the name of Orient Futures or the Nominee, as the case may be;
- (b) it is accompanied by such transfer documents as Orient Futures may require to ascertain or verify the beneficial ownership of the Securities belonging to the Client;
- (c) in addition to any transfer documents required above, the Custodised Securities to be deposited into custody shall also be accompanied by such transfer documents and/or Instructions as Orient Futures may require to enable the transfer of such Securities to Orient Futures’ name or to the name of the Nominee;
- (d) the expenses for the transfer (or procurement thereof) of the Securities for such deposit shall be borne by the Client; and
- (e) any purchase or subscription price, fees, expenses, duties or other sums payable in



respect of the Custodised Securities shall be payable by, and have been so paid by, the Client.

- 5.12 Where Instructions are given by the Client to a Nominee, Clause 5.15 of the General Terms and Conditions shall apply *mutatis mutandis* in respect of the Nominee.
- 5.13 Orient Futures shall be under no duty or responsibility to send to the Client any notices, reports or other documents on the Custodised Securities or to notify the Client of Orient Futures' receipt thereof. Where sufficient copies of such items have been received by Orient Futures or the Nominee for despatch to the Client, Orient Futures shall, determine in its sole and absolute discretion, whether to notify the Client of the same and/or transmit the same to the Client at such time Orient Futures deems fit.
- 5.14 The Client shall only be entitled to the return and delivery of the Custodised Securities from Orient Futures or the Nominee subject to this Clause 5.14, and shall be required to accept delivery or transfer of, the Securities:
- (a) of the same company, nominal amount, class and denomination (or in the event of any change in the class and/or denomination of such Securities, any Securities of such equivalent class and/or denomination); and
  - (b) which rank *pari passu* with those accepted by Orient Futures as being the Securities, (subject always to any capital reorganisation or share exchange which may have occurred),

as those of the Securities originally transferred to Orient Futures and/or the Nominee to be held in custody. In all circumstances, Orient Futures shall not be liable and/ or responsible to return to the Client specific Securities traceable to those Securities originally transferred by the Client. Subject to Orient Future's agreement, a delivery for the return of Securities hereunder may be to the Client or any specified third party.

- 5.15 The Client agrees to pay Orient Futures all the fees in accordance with Clause 5.22. Orient Futures may at any time make demand for the payment of any and all fees and expenses incurred by Orient Futures and/or the Nominee in carrying out any administrative action (for example, the collection of dividends, exercise of subscription rights, splitting of shares, etc.) as well as for extraordinary services rendered, and any other miscellaneous costs incurred by Orient Futures and/or the Nominee in rendering services in relation to the custody of the Custodised Securities under this Schedule 4.

#### Appointment of Third Parties

- 5.16 Notwithstanding Clause 5.5, the Client expressly consents to and agrees that Orient Futures may appoint any other persons (including a foreign custodian, where necessary) as Orient Futures' nominee, sub-custodian, or agent to perform any of the Services on its behalf and may delegate any of Orient Futures' powers under this Schedule 4 to such person. Without prejudice to the foregoing, Orient Futures is authorised to utilise one or more Nominee(s) or sub-custodians for the purpose of providing the custodial services. In the event that a Nominee is being used, the Client is deemed to have contracted as principal with such Nominee.
- 5.17 Where the Custodised Securities are held by a Nominee or sub-custodian, Orient Futures shall separately agree in writing the requirements as may be required under Applicable Laws but otherwise the Client acknowledges and accepts that different settlement, legal and regulatory requirements and different practices relating to the segregation of the Custodised Securities may apply. In addition, Orient Futures and any Nominee, sub-custodian, agent or delegate may deposit the Custodised Securities with, and hold the Custodised Securities in, any centralised securities depository, clearing house or securities depository agencies on such terms as such systems customarily operate. The Client agrees that where the context permits, any reference

to Orient Futures herein (including this Clause) shall also include a reference to its Nominee, sub-custodian and/or any other person appointed by Orient Futures.

#### Voting, Meetings and Other Corporate Actions

- 5.18 The Client acknowledges and agrees that registration of the Custodised Securities in the name of the Nominee and/or that the Custodised Securities are commingled and pooled with those of other customers and/or other persons may mean that options available arising from a Corporate Action in relation to the Custodised Securities may be different from what the Client would have received if the Securities were registered in the Client's own name. In particular, the Client may lose rights, notices and benefits, including voting rights, notices and rights of attendance at general meetings, which may attach to the Custodised Securities that it may otherwise receive if the Securities were registered in the Client's own name.
- 5.19 The Client acknowledges and agrees that Orient Futures has no duty to notify the Client of any impending Corporate Action relating to any of the Custodised Securities, in particular notices for general or other meetings of shareholders, bondholders or noteholders, partners or unitholders or to seek the Client's instructions as to how to exercise any voting or other rights attached to the Custodised Securities. The Client shall keep itself informed of the same. Should Orient Futures choose in its sole and absolute discretion to provide such notification to the Client, any such action shall not in any event be regarded as a reason to justify any other or further notifications or a legitimate expectation thereof.
- 5.20 All Instructions in relation to a Corporate Action shall be given to Orient Futures before any relevant deadline set by the relevant Issuer and in any case in accordance with Clause 5 of the General Terms and Conditions, failing which Orient Futures may, in its sole and absolute discretion, act or take no action with respect to such Corporate Action. Where such Instructions are received by Orient Future pursuant to this Clause 5.20, Orient Futures shall use its commercially reasonable efforts to give effect to the same. In such event, the Client acknowledges and agrees to the following:
- (a) In relation to voting in respect of relevant Securities, where the Securities are commingled and pooled with those of other customers or other persons, Orient Futures may vote the entirety of each class or series of Securities consistently with the instructions of all affected customers giving Orient Futures voting Instructions (pursuant to Clause 5.20) in accordance with the majority amongst them (if any) in terms of the portion of interests held in the relevant class or series of Securities or not vote at all in respect of any or all of the relevant class or series of Securities.
  - (b) Where the terms of a Corporate Action may require an election to be made on behalf of Orient Futures' entire holding of that class or series of Securities on an 'all or nothing' basis, Orient Futures may not be able, even if it wishes to, to act in accordance with the Client's Instructions even if they are received in due time. The Client acknowledges and agrees that in these circumstances its Instructions may not be complied with and Orient Futures shall have no liability therefor.
  - (c) Where Corporate Actions permit a registered holder to subscribe for additional Securities or other securities or assets at no additional cost, Orient Futures will use its commercially reasonable efforts to subscribe for the same in respect of Orient Futures' entire holding of the relevant class or series of Securities and if and when received, allocate the same amongst the relevant customers on a pro-rata basis (or as nearly as practicable). The Client acknowledges and agrees that such allocations to the Client may be different to what it would have received if the Securities had been registered in the Client's own name and on some occasions may be nil.

