



## **Orient Futures International (Singapore) Pte. Ltd.**

### **Client Agreement**

#### **IMPORTANT, PLEASE READ:**

In order to open and operate an account with Orient Futures International (Singapore) Pte. Ltd., you must agree to the terms and conditions of this Client Agreement. Please read this Client Agreement in its entirety. If you agree to be bound by its terms and conditions, please accept the terms electronically via the registration page and continue on with the registration process.

## INTRODUCTION

Section 1 applies generally to the Client's relationship with Orient Futures International (Singapore) Pte. Ltd. including with respect to all accounts maintained with and all services provided by Orient Futures International (Singapore) Pte. Ltd.. Sections 2 to 5 additionally apply in respect of the respective services and types of transactions thereunder.

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## SECTION 1 GENERAL TERMS AND CONDITIONS

### 1. INTERPRETATION

#### Definitions

1.1 In this Agreement, unless the context otherwise requires:

**“Agreement”** means this Client Agreement as well as its Schedules (excluding, in the case of a Client which is not a Retail Client, every Schedule which is expressed to apply or be provided only to Retail Clients and in the case of a Client which is an Accredited Investor, every Schedule which is expressed to apply or be provided only to non-Accredited Investors) and the terms and conditions in the Application Form, as amended, varied, and supplemented by Orient Futures in its sole and absolute discretion from time to time;

**“Account”** means each account of the Client with Orient Futures (including any account subsequently opened or established with Orient Futures from time to time), and includes any account on which the Client effects Transactions or which are used for the purposes of the Services, pursuant to this Agreement, and any Omnibus Account;

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

**“Additional Margin”** has the meaning ascribed to it in Clause 14.17;

**“Agent”** has the meaning as ascribed to it in Clause 3.6;

**“Applicable Laws”** means all relevant or applicable statutes, laws, rules, regulations, notices, orders, bye-laws, rulings, directives, circulars, guidelines, practice notes and interpretations (whether of a governmental body, regulatory or other authority, market, Exchange, Clearing House, depository or self-regulatory organisation in relation to which Orient Futures or any person within the Orient Futures Group is a member, or which Orient Futures or a relevant Account, Service, facility or Transaction is subject to, or otherwise);

**“Application”** means the application by the Client to open the Account;

**“Application Form”** means the application form by which the Client makes an Application;

**“APEX”** means Asia Pacific Exchange Pte. Ltd.;

**“APEX Clear”** means Asia Pacific Clear Pte. Ltd.;

**“associated person”** has the meaning ascribed to it in Section 3 of the SFA;

**“Authorised User”** means any person authorised by the Client from time to time, including any person appointed in the Application Form, to use the Electronic Facilities and who have been issued with a Security Code, and in respect of whom Orient Futures has not received from the Client any written notice of revocation or termination of such person's appointment or has received such notice but the reasonable period referred to in Clause 3.18 for Orient Futures to update its records has not elapsed;

**“Authorised Representative”** means any person authorised by the Client from time to time to act for and on behalf of the Client in connection with the Account, whose name and/or specimen signature (where required) has been provided to Orient Futures, including any

person appointed in the Application Form and any person appointed as attorney by the Client under power of attorney notified to the Bank, and in respect of whom Orient Futures has not received from the Client any written notice of revocation or termination of such person's appointment or has received such notice but the reasonable period referred to in Clause 3.18 for Orient Futures to update its records has not elapsed;

**"Business Day"** means any day on which Orient Futures is open for business in Singapore;

**"CFD"** means an OTC Derivatives Contract which is traded on a margin basis, the purpose of which or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in:

- (a) the value or amount of one or more CFD Underlying Instruments; and
- (b) the value or price of any group of CFD Underlying Instruments,

which does not involve the actual taking or physical delivery of any of the CFD Underlying Instruments and which is branded by Orient Futures under the name "contracts for differences" or "CFDs", and includes (for the avoidance of doubt), FX CFDs;

**"CFD Underlying Instrument"** means the underlying reference instrument that forms the subject of the CFD and includes Currency, Securities, Commodities and an index of one or more of such things;

**"Clearing House"** means the SGX-DC, APEX Clear or other clearing facility in any jurisdiction on which Orient Futures clears trades (either directly or by way of Intermediaries) from time to time;

**"Client"** means the person or persons named in the Application as the applicant(s), and where the context so admits, includes any one of those persons and may include one or more individuals, a partnership, a sole proprietorship or a corporation;

**"Client Information"** means any and all information (including personal data within the meaning of the PDPA) concerning the Client (and where applicable, the Client's directors, partners, Authorised Users, Authorised Representatives, shareholders and beneficial owners), the Account (and/or any Orient Futures Account), including, without limitation, information on or relating to any Transaction, the Client's financial condition, the Client's sources of funds or wealth, any dealing between the Client and Orient Futures and/or any member of the Orient Futures Group and any other agreement with any member of the Orient Futures Group;

**"close-out"**, in respect of any Transaction, means the act of closing out such Transaction (whether by way of an offsetting transaction or otherwise) or replacing such Transaction, for providing Orient Futures with the economic benefits of the material terms of such Transaction;

**"Collateral"** includes bankers' guarantees, letters of credit (including stand-by letters of credit), Margin, Commodities, Securities and such other property as Orient Futures may deem acceptable as collateral for the obligations of a Client and up to a maximum percentage of its face value or Margin Value that Orient Futures may from time to time determine;

**"Commodity"** means any Currency, produce, item, good, article or such other items or things as may constitute the subject matter of a Futures Contract, Futures Option, OTC Derivatives Contract or CFD and includes an index, right or interest in such Commodity, and such other



thing, item, index, right or interest of any nature as Orient Futures may, in its sole and absolute discretion, from time to time prescribe to be a Commodity;

**"Companies Act"** means the Companies Act (Chapter 50 of Singapore);

**"Confirmation"** means the written notice (including telex, facsimile or other electronic means from which it is possible to produce a hard copy) which contains the specific terms of a Transaction entered into between the parties and includes a contract note. Ancillary agreements referred to in the Confirmation are part of such Confirmation;

**"connected person"** has the meaning ascribed to it in Section 2 of the SFA;

**"Content"** has the meaning ascribed to it in Clause 10.9(j)(i);

**"Contingent Order"** has the meaning ascribed to it in Clause 8.1;

**"Credit Support Document"** means a guarantee, hypothecation agreement, security agreement or any other document containing an obligation of a third party ("**Credit Support Provider**") or of the Client in favor of Orient Futures supporting any obligations of the Client under this Agreement;

**"Credit Support Provider"** has the meaning ascribed to it in the definition of Credit support Document;

**"CRS"** and **"Common Reporting Standard"** means the Standard for Automatic Exchange of Financial Account Information, developed by the Organisation for Economic Co-operation and Development and any associated similar or analogous legislation, treaty, regulation, instruction or other official guidance of any Authority in any jurisdiction;

**"Customer Account Review"** and **"CAR"** have the meaning as ascribed to the term "Customer Account Review" in the MAS Sale Notice;

**"Customer Knowledge Assessment"** and **"CKA"** have the meaning as ascribed to the term "Customer Knowledge Assessment" in the MAS Sale Notice;

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

**"Default"** has the meaning ascribed to it in Clause 19.1;

**"Derivatives Contracts"** has the meaning ascribed to it in the SFA;

**"Electronic Facility"** has the meaning ascribed to it in Clause 6.10;

**"Electronic Facilities Procedures"** has the meaning ascribed to it in Clause 10.8;

**"Electronic Instruction"** means any instruction, communication, Order or request transmitted through an Electronic Facility and authenticated, whether individually or collectively, with the Security Codes in accordance with Orient Futures' prescribed procedures and requirements;

**"Exchange"** means any exchange or market in any jurisdiction on which Orient Futures trades (either directly or by way of Intermediaries) from time to time and which Orient Futures has consented to include as an Exchange for the purposes of this Agreement, and includes the SGX-DT and APEX;

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

**“Extraordinary Event”** means any event which Orient Futures in good faith believes to have a material adverse effect on any Transaction or otherwise in relation to the Account and shall include, without limitation, any Intermediary Default, any form of exchange control restriction, moratorium or requirement of whatsoever nature affecting availability, convertibility, credit or transfers of Currencies, Commodities, financial instruments or funds, any form of debt or other moratorium on jurisdictions, individuals or entities, any devaluation, redenomination or demonetisation of the underlying Currencies, Commodities, financial instruments or funds of any Transaction and/or any form of restriction or requirement which in Orient Futures’ good faith opinion adversely alters or changes the rights or obligations which Orient Futures in good faith undertook upon the establishment of such Transaction, or otherwise when establishing or maintaining the Account;

**“FAA”** means the Financial Advisers Act (Chapter 110 of Singapore);

**“FATCA”** means:

- (a) sections 1471 to 1474 of the US Internal Revenue Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction;

**“FEOMA”** means Foreign Exchange and Options Master Agreement;

**“financial advisory service”** has the meaning ascribed to it in the FAA;

**“Financial Crime”** has the meaning ascribed to it in Clause 28.1;

**“Force Majeure Event”** means any event beyond the reasonable control of the affected party that prevents that party from performing its obligations or delays the performance of its obligation, including but not limited to:

- (a) any breakdown, malfunction or failure of transmission or power, communication or computer facilities (whether hardware or software) or systems (whether electronic, telecommunicative or otherwise);
- (b) strikes or industrial actions or lockout;
- (c) the failure of any agent (such as an agent, custodian, sub-custodian, carrier, delivery facility) or any relevant Exchange, Clearing House, settlement system or Intermediary for any reason to perform its obligations;
- (d) the mistake, misconduct or omission of other part(ies);
- (e) the unavailability of any energy source or utility;

- (f) the suspension or absence of quotation;
- (g) war, invasion, act of foreign enemy, hostility (whether war has been declared or not), civil war, rebellion, revolution, insurrection, riot, malicious damage, civil commotion, terrorist acts, sabotage or other blockade or embargo, requisition by any government, regional or local authority, competent regulatory authority, department, council or other authority (whether de jure or de facto) or any agency thereof, acts and regulations of any government or supra national bodies or authorities (including any change in any Applicable Laws or taxes), exercise of military or usurped powers or any law, statute, rules, regulation, edict, order, requisition or mandate of any such body;
- (h) the suspension of trading in any Currency, Currency devaluations, imposition or changes to foreign exchange controls, moratorium or governmental intervention or restrictions on Currency exchange or remittance, whether having the force of law or not;
- (i) any act of God, fire, flood, frost, storm, explosion, disease epidemic or chemical contamination; and
- (j) Orient Futures' or an Intermediary's suspension, expulsion or ceasing to be a member of the relevant Exchange or Clearing House;

**"Futures Contract"** has the meaning ascribed to it in the SFA and includes Futures Options;

**"Futures Option"** means any option in relation to a Futures Contract which is transacted in accordance with the business rules or practices of the relevant Exchange;

**"Hedging Transaction"**, in respect of a Transaction entered (or to be entered) into by a party (**"first party"**) with another party, means an offsetting, hedging or other transactions entered into by the first party for the purpose of hedging or otherwise managing the risks and exposures associated with such Transaction;

**"IFEMA"** means International Foreign Exchange Master Agreement;

**"Initial Margin"**, in respect of a Transaction, means the minimum amount of collateral required to be provided to Orient Futures before entering into such Transaction;

**"Intermediary"** has the meaning ascribed to such expression in Clause 17.1;

**"Intermediary Default"** means any wrongdoing, act, omission, insolvency, negligence, breach or duty, misconduct, fraud, wilful default or any other failure or default by or in respect of an Intermediary;

**"Institutional Investor"** has the meaning ascribed to it in the SFA;

**"instant messaging"** includes, without limitation, WhatsApp, WeChat, ICE Chat, Instant Bloomberg and Thomson Reuters Eikon Messenger;

**"Instruction"** means any instruction (including, without limitation, any Order and Electronic Instruction) in connection with any Account, Service, Transaction, given or purported to be given in any manner acceptable to Orient Futures by the Client, any Authorised User or any Authorised Representative;

**“ISDA”** means the International Swaps and Derivatives Association, Inc.;

**“Joint Account”** has the meaning ascribed to it in Clause 3.11;

**“Loss”** means any and all losses, claims, liabilities, damages, costs, charges and expenses (including, without limitation, the costs of complying with any verdict, award or settlement of any dispute, legal fees on a full indemnity basis, cost of funding and loss or cost incurred as a result of the terminating, liquidating or reestablishing of any hedge or related trading position, loss of profit, loss of revenue, loss of opportunity, foreign exchange losses, all duties, taxes and other levies, interest and service charges), whether direct, indirect, special or consequential and any and all other loss of whatsoever nature or description and howsoever arising;

**“Listed Specified Investment Product”** has the meaning ascribed to it in the MAS Sale Notice;

**“Liquidation Date”** has the meaning ascribed to it in Clause 20.1;

**“Maintenance Margin”**, in respect of a Transaction, means the minimum amount of collateral which must be maintained, after the provision of Initial Margin, in order to keep such Transaction open in the Account;

**“Manifest Error”** means any error, omission or misquote (whether an error of Orient Futures or any third party) which is manifest or palpable, including without limitation a misquote by any representative of Orient Futures taking into account the current market and currently advertised quotes, or any error or lack of clarity of any information, source, commentator, official, official result or pronouncement. The fact that the Client may have entered into, or refrained from entering into, a corresponding financial commitment, contract or trade in reliance on a Transaction entered into with Orient Futures (or that the Client has suffered or may suffer any loss whether direct, indirect, consequential or otherwise) is deemed irrelevant as a factor and shall not be taken into account in determining whether a situation amounts to a Manifest Error;

**“Margin”** has the meaning ascribed to it in Clause 14.1 and includes Initial Margin and Maintenance Margin;

**“Margin Value”** means the value of the Margin placed by the Client in the Account as determined by Orient Futures in its discretion;

**“MAS Sale Notice”** means the Notice on the Sale of Investment Products issued by the Monetary Authority of Singapore under the SFA;

**“Master Contract”** means an ISDA Master Agreement, FEOMA, IFEMA or any other contract (including but not limited to confirmations) between the parties, apart from this Agreement, the effect of which is to close out or accelerate transactions or obligations upon the occurrence of an event of default and cause that only a net sum is payable in respect of them by one party to the other;

**“Master Transaction”** means an OTC Transaction subject to the terms of a Master Contract;

**“non-Accredited Investor”** means a customer who is not an Accredited Investor;

**“Officer”** means any officer or employee of Orient Futures;

**“Omnibus Account”** has the meaning ascribed to it in Clause 3.14;

**“Order”** means any offer to enter into a Transaction, or any instruction, request, application or order (in whatever form and howsoever sent, given or transmitted) to Orient Futures of the Client or which Orient Futures or an Officer reasonably believes to be the instruction, request, application or order of the Client and includes any instruction, request or order to revoke, ignore or vary any previous request or order;

**“Orient Futures Account”** means any account of the Client established and maintained with Orient Futures or any member of the Orient Futures Group, whether singly or jointly, including any trading account (online, margin basis, leveraged or otherwise), securities account, custody account, investment account, omnibus customer account and/or sub-account, and includes the Account;

**“Orient Futures Group”** means Orient Futures and its related corporations and any corporation in which Orient Securities Co., Ltd. owns beneficially 50% or more of the equity share capital;

**“Orient Futures Website”** means the website located at the following URL, “<https://www.orientfutures.com.sg/>” or such other website as may be designated by Orient Futures from time to time;

**“OTC”** means over-the-counter;

**“OTC Derivatives Contract”** means a Derivatives Contract that is concluded over-the-counter and not on or through an exchange under its business rules, whether or not cleared and/or settled through an exchange or Clearing House;

**“OTC Transaction”** means any transaction in an OTC Derivatives Contract as Orient Futures may from time to time permit to be carried out under the Account;

**“PDPA”** means the Personal Data Protection Act 2012 of Singapore and the regulations issued under it;

**“Person”** includes any natural person, government, statutory body, business, firm, partnership, corporation or unincorporated body;

**“Potential Default”** means any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default;

**“Products”** means Derivatives Contracts, Futures Contracts, CFDs, Spot FX Contracts (as defined in Section 5) and FX Options (as defined in Section 5);

**“property”** includes all moveable and immovable property (including debts and other choses in action) and any estate, share, right or interest in any property;

**“Proprietary Information”** has the meaning ascribed to it in Clause 10.10;

**“related corporation”** has the meaning ascribed to it in the Companies Act;

**“Retail Client”** means a customer who is not an Accredited Investor or Expert Investor or Institutional Investor;

**“roll-over”**, where applicable with respect to a Transaction, means to extend the Value Date of such Transaction;

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

**“Security Codes”** means all passwords, personal identification numbers (PINs), logon identifiers, electronic devices, tokens and other codes and access procedures issued from time to time by Orient Futures or any party designated by Orient Futures from time to time (each a **“Security Code Issuer”**) in order to enable the Client and/or the Authorised Users to access and/or use the Electronic Facilities. **“Security Codes”** shall include such other passwords, personal identification numbers (PINs), logon identifiers, electronic devices and other codes and access procedures issued by Orient Futures or by the Security Code Issuer in replacement of any Security Codes previously provided to the Client (whether by Orient Futures and/or the Security Code Issuer);

**“Security Code Issuer”** has the meaning ascribed to it in the definition of Security Codes;

**“Service”** means any and all products, services and/or facilities provided by or through Orient Futures under this Agreement at any time and from time to time to the Client;

**“Settlement Date”** means the day on which the Transaction is required to be settled;

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

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

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

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

**“Statement”** has the meaning ascribed to it in Clause 7.4;

**“Third Party Applications”** has the meaning ascribed to it in Clause 10.2;

**“Third Party Licensors”** has the meaning ascribed to it in Clause 10.1;

**“Transaction”** means any transaction in a Product as Orient Futures may from time to time permit to be carried out under the Account and includes any Futures Transaction, OTC Transaction, CFD Transaction, FX Transaction and any other transaction as Orient Futures may from time to time permit to be carried out under the Account;

**“unlisted Specified Investment Product”** has the meaning ascribed to it in the MAS Sale Notice;

**“US Person(s)”** means a US Citizen or resident individual, a partnership or corporation organised in the US or under the laws of the US or any state of the US, a trust if (i) a court within the US would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of trust, and (ii) one or more US Person(s) have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the US. This definition shall be interpreted in accordance with the US Internal Revenue Code. Please note that persons who have lost their US citizenship and who live outside the US may nonetheless in some circumstances be treated as US Person(s);

**“Value Date”**, where applicable in relation to a Transaction:

- (a) in the case of an OTC Transaction, has the meaning ascribed to it in Clause 4.1 of Section 3; and
- (b) in the case of a FX Option and Spot FX Contract, has the same meaning as it bears in Section 5 with respect to such FX Option and Spot FX Contract respectively;

**“Violation”** has the meaning ascribed to it in Clause 4.27(a); and

**“S\$”** and **“Singapore Dollars”** means the lawful currency of the Republic of Singapore.

#### Interpretation

- 1.2 The headings herein are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.3 Expressions in the singular form shall include the plural and vice versa (without limitation to the foregoing, reference to the Account includes all Accounts), and all references to the masculine gender shall include the female and neuter genders and vice versa.
- 1.4 References to **“include”**, **“includes”** and **“including”** as they appear in this Agreement are not limiting and are deemed in each instance to be followed by the words “without limitation”.
- 1.5 The expression **“may”** when used in respect of Orient Futures shall be understood as permitting and entitling Orient Futures to do or not to do a thing, or to take or not to take any action, as the context may require, in Orient Futures’ discretion, but shall not be understood to mean that Orient Futures owes any obligation (whether to the Client or otherwise) to do or not to do the thing, or to take or not to take such action.
- 1.6 References to **“Clause”** in this Agreement are, unless otherwise expressly provided, references to the clause in the Section in this Agreement in which the reference is made.
- 1.7 References to **“Section”** in this Agreement are, unless otherwise expressly provided, references to a section in this Agreement.
- 1.8 References to a **“Schedule”** and **“Appendix”** in this Agreement are, unless otherwise expressly provided, references to a Schedule and Appendix to this Agreement, , as amended, varied, and supplemented by Orient Futures in its sole and absolute discretion from time to time.
- 1.9 A reference in this Agreement to **“document”** shall be construed to include any electronic document.
- 1.10 References to Applicable Laws (or any provisions thereunder), including, without limitation, FATCA and CRS, are to such Applicable Laws and/or provisions as may be from time to time modified, amended or re-enacted.