#### Payment of dividends

- 5.21 Orient Futures shall as far as commercially practicable claim all amounts in respect of dividends pertaining to the Client's Custodised Securities which are known to Orient Futures to be payable. Such amounts shall as far as commercially practicable be paid to the Client or held in a segregated omnibus customer trust account with Orient Futures as and when they are actually received by Orient Futures, but Orient Futures shall not be responsible for claiming any other distribution or entitlement or benefit the Client may have on the Client's behalf, or for taking up or exercising any conversion rights, subscription rights or other rights of any nature, dealing with take-over or other offers or capital re-organisations. Orient Futures may (but is not obliged to) execute in the Client's name whenever it deems it appropriate such documents and other certificates as may be required to obtain the payment of dividends from the Client's Custodised Securities or the sale thereof. Orient Futures and/or its Intermediary shall not be responsible for claiming any other distribution, entitlement or benefit that it may have under applicable taxation treaties or arrangements on the Client's or its behalf.

#### Fees and Expenses

- 5.22 The Client agrees to pay Orient Futures, for custodial services provided, such fees computed at rates determined and notified by Orient Futures from time to time and all assessments, charges and expenses incurred by Orient Futures in connection with this Schedule 4 and services provided hereunder. Orient Futures may, at its sole and absolute discretion and with reasonable notice to the Client, revise the applicable fees it charges.
- 5.23 Without prejudice to any other rights under this Agreement if any of the fees and expenses referred to in Clause 5.22 or incurred or owing pursuant to this Agreement remain outstanding after they have become due and payable, Orient Futures shall:
- (a) be entitled, and the Client authorises and directs Orient Futures, to automatically and without prior notice debit and/or set off against any the Client's monies in the Trust Account in or towards settlement; and
  - (b) have a lien over all the Securities which shall stand as security for such fees and expenses with the power to sell at such price and on such conditions as Orient Futures deems fit any such Securities in or towards settlement, such that the proceeds of sale may be applied to payment of the said fees and expenses.

#### Charge, Set-off and Lien

- 5.24 Any and all the Custodised Securities shall be charged to or held by Orient Futures as a continuing security for the payment and/or discharge of any of the Client's obligations to Orient Futures under this Agreement (including this Schedule 4), and:
- (a) such charge shall include all dividends, proceeds or interest paid or payable after the date hereof on such Securities and all shares (and the dividends or interest thereon), units, rights, monies or property accruing or offered at any time by way of redemption, bonus, preference, option or otherwise to or in respect of such Securities;
  - (b) upon default by the Client in paying on demand or on the due date of any of the Client's indebtedness to Orient Futures or any other default by the Client hereunder, Orient Futures shall have the right, to sell or otherwise realise the whole or any part of the subject matter of such charge as and when and in such manner and at such price and on such terms as Orient Futures shall think fit and to apply the net proceeds of such

sale or realisation and any moneys for the time being in Orient Futures' hands in or towards discharge of the Client's indebtedness to Orient Futures; and

- (c) such charge shall be in addition to and shall not prejudice or be prejudiced by any lien, right or set-off or other security which Orient Futures may hold at any time for the Client's indebtedness to Orient Futures or by any release, modification or abstention from enforcement thereof or other dealing therewith.

- 5.25 In addition to any lien, rights of set-off and any other rights to which Orient Futures may be entitled under any Applicable Law and this Agreement, the Client hereby grants Orient Futures, and Orient Futures shall have, a general lien and/or right of retention or sale (or otherwise) over the Custodised Securities until the Client has fully satisfied any and all liabilities and obligations to Orient Futures under this Agreement, including in respect of all sums properly due and payable to Orient Futures (or its affiliates or the Nominee) by the Client (whether actual, contingent, present or future). Notwithstanding any other provision of this Agreement, and without prejudice to any right or power which Orient Futures might have otherwise than under this Agreement, Orient Futures shall not be obliged to act upon Instructions (including the delivery of any Securities to any person) and may withhold redelivery to the Client or to the Client's order of any or all Securities until all the amounts due and owing to Orient Futures (or its affiliates or the Nominee) have been paid in full.
- 5.26 Without prejudice to any other right or remedy which Orient Futures or any of its related corporations may have under this Agreement or otherwise, Orient Futures is entitled to appropriate, sell, liquidate, transfer or assign or otherwise realise the value of all or any part of the Custodised Securities in such manner and at such price as Orient Futures may deem expedient without being responsible for any losses that the Client may suffer as a result and to apply the net proceeds thereof in or towards payment or discharge of any of the obligations described in Clause 5.24 above.
- 5.27 In addition and without prejudice to any other rights Orient Futures may have hereunder, Orient Futures may, and the Client authorises Orient Futures to, debit the sums payable in respect of any transaction, including any fees payable to Orient Futures or any person Orient Futures appoints or employs, from the Client's monies held in the Trust Account and in the event that such debiting causes such account to be overdrawn then interest shall be payable at such rate as Orient Futures shall determine and notify the Client and shall in the absence of agreement to the contrary be repayable on demand. Any sale proceeds or dividend Orient Futures receives in respect of the custodial services shall be credited to the Trust Account and held on the Client's behalf.

#### Rights of Orient Futures as to Custodised Securities

- 5.28 Subject to Applicable Laws, the Client hereby agrees that Orient Futures may, and authorises Orient Futures to, do the following:
- (a) at any time pledge, charge or hypothecate any Custodised Securities without giving notice to the Client of the same; and
  - (b) retain for its own account all fees, profits, and other benefits received in connection with any such pledge, charge or hypothecation referred to in sub-clause (a).