#### Conflict or inconsistency

- 1.11 Where any term or condition of this Agreement (as the same may be amended, modified or supplemented from time to time) is inconsistent with any Applicable Law, the affected term of this Agreement shall be deemed modified or superseded (as the case may be) by that

Applicable Law to the extent that conformity with the same is achieved and all the other terms of this Agreement and terms so modified shall in all respect continue in full force and effect.

- 1.12 In the event of any conflict or inconsistency between the provisions of Section 1 and the provisions of Sections 2, 3, 4 and 5, the provisions of Sections 2, 3, 4 and 5 (as the case may be) shall prevail over the provisions of Section 1, provided that any terms which are mandatory (and which cannot be waived) under Applicable Laws shall always prevail.
- 1.13 This Agreement may be made available in languages other than English. To the extent of any inconsistency between the English language version of this Agreement and any other translations, the terms of the English language version shall prevail.

## **2. CONDITIONS PRECEDENTS**

- 2.1 The acceptance by the Client of various disclosures, terms and other matters set out in Schedules 1 to 14 (save that, in the case of a Client which is not a Retail Client, such disclosures, terms and other matters shall not include any disclosure, term or matter which is expressed to apply or be provided only to Retail Clients and in the case of a Client which is not an Accredited Investor, every Schedule which is expressed to apply or be provided only to non-Accredited Investors) shall be a condition precedent to Orient Futures' performance of its obligations under this Agreement provided that Orient Futures may in its sole and absolute discretion specify any other documents or additional risk disclosure statements which the Client is required to accept and execute under this Clause.

### KYC

- 2.2 Orient Futures' satisfaction (in its sole and absolute discretion) that it has completed all "know your customer" and other similar procedures that it is required (or deems desirable) to conduct in relation to the Account, and/or the provision of any Service to the Client, shall be a condition precedent to Orient Futures' performance of its obligations under this Agreement.

### Customer Account Review

- 2.3 Without prejudice to the generality of Clause 6.1 or any other provision in this Agreement, where the Client is a Retail Client who is an individual:
- (a) Orient Futures' willingness to permit the Client to operate the Account in respect of Listed Specified Investment Products, and enter into Transactions in Listed Specified Investment Products on the Account, is subject to Orient Futures having established that the Client has, or in the case of a Joint Account, each Client has, the requisite knowledge and/or experience in connection with the Customer Account Review requirements under the MAS Sale Notice; and
  - (b) if the Client, or in the case of a Joint Account, any Client, is assessed or deemed by Orient Futures not to possess the requisite knowledge or experience pursuant to a Customer Account Review as may be conducted by Orient Futures from time to time (including, without limitation, by the Client's failure or refusal to provide all the relevant information and documents to Orient Futures), the Client will not be permitted to operate the Account in respect of Listed Specified Investment Products and enter into any Transaction in Listed Specified Investment Products and Orient Futures may impose any restriction on the Account as it deems appropriate in its sole and absolute discretion without incurring any liability whatsoever to the Client.



### Customer Knowledge Assessment

- 2.4 Without prejudice to the generality of Clause 6.1 or any other provision in this Agreement, where the Client is a Retail Client who is an individual:
- (a) Orient Futures' willingness to permit the Client to operate the Account in respect of unlisted Specified Investment Products, and enter into Transactions in unlisted Specified Investment Products on the Account, is subject to Orient Futures having established that the Client has, or in the case of a Joint Account, each Client has, the requisite knowledge and/or experience in connection with the Customer Knowledge Assessment requirements under the MAS Sale Notice; and
  - (b) if the Client, or in the case of a Joint Account, any Client, is assessed or deemed by Orient Futures not to possess the requisite knowledge or experience pursuant to a Customer Knowledge Assessment as may be conducted by Orient Futures from time to time (including, without limitation, by the Client's failure or refusal to provide all the relevant information and documents to Orient Futures), the Client will not be permitted to operate the Account in respect of unlisted Specified Investment Products and enter into any Transaction in unlisted Specified Investment Products and Orient Futures may impose any restriction on the Account as it deems appropriate in its sole and absolute discretion without incurring any liability whatsoever to the Client.
- 2.5 The Client agrees and acknowledges that, to the fullest extent permitted by law, in conducting any Customer Knowledge Assessment and/or Customer Account Review, Orient Futures does not undertake any duty or obligation to ensure that any Transaction is suitable or recommended for the Client, and Orient Futures shall not be regarded as making any recommendation or suitability representation to the Client by reason only that Orient Futures permitted the Client to open an Account or to enter into any Transaction .

### Collateral

- 2.6 In addition and without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, Orient Futures may, as a condition to accepting the Client's Application and/or the continued maintenance of the Account, require the Client to provide Collateral as security for the Client's obligations under this Agreement.
- 2.7 Orient Futures shall be entitled from time to time to call for the provision of additional Collateral as it thinks necessary.

### No prejudice

- 2.8 For the avoidance of doubt and without prejudice to Clause 32.8, no act or course of conduct on Orient Futures' part (including, without limitation, the opening of the Account, permitting the entry into of any Transaction and the performance of any obligation under this Agreement) shall in any way preclude Orient Futures' right to require subsequent fulfilment of any of the conditions referred to in Clause 2.

## **3. ACCOUNT**

- 3.1 Notwithstanding anything in this Agreement, Orient Futures reserves the right to refuse to open an Account for any reason and shall not be obliged to provide any reason for such refusal.

- 3.2 Upon its acceptance of an Application, Orient Futures will, in accordance with its general operating procedures, open an Account in the name of the Client.
- 3.3 The Client shall not without the prior written consent of Orient Futures assign, charge or encumber any Account or the Client's rights therein, or create or permit to create, in favour of any person (other than Orient Futures) any interest in any Account (by way of trust or otherwise). Orient Futures shall not be required to recognise any person other than the Client as having any interest in any Account.
- 3.4 The Client hereby ratifies all Transactions, if any, effected by Orient Futures on its behalf prior to the date of this Agreement and agrees that such Transactions shall also be governed by the terms of this Agreement.

No CFD Services until further notice

- 3.5 Notwithstanding anything in this Agreement (including but not limited to Section 4), until further notice from Orient Futures, the Services provided by Orient Futures do not include CFD Services and no CFD Transaction may be effected under the Account.

Agent

- 3.6 The Client may only authorise a third party to act on behalf of the Client (each an “**Agent**”) to place any or all Orders, operate the Account, enter into any or all Transactions on the Account, collect monies, assets, contract notes or statements and/or to use any facility or service provided by or through Orient Futures from time to time with Orient Futures’ prior written consent.
- 3.7 The Client agrees and undertakes to provide, or to procure the Agent to provide, Orient Futures with any and all information and documents relating to the Agent that Orient Futures may from time to time request or require.
- 3.8 Both the Client and the Agent shall be required to execute and deliver to Orient Futures a third party authorisation agreement in the form and on such terms and conditions as may be required by Orient Futures, authorising and appointing the Agent to, *inter alia*, place any or all Orders, operate the Account, enter into any or all Transactions on the Account and/or to use any facility or service provided by or through Orient Futures from time to time.
- 3.9 The Client shall be fully responsible for all acts and/or omissions of the Agent as if such acts and/or omissions were made, given or done by the Client and as if the Agent were the Client. If the Client appoints any Agent, the Client shall still be treated as Orient Futures’ sole client for all purposes.

Deposit

- 3.10 The Client may be required to place a deposit with Orient Futures before the Client can begin utilising the Account. Orient Futures may use such deposit to set-off against any sums owed to it by the Client and shall return the balance of such deposit, if any, free of interest upon the termination of the Account.

Joint Account

- 3.11 If the Account is opened or maintained in the name of more than one person or a partnership

(a “**Joint Account**”):

- (a) the expression “Client” shall refer to each person jointly and severally, and the liability of each such person to Orient Futures shall be joint and several;
- (b) Orient Futures may debit the Joint Account at any time in respect of any sum howsoever due or owed to Orient Futures by any of the persons in whose name the Account is opened or maintained;
- (c) the delivery of any monies, instruments and any other property in relation to the Joint Account and/or the Transactions may be made by Orient Futures upon the Order of any one of such persons and such delivery shall constitute full and complete delivery by Orient Futures and shall without limitation be deemed to be sufficient delivery to all such persons; and
- (d) no person constituting the Client shall be discharged, nor shall his liability be affected by, any discharge, release, time, indulgence, concession, waiver or consent at any time given or effected in relation to any one or more of the other such persons constituting the Client.

3.12 Unless otherwise agreed in writing by Orient Futures:

- (a) the Orders or agreement of any one person constituting the Client shall be deemed to be the Orders or agreement of all the persons constituting the Client;
- (b) any notice or communication addressed and sent by Orient Futures to any one person constituting the Client shall be deemed to have been addressed and sent to all the persons constituting the Client; and
- (c) where any such person shall have received or is deemed to have received any such notice or communication, all the persons constituting the Client shall be deemed to have received the same.

3.13 The doctrine of survivorship shall apply to any Account opened in the joint names of more than one person (including where such persons are the permitted assigns of a corporate entity) or in the name of a partnership.

Omnibus Account

3.14 All omnibus accounts (each an “**Omnibus Account**”) (which Orient Futures agrees at its discretion to open for the Client) shall be subject to all Applicable Laws and Clauses 3.15 and 3.16 shall apply:

3.15 The Client holding an Omnibus Account with Orient Futures shall comply with all Applicable Laws with respect to its opening, maintaining and operating of such Omnibus Account and shall at all times provide to Orient Futures all information as Orient Futures may require under any Applicable Laws.

3.16 To the extent that the Client enters into transactions in its own name but for the account of its customers:

- (a) without prejudice to Clause 18.1(d), the Client shall act on behalf of its customers as principal and not as agent; and

- (b) Orient Futures will continue to treat the Client alone (rather than any such other person) as its client for all purposes and in relation to all obligations and as principal in respect of all Transactions entered into hereunder and the Client will be liable as such and no such person shall be a client or customer of Orient Futures.

Updating of particulars etc.

- 3.17 The Client shall keep Orient Futures updated as to any change in the particulars of the Client, or any information relating to any Account or to this Agreement (including its Authorised Users and Authorised Representatives), as supplied to Orient Futures.
- 3.18 The Client agrees acknowledges that:
  - (a) Orient Futures shall be given a reasonable period of 5 Business Days from its receipt of any such update referred to in Clause 3.17 to update its records;
  - (b) Orient Futures shall, before such period has elapsed, be entitled to act in reliance on the particulars of the Client, or any information relating to any Account or to this Agreement, prior to such update and shall incur no liability and (without prejudice to Clause 24) shall not be responsible for any resulting Loss to the Client arising out of or in connection with any such reliance;
  - (c) (without prejudice to Clause 24) if the Client fails to comply with Clause 3.17, Orient Futures shall not be responsible for any resulting Loss to the Client.

Product availability

- 3.19 Orient Futures shall have the right at any time, in its sole and absolute discretion, to change, vary or discontinue access to the Products and Services and/or specific Products and Services previously available to the Client.

**4. GENERAL**

- 4.1 Orient Futures may engage or appoint any person (who is not an Officer or related to Orient Futures) to carry out any Order, to provide any service or facility to the Client or to exercise any authority granted to Orient Futures by the Client (whether under these terms or otherwise). Without prejudice to Clause 24, provided that Orient Futures has engaged or appointed such person in good faith, Orient Futures shall not be liable to the Client for any and all Loss suffered or incurred by the Client as a result of any act or omission of such person or entity.

Single agreement

- 4.2 All Transactions on any Account are entered into in reliance on the fact that this Agreement, all outstanding Transactions (and to the extent recorded in a Confirmation, and each such Confirmation) shall form a single agreement between Orient Futures and the Client and Orient Futures would not otherwise enter into this Agreement and any such Transactions. However, a Transaction which is duly settled or liquidated in accordance with this Agreement or its terms will not form part of such single agreement.

Capacity in which Orient Futures act

- 4.3 Orient Futures may, in its sole and absolute discretion, unless otherwise required under Applicable Laws, act either as agent or principal in respect of any Transaction, whether such Transaction is effected on the Order of the Client or otherwise, and shall not (unless otherwise required under Applicable Laws) be required to inform the Client of the same except as required under Applicable Laws.
- 4.4 Unless otherwise decided by Orient Futures pursuant to Clause 4.3 and subject to Applicable Laws:
- (a) (save for Transactions in spot foreign exchange contracts for purposes of leveraged foreign exchange trading where the Client is a Retail Client) in respect of Transactions on an Exchange, Orient Futures shall act as the Client's agent;
  - (b) where the Client is a Retail Client, in respect of:
    - (i) Transactions not on an Exchange; and/or
    - (ii) Transactions in spot foreign exchange contracts for purposes of leveraged foreign exchange trading,Orient Futures shall act as principal to the Client; and
  - (c) where the Client is not a Retail Client, in respect of Transactions not on an Exchange, Orient Futures may act as agent or principal to the Client.

No advisory or fiduciary relationship

- 4.5 The Client agrees and acknowledges that:
- (a) Orient Futures is not a licensed financial adviser or exempt financial adviser under the FAA;
  - (b) Orient Futures does not provide any financial advisory service and its relationship with the Client in relation to the Client's Transactions is purely as execution only broker/dealer or as counterparty to the Client;
  - (c) Orient Futures is not the Client's fiduciary in any respect, nor is it willing to assume any fiduciary or similar duties or obligations to the Client in any respect;
  - (d) any action which Orient Futures may take or omit to take in connection with the Account and any Service or Transaction or any Order in relation thereto shall be solely for the Client's account and risk;
  - (e) with respect to Transactions where Orient Futures acts as principal to the Client, an obligation or duty to, or a relationship of agency or trust for or with the Client for such Transactions is inconsistent with a principal to principal relationship between Orient Futures and the Client, and Orient Futures does not (unless otherwise required by Applicable Laws) assume any such obligation or duty to the Client or such relationship of agency or trust with the Client;
  - (f) THE CLIENT IS FULLY AWARE AND ACCEPTS THAT THE CLIENT WILL BE

SOLELY RESPONSIBLE TO DETERMINE THE MERITS AND SUITABILITY OF EACH AND EVERY TRANSACTION;

- (g) THE CLIENT HAS TAKEN ALL NECESSARY INDEPENDENT LEGAL, TAX, FINANCIAL AND OTHER ADVICE IN RELATION TO ANY ACCOUNT OR SERVICE BEFORE ENTERING INTO ANY TRANSACTION WITH OR THROUGH ORIENT FUTURES; and
- (h) the provision of general information on certain investment products on Orient Futures Website must not be construed as Orient Futures providing financial advice or recommendation for any investment product.

4.6 Without prejudice to Clause 4.5, the Client agrees and acknowledges that:

- (a) no representative or Officer of Orient Futures, or any Intermediary appointed by Orient Futures in accordance with Clause 17, has any authority to give any advice on or make any representation, trading suggestion or recommendation on Orient Futures' behalf or account (but nothing in this Clause shall prevent the Intermediary from independently, and on the Intermediary's own behalf, providing any advice to the Client upon terms which the Intermediary and the Client may agree);
- (b) any such advice, representation, trading suggestion or recommendation if made or purported to be made on behalf of Orient Futures must therefore be regarded as having been made in the personal capacity of such person giving the same; and
- (c) the Client shall not hold Orient Futures liable for any Losses which the Client suffers if it relies on such advice, representations, trading suggestions or recommendations.