- 5.29 Subject to Applicable Laws, the Client agrees that upon a charge, pledge or hypothecation of any Custodised Securities, all of such Custodised Securities, including the Client's interest in the same, will be subject to the charge or other security interest created by such charge, pledge or hypothecation.
- 5.30 Upon any aforementioned charge, pledge or hypothecation by Orient Futures, the Client will have a right against Orient Futures for the delivery to the Client of Equivalent Assets. Orient Futures may deliver such Equivalent Assets to the Client by causing such Equivalent Assets to be transferred, appropriated or designated to an Account of Orient Future's choice. Such Equivalent Assets, will upon such transfer, appropriation or designation by Orient Futures, become Custodised Securities subject to all the provisions of this Agreement.
- 5.31 Where the Client is a Retail Client:
- (a) the Client acknowledges and confirms that it has read and understood the disclosures set out in Appendix
  - (b) *APPENDIX 10 DISCLOSURES PURSUANT TO REGULATION 34(2) OF THE SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS*) and the risks involved in the charging, pledging or hypothecating of its assets; and
  - (c) pursuant to Regulation 34(2)(c) of the SFR, the Client hereby consents to Orient Futures charging, pledging or hypothecating its assets.

## **6. INSTRUCTIONS AND CONFIRMATIONS**

- 6.1 The Client is aware that upon placing an Instruction to purchase or otherwise subscribe to, or sell or redeem or otherwise deal in the Securities, the Client's order will not, subject to any Applicable Law or Orient Futures' agreement otherwise, be revocable and will be binding on the Client from the date that it is received by Orient Futures, regardless of whether any payment or delivery was made by the Client.
- 6.2 Where for whatever reason any Instruction for the purchase, redemption, or sale of any Security has not been executed (or any unexecuted part of any such Instruction in the case of a partially executed Instruction) or, as the case may be, processed by Orient Futures (whether wholly or partly), Orient Futures shall not be obliged to execute or process any such Instruction at and from the expiry of the Trading Day specified in any such Instruction or the first working day thereafter in the market where the Instruction is to be executed or accepted if it is a public holiday in that market on the date of Instruction. Any other Instructions shall be effective until cancelled by the Client. Cancellation of Instructions would be accepted until one day before the trade execution date, unless otherwise stipulated. If on the date of Instruction it is a public holiday in the relevant market, Orient Futures will execute Instructions in the relevant market on the first Trading Day thereafter.
- 6.3 Any Instruction for the purchase, sale or redemption of any Securities for execution on the date of Instruction must be received before any relevant Cut-off Time as Orient Futures may have notified to the Client. All other Instructions shall be given so as to allow Orient Futures sufficient time with which to comply.
- 6.4 The Client acknowledges and agrees that Orient Futures may upon the Client's request provide the main terms relating to a specific Security to the Client by email and any such terms are indicative only, and are subject to change depending on market conditions. The provision of such terms to the Client by Orient Futures does not oblige Orient Futures to subscribe or purchase the Security on the Client's behalf or to enter into the Transaction with the Client or

on the Client's behalf on the specified terms. Any offer of and/or Securities Transaction is made subject to contract, satisfactory documentation and market conditions. The actual bid and offer prices of any Security will be determined at the time when a Transaction in the Security is effected and any figures which may be quoted by Orient Futures at any time are indicative only.

- 6.5 Orient Futures will send to the Client (by post, fax or electronically) a Confirmation setting out certain details of the Securities Transaction entered into for the Client, or between the Client and Orient Futures, after the execution of any Securities Transaction.
- 6.6 The Confirmation will be deemed to correctly set out the details of that Transaction unless the Client has notified Orient Futures in accordance with Clause 6 of the General Terms and Conditions of any error the Client believes the Confirmation contains and the Confirmation does in fact contain that error. The Client agrees and acknowledges that there is no requirement by it to send to Orient Futures a written acknowledgement that the details of the Securities Transaction(s) set out in the Confirmation are correct. The existence of a binding Transaction is not conditional on either Orient Futures' issuance or the Client's receipt of a Confirmation. Accordingly, the Client's failure to receive a Confirmation shall not invalidate or otherwise prejudice the existence of a Transaction.
- 6.7 The purchase of the Securities shall be deemed to have been concluded on the date stated in the Confirmation as the "Transaction Date". The "Transaction Date" may not be the same date as the date on which the Client provide the Instruction. The Client agree that the price or net asset value ("**NAV**") of the Securities may fluctuate or vary between the date of Instruction and the Transaction Date, and the Client agrees and acknowledges that none of Orient Futures nor its related corporations, agents, Officers, employees, servants or representatives shall be liable for any Losses arising from such price or NAV differential.
- 6.8 The Client agrees that Orient Futures shall bear no liability to the Client should the Client not be able to acquire or dispose of the Securities. The Client agrees that Orient Futures shall not be liable to the Client for any interest or compensation or other payment in the event Orient Futures is unable to purchase, subscribe or dispose, or procure the purchase, subscription or disposal, of all or any of the Securities (for any reason whatsoever). Therefore, the Client agrees and acknowledges that in such an event, the Client will only be entitled to the return of the subscription amount or excess subscription amount or, as the case may be, all or any Securities without interest accrued or any other compensation.

## **7. ORDER AVERAGING**

- 7.1 Subject to all Applicable Laws, Orient Futures may execute any Order received from the Client in a series of Securities Transactions over a period of time and report to the Client an average price for the Securities Transactions in the series instead of the actual price of each Securities Transaction. If any such averaging is subject to a specific agreement between the Client and Orient Futures at the time, this Agreement will apply subject to that specific agreement.
- 7.2 The Client acknowledges that in relation to orders which are executed over a period of time or Securities Transactions which are given an average price, notwithstanding that the Confirmation may reflect that Orient Futures is dealing as principal, Orient Futures shall be deemed to be the Client's agent (unless Orient Futures specifically notifies the Client in writing that it is acting as principal) and any Order executed by Orient Futures pursuant to, or which is referential to, the Client's Order shall be for the Client's account. If the Client chooses to withdraw any Order before execution is completed (and notwithstanding that Orient Futures did not inform the Client that the Client's Order has been partially executed), the Client shall remain liable for all trades which were done for the Client's account until Orient Futures accepts the Client's withdrawal.

## **8. ALLOCATIONS**

- 8.1 Although Orient Futures will endeavour to make any allocation required in relation to Securities amongst its relevant clients pro-rata so far as possible, Orient Futures reserves the right to make allocations in such manner as it determines in its reasonable discretion. Accordingly, if the Client requests for Securities to be acquired, the Client may not be allocated the full quantum which the Client had requested for. Orient Futures shall not accept requests to alter or waive allocations after the event. The Client's Instructions to Orient Futures to acquire any Securities are irrevocable and any allocation given to the Client shall be binding on the Client, notwithstanding any change in market conditions between the time of the Instructions and the allocation.