Hedging Transactions entered into by Orient Futures

4.7 The Client acknowledges and agrees that, where Orient Futures act as principal to the Client in respect of a Transaction:

- (a) at Orient Futures' sole and absolute discretion without notice to the Client, Orient Futures may (but is not obliged to) enter into Hedging Transaction(s) for Orient Futures' own account with other counterparties with respect to such Transaction. Such Hedging Transaction(s) may or may not be executed at prices and terms different from those of the Transaction with or quoted to the Client, and Orient Futures shall be under no obligation at any time to disclose such price or terms of the Hedging Transaction(s) to the Client;
- (b) (without prejudice to the generality of Clause 6.1 of Section 1) Orient Futures may refuse to enter into any Transaction with the Client if Orient Futures is unable to enter into or procure such Hedging Transaction(s);
- (c) Orient Futures may not have entered into such Transaction with the Client but for Orient Futures having entered into, or being able to procure, such Hedging Transaction(s); and
- (d) accordingly, in the event of any Default, all Losses, costs and expenses suffered or incurred by Orient Futures as a result of the termination, close-out, liquidation, obtaining, performing or re-establishing any Hedging Transaction shall be wholly borne by the Client.

Nature of provision of Services and other clients

- 4.8 The services to be provided by Orient Futures to the Client under this Agreement are non-exclusive and Orient Futures shall be permitted to perform such services for such other persons as Orient Futures in its absolute discretion deems fit and be duly paid or compensated therefor and Orient Futures shall not be liable or under any obligation :
- (a) to account to the Client for any benefit received by Orient Futures for providing such services to others; or
  - (b) to disclose to the Client any fact or thing which may come to the notice of Orient Futures in the course of providing such services to others or in the course of the business in any other capacity or in any manner whatsoever.
- 4.9 The Client acknowledges and consents that Orient Futures when acting for another client may take the opposite position to the Client in a Transaction. Such other clients of Orient Futures may include its associated persons and connected persons.

Interests of Orient Futures and its connected persons

- 4.10 The Client acknowledges and consents that, without any further notice from Orient Futures, when Orient Futures executes any Orders for the Client, Orient Futures, its related persons and/or connected persons may, subject to the limitations and conditions under Applicable Laws, if any:
- (a) be the counterparty to the Transaction for any proprietary account or an account in which any of them has a direct or indirect interest and shall be entitled to all gains, profits and benefits derived from such Transaction;
  - (b) deal with the Client as agent for both the Client and for another person (whether or not affiliated or connected with Orient Futures);
  - (c) match any Order by the Client with the order of any other person (whether or not affiliated or connected with Orient Futures); and
  - (d) otherwise make a profit in respect of a Transaction or have an interest in a Transaction where a conflict of interest may arise between the Client's interests and those of other clients or counterparties or of Orient Futures, its related persons and/or associated persons.

Referrals; introducers

- 4.11 The Client acknowledges and agrees that, where the Client had been introduced to Orient Futures by a third party, Orient Futures may, subject to Applicable Laws, share Orient Futures' fees, commissions and/or other charges with such third party or any other third party.
- 4.12 The Client also acknowledges that Orient Futures may, subject to Applicable Laws, from time to time (either of its own initiative or at the request of the Client or a relevant third party financial service/product supplier):
- (a) refer the Client to a third party for the possible provision of financial service/product by or through such third party; and/or

- (b) be the means by which a third party is given the opportunity to try to provide the Client with a financial service/product,

in return for the payment to Orient Futures, its related persons and/or connected persons by such third party of agreed fees or commissions. The Client agrees and consents to the foregoing and Orient Futures', its related persons' and/or connected persons' retention and appropriation wholly for its own account and benefit of such fees and/or commissions.

#### Applicable Laws

- 4.13 The Client's relationship with Orient Futures, the operation of all Accounts, the provision of all services and facilities, the implementation and execution of all Orders and the entry into and settlement of all Transactions shall be subject at all times to the Applicable Laws and, to the furthest extent permitted by Applicable Laws, to this Agreement. Notwithstanding anything in this Agreement to the contrary, Orient Futures may take or refrain from taking any action whatsoever, and the Client shall cooperate as required by Orient Futures for its dealings with any Exchange, Clearing House, or any other authority, including assisting and participating in any investigation where necessary, and shall do all things required by Orient Futures in order to secure, procure or ensure for Orient Futures' benefit all compliance with Applicable Laws and Orient Futures shall have no liability whatsoever to the Client.

#### Recordings

- 4.14 Orient Futures shall be entitled (but not obliged) to record (by any means) oral Instruction or other communications (through any medium) between Orient Futures and the Client or any servant or agent of the Client using any recording apparatus, without prior warning or notification to the Client and the Client agrees to the recording of such Instruction or communications. Any such recording shall be Orient Futures' exclusive property and may be used for any reasonable purpose by Orient Futures including, but not limited to, as evidence in any dispute.
- 4.15 Orient Futures may, in accordance with its internal procedures and policies and business requirements, periodically destroy such recordings without giving any reason and without having to account to any Client for the same.
- 4.16 No adverse inferences shall be drawn against Orient Futures for not having made any such recording, or for having destroyed such recording in the ordinary course of its business or pursuant to routine procedures or for not providing, or producing, any such recordings.

#### Client's responsibilities

- 4.17 The Client shall ensure that all necessary authorisations, licences, approvals and consents of any governmental or other regulatory body or authority applicable to each Transaction are obtained and that the terms thereof and of all Applicable Laws are complied with.
- 4.18 Orient Futures may require the Client to supply, and the Client shall supply such evidence of compliance with Clause 4.17 as Orient Futures may require. Notwithstanding the foregoing, the absence or lack of any such authorisation, licence, approval or consent shall not be a bar to any action or proceedings for recovery of payment or delivery by Orient Futures against the Client in respect of any Account, Service or Transaction.
- 4.19 For the avoidance of doubt, notwithstanding anything in this Agreement, the Client acknowledges and agrees that the Client shall be solely responsible for:



- (a) complying with any applicable reporting requirements to which the Client is subject under the Applicable Laws in respect of the Transactions;
- (b) understanding and complying with the Client's tax obligations (including but not limited to, tax payment or filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by Orient Futures. Certain countries may have tax legislation with extra-territorial effect regardless of the Client's place of domicile, residence, citizenship or incorporation. Orient Futures does not provide tax advice. The Client should seek independent legal and/or tax advice. Orient Futures has no responsibility in respect of the Client's tax obligations in any jurisdiction which they may arise including, without limitation, any that may relate specifically to the opening and use of account(s) and/or Services provided by Orient Futures; and
- (c) complying with all exchange controls, capital restrictions and other similar restrictions or requirements imposed by any monetary or other authority, however described, applicable to the Client,

and in no event shall Orient Futures be under any duty to provide any advice to the Client in relation to any of the foregoing and/or to supervise compliance by the Client with any of the foregoing.

4.20 The Client undertakes that any and all of the funds and assets it places with Orient Futures, and any profits that may accrue from the Client's Transactions, will be dealt with in full compliance with the tax laws of the countries where the Client is legally subject to.

4.21 The Client shall be responsible for updating itself as to:

- (a) Orient Futures' standard policies and practices (including Orient Futures' prevailing rates of fees, commissions and/or other charges) which have been made accessible to the Client by Orient Futures;
- (b) the prevailing terms and conditions set out in this Agreement; and
- (c) all Applicable Laws.

4.22 Updated or revised versions of this Agreement will be made available:

- (a) upon 1 Business Day's advance written notice to Orient Futures, for viewing at Orient Futures' registered office during its ordinary business hours; and/or
- (b) posted on the Orient Futures' Website,

for the Client's reference.

Time of the essence

4.23 In respect of the performance of this Agreement by the Client, time shall be of the essence in all respects.

Certificates

4.24 Except in the event of fraud or Manifest Error, the Client agrees that a certificate issued by an Officer as to:

- (a) the substance or content of any oral or telephone or other communications between the Client and Orient Futures;
- (b) any monies owing from the Client to Orient Futures or from Orient Futures to the Client, or any monies or property in any Account; or
- (c) any monies owing from Orient Futures to any Intermediary in relation to Additional Margin,

shall, in the absence of Manifest Error, be conclusive and binding on the Client.

Records

4.25 The records of Orient Futures shall be prima facie evidence of the facts stated therein.

Unclaimed monies and properties

4.26 Notwithstanding Clause 16 and subject to all Applicable Laws, if:

- (a) there are any cash and other property standing to the credit of any Account (including a trust account) which are unclaimed by the Client 6 years after the Client's last transaction with or through Orient Futures; and
- (b) Orient Futures determines in good faith that it is not able to locate or trace the Client,

the Client hereby irrevocably agrees that all such cash and other property including any and all accretions and accruals thereon (which in the case of monies shall include all interests earned thereon and all investments and their respective accretions and accruals which may have been made with such monies) shall be deemed to have been abandoned by the Client in favour of Orient Futures and may be appropriated by Orient Futures to and for itself. The Client thereafter shall have no right to claim such funds or other property or their accretions and accruals.

Notification obligations

4.27 The Client shall immediately notify Orient Futures of:

- (a) any violation of any Applicable Laws (a "**Violation**") or any non-frivolous or non-vexatious investigation or allegation of any Violation, or of any financial or commercial difficulty on the part of the Client, and as soon as practicable thereafter, give Orient Futures full particulars of the Violation, investigation, allegation or difficulty;
- (b) any engagement of the Client in any conduct which is detrimental to the financial integrity or interests of Orient Futures;
- (c) any action, proceeding, enforcement, sanction or injunction against the Client by any self-regulatory organisation, regulator or law enforcement agency whether in or outside Singapore (including without limitation any complaint or investigation involving

an allegation of fraud, dishonesty or financial impropriety); and

- (d) any legal proceedings or investigations against the Client whether in or outside Singapore involving an allegation of fraud, dishonesty or financial impropriety.

## **5. AUTHORISED REPRESENTATIVES AND INSTRUCTIONS**

- 5.1 The Client authorises Orient Futures to act on any Instruction given by the Client and/or an Authorised Representative. All acts and deeds of an Authorised Representative in the exercise or purported exercise of the powers of such Authorised Representative, discretion and authority are at all times deemed ratified and confirmed by the Client. Until receipt by Orient Futures from the Client of written notice of the revocation or termination of the appointment of any Authorised Representative and elapsement of the reasonable period referred to in Clause 3.18 for Orient Futures to update its records, Orient Futures shall be entitled (but is not obliged) to act on the Instructions of such Authorised Representative.
- 5.2 Orient Futures shall be under no duty to inquire into the authenticity of any Instruction or the identity or authority of the person giving or purporting to give any Instruction. Orient Futures is authorised (but is not obliged) to rely upon and act in accordance with any Instruction:
  - (a) which may from time to time be, or purport to be, given orally, whether by telephone or otherwise;
  - (b) which may from time to time be transmitted to Orient Futures by facsimile or similar means or given to Orient Futures in writing (other than by e-mail or instant messaging and contains the signature of the Client and/or the Authorised Representative(s) authorising or purporting to authorise its issue; and/or
  - (c) which may from time to time be transmitted by e-mail or instant messaging sent by the Client and/or the Authorised Representative(s).
- 5.3 Orient Futures is authorised (but is not obliged) to treat all Instructions as fully authorised and binding on the Client, and rely upon and act in accordance with all Instructions regardless of the circumstances prevailing at the time the Instructions were given, the nature or amount of any Transaction effected pursuant thereto and notwithstanding any error, misunderstanding, fraud, forgery, lack of clarity in the Instructions or lack of authority in relation to the Instructions. The Client acknowledges and agrees that the Client is under an express duty to Orient Futures to prevent any fraudulent, forged or unauthorised Instructions being given.
- 5.4 Without prejudice to the generality of Clause 5.3, specifically for e-mail and instant messaging Instructions, Orient Futures shall be authorised to accept and act on all such Instructions given or purportedly given by the Client, whether or not such Instructions are actually authorised by the Client, without any inquiry by Orient Futures as to the authority or identity of the person giving or purporting to give such Instructions or the authenticity thereof, where such Instructions are sent or purportedly sent from e-mail address(es) or instant messaging accounts (as the case may be) provided by the Client or Authorised Representatives, used by the Client and/or the Authorised Representatives in communications with Orient Futures and/or otherwise. The Client undertakes to ratify and confirm all e-mail and instant messaging Instructions upon which Orient Futures may rely and act upon. In the event that Orient Futures accepts and executes any e-mail or instant messaging Instruction or declines to do so, Orient Futures shall be exonerated from all and any liability to the Client and the Client irrevocably waives all claims against Orient Futures.

- 5.5 Orient Futures may require Instructions to be encrypted and/or to contain such identifying code, test or digital signature as it may from time to time specify and the Client shall be responsible for any improper use or misappropriation of such code, test or digital signature or failure to encrypt.
- 5.6 Orient Futures may, in its absolute discretion, without having to state any reason and without any liability whatsoever, refuse to act upon any Instruction, whether in respect of any Account, Service, Transaction and/or otherwise. Without limitation to the generality of the foregoing, Orient Futures may refuse to act upon any Instruction if:
- (a) any Instruction is unclear;
  - (b) Orient Futures receives ambiguous or conflicting Instructions; or
  - (c) Orient Futures believes, in good faith, that any Instruction is fraudulent, forged or unauthorised or that acting on any Instruction may be in breach of any Applicable Laws.
- 5.7 In the event that Orient Futures decides to act on any Instruction or is otherwise under an obligation to act on any Instruction, Orient Futures shall be allowed such amount of time to act and implement such Instruction as may be reasonable having regard to the systems and operations of Orient Futures and the other circumstances then prevailing. Orient Futures shall not be liable for any Loss whatsoever or howsoever arising from any delay on the part of Orient Futures in acting on any such Instruction.
- 5.8 Orient Futures may (but is not obliged to) act on ambiguous or conflicting Instructions and if it so decides to act, Orient Futures shall be entitled to rely and act upon any Instruction in accordance with any interpretation which its Officer believes in good faith to be the correct interpretation and Orient Futures shall not be liable for any Loss whatsoever or howsoever arising from an incorrect interpretation of the Instruction.
- 5.9 Without prejudice to Clause 23 and the generality of Schedule 14 (*Potential Limitations And Risks of Electronic Communications*), the Client acknowledges that it is aware of the risks involved in the use of postal services, telephone, facsimile, e-mail and instant messaging services, Voice Over Internet Protocol and other similar services, which may include errors in transmission, mutilation, interruption or delay in transmission, technical defect, data corruption, viruses, power failure, breakdown of telecommunication networks, fraud, forgery, misunderstanding, unintended disclosure or unauthorised interception or manipulation or fraud or forgery of third parties. The Client agrees that it shall bear all such risks and notwithstanding the foregoing, the Client authorises Orient Futures to accept any Instruction and effect any communication through such means.
- 5.10 Without prejudice to Clause 23 and the provisions of this Clause 5, the Client undertakes to indemnify Orient Futures against all and any Loss incurred by Orient Futures of whatever nature and howsoever arising out of or in connection with Orient Futures acting in accordance with any Instruction and the Client agrees to perform and ratify any contract entered into or action taken by Orient Futures as a result of such Instruction.
- 5.11 Notwithstanding the foregoing, Orient Futures is entitled to reject, not accept or comply with any Instruction without providing any reason to the Client, and may, but shall not be obliged to, require the Client to verify the authenticity of or clarify such Instruction to the satisfaction of Orient Futures prior to Orient Futures executing such Instruction which may result in, amongst others, a delay in executing such Instruction. Orient Futures shall not be liable for all and any

Loss incurred by the Client.

- 5.12 The provisions of this Clause 5 and Orient Futures' rights hereunder shall apply to, and be conferred on, any member of the Orient Futures Group which receives any Instruction, all of which shall be entitled to enforce and enjoy the benefit of this Clause 5 to the fullest extent allowed by law.
- 5.13 Where the Client and/or the Authorised Representative(s) consists of more than one person, Instructions (other than Instructions requiring the signature, as determined by Orient Futures in its absolute discretion) from any one of them may be accepted and acted on by Orient Futures notwithstanding inconsistency with signing instructions notified to Orient Futures.

## **6. ORDERS**

### No obligation to accept Orders

- 6.1 Orient Futures shall be entitled but not bound to accept Orders from the Client, in each case upon and subject to the terms and conditions of this Agreement. Orient Futures shall be under no obligation to enter into any particular Transaction.
- 6.2 If Orient Futures in its absolute discretion declines to accept any Order from the Client, Orient Futures will notify the Client accordingly. Without prejudice to Clause 24, Orient Futures shall not in any circumstances whatsoever be liable in any way for any Loss suffered or incurred by the Client arising out of or in connection with Orient Futures declining to act on such Order or omitting so to notify the Client.
- 6.3 Without prejudice to the generality of Clause 6.1 above, Orient Futures shall only act on Orders in respect of any Account or any part of the cash and other property held in any Account. Orient Futures shall not be required to act in accordance with any Order which purports to dispose of or deal with any cash or other property which is in fact not held in or to the credit of any Account.
- 6.4 Without prejudice to the generality of Clause 6.1 above, Orient Futures shall not have any obligation to act in accordance with any Order if there are insufficient funds in the Account or if Orient Futures believes that to do so might result in either Orient Futures or the Client contravening any Applicable Law.

### Telephone orders

- 6.5 The Client agrees and acknowledges that Orient Futures and its Officers, agents and representatives cannot be expected to recognise the Client's voice or that of any Agent in any circumstances and Orient Futures shall be under no duty to enquire about the identity of any person who gives the Client's name, Account number and Security Code.
- 6.6 Without prejudice to the generality of the other provisions in this Agreement relating to the Security Code, the Client shall be fully liable and responsible for all acts and omissions of any person giving the Client's name, Account number and Security Code, as if such person were the Client, including all Transactions entered into and Instructions given as if such Transactions were made and such Instructions were given by the Client.