## **9. PRICES**

- 9.1 Prices of Securities may be provided by various market information providers. While Orient Futures and Orient Futures' market information providers endeavour to ensure the accuracy and reliability of prices quoted, no guarantee as to their accuracy is given and no liability (whether in tort or contract or otherwise) is accepted by Orient Futures nor its agents, related corporations, Officers, employees, servants and representatives for any Losses arising from any inaccuracies or omissions.
- 9.2 Any price of any Securities quoted by Orient Futures in response to the Client's enquiry is for reference only and shall not be binding on Orient Futures or any of Orient Futures' market information providers. Orient Futures shall be entitled to act on the Client's Instruction for any sale and purchase of any Security even if the price of such Security has altered to the Client's disadvantage between the time of receipt of such Instruction and the time at which Orient Futures and its Agent completes any such sale or purchase.
- 9.3 The Client undertakes that no quotes (or any part thereof) of the prices of any Securities obtained from Orient Futures shall be disseminated to any other person, used or permitted to be used for illegal purpose; used other than for the Client's own personal use; or used in relation to any trading or dealing of Securities otherwise than through Orient Futures.

## **10. FAILED SETTLEMENT**

- 10.1 Where Orient Futures acts as principal in any Transaction with the Client and the counterparty from whom Orient Futures purchases the relevant Securities fails to deliver the Securities, Orient Futures will not be obliged to settle the trade with the Client but may do so. However, there may be circumstances in which settlement is impossible or is prevented by a third party (e.g. an exchange) or irregular market conditions.
- 10.2 Where there is a failed purchase settlement and the Client has instructed Orient Futures to: (a) sell Securities that are the subject of a failed settlement; or (b) transfer the Securities that are the subject of a failed settlement out of the Client's Custody Account, the settlement of the subsequent sale or transfer may also be delayed. The Client agrees that Orient Futures and its agents, related corporations, Officers, employees, servants or representatives shall not be liable for any of these delays.
- 10.3 If a counterparty becomes insolvent before it has delivered the Securities that it is obliged to, the Client acknowledges that the relevant Securities may never be delivered to the Client.

## **11. CLOSE-OUT**

- 11.1 In the event that the Client or its Authorised Representative requests Orient Futures to terminate or close out the Securities or Securities Transactions entered into with Orient Futures under this Agreement before the maturity or Settlement Date specified in the terms of the

Securities or Securities Transactions, without prejudice to Clause 10 of this Schedule 4, Orient Futures may, in its sole discretion, agree to such termination or close out. In any such case, Orient Futures shall not be responsible for, and the Client shall be liable for any Losses arising as a result of any such early termination or close out of the Securities or Securities Transactions. The Client shall indemnify Orient Futures and its agents, related corporation, Officers, employees, servants or representatives for any fees and surcharges chargeable by it in connection with such early termination or close out of the Securities or Securities Transactions.

## **12. TRANSFER**

- 12.1 If, at any time, the Client instructs Orient Futures to transfer the Client's Securities to be held by the Transferee, Orient Futures will, where applicable, send the appropriate transfer form to the Transferee within a reasonable time after Orient Futures have received the appropriate transfer form from the Transferee.
- 12.2 Notwithstanding the absence of a transfer form, immediately after Orient Futures receives the transfer Instructions from the Client, Orient Futures shall not be obliged to act upon any further Instructions from the Client relating to the affected Securities except that Orient Futures may, at any time before the transfer is completed, and at Orient Futures' absolute discretion, accept Instructions from the Client to cancel the transfer.
- 12.3 Any Instruction given by the Client to Orient Futures to transfer Securities shall be specific as to the Securities to that are the subject of the transfer. If such instruction is ambiguous (in the opinion of Orient Futures), Orient Futures may at its sole and absolute discretion deem such instruction to be an Instruction to transfer all such Securities.
- 12.4 The Client agrees that any transfer will be undertaken in accordance with any selling restrictions applicable to the transfer.

## **13. AGENCY OF ORIENT FUTURES**

- 13.1 Where the Client appoints Orient Futures as the Client's agent, the Client hereby expressly authorises Orient Futures:
  - (a) to provide such information in connection with the Securities, as may be required by any Applicable Law (whether in Singapore or any other jurisdiction), to any relevant authority together with any documentation relating thereto; and
  - (b) where a Custody Account is maintained, in Orient Futures' sole and absolute discretion, to comply with the provisions of any Applicable Law, including those of Singapore now or hereafter in force which purports to impose on a custodian of any Securities a duty to take or refrain from taking any action in connection with any of the Securities or with any payment, distribution or moneys payable in respect of any of the Securities.

## **14. MARGIN LENDING**

### Margin Lending Facility

- 14.1 By instructing and authorising Orient Futures to provide the Margin Lending Facility to the Client pursuant to this Clause 14 (which Orient Futures shall not be obliged to provide), the Client agrees to comply with this Clause 14. If Orient Futures agrees to provide the Margin Lending Facility to the Client, then all Accounts of the Client maintained with Orient Futures for the purposes of Securities Services will be considered Margin Accounts, unless otherwise agreed or specified by Orient Futures. Any Margin Lending Facility will be provided in the currency of the respective Margin Account(s).



- 14.2 Subject always to the maintenance of Acceptable Collateral to meet the applicable margin requirement in respect of the Margin Lending Facility and on such other terms or conditions as Orient Futures may specify from time to time, the Client may utilise and draw from the Margin Lending Facility for transactions in Margin Instruments or continue to hold Margin Instruments. For the avoidance of doubt, only Acceptable Collateral may be used to meet the applicable margin requirement in respect of the Margin Lending Facility.
- 14.3 Any credit or debit on the Margin Account (including but not limited to realised gains, losses, dividends, option premiums, commissions, interest charges and brokerage fees) will alter the quantum of the Margin Loan.
- 14.4 Subject to any conditions that Orient Futures may impose from time to time (including but not limited to any applicable margin requirement being satisfied), the Client may withdraw monies or Margin Instruments from the Margin Account(s).
- 14.5 The Client hereby acknowledges and agrees that:
- (a) the Client shall pay to Orient Futures the interest on the Margin Lending Facility and any fees, costs and charges applicable to the Margin Lending Facility as notified by Orient Futures to the Client from time to time; and
  - (b) any interest charged on the Margin Lending Facility is calculated based on the balance of each individual Margin Account(s), and such interest and any other applicable fees charged in respect of the Margin Lending Facility may differ between the respective Margin Account(s) depending on the currency of such Margin Account(s) as the Margin Lending Facility is made available in the currency of the respective Margin Account(s).