Time to implement order

- 6.7 In the event that Orient Futures decides to act on any Order or is otherwise under an obligation to act on any Order, Orient Futures shall be allowed such amount of time to act and implement any Order as may be reasonable having regard to the systems and operations of Orient Futures and the other circumstances then prevailing and shall not be liable for any Loss arising from any delay on the part of Orient Futures in acting on any such Order.
- 6.8 The Client acknowledges and accepts that Orient Futures may not always be able to effect or execute a Transaction on the prices quoted at any specific time, or “at best” or “at market”. The Client agrees in any event to accept and to be bound by the outcome when any discretion is given to Orient Futures to execute a Transaction.

Placement of Orders

- 6.9 The Client may instruct Orient Futures to operate the Account or to execute any Transaction by placing a relevant Order with Orient Futures through such medium and in such manner as Orient Futures may from time to time specify.
- 6.10 Where any electronic broking, trading, clearing or other services, systems or platforms and/or related software and technology is made available to the Client by or through Orient Futures to place Orders, enter into and/or settle Transactions (each an “**Electronic Facility**” and collectively, “**Electronic Facilities**”):
- (a) the Client may place Orders through the use of such Electronic Facilities; and
  - (b) any such Orders placed shall also be subject to, and the Client agrees to comply with, any and all terms and conditions as Orient Futures and/or any other relevant Third Party Licensors may from time to time prescribe or stipulate to be applicable to their provision or the Client’s access and use of such Electronic Facilities (including, without limitation, Clause 10).

Notwithstanding anything to the contrary in this Agreement, and unless Orient Futures otherwise agrees in writing, no Orders may be communicated to Orient Futures by electronic mail or by mail.

Verification, ambiguity/ inconsistency

- 6.11 Orient Futures shall be entitled (but not obliged) to act on any Order and Instruction which Orient Futures in good faith has reason to believe is from the Client without making any independent inquiry as to its genuineness and/or authorisation. The Client undertakes to indemnify Orient Futures (on a full indemnity basis) against any expenses, Losses or damages suffered by Orient Futures in relation to Orient Futures’ acting on any such Order and Instruction.
- 6.12 Without prejudice to Clause 6.11, Orient Futures shall be entitled (but not obliged) to verify and be satisfied with respect to the identity of the person purporting to give an Order or the source and origin of such Order and Orient Futures may defer relying or acting upon any such Order unless and until Orient Futures is satisfied as to the matters on which Orient Futures has sought verification.
- 6.13 Where any Order is ambiguous or inconsistent with any other Order, Orient Futures shall be entitled to rely and act upon any Order in accordance with any reasonable interpretation

thereof which any Officer believes in good faith to be the correct interpretation or refuse to act until a fresh Order is obtained.

Clarification

- 6.14 The Client agrees and acknowledges that if the Client is in any doubt whatsoever as to the validity of any Order for any reason, including, but not limited to, by reason of a breakdown in communication leading to a cessation of connection between Orient Futures and the Client, it is the Client's sole responsibility to contact Orient Futures immediately by telephone in order to obtain clarification as to and/or confirmation of the validity of such Order.

No liability

- 6.15 Without prejudice to Clause 24, in the absence of gross negligence, wilful default or fraud on Orient Futures' part, Orient Futures shall not be liable to the Client for any and all Losses incurred by the Client arising from any Loss or delay in the transmission or wrongful interception of any Order through any equipment or system, including any equipment or system owned and/or operated by or for Orient Futures or any Electronic Facilities.

Order aggregation

- 6.16 The Client acknowledges and consents to the right of Orient Futures, where applicable, to aggregate the Orders with the orders of Orient Futures' other customers (whether for execution in other jurisdictions or otherwise). The allotment or distribution of any Commodities, monies or other property pursuant to such aggregation of Orders to or amongst the Client and its other clients shall, subject to Applicable Laws, be at Orient Futures' sole and absolute discretion. The Client accepts that such allotment or distribution may result in inequities on some occasions. Orient Futures may also effect such Transactions as principal to the counterparty in such jurisdictions and may also take such actions as Orient Futures may reasonably require in order to avoid liability to its counterparty.

Orient Futures' discretion

- 6.17 Where the Client gives any Order which may be executed in more than one Exchange or market and/or by more than one mode or sub-market or sub-exchange (e.g. pit and electronic trading) without specifying the specific Exchange or market or the mode or sub-market or sub-exchange for execution, then Orient Futures shall be deemed to be vested with the discretion to decide where and how the Order should be executed if accepted for execution. So long as Orient Futures exercises its discretion in good faith it shall have no liability whatsoever to the Client with respect to such execution.

**7. STATEMENTS AND CONFIRMATIONS**

Confirmations

- 7.1 Orient Futures is not obliged to inform the Client of the fulfilment of any Order, except via a Confirmation.
- 7.2 The failure by Orient Futures to issue a Confirmation will not prejudice or invalidate the terms of any Transaction. Orient Futures will not have any liability as a result of a failure to issue a Confirmation.

- 7.3 Each Confirmation shall supplement and form a part of this Agreement and shall be read and construed as one with this Agreement and with each other Confirmation, so that this Agreement and all Confirmations, constitute a single agreement between the Client and Orient Futures.

Verification and correctness of Confirmations etc.

- 7.4 The Client shall verify all Confirmations, Account status, advice, contract notes and/or other statements (each a **"Statement"**) sent by Orient Futures to the Client from time to time.
- 7.5 If no objection in writing is raised by the Client within 7 calendar days of the date of any Statement (or such other time period set out in such Statement or, in respect of a Confirmation, such shorter time as may be appropriate given the Value Date of the Transaction to which such Confirmation relates), such Statement shall, in the absence of Manifest Error, be deemed conclusive and binding as against the Client, who shall not be entitled to object thereto.
- 7.6 Notwithstanding Clause 7.5, Orient Futures may at any time rectify any error on any Statement which has been proved to its satisfaction, and may demand immediate repayment from the Client of any monies erroneously paid over to the Client as a result of such error. Any and all objections by the Client shall not be valid unless accompanied by supporting evidence for such objections.
- 7.7 The Client shall immediately notify Orient Futures if any Statement is not received by the Client in the ordinary course of business.
- 7.8 Subject to the provisions of this Clause 7, a Confirmation which does not accurately reflect the relevant Transaction entered into using the telephone or via the relevant Electronic Facility:
- (a) does not affect the validity of the Transaction which the Confirmation evidences; and
  - (b) where there is Manifest Error, does not entitle the Client to enforce whatever is inaccurately recorded in the Confirmation.
- 7.9 Orient Futures reserves the right to void from the outset any Transaction involving or deriving from a Manifest Error or to amend the details of such Transaction to reflect that which Orient Futures considers, in its sole and absolute discretion, acting in good faith, to be the correct or fair details of such a Transaction in the absence of Manifest Error.
- 7.10 Without prejudice to Clause 24, in the absence of fraud or bad faith, Orient Futures shall in no circumstances be liable to the Client for any Loss or demand of whatsoever nature the Client may suffer or incur in connection with any Manifest Error in a Statement howsoever arising, whether direct or indirect, special or consequential, including, but not limited to, loss of profit, loss of opportunity or even if Orient Futures had been advised of the possibility of the same arising or that the same were reasonably foreseeable.

Provision of Statements by electronic means

- 7.11 Subject to Clause 7.12, the Client acknowledges and agrees and accepts that all Statements shall be provided by Orient Futures to the Client by electronic means and:
- (a) Orient Futures may (except to the extent prohibited by Applicable Laws) deliver the



Statements by electronic mail to the electronic mail address provided to Orient Futures by the Client;

- (b) Orient Futures will not impose any additional fees or charges in connection with the provision of these Statements by electronic means; and
- (c) the Client agrees and acknowledges that delivery of these Statements shall be in lieu of printed Statements and it will not receive printed versions of these Statements.

7.12 To the extent that:

- (a) the Client's consent for the provision of any Statement by electronic means is required to be revocable under Applicable Laws; and
- (b) the Client revokes in writing its consent for the provision of any such Statement by electronic means,

Orient Futures shall, following receipt of such written revocation, deliver such Statement in print to the Client.

## 8. **CONTINGENT/ STOP-LOSS/ STOP-LIMIT ORDERS**

8.1 Orient Futures may permit the Client to place limit, stop or other similar orders ("**Contingent Order**") for certain types of Transactions.

8.2 No Contingent Orders are guaranteed, and Contingent Orders may be filled by Orient Futures where it is reasonably able to do so as determined by Orient Futures is its sole and absolute discretion unless:

- (a) Orient Futures has accepted alternative Instructions from the Client; or
- (b) the relevant market has been traded through the level of a Contingent Order outside such market's trading hours but has been restored at the opening of such market such that the Contingent Order level has not been exceeded, in which case Orient Futures will not execute that Contingent Order at the opening of such market.

8.3 The Client must ensure that all relevant requirements in respect of the Client's entering into any Transaction must be complied with, both at the time of any Contingent Order and on its execution (including opening or closing any position). Orient Futures shall be entitled to refuse to accept or fulfil any Contingent Order at its sole and absolute discretion.

8.4 All Contingent Orders the Client places with Orient Futures shall be subject to such restrictions, terms and conditions (including in respect of maximum and minimum trade sizes) which may apply to both on acceptance and on execution, including (without limitation) the maximum trade size applicable at the time of execution of the Contingent Order irrespective of the maximum trade size applicable at the time of placing the Contingent Order. Contingent Orders which on execution would be in excess of the maximum trade size applicable on execution will be executed in tranches of up to the maximum trade size until the Contingent Order is fulfilled. Where this is the case, the Client acknowledges and agrees that the price applicable for each tranche may vary considerably.

## 9. TRANSACTION LIMITS AND RESTRICTIONS

- 9.1 Orient Futures may, in its sole and absolute discretion, without giving the Client any reasons therefor, and without incurring any liability on its part, at any time and without prior notice to the Client, impose upon the Client any position or Transaction limits, and/or any trading or Transaction restrictions. Such limits may include, without limitation, minimum and/or maximum sizes for Transactions (including, but not limited to, specific types of Transactions) at any given time, limits on the maturity periods of Transactions (where applicable) and specified times or procedures for communicating Orders to Orient Futures or otherwise.
- 9.2 Orient Futures may, at any time, in its sole and absolute discretion without giving the Client any reasons therefor, and without incurring any liability on its part, and without prior notice to the Client, vary the position or Transaction limits, and/or any trading or Transaction restrictions. No previous limit or restriction shall set a precedent or bind Orient Futures.
- 9.3 The Client shall not exceed any position or Transaction limits, or breach any trading or Transaction restrictions imposed by Orient Futures in accordance with this Clause 9. For the avoidance of doubt, the Client shall continue to be liable to Orient Futures for any liabilities incurred by the Client over and above the limits set by Orient Futures.

## 10. ELECTRONIC FACILITIES

- 10.1 The Electronic Facilities may be proprietary to Orient Futures or may be licensed by Orient Futures from third party licensors (the “**Third Party Licensors**”) for access and/or use by the Client. In addition to the terms of this Agreement, the Client agrees and undertakes to comply with any and all terms and conditions as Orient Futures and/or such Third Party Licensors may from time to time prescribe or stipulate to be applicable to their provision and/or the Client’s access and/or use of such Electronic Facilities.
- 10.2 To the extent that the Client may use third party technology, web applications, application programme interfaces, software, software code, programmes, protocols and/or other third party resources (the “**Third Party Applications**”) whether independently identified and selected, sourced or used by the Client, made available via Orient Futures or otherwise, to provide connectivity to the Electronic Facilities offered or made available by Orient Futures to place Orders, enter into and/or settle Transactions, the Client acknowledges and accepts that it is solely responsible for and will bear all risks that such Third Party Applications may not be compatible with or function appropriately with the Electronic Facilities.
- 10.3 Orient Futures has the right, without having to furnish any notice to the Client, to modify, update, upgrade, end, suspend, terminate or discontinue the Electronic Facilities or any part thereof, including without limitation the functionality, specifications, availability and/or Content of the Electronic Facilities or any part thereof, temporarily or permanently, at any time. The Client acknowledges and agrees that Orient Futures will not be liable to the Client or any third party for any modifications, upgrades, termination, suspension or discontinuance of the Electronic Facilities or any part thereof.
- 10.4 The Client represents, warrants and undertakes on a continuing basis that the Client has received adequate instructions in respect of the operation and access of the Electronic Facilities and is fully conversant with the Electronic Facilities Procedures and will ensure that all the Authorised Users are equally conversant with and will abide by the Electronic Facilities Procedures.

Authorised Users

- 10.5 The Client agrees and confirms that:
- (a) the Authorised Users are severally empowered and authorised on behalf of the Client to give Orders and shall act as agents of the Client when giving Orders and when accessing and/or using the Electronic Facilities;
  - (b) any Orders made through the Electronic Facilities given by any Authorised Users shall bind the Client in all transactions between Orient Futures and the Client; and
  - (c) all use and/or access of the Electronic Facilities by the Authorised Users shall be deemed the Client's use and/or access.
- 10.6 All references to the Client's use of the Electronic Facilities in this Agreement shall be deemed to include the Authorised Users' use and/or access where applicable.
- 10.7 The Client shall procure and ensure that each Authorised User is aware of, subject to and complies with this Agreement.

Operating rules and policies

- 10.8 The Client agrees to comply with all the notices, guidelines, rules and instructions pertaining to the use of the Electronic Facilities ("**Electronic Facilities Procedures**") as issued by Orient Futures from time to time, including all operating rules or policies that may be published from time to time by Orient Futures and/or made available through the Electronic Facilities.

"As is" and "as available" basis: risks

- 10.9 The Client acknowledges and agrees that access and use of such Electronic Facilities is provided on an "as is" and "as available" basis. Without prejudice to any other provision of this Agreement (including the provisions hereunder), the following shall (except to the extent prohibited by Applicable Laws) apply:
- (a) the use of the Electronic Facilities is at the Client's sole risk;
  - (b) Orient Futures makes no representation or warranty of any kind, express, implied or statutory, including but not limited to any warranties of title, non-infringement of third party rights, merchantability, satisfactory quality and/or freedom from computer virus or other malicious, destructive or corrupting code, agent, program or macros, regarding the Electronic Facilities and/or the content available via the Electronic Facilities;
  - (c) Orient Futures makes no representation or warranty of any kind, express or implied, with respect to the functionality, operation, content, security of any information transmitted by or to the Client using the Electronic Facilities or otherwise of such Electronic Facilities and does not represent or warrant that the Electronic Facilities or any part thereof is free from defect, failure or interruption or that they are fit for the Client's purposes or any particular purpose;
  - (d) the Client acknowledges and accepts that technical difficulties may be encountered in connection with the Electronic Facilities. Such difficulties may include, but not be

limited to, malfunctions, failures, delays, hardware damages or software erosion. Such difficulties could be the result of hardware, software or communication link inadequacies or any other cause and such difficulties could lead to possible economic and/or data loss. The Client further acknowledges that the Electronic Facilities may be subject to interruption, transmission blackout, delayed transmission due to Internet traffic or incorrect data transmission due to the public nature of the Internet;

- (e) Orient Futures, its related corporations, the Third Party Licensors and their respective officers, employees, agents, representatives or contractors shall not in any event be liable for any system errors, malfunctions, breakdowns, inability to access, faults, interruptions or delays in the Electronic Facilities or any inaccuracies, errors or omissions in the information contained in the Electronic Facilities, whatsoever and howsoever arising or caused, other than by the fraud, wilful default or gross negligence of Orient Futures;
- (f) Orient Futures, its related corporations, the Third Party Licensors and their respective officers, employees, agents, representatives or contractors shall not, in the absence of fraud, wilful default or gross negligence, be liable for any loss, cost, claim, demand, expense or damage including, without limitation, loss of profit, loss of revenue, loss of opportunity, consequential, unforeseeable, special or indirect damages or expenses which arise directly or indirectly as a result of accessing or using the Electronic Facilities, even if it had been advised of the possibility of the same arising or that the same were reasonably foreseeable;
- (g) Orient Futures disclaims and excludes, unless expressly prohibited by applicable mandatory law, all terms and conditions and warranties implied by statute or common law in relation to the Electronic Facilities including, but not limited to, merchantability, satisfactory quality, suitability or fitness for any particular purpose;
- (h) Orient Futures shall not be responsible in any way whatsoever for the content, accuracy, timeliness or completeness of any information, data or other services provided through the Electronic Facilities;
- (i) Orient Futures does not warrant that any electronic messages and/or alerts in connection with the Electronic Facilities will be sent to and/or received by the Client. Orient Futures also does not warrant the privacy, security, accuracy, authenticity or completeness of any communication in connection with the Electronic Facilities;
- (j) without prejudice to Clause 24, Orient Futures accepts no liability and will not be liable for any Loss (including any indirect, special, economic or consequential Loss) arising from the Client's use of the Electronic Facilities, and including any Loss (including any indirect, special, economic or consequential Loss) arising from, but not limited to:
  - (i) any defect, error, imperfection, fault, mistake, delay, failure or inaccuracy relating to the Electronic Facilities and/or any content information, data, messages, alerts and/or other materials supplied or received by the Client via the Electronic Facilities (collectively, "**Content**"), or due to any unavailability of the Electronic Facilities or any part thereof or of any Content or any part thereof;
  - (ii) Orient Futures acting on any Orders given to Orient Futures via the Electronic Facilities which are referable to the Client's Security Codes and/or an

Authorised User's Security Codes, as the case may be (whether or not the Client had authorised the Orders and/or use of the Security Codes);

- (iii) any machine, system, server, connection or communications failure, error, omission, interruption, delay in transmission, viruses, industrial dispute or any Force Majeure Event that leads either to the Electronic Facilities being totally or partially inaccessible or unavailable or to Instructions given via the Electronic Facility not being acted upon promptly or at all or to any damage caused to the Client's computer, equipment or system;
- (iv) any intrusion or attack by any person, computer system, computer virus or other malicious, destructive or corrupting code, agent program or macros into the Orient Futures Website and/or any computer system belonging to Orient Futures, the Security Code Issuer and/or the Client;
- (v) any loss of profits, loss of goodwill, loss of anticipated savings or other intangible losses (even if Orient Futures has been advised of the possibility of such loss); and/or
- (vi) any access and/or use of or inability to access and/or use the Electronic Facilities or any reliance by Client on Content (including financial information) provided through the Electronic Facilities; and
- (k) the Client agrees not to bring any legal action, whether in tort, contract or otherwise, against Orient Futures, any Third Party Licensors or any other third party technology providers alleging damages for, the failure by Orient Futures to perform or otherwise settle a Transaction entered by the Client using the Electronic Facilities.