#### Security and Margin Requirement

- 14.6 Notwithstanding that only Acceptable Collateral may be used to meet the applicable margin requirement in respect of the Margin Lending Facility, any and all Margin Loan(s) in the Client's Margin Account(s) shall be secured by all monies and Margin Instruments of any kind. Such Margin Instruments include, but is not limited to Acceptable Collateral, held by or on behalf of Orient Futures for the Client in accordance with the General Terms and Conditions.
- 14.7 The Client acknowledges and agrees that:
- (a) where the value of Acceptable Collateral is denominated in a currency other than the currency of the Margin Account(s), Orient Futures may (i) apply any foreign exchange rate as it may in its discretion determine to the value of Acceptable Collateral denominated in that other currency to the currency of the Margin Account(s), and (ii) apply an appropriate haircut that Orient Futures determines from time to time;
  - (b) the Client shall be responsible for continuously ensuring that the Margin Lending Facility Limit is not breached and any applicable margin requirement is met;
  - (c) Orient Futures may, but is not obliged to, notify the Client if (i) the Margin Lending Facility Limit has been or is close to being breached or (ii) any applicable margin requirement is not met or is close to not being met; and
  - (d) without prejudice to the generality of the provisions of Clause 13 of the General Terms and Conditions, Orient Futures is entitled to determine one or more specific margin requirement(s) in respect of the Margin Lending Facility and which may be calculated separately and distinct from any other margin requirement applicable to the Client for any other Margin Positions which are not transacted pursuant to the Margin Lending Facility. The determination of any specific margin requirement in respect of the Margin Lending Facility may include or take into account other parameters as Orient Futures

may determine. Any specific margin requirement(s) in respect of the Margin Lending Facility will be notified by Orient Futures to the Client in writing.

- 14.8 In the event where (a) the Margin Lending Facility Limit is breached, or (b) the Client fails to provide sufficient Acceptable Collateral to meet any applicable margin requirements in respect of the Margin Lending Facility, this will constitute a Default and Orient Futures may exercise any of its rights that are provided in the General Terms and Conditions upon the occurrence of a Default, including closing out or liquidating any Acceptable Collateral and applying the proceeds thereof to meet any other margin requirement (whether in the same currency denomination or otherwise). Without prejudice to the generality of the foregoing, the Client further acknowledges and agrees that the other Margin Positions of the Client which are not transacted pursuant to the Margin Lending Facility (if any) may or may not be closed out, reduced or liquidated by Orient Futures in the exercise of its rights under this Clause, given that separate and distinct margin requirements may apply to such other Margin Positions.

#### Custody

- 14.9 Clause 5 applies *mutatis mutandis* except that references to “Custodised Securities” shall be construed as including Margin Instruments and Acceptable Collateral.
- 14.10 Subject always to Applicable Laws and Exchange and/or Clearing House rules and notwithstanding any provision of the General Terms and Conditions, the Client acknowledges that Orient Futures may, and consents to and authorises Orient Futures to, mortgage, charge, pledge or hypothecate any Acceptable Collateral or Margin Instruments, provided that the quantum of Acceptable Collateral or Margin Instruments mortgaged, charged, pledged or hypothecated (as the case may be) does not exceed the aggregate amount owed by the Client to Orient Futures under the Margin Lending Facility.
- 14.11 The Client acknowledges and agrees that:
- (a) Orient Futures is entitled to, without limitation: (i) deposit any Acceptable Collateral or Margin Instruments with an authorised financial institution as collateral for financial accommodation provided to Orient Futures; (ii) deposit any Acceptable Collateral or Margin Instruments with any Clearing House or with any securities dealer as collateral for the discharge and satisfaction of Orient Futures’ settlement obligations and liabilities; and (ii) do all acts and things which are necessary for or incidental to the performance of any of the foregoing activities;
  - (b) the Client has been informed of the rights of Orient Futures under this provision and the Client has acknowledged the risks involved in the exercise of such rights by Orient Futures. Such rights and exercise thereof include repledging practices and Orient Futures’ repledging of the Acceptable Collateral or Margin Instruments;
  - (c) the Client’s authorisation given under this Clause shall not affect Orient Futures’ right to dispose or initiate a disposal by Orient Futures’ associated entity of the Acceptable Collateral or Margin Instruments in settlement of any liability owed by or on behalf of the Client to Orient Futures, the associated entity or a third person; and
  - (d) a third party may have rights to the Acceptable Collateral or Margin Instruments, which Orient Futures must satisfy before the Acceptable Collateral or Margin Instruments can be returned to the Client. The Client agrees that any Acceptable Collateral or Margin Instruments returned to the Client may be of like Acceptable Collateral or Margin Instruments of equivalent class, issue, denomination and amount and rank *pari passu* with those originally deposited with or transferred to Orient Futures.

### Termination

- 14.12 Orient Futures has the right to cancel, suspend or terminate the Margin Lending Facility at any time with or without reason.
- 14.13 Without limiting or reducing the effect of the General Terms and Conditions, any failure by the Client to repay any outstanding Margin Loan shall constitute a Default and Orient Futures may exercise any of its rights that are provided in this Clause 14 or the General Terms and Conditions upon the occurrence of a Default.
- 14.14 Without limiting or reducing the effect of Clause 14.12 and the General Terms and Conditions, if any Default occurs or the provision of the Margin Lending Facility contravenes or will contravene any Applicable Law:
- (a) Orient Futures has the right to terminate the Margin Lending Facility, close the Margin Account(s) and/or realise the Acceptable Collateral with immediate effect without notice to the Client; and
  - (b) Orient Futures will cease to have any obligations to grant or continue to grant the Margin Lending Facility or to deal or continue to deal in securities on the Client's behalf under this Clause 14, even if the Client has given a contrary Instruction.
- 14.15 The Client may request to terminate the Margin Lending Facility by providing Orient Futures written notice, provided that there is no outstanding Margin Loan on any Margin Account(s). Upon receipt of such notice, Orient Futures shall process such request as soon as reasonably practicable.
- 14.16 Notwithstanding where the Margin Lending Facility is suspended or terminated, the Client continues to be bound by this Clause 14 insofar as it relates to any of the Client's obligations or liabilities which remain to be performed or discharged, including but not limited to any Margin Loan(s) that remain outstanding or unpaid by the Client.