#### Proprietary Information and intellectual property rights

- 10.10 The Client acknowledges that certain databases, programmes, protocols, displays and manuals which may form part of the Electronic Facilities (the "**Proprietary Information**") are proprietary and unique to Orient Futures, Third Party Licensors or third party technology providers, as to which copyright, patent, or other proprietary rights may be held by Orient Futures, such Third Party Licensors, third party technology providers or third parties from whom such Third Party Licensors or third party technology providers have licensed or otherwise acquired such rights. The Client agrees to take or cause to be taken any and all necessary precautions to maintain the confidentiality of such Proprietary Information, to comply with all copyright, trademark, trade secret, patent and other laws necessary to protect all rights in the Proprietary Information as advised by Orient Futures and agrees not to remove, conceal or obliterate any copyright or other proprietary notice, which may include references to Orient Futures, such Third Party Licensors or such other third parties' ownership, as included in the Electronic Facilities.

#### Security Codes

- 10.11 Access to Electronic Facilities shall be subject to this Clause 10 and is granted to person(s) having identified themselves by entering the Security Code(s) in accordance with the Orient Futures' instructions and procedures regarding the use of such Security Code(s). Orient Futures shall have no obligation or responsibility to ensure that such person(s) entering such Security Code(s) accessing the Electronic Facilities through the Security Code(s) is/are the Client and/or an Authorised User.

- 10.12 In order to maintain a high level of security, the Client agrees that Orient Futures and/or the Security Code Issuer:
- (a) may, in its/their sole and absolute discretion, at any time without notice and without assigning any reason therefore, forthwith invalidate and/or suspend or cancel the Client's Security Codes; and
  - (b) (without prejudice to Clause 24) shall not be liable or responsible to the Client for any Loss suffered by the Client or arising out of or in connection with or by reason of such invalidation, suspension or cancellation.
- 10.13 The Client is responsible for the confidentiality and use of its Security Code(s). If the Client becomes aware of any loss, theft or unauthorised use of its Security Code, the Client must notify Orient Futures immediately. Orient Futures may vary, suspend or cancel the Client's Security Code at any time without prior notice but Orient Futures will give the Client notice thereof as soon as practicable thereafter.
- 10.14 The Client accepts full responsibility for the monitoring of its Instructions and/or Orders and safeguarding the secrecy of its Security Code(s) and agrees that the Client shall be fully liable and responsible for any and all unauthorised use and misuse of its Security Code(s) and also for any and all acts done by any person through using the Client's Security Code(s) in any manner whatsoever as if such person were the Client, including all Transactions entered into and Instructions given as if such Transactions were made and such Instructions were given by the Client.
- 10.15 The Client agrees that Orient Futures and its Officers, agents and representatives may act upon any Electronic Instruction without inquiry or investigation as to:
- (a) the authority of the person giving or purporting to give any such Electronic Instruction and/or Order unless such person is not an Authorised User (as identified in accordance with Clause 10.11); or
  - (b) the authenticity of any telephone, facsimile or any other form of electronic communication including internet messaging services,

and may treat the same as fully authorised by and binding on the Client, regardless of the circumstances prevailing at the time of the Instruction or amount of the Transaction and notwithstanding any error, misunderstanding, lack of clarity, fraud, forgery or lack of authority in relation thereto, and without requiring further confirmation in any form, provided that Orient Futures or the Officer, agent or representative concerned believed the Instruction to be genuine at the time it was given.

#### Electronic records

- 10.16 Without prejudice to any other provision of this Agreement, the Client accepts Orient Futures' records of any and all Instructions, communications, operations or transactions made or performed, processed or effected through the Electronic Facilities as (in the absence of Manifest Error) final and conclusive and the same shall be binding on the Client for all purposes.
- 10.17 The Client agrees that such records are admissible in evidence and that the Client shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were in electronic form or were produced

by or are the output of a computer system, and the Client hereby waives any of its rights (if any) to so object.

- 10.18 Clauses 10.16 and 10.17 shall also apply to all records maintained by any third party designated by Orient Futures. To the extent of any inconsistency between Orient Futures' and such third party's records, Orient Futures' records shall (in the absence of Manifest Error) prevail.

## **11. FEES AND PAYMENTS**

- 11.1 The Client shall promptly pay all of Orient Futures' fees and/or other charges at such rates and in such manner as Orient Futures may impose and stipulate from time to time with respect to the execution, performance and/or settlement of any Transaction or otherwise for the maintenance of any Account or the provision of any Service to the Client or in connection with any Account.
- 11.2 The Client shall make payment to Orient Futures' order promptly of any outstanding sum in respect of any Transaction on the Settlement Date of the relevant Transaction or upon demand by Orient Futures.
- 11.3 Orient Futures may charge interest on any sum or payment due to Orient Futures from the Client at such rate and calculated and/or compounded in such manner as Orient Futures may impose and determine from time to time and the Client shall pay such interest to Orient Futures.
- 11.4 All payments to Orient Futures shall be in the Currency in which they are due, in free and clear funds and free of deductions or withholdings. If the Client is required to effect such deductions or withholdings, then the amount due to Orient Futures shall be increased by such amount as shall result in Orient Futures receiving an amount equal to the amount Orient Futures should have received in the absence of such deduction or withholding.
- 11.5 Any taxes, duties, disbursements, costs and/or other expenses incurred by Orient Futures in connection with the Services, the Account or the Client shall be reimbursed in full by the Client.
- 11.6 Unless Orient Futures otherwise agrees in writing with the Client, each obligation of Orient Futures to make any payment to the Client under this Agreement is subject to the condition precedent that there is no Default subsisting or amount owing to Orient Futures by the Client.
- 11.7 If for any reason Orient Futures cannot effect payment or repayment to the Client in a particular Currency in which payment or repayment is due, Orient Futures may effect payment or repayment in the equivalent in any other Currency selected by Orient Futures based on the rate of exchange quoted by Orient Futures in respect thereof at the relevant time.
- 11.8 All interest, fees, commissions and other charges of Orient Futures are exclusive of any goods and services tax or any other applicable sales tax which shall be borne by and separately charged to the Client.
- 11.9 Any and all payments to be made by Orient Futures to the Client shall be made in such manner as Orient Futures may from time to time determine. All such payments shall be subject to all applicable taxes, deductions and withholdings, and less any and all amounts payable by the Client to Orient Futures.

- 11.10 Any sum that may be payable by Orient Futures to the Client shall be subject to all Applicable Laws, including any withholding tax requirement, foreign exchange restriction or control. The Client agrees and acknowledges that, pursuant to the foregoing, Orient Futures may perform, or cause to be performed withholding of any monies payable to the Client, deposit any such monies into a sundry or other account and/or retain such monies pending determination of the applicability of such withholding tax requirement, foreign exchange restriction or control. Orient Futures shall not be liable for any Loss that may be incurred by reason of such withholding, retention or deposit.
- 11.11 Unless Orient Futures otherwise agrees with the Client, each obligation of Orient Futures to make any payment to the Client under this Agreement is subject to the conditions precedent that:
- (a) there is no Default subsisting; and
  - (b) no Liquidation Date in respect of the relevant Transaction has occurred or otherwise been specified.

## 12. FOREIGN CURRENCY TRANSACTIONS

- 12.1 If the Client directs Orient Futures to enter into a Transaction and such Transaction is effected in a Currency other than Singapore Dollars (the “**Relevant Currency**”):
- (a) any Loss resulting from exchange rate fluctuations of the Relevant Currency will be at the Client's sole risk;
  - (b) all initial and subsequent deposits for Margin purposes in respect of that Transaction shall, unless Orient Futures otherwise stipulates, be made in the Relevant Currency and in such amounts as Orient Futures may require; and
  - (c) Orient Futures may debit or credit the Account in the Relevant Currency when such Transaction is liquidated, and the rate of exchange of the Relevant Currency shall be determined by Orient Futures in its discretion on the basis of the rates of exchange prevailing at the time of the debit or credit.
- 12.2 Orient Futures may, at any time, convert any amounts in any Account or standing to the credit of the Client in any other Currency for the purposes of carrying out the Orders of the Client or exercising any of Orient Futures' rights under this Agreement or under any Account. Exchange rate losses and the costs of conversion shall be borne by the Client.

## 13. PAYMENT NETTING

- 13.1 To the extent permitted by Applicable Laws, if on any date two or more amounts would otherwise be payable:
- (a) in the same Currency; and
  - (b) in respect of one or more Transaction on an Account,
- by each of the Client and Orient Futures to the other party, then, on such date, each of the Client's and Orient Futures' obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise



have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by which the larger amount would have been payable to pay to the other party the excess of the larger amount over the smaller aggregate amount.

#### **14. MARGIN**

14.1 Orient Futures may, at any time, from time to time, in its absolute discretion, require the Client to provide to Orient Futures as collateral such cash or other property in such form, and of such amount, Currency denomination, specifications or value as may be acceptable to Orient Futures in its sole and absolute discretion, for:

- (a) the due performance of the Client's obligations under any and all Transactions or Accounts;
- (b) for the entry into or maintaining of any and all outstanding Transactions or Accounts; and/or
- (c) for the due performance of the Client's other obligations to Orient Futures whether hereunder or otherwise,

("Margin"), whether or not such requirement of Orient Futures is to or reflects or is greater than any applicable margin requirements of any governmental, self-regulatory organisation in any jurisdiction (including any Exchange), or any Intermediary which is engaged by Orient Futures in accordance with Clause 17 herein, which is required to be maintained by Orient Futures and/or the Client.

14.2 The Client hereby acknowledges and agrees that:

- (a) separate Margin shall be provided by the Client in respect of each Account or Transaction as Orient Futures may require;
- (b) the Margin in respect of each Account or Transaction shall be treated as separate for the purposes of this Agreement; and
- (c) upon specific Instructions provided by the Client, Orient Futures may transfer all or part of the Margin held by Orient Futures for the Client in respect of any Account or Transaction to any other Account or Transaction, or to utilise such Margin for any purposes as required by the Client.

14.3 Without prejudice to Clause 14.8, the Client undertakes to Orient Futures to provide all Margin:

- (a) by the next Business Day after receiving notification from Orient Futures; or
- (b) on the date and time stipulated by Orient Futures where such Margin is required by Applicable Law or in respect of an Extraordinary Event.

14.4 Without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, in the event that the Client is unable to furnish the Margin in the manner as set out in Clause 14.3, Orient Futures may, without prior notice to the Client, apply and use as Margin for purposes of any Transaction or Account, any and all cash or other property for the time being deposited with, received by, held by or under the

control of Orient Futures for the Client or for the Account.

14.5 Unless otherwise required by Orient Futures pursuant to Clause 14.1:

- (a) the Client shall place the required Initial Margin set by Orient Futures (from time to time) before entering into any Transaction;
- (b) the Client shall at all times maintain sufficient Maintenance Margin as set by Orient Futures from time to time for outstanding Transactions;
- (c) if the Equity falls below the required Maintenance Margin, the Client shall transfer additional margin to Orient Futures (whether or not a Margin Call has been made by Orient Futures) to restore the Equity to the required Initial Margin for the outstanding Transactions; and
- (d) if the Equity falls below Liquidation Level, Orient Futures may close out some or all the Transactions immediately, or at any time thereafter, whether or not a Margin Call has been made.

14.6 For the purpose of Clause 14.5:

- (a) **“Equity”** means the sum of the value of all Margin held for the Account, subject to such discount(s) or hair-cut(s) as Orient Futures may in its sole discretion determine, and the unrealised profits of the outstanding Transactions less the unrealised losses of outstanding Transactions. The determination of the unrealised profits and losses of Transactions shall be made by reference to the prevailing bid, offer or last transacted price of the relevant Product but such determination shall be made by Orient Futures in its sole discretion and the determination of the Equity by Orient Futures is (in the absence of Manifest Error) binding on the Client;
- (b) Initial Margin, in respect of each Transaction, shall be an amount equal to such percentage (as Orient Futures may from time to time determine) of the notional amount of the Transaction;
- (c) Maintenance Margin, in respect of each Transaction at any time, shall be an amount equal to such percentage (as Orient Futures may from time to time determine) of the aggregate Initial Margin required for all outstanding Transactions as if all the outstanding Transactions were established at such time (and not based on the amount placed by the Client to satisfy the Initial Margin requirement for establishing a new Transaction);
- (d) **“Liquidation Level”** means 30% (or such other percentage as Orient Futures may from time to time determine) of the aggregate Initial Margin required for all the outstanding Transactions as if all the outstanding Transactions were established then (and not based on the amount placed by the Client to satisfy the Initial Margin requirement for establishing a new Transaction); and
- (e) all open positions in the Account will be marked-to-market daily or at more frequent intervals as determined by Orient Futures in its sole discretion.

14.7 The Client agrees and acknowledges that it is the Client's principal responsibility to monitor the Equity in its Account, the required Initial Margin and Maintenance Margin for its Account.

14.8 Notwithstanding Clause 14.1, Orient Futures may:

- (a) by notice to the Client, except to the extent prohibited by Applicable Laws, vary its Margin limits, levels and other requirements (referred to as “**Margin Requirements**” for the purposes of this Clause 14) for the Account at any time;
- (b) stipulate that such revised Margin Requirements shall apply to existing positions as well as new positions in respect of the Transactions or Accounts; or
- (c) by notice to the Client, effect an immediate change in Margin Requirements and/or require, with or without prior notice, additional Margin to be deposited immediately or within a very short period of time which may be by the end of the next Business Day but which may be less than 24 hours if required in respect of an Extraordinary Event or by Applicable Laws.

The Client hereby waives any right to object on the grounds that such requirement is unreasonable.

14.9 No previous Margin Requirement shall set a precedent or bind Orient Futures. The Client accepts that this is a risk inherent in the Client’s entering into and dealing in Transactions.

14.10 The Client is expected to monitor its Transactions and comply with all Margin Requirements.

14.11 The value of all Margin provided to and held by, or to be provided to and held by, Orient Futures shall be as determined by Orient Futures in its sole and absolute discretion.

14.12 Orient Futures may (but is not obliged to) at any time and from time to time:

- (a) conduct a valuation or assessment of the Margin provided by or for the Client; and
- (b) the cost of such valuation or assessment shall, except to the extent prohibited by Applicable Laws, be borne by the Client and for the Client’s account.

14.13 Save as provided otherwise in Clause 5 of Section 3, all Margin shall be held by Orient Futures, notwithstanding any provision or Instructions to the contrary, as continuing security and shall be subject to a general lien and right of set-off in favour of Orient Futures for any and all of the Client’s liabilities to Orient Futures (whether contingent or actual) under this Agreement or otherwise, and Orient Futures may realise any of the Margin of the Client as provided for in this Agreement.

14.14 No interest shall be paid on any type of Margin deposited by or for the Client with Orient Futures and the Client acknowledges and consents that interest earned on the Client’s Margin may, except to the extent prohibited by Applicable Laws, be retained by Orient Futures for its own account and benefit.

14.15 Except to the extent required by Applicable Laws, nothing in Clause 14.7 shall oblige Orient Futures to apply and use any cash or other property for the time being deposited with, received by, held by or under the control of Orient Futures for the Client or the Account as Margin for purposes of any Transaction or Account.

14.16 Except to the extent prohibited by Applicable Laws, any and all cash and other property received by Orient Futures as Margin for purposes of any Transaction or Account of the Client may also be applied and used by Orient Futures as collateral to secure any and all of the Client’s obligations to Orient Futures under any other Transaction or Account.

Additional Margin

- 14.17 In addition to the Margin amount as referred to in Clause 14.1, Orient Futures may, at any time, from time to time and in its absolute discretion provide to any Intermediary (which is engaged by Orient Futures in accordance with Clause 17 herein) as collateral, such additional cash or other property in such form, and of such amount, Currency denomination, specifications or value as Orient Futures may determine in its absolute discretion, for:
- (a) the due performance of Orient Futures' obligations under any and all Transactions or Accounts relating to the Client;
  - (b) the entry into or maintaining of any and all outstanding Transactions or Accounts relating to the Client; and/or
  - (c) the due performance of Orient Futures' other obligations to the Intermediary whether hereunder or otherwise relating to the Client,

**("Additional Margin").**

- 14.18 Orient Futures may, at any time, from time to time and in its absolute discretion require, except to the extent prohibited by Applicable Laws, the Client to provide to Orient Futures as collateral, such cash or other property in such form, and of such amount, Currency denomination, specifications or value as Orient Futures may determine in its absolute discretion for the Additional Margin (as applicable).

Insufficient Margin

- 14.19 The Client agrees and acknowledges that if (a) by entering into any Transaction, its Margin will become insufficient for all of the Client's positions, or (b) the Client enters into a Transaction without having provided any Margin to Orient Futures, Orient Futures shall be entitled to immediately, or at any time thereafter, and without notice to the Client liquidate such Transaction. The Client further acknowledges that it would be liable for all commission and transaction costs relating to the aforesaid Transaction and that the Client would be liable for any losses resulting from the liquidation of such Transaction. The Client agrees that Orient Futures shall not be liable for any losses resulting from the liquidation of such Transaction if Orient Futures shall exercise its rights under this Clause 14.19.

Default

- 14.20 Without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, Orient Futures may (but is not obliged to), if it determines in its sole judgment that a Default has occurred, at any time, apply (whether by way of sale, disposal, purchase or otherwise) any and all Margin held by Orient Futures:
- (a) towards the payment of any amounts due and payable by the Client to Orient Futures under any Transaction or Account; or
  - (b) towards meeting any of the Client's obligations and liabilities to Orient Futures (including the obligation to comply with the Margin Requirements and the obligation to provide Additional Margin), whether or not any time which has been allowed for the Client to provide any Additional Margin or take any other action has elapsed,

and Orient Futures' giving of any prior demand or call (including a Margin Call) or any prior notice of the time and place of such sale or purchase shall not be considered as a waiver of Orient Futures' rights under this Clause 14 or Clause 13.