## **15. SECURITIES LENDING**

### General

- 15.1 By instructing and authorising Orient Futures to provide Securities Lending Services to the Client, pursuant to this Clause 15 (which Orient Futures shall not be obliged to provide), the Client agrees to comply with this Clause 15.
- 15.2 All lending of Securities by the Client shall at all times be subject to Applicable Laws, including Regulation 45 of the SFR, and such other terms and conditions as Orient Futures may notify to the Client from time to time in writing.
- 15.3 Under the Securities Lending Services, the Client agrees:
- (a) to lend any Securities in any Account of the Client to Orient Futures, and acknowledges that so long as any Securities remain in the Client's Account, Orient Futures may initiate the borrowing of such Securities in the Account of the Client, unless the Client terminates the Securities Lending Services in accordance with this Clause 15; and
  - (b) that Orient Futures is authorised to act in its sole and absolute discretion in a commercially reasonable manner, to borrow from the Client at any time such Securities in any Account of the Client in accordance with this Clause 15.
- 15.4 For the purposes of the Securities Lending Services, the Client represents, warrants and undertakes to Orient Futures that the Client:
- (a) is the sole beneficial owner of all Securities that are to be lent by the Client pursuant to this Clause 15;

- (b) will take all reasonable steps to obtain and communicate to Orient Futures, all information and deliver or cause to be delivered, all documents, with respect to any Securities as may be requested by Orient Futures or any regulatory body, to enable Orient Futures to comply with Applicable Laws; and
- (c) will not (and will not attempt to) create or permit to arise any encumbrance or third-party interest over any Securities that are to be lent pursuant to this Clause 15, or any collateral that is or may be provided pursuant to these this Clause 15 (except with Orient Futures' consent or in Orient Futures' or its Nominee's favour).

#### Provision of Securities Lending Collateral

- 15.5 Where the Client is a Retail Client and lends Securities to Orient Futures, Orient Futures shall, subject to Applicable Laws, provide the Client collateral of the type as specified from time to time by Orient Futures at its sole discretion. The value of such collateral shall be at least 100% of the market value of the Loaned Securities from time to time.
- 15.6 The Client agrees and acknowledges, in respect of any Securities Lending Collateral provided by Orient Futures to the Client, that:
- (a) all rights, title and interest in the Securities Lending Collateral (including cash or cash equivalent) shall be transferred in favour of the Client and vest in the Client;
  - (b) Orient Futures shall hold or appoint a custodian to hold such Securities Lending Collateral on behalf of Orient Futures for the benefit of the Client;
  - (c) the Client shall 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 may be required to ensure that the rights, title and interests in the Securities Lending Collateral is vested in the Client pursuant to the foregoing;
  - (d) the Client shall on the date of the Distribution arising from such Securities Lending Collateral or on such other date as Orient Futures and the Client may from time to time agree, pay and deliver a sum of money or property equivalent to the Distribution to Orient Futures (with any such endorsements or assignments as shall be customary and appropriate to effect the settlement thereof) to the extent that the same has been received by Client;
  - (e) notwithstanding the foregoing, the Client shall not trade or howsoever otherwise deal with the Securities Lending Collateral in any manner, and further agrees that the Client shall not have any right to the exercise of voting rights or any other rights attached to the Securities Lending Collateral. In the event that the Client receives any notice for general or other meetings of shareholders or any impending Corporate Action relating to any of the Securities Lending Collateral, the Client shall notify Orient Futures of such notice and shall seek and carry out Orient Futures' instructions as to the exercise of voting rights or any other rights attached to the Securities Lending Collateral, including but not limited to in respect of conversions, subdivisions, consolidations, redemptions, takeovers, preemptions, options or other similar rights or matters that require discretionary action and the Client shall comply with any instructions from Orient Futures in relation to the exercise of such rights; and
  - (f) Orient Futures shall have the right to effect the return of Securities Lending Collateral which are in excess of the minimum collateral requirements under Applicable Laws to itself, or effect return of Securities Lending Collateral and substitute the same with any other forms of alternative collateral subject always to compliance with Applicable Laws.

15.7 The Client further acknowledges and agrees:

- (a) that Orient Futures may commingle and hold any or all of the Securities Lending Collateral together with any of the Client's Custodised Securities or any other Securities and/or money that Orient Futures may hold for other clients, whether as collateral or otherwise. Orient Futures shall not be obliged with respect to any of the Securities Lending Collateral, or any of the Client's Custodised Securities or other property to retain the same in its possession or control (being entitled to treat all of the same as fungibles) but, subject to Orient Futures' rights to borrow, on-lend, invest and/or create security over the same, shall only be obliged to retain, for the duration of the lending of the Securities by the Client to Orient Futures or at any time, only like securities or other property of equivalent amount and description or their equivalent value to the Securities Lending Collateral;
- (b) without prejudice to any consent given by the Client for (i) Orient Futures to deposit, pledge, repledge, hypothecate, re-hypothecate, invest or loan any Securities of the Client; or (ii) to commingle assets under Clause 5, that it would be administratively and operationally difficult, if not impossible, to account separately for each client of Orient Futures the interest due to their fluctuating cash balances being part of a larger pool of money since interest will be received on a lump sum basis; and
- (c) to waive and relinquish in Orient Futures' favour all claims for interest that might otherwise accrue with respect to any cash component of the Securities Lending Collateral.

Title and Obligations in relation to Loaned Securities

15.8 When the Client lends Securities to Orient Futures, the Client agrees that all title, rights and interest in the Loaned Securities will immediately transfer to Orient Futures such that all title, rights and interest in the Loaned Securities will vest in Orient Futures, notwithstanding that delivery of the Securities may occur at a later time. The Client will only have a right to the return of equivalent Securities from Orient Futures. The Client undertakes to 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 may be required to ensure that the rights, title and interests in the Loaned Securities are transferred and vested to Orient Futures pursuant to the foregoing.

15.9 In respect of the Loaned Securities, throughout the period that such Securities are lent:

- (a) Orient Futures shall on the date of the Distribution arising from any such Loaned Securities or on such other date as Orient Futures and the Client may from time to time agree in writing, pay and deliver a sum of money or property equivalent to the Distribution to the Client (with any such endorsements or assignments as shall be customary and appropriate to effect the settlement thereof) to the extent that the same has been received by Orient Futures, less any deduction, withholding or payment for or on account of tax;
- (b) unless otherwise agreed in writing between the Client and Orient Futures:
  - (i) Orient Futures may exercise any voting rights attached to the Loaned Securities at its sole discretion and is not obliged to arrange for any voting rights attached to the Loaned Securities to be exercised in accordance with the Instructions of the Client; and
  - (ii) Orient Futures is not obliged to comply with any Instructions from the Client in relation to the exercise of any rights attached to the Loaned Securities, including but not limited to Instructions in respect of conversions, subdivisions,

consolidations, redemptions, takeovers, pre-emptions, options or other similar rights or matters that require discretionary action by the beneficial owner of the Securities; and

- (c) Orient Futures shall not be obliged to notify the Client of:
- (i) any on-lending of the Loaned Securities. The Client agrees that Orient Futures may at its sole discretion and without needing to obtain the Client's approval therefor, on-lend or arrange for the Loaned Securities to be on-lent (and in respect of the latter, by appointing a custodian to on-lend the Loaned Securities on behalf of Orient Futures on such terms and conditions as Orient Futures may notify the Client from time to time); or
  - (ii) any impending Corporate Action relating to any of the Loaned Securities. The Client acknowledges that Orient Futures will not notify the Client of notices for general or other meetings of shareholders and will not seek nor carry out the Client's instructions as to how to exercise any voting rights attached to the Securities.

#### Value of Securities Lent and Collateral Provided

- 15.10 The Client acknowledges and agrees that Orient Futures will determine the respective current market values of the Loaned Securities and Securities Lending Collateral on every Business Day on a marked-to-market basis, which will be carried out by reference to Orient Futures' prevailing procedure(s) for calculating margin as may be notified to the Client by Orient Futures from time to time.

#### Fees

- 15.11 Where Orient Futures earns a fee from on-lending of Loaned Securities, Orient Futures shall pay a percentage thereof as lending fees to the Client as determined by Orient Futures and/or the custodian, referred to in Clause 15.9(c), from time to time. Unless otherwise notified, the lending fees shall be computed daily, based on the prevailing market conditions and demand for the Securities being lent and such fees will be paid to the Client monthly. Notwithstanding the foregoing, Orient Futures may however offer the Client other benefits as consideration for on-lending of the Loaned Securities in addition to or in lieu of any aforementioned lending fees, as Orient Futures may notify the Client in writing.

#### Redelivery of Securities

- 15.12 Orient Futures may at any time terminate the loan of any Loaned Securities for any reason and on such termination, return the Loaned Securities by delivering equivalent Securities within the standard time for settlement prescribed by the rules of the Exchange which the relevant Security is listed on or where the Security is not listed on an Exchange, within a period of time which Orient Futures may, acting in a commercially reasonable manner, determine in its sole discretion. Orient Futures shall also effect the return of any Securities Lending Collateral to Orient Futures on such termination.
- 15.13 Without prejudice to the foregoing, the Client may terminate the loan of the Loaned Securities by selling, requesting delivery or the transfer of such Loaned Securities to another custodian by way of giving an Instruction or by terminating the Securities Lending Services in accordance with Clause 15.19.

15.14 The Client undertakes to:

- (a) execute and do all such assurances, acts and things which are required and necessary in order for Orient Futures to deliver the equivalent Securities and the return of any Securities Lending Collateral on termination of the loan of the Loaned Securities; and
- (b) to indemnify, keep indemnified and hold Orient Futures harmless from and against any and all losses suffered or incurred, or which may be suffered or incurred, by Orient Futures, as a result of or in connection with any failure by the Client to comply with the terms hereunder or to fully and perform any of its obligations hereunder in a timely manner, including the giving of notice within the requisite period.

15.15 Where Orient Futures does not return Loaned Securities by delivering equivalent Securities in accordance with such Instructions or any other request, Orient Futures' obligation to deliver such equivalent Securities shall be converted into an obligation to pay to the Client the aggregate market value of the same determined as at the time which the Loaned Securities were due to be returned to the Client or such other relevant time in accordance with the agreement entered between Orient Futures and the custodian referred to in Clause 15.9(c) or any end borrower (as the case may be) or if at such relevant time the aggregate market value is not determinable, the latest prior time at which such aggregate market value is determinable, and subject such payment obligation to Orient Futures' general rights of set-off (in addition to any other rights of set-off and/ or consolidation of accounts or obligations Orient Futures may have by operation of law or by contract).

#### Events of Default

15.16 In the event:

- (a) Orient Futures becomes the subject of insolvency or liquidation proceedings; or
- (b) Orient Futures fails to comply with or perform any of its obligations under this Clause 15 on a material basis and fails to remedy such non-compliance in a timely manner,

Orient Futures shall, as far as commercially practicable and in accordance with any Applicable Laws, return all Loaned Securities by delivering equivalent Securities to the Client and effect the return of any Securities Lending Collateral to Orient Futures. The Client undertakes to execute and do all such assurances, acts and things which are required and necessary in order for Orient Futures to deliver equivalent Securities and the return of any Securities Lending Collateral.

15.17 Where Orient Futures is unable to redeliver or only redelivers a portion of the Loaned Securities Orient Futures' obligation to redeliver such Loaned Securities or the remaining portion thereof shall be converted into an obligation to pay to the Client:

- (a) the aggregate market value of such Loaned Securities determined as at the time which the Loaned Securities were due to be returned to the Client or such other relevant time in accordance with the agreement entered between Orient Futures and the custodian referred to in Clause 15.9(c), or any end borrower (as the case may be); or
- (b) if at such relevant time the aggregate market value cannot be determined, the latest prior time at which such aggregate market value is determinable.

15.18 Upon the occurrence of a Default in respect of the Client, Orient Futures shall additionally be entitled to (a) immediately terminate any loan of Loaned Securities, and (b) immediately terminate the Securities Lending Services, and Orient Futures shall be entitled to carry out any action to protect its interests and to effect the foregoing termination rights.