Negative pledge

- 14.21 The Client undertakes neither to create nor to have outstanding any security interest whatsoever over, nor to agree to assign or transfer, any of the cash or non-cash Margin transferred to Orient Futures, other than a lien or other security interest routinely imposed on the type of property (other than cash) so provided in a relevant clearing system.

Further assurance

- 14.22 The Client shall (at its own cost) promptly execute and do all such documents, instruments, assurances, acts and things as necessary or as required by Orient Futures for creating, perfecting and/or protecting the rights of Orient Futures to any Margin, including:
- (a) delivering to Orient Futures all security and other documents, in such form or forms acceptable to Orient Futures, duly executed by the Client or for the Client in favour of Orient Futures; and
  - (b) where necessary, having the same duly filed, stamped and registered in accordance with all Applicable Laws.

Margin Calls

- 14.23 The Client acknowledges that Orient Futures may make a call for Margins (referred to as “**Margin Call**” for the purposes of this Clause 14) on the Client in respect of the Margin Account orally or in writing or in such other manner as Orient Futures may in its sole discretion deem appropriate. Without prejudice to the generality of the foregoing, the Client agrees that:
- (a) Orient Futures may contact the Client at any of the telephone numbers in its Application or at any other telephone numbers as the Client may notify Orient Futures from time to time, for the purpose of any Margin Call and the Client shall make itself available at such telephone numbers; and
  - (b) if Orient Futures fails to reach the Client at such telephone numbers, the Client shall be deemed to have defaulted on the Margin Call.
- 14.24 Any Margin Call must be met on the same day by telegraphic transfer or other similar transfer of cleared funds, verified in such manner as may be required by, and to the satisfaction of, Orient Futures, to such bank account as Orient Futures may designate from time to time for such purpose or by delivery of a bank guarantee issued by a Singapore-incorporated bank in the form required by Orient Futures.
- 14.25 Orient Futures may, before the time for meeting the Margin Call has elapsed, take any step(s) it deems necessary in its sole and absolute interest to protect its financial interests, including exercising any of its rights under Clause 13 and Clause 14.
- 14.26 Except to the extent prohibited by Applicable Laws, Orient Futures may:
- (a) require Additional Margin;

- (b) liquidate the value of all of the positions in a Margin account; and/or
- (c) take such other action or to exercise any of its rights under this Clause 14 or Clause 13,

as it deems fit whenever it considers such action to be necessary for its protection, including in the event of, but not limited to the occurrence of any Default or Extraordinary Event, all without demand for Margin or Additional Margin, or notice to the Client.

- 14.27 If Orient Futures grants any such extension of time for Margin Calls in its discretion, then unless Orient Futures expressly states in writing that such extension of time is intended to override or prevail over Orient Futures' rights under this Clause 14, such extension of time shall be deemed to have been granted subject always to Orient Futures' rights under this Clause 14 and Clause 13.
- 14.28 Notwithstanding Clause 14.27, the Client does not have a right to an extension of time with regards to Margin Calls.
- 14.29 Upon any Margin Call and without prejudice to Orient Futures' rights under this Agreement, any other agreement or otherwise at law, the Client acknowledges that Orient Futures may refuse any request by the Client to enter into any further Transaction until Orient Futures has confirmed receipt of the called Margin in cleared funds.
- 14.30 Notwithstanding the fact that Orient Futures may make Margin Calls, the Client agrees that it is the Client's principal responsibility to monitor any open positions and all other relevant factors used to calculate Margin payable and Orient Futures is not obliged to make Margin Calls of the Client at all or within any specific time period nor shall Orient Futures be liable to the Client for any failure by Orient Futures to contact the Client.
- 14.31 Without prejudice to the Client's obligation to pay Margin immediately when the same becomes due, the Client must notify Orient Futures immediately if the Client cannot, or believes it would not be able to, meet a Margin Call when due.

## **15. ORIENT FUTURES' RIGHTS**

- 15.1 Except to the extent prohibited by Applicable Laws, Orient Futures may, whenever Orient Futures considers it necessary, desirable or advisable for Orient Futures' protection and interests, without prior notice to the Client and at the Client's sole expense and risk, take such actions and/or steps in such manner as Orient Futures deems fit in relation to the Account including, but not limited to:
  - (a) satisfy any obligation the Client may have to Orient Futures (either directly or by way of guarantee or suretyship) out of any cash or other property (including any and all Collateral) of the Client in Orient Futures' custody or control including to apply any amounts of whatsoever nature standing to the credit of any Account against any amounts which the Client owes to Orient Futures (of whatsoever nature and howsoever arising, including any prospective or contingent amounts), or generally exercise Orient Futures' right of set-off against the Client;
  - (b) terminate any outstanding Transactions or other open positions in the Account, or close-out or otherwise liquidate the same in such manner and upon such terms as Orient Futures deems fit;

- (c) sell or buy any or all property outstanding which may be long or short respectively in the Account;
- (d) net or set off some or all positions and balances in the Account;
- (e) combine two or more of the Accounts;
- (f) take delivery under any of the positions in the Account;
- (g) cancel or complete any outstanding Orders or other commitments made on behalf of the Client for the purchase or sale of any property or for any Transaction; and
- (h) cancel any outstanding Orders in order to close the Account or Accounts,

on such terms and conditions as deemed appropriate by Orient Futures in its sole and absolute discretion. In exercising any one or more of its foregoing rights, Orient Futures shall not be obliged to furnish any reason to the Client.

- 15.2 For the avoidance of doubt, Orient Futures may, in the event of a Default, and in addition to its rights and remedies under Clause 21, exercise such other rights and remedies as provided under this Clause 15.
- 15.3 Without prejudice to the generality of Clause 15.1, with respect to any sale or purchase of property of the Client arising out of Clause 15.1 or Clause 21, Orient Futures shall be entitled, in each case, to select in its sole and absolute discretion such of the Client's property to sell and upon such terms, as it may in its sole and absolute discretion think fit (without being responsible for any Loss or diminution in price).
- 15.4 It is understood that, in all cases, a prior demand, or call, or prior notice of the time or place of any sale or purchase under Clause 15.3:
- (a) shall not be considered a waiver of Orient Futures' right to sell or to buy without demand or notice as herein provided;
  - (b) that the Client shall at all times be liable for the payment of any debit balance owing in such Account with Orient Futures upon demand; and
  - (c) that in all cases, the Client shall be liable for any deficiency remaining in such Account in the event of the liquidation thereof in whole or part by Orient Futures or by the Client.
- 15.5 In the event of Transactions for which Orient Futures is called to take up or deliver the underlying but for which funds are not made available by the Client or documents for delivery are not forthcoming when required by Orient Futures, Orient Futures may terminate or close-out such Transactions.
- 15.6 In case of the sale of any property by Orient Futures at the direction of the Client and Orient Futures' inability to deliver the same to the purchaser by reason of the Client's failure to supply Orient Futures therewith, then, Orient Futures may buy-in or borrow for the Client's account any such property necessary to make delivery thereof.

#### Interest

- 15.7 Debit balance(s) in the Account shall be charged with interest thereon at such rate per

calendar month as provided by Orient Futures to the Client and updated by Orient Futures from time to time with prior notice in writing and the Client shall promptly settle, upon demand, all liabilities outstanding to Orient Futures, together with all costs of collection including legal costs on a solicitor and own client basis.

- 15.8 Except to the extent prohibited under Applicable Laws, the Client waives and relinquishes in Orient Futures' favour all claims for interest that may otherwise accrue with respect to monies (including Margin) received on account of the Client (whether held in a trust account, omnibus trust account or subject to a trust in favour of the Client or held with a Clearing House or a member of an Exchange or otherwise).
- 15.9 Notwithstanding Clause 15.8, where Orient Futures believes it to be appropriate, Orient Futures may in its sole and absolute discretion pay over to the Client such part of the interest received by Orient Futures with respect to monies received on account of the Client as Orient Futures may, in its sole and absolute discretion, deem appropriate.

#### Set-off

- 15.10 Orient Futures may, except to the extent prohibited by Applicable Laws, at any time and from time to time without notice set-off any amounts due to the Client or held in any Account or any other account to which the Client is beneficially entitled (whether with Orient Futures or with any member of the Orient Futures Group) to reduce or extinguish any liability whether present or future, actual or contingent, as primary obligor or as surety, owed by the Client to Orient Futures or to any of other member of the Orient Futures Group.

#### Withholding

- 15.11 For so long as the Client owes monies or obligations (of whatsoever nature and howsoever arising whether present or future, actual or contingent, as primary obligor or as surety) to Orient Futures, the Client may not withdraw any cash or other property held with Orient Futures (whether as Margin or otherwise) without Orient Futures' consent. Orient Futures may at any time withhold any cash or other property of the Client pending full settlement of all such monies or obligations of the Client.

#### Consolidation

- 15.12 Without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law (including, without limitation, any right of set-off, combination or other right which Orient Futures may have) and subject to Applicable Laws where the Client has more than one Orient Futures Account, Orient Futures may, in its sole and absolute discretion, at any time without notice to the Client, combine and/or consolidate all or any of the Orient Futures Accounts, set off and/or transfer any sum or sums standing to the credit of any one or more Orient Futures Accounts in settlement of any or all of the Client's obligations or liabilities of whatsoever nature to Orient Futures and any member of the Orient Futures Group in respect of any other Orient Futures Account.

#### Transfer between Accounts

- 15.13 Orient Futures may, in its discretion, at any time and from time to time without notice to the Client apply and/or transfer any or all such cash and other property of the Client's interchangeably between any of the Accounts.



As to provision of information and access by Client

- 15.14 The Client agrees and undertakes to provide Orient Futures with any and all information and documents as well as access to any staff or representative of the Client that Orient Futures may from time to time request or require for the purposes of this Agreement or in connection with any Account of the Client (including any beneficiary or person connected therewith), including such information and documents as Orient Futures may require under Applicable Laws, whether relating to the prevention of financial crime, fraud, bribery, corruption, money-laundering, terrorism financing and any international sanctions or any other matter or for the purposes of assisting any Exchange, Clearing House or authority in relation to any Transaction or any monitoring, surveillance, audit, investigation, enforcement or other action.

Adjustments upon Extraordinary Events

- 15.15 Without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, if there occurs in relation to any Transaction or otherwise in relation to the Account an Extraordinary Event, Orient Futures shall have the sole discretion to determine any adjustments or action whatsoever in relation to such Transaction or any or all Transactions or otherwise to the Account in view of the Extraordinary Event. Such adjustments or actions may include, without limitation:

(a) altering or varying the:

- (i) quantities;
- (ii) exchange rates; and/or
- (iii) specifications,

of Currencies, Commodities, CFDs or instruments bought or sold in respect of such Transaction or some or all Transactions;

(b) terminating the Transaction in question or some or all Transactions, and/or

(c) terminating the Account.

- 15.16 Provided that Orient Futures undertakes such adjustment(s) or action(s) pursuant to Clause 15.15 in good faith, any such adjustment(s) or action(s) shall be binding on the Client who shall be liable for any additional Loss incurred by Orient Futures on the account of the Client or which the Client is consequently liable for as a result of such adjustment or action.

Force Majeure Events

- 15.17 Without prejudice to Clause 24, Orient Futures shall not be liable to the Client for any Loss or delay caused by any Force Majeure Event.

- 15.18 If Orient Futures determines in its reasonable opinion that a Force Majeure Event exists then Orient Futures may in its sole and absolute discretion, without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law and, where relevant, for such period as Orient Futures may in its sole and absolute discretion determine in good faith to do one or more of the following:

(a) cease or suspend trading and/or alter trading times for any Transaction in any market

or Exchange;

- (b) vary commission rates or any other applicable fees or charges;
- (c) exercise a buy-in or force sell in respect of any or all Transactions, refuse any trades for any Transaction, close any or all open trades, cancel or fill any Order, in each case at such level as Orient Futures considers in good faith to be appropriate in all the circumstances;
- (d) require immediate payment of Margin, Collateral or any other amounts the Client may owe Orient Futures;
- (e) vary maximum and/or minimum Transaction size;
- (f) suspend or modify the application of any one or more provisions of this Agreement to the extent that it is impossible or not reasonably practicable for Orient Futures to comply with them; and
- (g) take or omit to take all such other actions as Orient Futures deems appropriate in the circumstances to protect itself and its clients as a whole.

#### General lien

- 15.19 Save as provided otherwise in Clause 5 of Section 3, in addition and without prejudice to any other right of Orient Futures under this Agreement, any other agreement or otherwise at law, Orient Futures shall have a general lien on all cash and other property of the Client (including Margin) which may at any time be in Orient Futures' possession or control or carried on Orient Futures' books for the Client either solely, jointly with others and right of set off for liabilities of the Client to Orient Futures and/or any member of the Orient Futures Group whether or not Orient Futures has made advances in connection with such cash or other property, and irrespective of the number of Accounts the Client may have with Orient Futures.
- 15.20 Orient Futures is hereby authorised to sell and/or purchase, or otherwise apply, any and all such cash and other property (including Margin) without notice to the Client to satisfy such general lien.

#### Charge

- 15.21 Except to the extent prohibited by Applicable Laws, as a continuing security for the payment and satisfaction on demand of all monies and liabilities and the performance of all obligations under this Agreement which are now or at any time hereafter may be due, owing or incurred from or by the Client to Orient Futures, the Client hereby charges to Orient Futures, free of all encumbrances and adverse interests:
- (a) by way of first fixed equitable charge, all cash and other property of the Client which are or have been deposited with, held by or in the custody or control of Orient Futures or its nominee; and
  - (b) by way of a first fixed legal mortgage, all cash and other property of the Client, the title to which has been transferred by the Client or its nominee to Orient Futures or its nominee,

in each case, including dividends, interests, rights, monies or property accruing in respect thereof.

- 15.22 Section 21 and Section 25 of the Conveyancing and Law of Property Act (Chapter 61 of Singapore) shall not apply to the security created pursuant to Clause 15.21 and Orient Futures may exercise the powers of sale conferred on mortgagees by the Act (as may be varied or extended by these terms and conditions) free from the restrictions imposed by Section 25 thereof.
- 15.23 The Client shall, upon request by Orient Futures, forthwith execute (at the Client's cost) all such transfers and other documents as may be necessary to enable Orient Futures or its nominee to perfect the charge, to be registered as owner of, or otherwise obtain legal title to, any securities deposited with or held by it and which are charged to Orient Futures pursuant to Clause 15.21.
- 15.24 Nothing in this Agreement shall restrict the operation of any general lien or other rights or lien whatsoever which Orient Futures may be entitled to under general law.

## **16. CLIENT'S MONIES AND ASSETS**

- 16.1 Where Orient Futures holds cash or other assets (including Margin) on behalf of the Client, Orient Futures shall deposit such cash or other assets in trust accounts or other segregated accounts as required under the SFA, unless otherwise directed by the Client or unless otherwise permitted by the SFA.
- 16.2 Except to the extent prohibited or otherwise required under Applicable Laws:
- (a) Orient Futures may, for the purpose of depositing monies received on the Client's account which are denominated in a foreign Currency in a trust account, maintain a trust account with a custodian outside Singapore which is licensed, registered or authorised to act as a custodian or to conduct banking business in the country or territory where the account is maintained by Orient Futures; and
  - (b) without prejudice to the generality of any other provision in this Agreement, Orient Futures shall have no liability whatsoever to the Client in the case where such custodian is unable (for any reason whatsoever) to return, pay or deliver any portion of the monies in such account to Orient Futures or the Client.
- 16.3 Except to the extent prohibited or otherwise stipulated by Applicable Laws, the Client acknowledges that Orient Futures may place monies (including Margin) received on the Client's account in an omnibus customer trust account together with monies that Orient Futures holds for other customers.
- 16.4 Except to the extent prohibited or otherwise required under Applicable Laws, the Client consents that:
- (a) Orient Futures may hold monies (including Margin) received on the Client's account on trust in the forms of investment stipulated in Regulation 20 of the SFR; and
  - (b) all returns from the investment of the Client's monies held in trust by Orient Futures in accordance with the said Regulation 20 shall accrue to Orient Futures.

Interest waiver

16.5 The Client hereby acknowledges and accepts that:

- (a) as a general rule (except to the extent prohibited by Applicable Laws) funds of the Client (including Margin) in the possession or control of Orient Futures (whether held in a trust account or subject to a trust in favour of the Client or held with a Clearing House or a member of a futures Exchange or a member of an overseas futures Exchange or otherwise) will be held commingled with funds of other customers of Orient Futures (where applicable in a trust account in accordance with the provisions of the SFA);
- (b) one result of the preceding is that it would be administratively difficult and as a matter of economic costs counter-productive to attempt to allocate the respective interest entitlement (if the trust account is interest bearing) on an individual basis. This is primarily because of the constant fluctuations in the value of the commingled funds in such trust account;
- (c) it is a condition for Orient Futures accepting the Client as a customer that the Client agrees therefore to waive and relinquish in favour of Orient Futures any and all rights and entitlements to interest and investment earnings accruing to the Client's share of funds (including Margin), whether held in such trust account or subject to a trust in favour of the Client or held with any Clearing House as collateral for any applicable Transaction (including, without limitation, any OTC Clearing Transaction) in respect of the Client;
- (d) by applying to open the Account with Orient Futures and by being a customer of Orient Futures and/or accessing or using any of Orient Futures' Services, the Client shall be deemed to agree to (and Orient Futures will and does materially rely on the effectiveness of) such waiver and relinquishment as set out in Clause 16.5(c); and
- (e) Orient Futures may however pay from time to time such portion of any actual interest and investment earnings it may receive with respect to such funds (including Margin) as it deems appropriate.