### Termination

- 15.19 Orient Futures or the Client is entitled to terminate the Securities Lending Services by giving not less than thirty (30) days written notice to the other party, except that where the Client gives notice of the Client's intention to terminate the Securities Lending Services and where Orient Futures receives such notice from the Client, Orient Futures may process and effect the termination of the Securities Lending Services prior to the expiry of the said thirty (30) days' notice, without further notice to the Client. Any return of Loaned Securities and Securities Lending Collateral on such termination shall be effected in accordance with Clauses 15.12 to 15.15.
- 15.20 Prior to the date of the termination, the Client shall instruct Orient Futures as to the proper disposal or transfer of money and other properties of the Client in relation to the Securities Lending Services. If the Client fails to do so, Orient Futures may exercise any of its rights under the General Terms and Conditions as if a Default had occurred.
- 15.21 The Client agrees to reimburse Orient Futures any fees, interest, commissions and expenses reasonably incurred by or due to Orient Futures in giving effect to the termination and any losses incurred in settling or concluding outstanding obligations. This Clause shall survive the termination of the Securities Lending Services and shall *mutatis mutandis* apply to such reimbursement.

### Set-off Rights

- 15.22 Without prejudice to any other right which Orient Futures may have whether under law or otherwise, the Client agrees and acknowledges that Orient Futures is entitled to at its sole discretion to convert any obligation Orient Futures may have to return the Loaned Securities and/or other property into an obligation to pay the aggregate market value of the same, and subject any and all of its payment obligations to the Client under this Clause 15 to its general rights of set-off (in addition to any other rights of set-off and/or consolidation of accounts or obligations Orient Futures may have at law or in contract). For the avoidance of doubt, this clause applies to Orient Futures payment obligation as set out in Clause 15.17.

## **16. PROVISION OF MARKET DATA**

- 16.1 If Orient Futures agrees to provide the Market Data to the Client, the Client agrees and acknowledges to be bound by the terms of this Clause 16 and shall use the Market Data only in accordance with the provisions of this Clause 16.
- 16.2 The Client shall not, without Orient Futures' prior written consent, authorise or allow any modifications to the equipment, apparatus, and wires by which the Market Data is transmitted to the Client directly or indirectly by Orient Futures.
- 16.3 The Client has the authority to bind all its Subscriber Location(s) and shall submit to Orient Futures a list of those Subscriber Location(s) and the number of Terminal(s) to be used from time to time and at any time to access Market Data at each such Subscriber Location.
- 16.4 The Client shall report to Orient Futures on a monthly basis the number of Terminals used from time to time and at any time located at each Subscriber Location, including each of the Client's branch offices.
- 16.5 Any person(s) designated by Orient Futures shall have:
- (a) full and free access to all Subscriber Locations (including the Client's branch offices) and any other premises at which the Market Data is received at any time during normal working hours; and
  - (b) the right to observe the use being made of the Market Data and to examine and inspect



all instruments, apparatus and Terminals used in connection with the receipt, processing or redistribution of Market Data at the particular premises.

- 16.6 At the request of Orient Futures, the Client shall (a) complete tControl Questionnaire as prescribed by Orient Futures truthfully and accurately and return it to Orient Futures, or (b) provide Orient Futures with any other information related to its use of the Market Data.
- 16.7 The transmission of Market Data is conditional upon the Client's strict compliance with the provisions set forth in this Clause 16, and Orient Futures may, with or without notice to the Client, discontinue transmission of Market Data whenever in Orient Futures' judgment there has been any breach by the Client or any entity on whose behalf the Client has entered into this Agreement, of any of the provisions in this Clause 16, or whenever directed to do so by Orient Futures..
- 16.8 Orient Futures shall have the right at any time during this Agreement and without cause to stop the dissemination of Market Data to the Client.
- 16.9 Orient Futures does not guarantee the sequence, timeliness, accuracy or completeness of any of the Market Data. Orient Futures shall not be liable for non-performance or interruption of transmission due to any cause whatsoever, including any omission or negligence on the part of Orient Futures. Orient Futures shall not be liable for any reason whatsoever to the Client or to any other person for any delays, inaccuracies, errors or omissions in the Market Data, or in the transmission of such data, or for any damages arising therefrom or occasioned thereby, including economic, financial, material, personal or consequential loss or damage.
- 16.10 Orient Futures shall not be liable in any way whatsoever to the Client or any other person whatsoever for any economic, financial, material, consequential, or personal losses or damage resulting from actions or decisions based on, or as a result of, Market Data received directly or indirectly from Orient Futures.
- 16.11 The Client shall indemnify Orient Futures and its respective Officers, employees and agents against all loss, actions, proceedings, costs, claims and damages arising from:
- (a) any breach by the Client of its obligations under this Clause 16;
  - (b) any reliance by any third party on the Market Data obtained through, or from, the Client's utilisation of the Market Data; or
  - (c) any defect in or abuse or misuse or failure of operation or performance or breakdown of such equipment or any part(s) of such equipment at any time during the term of this Agreement.
- 16.12 The Client acknowledges that the Market Data provided to it is confidential and remains the valuable property of SGX-ST. The Client agrees and undertakes that during the term of this Agreement and thereafter, it shall keep confidential, and shall not without the prior written consent of Orient Futures disclose to any third party, any confidential information (including Proprietary Information and Market Data).
- 16.13 The Client shall not, shall not allow any other person to:
- (a) use or permit the Market Data to be used other than for the Client's own internal purposes;
  - (b) use or distribute, or purport to use or distribute, the Market Data;
  - (c) use the Market Data to compile a stock index on the Singapore stock market or on securities or derivatives quoted or traded on the organised markets operated by SGX-ST or SGX-DT, which would enable or facilitate index based trading to be conducted by any market or person;
  - (d) use the Market Data to create any derivatives works for any purposes whatsoever;

- (e) engage in the operation of any unlawful business nor allow any other unauthorized or unlawful usage of the Market Data in contravention of any terms of this Agreement or any Applicable Laws; or
- (f) commercially exploit the Market Data in any other manner whatsoever contrary to the intent and spirit of this Agreement.

16.14 SGX-ST shall have the right under the Contracts (Rights to Third Parties) Act 2001 of Singapore to enforce the rights under this Clause 16 as if it were Orient Futures.