Consent pursuant to regulation 34(2)(c) of the SFR

16.6 Where the Client is a Retail Client:

- (a) the Client acknowledges and confirms that it has read and understood the disclosures set out in Schedule 11 and the risks involved in providing its consent under Clause 15.21(b); and
- (b) pursuant to Regulation 34(2)(c) of the SFR, the Client hereby consents to Orient Futures mortgaging, charging, pledging or hypothecating its assets.

Clearing House Collateral

16.7 The Client hereby acknowledges and accepts that:

- (a) (without prejudice to Clause 24) at no time shall Orient Futures be held liable or responsible in any way for any Loss suffered or incurred by the Client as a result of any investment by a Clearing House of the Client's Margin held with such Clearing

House as collateral for any applicable Transaction (including without limitation any OTC Clearing Transaction) in respect of the Client ("**Clearing House Collateral**"); and

- (b) the deposit or provision of any Clearing House Collateral in any Clearing House shall be subject to:
  - (i) the clearing rules of such Clearing House;
  - (ii) any security deed or document which such Clearing House may require its clearing members to enter into to govern the provision of Clearing House Collateral (which form may be prescribed and amended or supplemented from time to time by such Clearing House); and
  - (iii) any applicable law or regulation (including without limitation the SFA).

## 17. USE OF INTERMEDIARIES

17.1 Without prejudice to the generality of Clause 4.1, Orient Futures may use, engage or appoint, directly or indirectly, any person (including another broker, dealer, market-maker, exchange, clearing house, bank, custodian or other third party) ("**Intermediary**"), whether in Singapore or elsewhere, whether or not an Officer of Orient Futures, and whether or not associated with, connected to or related to Orient Futures, to:

- (a) carry out any Order;
- (b) execute or clear any Transaction;
- (c) hold or custodise any of the Client's funds and assets; or
- (d) exercise any authority granted to Orient Futures by the Client under this Agreement or otherwise.

Such use, engagement or appointment of any Intermediary shall be upon such terms and conditions as Orient Futures deems fit in its discretion.

17.2 Without prejudice to Clause 24, the Client acknowledges, agrees and accepts that if:

- (a) Orient Futures had exercised reasonable care in its selection of the Intermediary;
- (b) such selection of the Intermediary was under the express Instruction of the Client;
- (c) the use of such Intermediary was necessary to carry out Transactions and/or Services for the Client (including for the avoidance of doubt, the custody arrangements made by Orient Futures with respect to the Client's assets); or
- (d) any combination of (a) through (c) applies,

Orient Futures shall have no liability or responsibility for, and the Client shall bear all risks arising from, consequent to, and/or in relation to the acts or omissions of the Intermediary and the Intermediary Default of such Intermediary which is beyond Orient Futures' reasonable control, including without limitation, the loss of all Margin which the Client is required to provide to Orient Futures at Orient Futures' absolute discretion pursuant to Clause 14 and/or

Additional Margin, which is deposited by Orient Futures with the defaulting Intermediary with or through whom the Client's Transactions are to be effected, traded, cleared or settled.

17.3 In view of the fact that where Orient Futures uses, engages or appoints an Intermediary, Orient Futures may have to accept principal responsibility and/or liability to an Intermediary notwithstanding that, as between the Client and Orient Futures, Orient Futures may in fact be the agent of the Client:

- (a) the Client agrees and acknowledges that:
  - (i) any cash or other property (which as between Orient Futures and the Client is to be regarded as that of the Client, or purchased by or for the Client) may or will be regarded by such Intermediary as being the cash or other property of Orient Futures or purchased by Orient Futures for itself;
  - (ii) this may in some instances result in prejudice to the Client. For example, in certain circumstances, the Client's monies and property may be used to satisfy obligations of Orient Futures or other customers of Orient Futures; and
  - (iii) the Client accepts that this is a necessary risk of dealing in Singapore or in any foreign jurisdiction through Orient Futures; and
- (b) in addition and without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, the Client shall indemnify, keep indemnified and hold harmless Orient Futures against any and all Losses (including legal costs on a full indemnity basis) suffered or incurred by Orient Futures whether directly or indirectly in relation to, arising out of or in connection with any act, or omission, or any Intermediary Default, of an Intermediary or such Intermediary's officers, employees, agents or representatives, which is beyond Orient Futures' reasonable control, provided that all actions taken by Orient Futures were in good faith, in compliance or performance of Orient Futures' said principal obligation or responsibility.

17.4 The foregoing rights and remedies of Orient Futures will apply even though as between Orient Futures and the Client, the Client may be in actual or anticipatory default.

## **18. CLIENT'S REPRESENTATIONS, WARRANTIES, AGREEMENT AND UNDERTAKINGS**

18.1 The Client represents, warrants, agrees and undertakes to Orient Futures on a continuing basis that:

- (a) it has full capacity and authority to accept and agree to this Agreement, to open, maintain and/or continue to maintain the Account from time to time opened and/or maintained and/or continued to be maintained with Orient Futures, and to give Orient Futures Orders thereon;
- (b) it has all authorisations, consents, licences or approvals (whether under Applicable Laws or otherwise) required to accept and agree to this Agreement, to open, maintain and/or continue to maintain the Account from time to time opened and/or maintained and/or continued to be maintained with Orient Futures, and to give Orient Futures Orders thereon;
- (c) the Client is not an employee of any governmental or self-regulatory organisation in

any jurisdiction, including any exchange or a member firm thereof, or engaged in the business of dealing (either as agent or principal), which prohibits the Client from establishing a relationship with Orient Futures in dealing in any of the property traded under the Account, and the Client shall promptly notify Orient Futures if it becomes so employed;

- (d) it acts as principal and not as agent or trustee on behalf of another person;
- (e) unless the Client specifically notifies Orient Futures and Orient Futures has agreed, no person other than the Client has an interest in any Account;
- (f) except with the express written consent of Orient Futures, and except for any security or encumbrance created hereunder, no person has or will have any security or other encumbrance over any Account and/or over any cash or property in any Account;
- (g) Orient Futures shall not be under any duty or obligation to inquire into the purpose or propriety of any Order and shall be under no obligation to see to the application of any funds delivered by the Client in respect of any Account;
- (h) any person(s) empowered to act on the Client's behalf have been duly authorised;
- (i) the Client has complied and shall comply with all Applicable Laws in all jurisdictions relevant to any Account, Transaction or service or facility provided or made available by Orient Futures to it (including, without limitation, all tax laws and regulations, exchange controls, capital restrictions and other similar restrictions or requirements imposed by any monetary or other authority, however described, applicable to it);
- (j) the Client shall cause to be filed and/or registered and/or lodged with any relevant authorities such statements of prescribed particulars, forms and/or other documents whatsoever as may be required by any Applicable Law in connection with the execution, delivery, performance, validity, enforceability or admissibility in evidence of this Agreement (including the charges created under Clause 15.21) is obtained and is in full force and effect and there is no default in the observance of any condition imposed in connection therewith;
- (k) all information and/or documents provided by or for or to be provided by or for the Client to Orient Futures in relation to any Application or pursuant to or under this Agreement are true, accurate, complete and not misleading in any and all respects, and nothing has been concealed from Orient Futures which may have a material bearing on Orient Futures' decision to provide or continue to provide any of the services under this Agreement; and
- (l) the Client shall not knowingly or recklessly permit the use of Orient Futures' services, facilities or membership in a manner which is in the opinion of Orient Futures liable to bring Orient Futures, Orient Futures Group or any Exchange or Clearing House into disrepute, impair the dignity or degrade the good name of any of the foregoing. The Client shall not knowingly or recklessly create or maintain or exacerbate manipulations (or attempted manipulations), corners (or attempted corners) or Violations (or arrangements, provisions or directions made or given thereunder), or otherwise be substantially detrimental to the interests or welfare of any markets or Exchange.

18.2 The representations, warranties, agreement and undertakings in Clause 18.1 shall be

deemed repeated whenever the Client gives Orders to Orient Futures, enters into any Transactions or establishes a new Account with Orient Futures.

## 19. EVENTS OF DEFAULT

19.1 A “**Default**” shall be deemed to occur if:

- (a) the Client fails to make, when due, any payment or delivery required to be made by it under this Agreement or in respect of any Account or Transaction;
- (b) the Client fails to comply with or perform any of its obligations hereunder or in respect of any Account or Transaction (other than its payment or delivery obligations described in Clause 19.1(a)) and if such failure (if remediable) is not remedied within 3 Business Days after notice of such failure is given to the Client;
- (c) the Client breaches any provision of the Applicable Laws;
- (d) the Client disaffirms, disclaims or repudiates any Transaction;
- (e) (in the event the Client is comprised of one or more individuals or sole proprietorships) any person constituting the Client dies, becomes bankrupt, of unsound mind, unable to pay his debts as they fall due, or has an action commenced against him to place him in bankruptcy;
- (f) (in the event the Client is a partnership) any of the partners thereof dies, becomes bankrupt, of unsound mind, unable to pay his debts as they fall due or has an action commenced against him to place him in bankruptcy, or if an action is commenced to dissolve and/or alter the partners or the constitution of the Client;
- (g) (in the event the Client is a corporation or other body corporate) the Client or Orient Futures, as the case may be, becomes unable to pay its debts as and when they are due, or any action or step is commenced or any resolution is passed to place the Client or Orient Futures, as the case may be, in liquidation, winding up, insolvency, judicial management, receivership, administrative management, or any similar or analogous proceedings;
- (h) the Client makes any composition, compromise or arrangement with its creditors;
- (i) any claim, action or proceeding of any nature is commenced against the Client, or steps are taken by any person to enforce any security against the Client;
- (j) an encumbrancer takes possession of, or a trustee, receiver, judicial manager, manager or similar officer is appointed for, or a distress, execution, attachment or other process is levied or enforced upon any Account or upon any part of the Client's assets;
- (k) the Client transfers or otherwise disposes of all or substantially all its respective assets to any person, firm or corporation (except for the purpose of and followed by a reconstruction, amalgamation or reorganization on terms approved by Orient Futures before the step is taken) whether by way of scheme of arrangement or otherwise;
- (l) the Client stops or suspends payment of its/his debts or is unable or admits its/his inability to pay its/his debts as they fall due, or commences negotiations with its/his



creditors for the rescheduling of the Client's debts;

- (m) any governmental authority or self-regulatory organization having jurisdiction over either the Client or its assets in the country of its incorporation, organisation or principal office shall take any action under any banking, insurance or similar law or regulation governing the operation of the Client which may prevent the Client from performing its obligations under this Agreement as and when due;
- (n) the Client fails to maintain the required Collateral with Orient Futures or fails to provide additional Collateral if requested by Orient Futures to do so from time to time;
- (o) (A) any Credit Support Provider or the Client itself fails to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with the applicable Credit Support Document and such failure is continuing after any applicable grace period, if any, has elapsed; (B) any Credit Support Document expires or ceases to be in full force and effect prior to the satisfaction of all obligations of the Client under this Agreement, unless otherwise agreed in writing by Orient Futures; (C) the Client or any Credit Support Provider disaffirms, disclaims or repudiates, in whole or in part, or challenges the validity of, any Credit Support Document; (D) any representation or warranty made or given or deemed made or given by any Credit Support Provider pursuant to any Credit Support Document shall prove to have been false or misleading in any material respect as at the time it was made or given or deemed made or given; or (E) any event set out in (e) to (m) above occurs in respect of any Credit Support Provider;
- (p) any representation or warranty made or given or deemed made or given by the Client or a Credit Support Provider pursuant to this Agreement or any document in connection with this Agreement (including, without limitation, any Credit Support Document) is not complied with or proves to be false or misleading in any material respect as at the time it was made or given or deemed made or given;
- (q) the Client suffers, in the opinion of Orient Futures, a material adverse change in its/his financial condition, or the Client fails to give adequate assurance satisfactory to Orient Futures of its/his ability to perform its/his obligations under this Agreement or any Transaction within 48 hours (or such other period as specified by Orient Futures) of a request by Orient Futures to do so;
- (r) any event occurs or circumstances arise which Orient Futures determines gives reasonable grounds for believing that the Client may not be able to perform or comply with any one or more of the Client's obligations under this Agreement or any Transaction;
- (s) Orient Futures forms the view, acting in good faith, that it should take action in order to preserve its rights or interests under any Account or Transaction, or under its relationship with the Client;
- (t) it becomes unlawful, in the good faith judgment of Orient Futures, for Orient Futures or the Client to perform any Transaction or obligation under this Agreement;
- (u) any event occurs, which under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in this Clause 19.1; and/or
- (v) any default, event of default or other similar condition or event (however described)

occurs in respect of the Client or any affiliate of the Client under one or more agreements of any of them (individually or collectively) with Orient Futures.

- 19.2 The Client shall immediately notify Orient Futures if any Default in respect of the Client or any Credit Support Provider occurs, or if a Default or Potential Default in respect of the Client or any Credit Support Provider is likely to occur.

## 20. CLOSE OUT NETTING AND TERMINATION

### Close-out netting

- 20.1 Subject to Clause 20.2 below, on or at any time following the occurrence of a Default (other than a Default occurring under Clause 19.1(e), (f), (g) or (h) (each a “**Bankruptcy Default**”)), Orient Futures may (but is not obliged), by notice to the Client, specify a date (the “**Liquidation Date**”) on which Orient Futures will commence the termination, close-out or liquidation of such Transactions as Orient Futures may determine (each an “**Affected Transaction**”) in accordance with the provisions of Clause 20.4 below.
- 20.2 Unless Orient Futures otherwise specifies, the date of occurrence of any Bankruptcy Default in respect of the Client shall automatically constitute a Liquidation Date without the need for any notice by Orient Futures and the provisions of Clause 20.4 below shall apply in respect of all Transactions (each of which shall be regarded as an Affected Transaction).
- 20.3 The date of occurrence of any Bankruptcy Default (if applicable) in respect of Orient Futures shall automatically constitute a Liquidation Date without the need for any notice by the Client and the provisions of Clause 20.4 below shall apply in respect of all Transactions (each of which shall be regarded as an Affected Transaction).
- 20.4 Upon the occurrence of a Liquidation Date (and unless otherwise required by any Applicable Laws):
- (a) (subject to Clause 20.5 below) neither Orient Futures nor the Client shall be obliged to make any further payments or deliveries under any Affected Transaction which would, but for this Clause 20.4(a), have fallen due for performance on or after the Liquidation Date and such obligations shall be satisfied by settlement (whether by payment, set-off or otherwise) of the Liquidation Amount (as defined below);
  - (b) all outstanding Affected Transactions (including any of the following: (i) any Affected Transaction which as determined by Orient Futures has not been performed; and (ii) any Affected Transaction which as determined by Orient Futures has not been performed and in respect of which the Value Date is on or precedes the Liquidation Date) entered into between the Client and Orient Futures shall (subject to Clause 20.5 below) be deemed immediately terminated at prevailing prices (as determined by Orient Futures in good faith and acting in a commercially reasonable manner);
  - (c) Orient Futures shall determine, in good faith and acting in a commercially reasonable manner, all costs, losses or gains (and if appropriate, including any loss of bargain, cost of funding or, without duplication, cost, loss or gain as a result of the termination, close-out, liquidation, obtaining, performing or re-establishing any hedge or related trading position) in respect of all Affected Transactions, having regard if appropriate to such market quotations published on, or official settlement prices set by any relevant Exchange or market on which the Affected Transactions may have been

traded as may be available on, or immediately preceding, the date of calculation, and in each case, all such costs, losses or gains so determined by Orient Futures shall be expressed in Singapore dollars; and

- (d) all costs and losses to Orient Futures as determined under Clause 20.4(c) above shall be expressed as positive amounts, and all gains by Orient Futures as determined under Clause 20.4(c) above shall be expressed as negative amounts, and Orient Futures shall aggregate all such amounts against each other to derive a single net positive amount or a single net negative amount (the “**Liquidation Amount**”), which (if positive) shall be payable by the Client to Orient Futures or (if negative) shall be payable by Orient Futures to the Client.

- 20.5 For the purposes of Clause 20.4(b), in respect of all Affected Transactions effected on an Exchange or market or otherwise centrally cleared through or novated for clearing to a Clearing House or other central counterparty, the termination of such Transactions shall be effected by Orient Futures acting in good faith and in a commercially reasonable manner (to the extent that it is and remains able to where the relevant Default occurs in respect of Orient Futures) by way of termination, close-out or liquidation of the relevant Affected Transactions or positions on, with or through such Exchange, market, Clearing House or central counterparty in accordance with the applicable business rules and the instructions of such Exchange, market, Clearing House or central counterparty (and such Affected Transactions shall be regarded as being terminated, closed-out or liquidated, not on the Liquidation Date, but only when they are in fact so terminated, closed-out or liquidated as aforesaid, and until this occurs, Clause 20.4(b) above shall not apply to such Affected Transactions); and failing the foregoing, the Affected Transactions which may not be so terminated, closed-out or liquidated as aforesaid, shall be dealt with in such manner as Orient Futures and the Client may agree or otherwise in accordance with the directions and instructions of the Exchange, market, Clearing House or central counterparty.

#### Payment of Liquidation Amount

- 20.6 Orient Futures shall notify the Client of the Liquidation Amount determined pursuant to Clause 20.4 above, and by whom such Liquidation Amount is payable, as soon as reasonably practicable.
- 20.7 A Liquidation Amount shall be paid in Singapore dollars either:
- (a) immediately upon such notification, in the event that the Liquidation Amount is payable by the party in respect of whom the relevant Default has occurred; or
  - (b) by no later than 7 calendar days after the date of such notification, in the event that the Liquidation Amount is payable by the non-Defaulting party (i.e. the party other than the party in respect of whom the relevant Default has occurred).
- 20.8 A Liquidation Amount payable to Orient Futures that is not paid when due shall bear interest, at the rate reasonably determined by Orient Futures to be its cost of funding such overdue amount, which shall accrue on a daily basis and will be due and shall be payable by the Client to Orient Futures.

#### Master Contract

- 20.9 Clause 20 of this Agreement shall not apply to Master Transactions.

- 20.10 Without prejudice to Clause 20.9, if there is a conflict between the terms of the Master Contract and terms of this Agreement (to the extent this Agreement is applicable) with respect to a Master Transaction, the terms of the Master Contract will prevail.

Suspension of obligations

- 20.11 Without prejudice to the foregoing, so long as a Default has occurred and is continuing and Orient Futures has not exercised its rights under this Clause 20, Orient Futures may, at its election and without penalty, suspend its obligation to perform under this Agreement.

Additional rights

- 20.12 For the avoidance of doubt, Orient Futures' rights under this Clause 20 shall be in addition to, and not in limitation or exclusion of, any other rights which Orient Futures may have (whether by agreement, operation of law or otherwise).

**21. RIGHTS ON DEFAULT**

- 21.1 Without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, in the event that Orient Futures determines in its judgement that a Default in respect of the Client or any Credit Support Provider has occurred or a Liquidation Amount payable by the Client is unpaid when due, Orient Futures may immediately, or at any time thereafter, without prior notice to the Client, and at the Client's sole expense and risk, take such action and/or steps in such manner as Orient Futures deems fit in relation to the Account, Transactions and/or Services, including to:

- (a) satisfy any obligation the Client may have that is due to Orient Futures (either directly or by way of guarantee or suretyship) out of any cash or other property (including any and all Collateral) of the Client in Orient Futures' custody or control including to apply any amounts of whatsoever nature standing to the credit of any Account against any amounts which the Client owes to Orient Futures howsoever arising or generally exercise Orient Futures' right of set-off against the Client;
- (b) suspend (indefinitely or otherwise) or terminate any Account, or Orient Futures' relationship with the Client and accelerate any and all liabilities of the Client to Orient Futures so that they shall become immediately due and payable;
- (c) hedge and/or close out any outstanding Transaction (including any Transaction which has yet to be settled on the date on which Orient Futures terminates such Transaction) by determining its value in good faith as of the date of the close-out as soon as practicable after the close-out;
- (d) sell or buy any property outstanding which may be long or short respectively in the Account;
- (e) net or set off some or all positions and balances in the Accounts;
- (f) take delivery under any of the positions in the Accounts;
- (g) cancel or complete any outstanding Orders or other commitments made on behalf of the Client for the purchase or sale of any property or for any Transaction;

- (h) cancel any outstanding Orders in order to close the Account;
- (i) liquidate all Collateral or part thereof at a price which Orient Futures deems appropriate in the circumstances;
- (j) call upon any Collateral or other security including any guarantees and letters of credit which may have been issued to or in favour of Orient Futures as security for the Account;
- (k) demand any shortfall, after taking any one or more of the above steps, from the Client, hold any excess pending full settlement of any other obligations of the Client, or pay any excess to the Client by way of cheque to the last known address of the Client;
- (l) sell, realise, liquidate or otherwise apply all or any part of the Collateral towards satisfaction of any and all of the Client's liabilities to Orient Futures;
- (m) borrow or purchase or otherwise procure any such property being the subject matter of any sale and making delivery under such sale; and/or
- (n) exercise such other authority and powers that may have been conferred upon Orient Futures by this Agreement (including those set out under Clause 13),

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

## **22. NON DEFAULT TERMINATION**

- 22.1 Orient Futures or the Client may terminate any Account or any Service provided by Orient Futures under this Agreement by giving 5 Business Days' notice in writing to the other party.
- 22.2 Prior to the date of any such termination of any Account or Service, the Client shall instruct Orient Futures as to the proper disposal or transfer of monies and other property of the Client in relation to such Account or Service. If the Client fails to do so, Orient Futures may exercise any of its rights under Clause 20 as if a Default had occurred.
- 22.3 Any such termination of this Agreement shall not :
  - (a) affect any outstanding Transaction; or
  - (b) release the Client from any obligations which have accrued to that time (including but not limited to the Client's obligation to pay all fees, commissions and other charges to Orient Futures incurred before, or in connection with, termination of this Agreement) or from any liabilities for any breach of any of the terms of this Agreement arising before the date of termination.

## **23. INDEMNITY**

- 23.1 In addition and without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, the Client shall fully indemnify and keep indemnified promptly on demand (whether such demand is made orally or otherwise) on a full

indemnity basis Orient Futures, any member of the Orient Futures Group and every director, officer, employee, representative or agent of any of the foregoing against any and all Losses, which may be brought against any of them or which any of them may suffer or incur (whether directly or indirectly) in connection with the Account or any Service, Transaction or Order in relation thereto save where the same arises directly from their respective gross negligence or wilful default, including those which Orient Futures may incur or sustain from, by reason of or in connection with:

- (a) Orient Futures acting upon or carrying out any Order or Instruction purportedly given to Orient Futures pursuant to this Agreement;
- (b) any breach by the Client of any provision of this Agreement or such other terms and conditions as are applicable to the Services provided or to be provided by Orient Futures to the Client or Transactions between Orient Futures and the Client;
- (c) any of the Client's representations, warranties, agreements and undertakings in this Agreement or the application form being untrue, incorrect, incomplete or misleading in any material respect;
- (d) Orient Futures using any system or means of transmission, communication, transportation or otherwise in carrying out any Order (including, without limitation to, by reason of Loss, delay, misunderstandings, mistakes, distortions or duplications);
- (e) Orient Futures' provision of the Services to the Client (including, without limitation, the Transactions contemplated hereunder and in connection with all or any matters or Transactions in respect of the Account);
- (f) any default in repayment of any advances upon demand or interest accrued thereon or any sum payable under this Agreement or under any other agreement or any other document whatsoever entered into pursuant to this Agreement or otherwise entered into by the Client in relation to its obligations in favour of Orient Futures (including but not limited to any Loss or expense sustained or incurred by Orient Futures in liquidating any of Orient Futures' foreign exchange contracts, or in taking proceedings hereunder or under any such agreement or other document);
- (g) Orient Futures' involvement (directly or otherwise) in any proceeding (whether in or out of Singapore) of whatever nature in connection with the Client's Orders, Transactions, Account and/or any Service offered to the Client;
- (h) the preparation of any document or agreement necessary to facilitate any Order or Transaction, or providing any Service as may be requested by the Client from time to time or as Orient Futures deems advisable in Orient Futures' sole and absolute discretion;
- (i) Orient Futures' disclosure of Client Information in accordance with this Agreement, any other agreement between Orient Futures and the Client and/or any Applicable Law;
- (j) any exercise of Orient Futures' rights of appropriation, debit, set-off and/or consolidation of accounts;
- (k) any Force Majeure Event;
- (l) any change in any Applicable Law relating to the Account, any Service or

Transaction;

- (m) Orient Futures acting hereunder prior to its receipt of written notice of the termination or revocation of this Agreement by operation of law applicable to the Client;
  - (n) the Client's breach or violation of any third party rights, including violation of any proprietary or intellectual property rights;
  - (o) Orient Futures protecting or enforcing or attempting to protect or enforce any rights it may have against the Client pursuant to this Agreement, any other agreement or otherwise at law; and/or
  - (p) Orient Futures being unable to exercise or being restricted from exercising any of its rights (whether in contract or otherwise) against any person Orient Futures in its absolute discretion enters into any transaction with (including any Transaction), to hedge against any risk(s) Orient Futures in its absolute discretion determines to arise from or relate to any Transaction entered into between the Client and Orient Futures, where such inability to exercise or restriction from exercising such right(s) by Orient Futures arises from any Applicable Law or any action taken by any government, quasi-government, regulatory, fiscal, tax, monetary or other authority, body or person having supervisory jurisdiction over Orient Futures (whether in Singapore or in any other jurisdiction).
- 23.2 The Client agrees to assist Orient Futures in defending any demand, claim, investigation or proceeding of any third party against Orient Futures, or with respect to which Orient Futures seeks indemnification from third parties, in relation to any particular Transaction.

Currency indemnity

- 23.3 If any sum due from the Client or any order or judgment given or made in relation to or in connection with this Agreement has to be converted from the currency in which it is payable by the Client (in this Clause, the "**currency of account**") into another currency (in this Clause, the "**other currency**") for the purpose of making or filing a claim or proof against the Client, obtaining an order or judgment in any court or other tribunal or enforcing any order or judgment given or made in relation to or in connection with this Agreement, the Client shall, as a separate independent debt, indemnify and hold harmless Orient Futures from and against any loss suffered as a result of any difference between the rate of exchange used to convert the sum in question from the currency of account into the other currency and the rate or rates of exchange at which Orient Futures may in the ordinary course of business purchase the currency of account with the other currency upon receipt of a sum paid in satisfaction, in whole or in part, of any such order, judgment, claim or proof.
- 23.4 The receipt or recovery by Orient Futures of any amount in respect of the Client's obligation in a currency (in this Clause, the "**other currency**") other than the currency in which such amount is payable (in this Clause, the "**currency of account**") shall constitute a discharge only to the extent that Orient Futures is able, in accordance with Orient Futures' usual practice, to purchase the currency of account with the other currency so received. The Client shall indemnify and keep Orient Futures indemnified in respect of any shortfall arising therefrom, which shall constitute a separate and independent obligation under this Agreement.

Separate and independent obligation etc.

23.5 Each of the indemnities in this Clause 23:

- (a) constitutes a separate and independent obligation from the other obligations of the Client under this Agreement and shall give rise to a separate and independent cause of action and shall survive termination or expiry of this Agreement;
- (b) shall apply irrespective of any indulgence granted by Orient Futures;
- (c) shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due hereunder or under any judgment or order; and
- (d) shall apply whether or not any claim under it relates to any matter disclosed by the Client or otherwise known to, in contemplation of or foreseeable by Orient Futures.

23.6 The provisions of this Clause 23 and all of the rights of Orient Futures hereunder have been entered into by Orient Futures for itself and as agent for each member of the Orient Futures Group and every director, officer, employee, representative or agent of any of the foregoing, all of whom shall be entitled to enforce and enjoy the benefit of this Clause 23 to the fullest extent permitted by law. For the avoidance of doubt, nothing in the foregoing sentence shall affect Orient Futures' right to amend this Agreement in its sole and absolute discretion pursuant to Clause 31.

23.7 For the avoidance of doubt, the indemnities in this Clause 23 shall not in any way be prejudiced or affected by the closure of any of the Accounts and/or the termination of this Agreement.

## **24. EXCLUSION OF LIABILITY**

24.1 Neither Orient Futures, nor any member of the Orient Futures Group nor any director, officer, employee, representative or agent of any of the foregoing shall be responsible for or liable to the Client for any Loss which may be suffered by the Client in any way in relation to any Account, Transaction or Service or any Order in relation thereto, howsoever caused, unless such Loss is due to the gross negligence or wilful default of Orient Futures. Without prejudice to the generality of the foregoing, in no event shall Orient Futures, nor any member of the Orient Futures Group nor any director, officer, employee, representative or agent of any of the foregoing be liable to the Client for any indirect, special or consequential Loss.

24.2 Without prejudice to the generality of Clause 24.1 or to any other provision in this Agreement, neither Orient Futures, nor any member of the Orient Futures Group nor any director, officer, employee, representative or agent of any of the foregoing shall be responsible for or liable to the Client for:

- (a) any Loss arising from or in connection with:
  - (i) the Client's default or negligence;
  - (ii) the Client's or any Authorised Representative and/or any Authorised User's failure to comply with or fulfil any of the Client's obligations and/or warranties, to the extent that such breach or failure interferes directly or indirectly with



Orient Futures' performance of Orient Futures' obligations under this Agreement;

- (iii) any default, insolvency or analogous proceedings of, or action or inaction by any intermediary, Exchange or Clearing House (including wrongful or unlawful action or inaction);
- (iv) any liability for tax or similar charges payable in connection with any Order or Transaction or arising from the utilisation of any of the Services offered by Orient Futures to the Client;
- (v) Orient Futures acting upon any Order, notice, resolution, request, certificate, report, or other document which Orient Futures, in good faith, believed to be genuine and properly executed or any Instruction from the Client, any Authorised Representative and/or any Authorised User;
- (vi) any falsification of identity or faulty identification which could not have been detected despite Orient Futures exercising due care in verifying the identity of the party Orient Futures is dealing with;
- (vii) Orient Futures' refusal to accept or act on any Order or Instruction from the Client in accordance with this Agreement;
- (viii) any delay or failure in performing any of Orient Futures' duties or other obligations resulting wholly or partly from any action taken by Orient Futures for the purpose of complying with Applicable Laws;
- (ix) any irregularity, inaccuracy, omission, incorrect entry, error and/or unauthorised transaction in any Confirmation, Statement or Transaction or any loss of, destruction of or error in any other records save as expressly provided for in this Agreement;
- (x) the suspension, closure or termination of the Account or any Service made available to the Client or any Authorised Representative and/or any Authorised User;
- (xi) the use of postal services, telegraph, telephone, Voice Over Internet Protocol, telex, SMS, instant messaging, e-mail or any other means of communications with the Client;
- (xii) any delay, interception, loss or failure in the delivery, transmission or dispatch of any communication to the Client or if any communication is not sent in accordance with this Agreement or if the content of any communication is disclosed to any third party during transit;
- (xiii) Orient Futures' disclosure of Client Information in accordance with this Agreement, any other agreement with the Client and/or any Applicable Law;
- (xiv) any information, advice or opinion given by Orient Futures or any Officer to the Client, whether or not provided at the Client's request or relied upon;
- (xv) any constraint which Orient Futures may face (through no fault of Orient Futures) in executing any Order;

- (xvi) any action taken or omission by Orient Futures pending the completion of Orient Futures' update of its records of the Client's particulars and/or information in accordance with this Agreement, including processing of any Order in accordance with Orient Futures' records for the time being or sending any communication to the Client's last known address, facsimile or e-mail address in Orient Futures' records as the Client had directed for any communication to be sent prior to Orient Futures' receipt of the Client's written notice of change;
    - (xvii) Orient Futures enforcing or attempting to enforce or protect any right, power or remedy which Orient Futures may have against the Client pursuant to this Agreement, any other agreement or otherwise at law; and
    - (xviii) Orient Futures' exercise, non-exercise or any delay on Orient Futures' part in exercising any power (including, without limitation, any power of sale), discretion or right conferred upon Orient Futures under this Agreement, any other agreement or otherwise at law; and
  - (b) any loss or any diminution in the value of or damage to any asset or funds under the Account or in respect of any Service, or Transaction or any Order in relation thereto, including for any lost opportunity whereby the value of any asset or funds could have been increased or otherwise in connection therewith or for the acts of any Intermediary appointed by Orient Futures in good faith.
- 24.3 The provisions of this Clause 24 and all of the rights, exemptions from liability, defence hereunder have been entered into by Orient Futures for itself and as agent for each member of the Orient Futures Group and every director, officer, employee, representative or agent of any of the foregoing, all of whom shall be entitled to enforce and enjoy the benefit of this Clause 24 to the fullest extent permitted by law. For the avoidance of doubt, nothing in the foregoing sentence shall affect Orient Futures' right to amend this Agreement in its sole and absolute discretion pursuant to Clause 31.
- 24.4 Any limitations or exclusions of liability contained in this Agreement shall survive any termination of this Agreement howsoever arising.
- 24.5 No other member of the Orient Futures Group shall be responsible or liable for any of the liabilities or obligations of Orient Futures hereunder.
- 24.6 For the avoidance of doubt, the Client shall be liable for any Loss resulting from the Client's disability or incapacity of whatever nature to act. The Client shall also be liable in all cases for any Loss resulting from the disability or incapacity of whatever nature on the part of any Authorised Representative or any Authorised User.

## **25. PERSONAL DATA**

- 25.1 The Client acknowledges and consents to Orient Futures' collection of Client Information for the purposes listed in Clause 25.5 below.
- 25.2 The Client is entitled to withdraw the consent for the collection, use, disclosure and processing of any Client Information at any time by notifying Orient Futures in accordance with Clause 25.12 below, and accepts and acknowledges that in doing so, it may not be reasonably possible for Orient Futures to continue to provide any one or more of its services

to the Client. Orient Futures shall be given a reasonable period of 5 Business Days from its receipt of any such notification to process such withdrawal of consent.

25.3 The Client acknowledges and accepts that any Client Information disclosed by Orient Futures may be subject to further disclosure by the recipient to other parties whether in accordance with the laws of the country in which the recipient is located or otherwise. Such laws may be wider in scope and implemented under less restrictive terms than would otherwise be the case in Singapore. Without prejudice to Clause 24, the Client agrees that Orient Futures shall not be liable for any Loss sustained and/or incurred by the Client by reason of or in connection with such further disclosure by the recipient.

25.4 For the avoidance of doubt:

- (a) any consent given by the Client in relation to the collection, use, processing and disclosure of Client Information shall continue notwithstanding the Client's death or incapacity, the termination of this Agreement or the closure of any of the Account; and
- (b) the rights conferred on Orient Futures in this Clause 25 are in addition to, and shall not prejudice, any other rights that Orient Futures may have under any other agreement or otherwise at law.

#### Purposes

25.5 The Client hereby consents and authorises the collection, use, disclosure and/or processing of Client Information for any of the following purposes:

- (a) account opening, and operations relating to the Account including closing the Account;
- (b) providing the Services to the Client from time to time;
- (c) administration and/or managing the relationship between Orient Futures and the Client and/or the Account;
- (d) conducting identity and/or credit checks;
- (e) developing new services and/or products;
- (f) to update the Client on Orient Futures' products and services from time to time;
- (g) to provide the Client with marketing, advertising and promotional information, materials and/or documents relating to products and/or services that Orient Futures may be selling, marketing, offering or promoting, whether such products or services exist now or are created in the future;
- (h) to comply with any Applicable Laws or such requirement or request of any regulatory authority, including an Exchange or Clearing House or their related corporations, services providers and agents;
- (i) processing any applications or requests for new services and/or products made by the Client;
- (j) enforcing Orient Futures' legal and/or contractual rights against the Client; and

- (k) all other purposes as stated in this Agreement.
- 25.6 The Client agrees and acknowledges that Orient Futures may disclose any Client Information to any member of the Orient Futures Group, third party service providers, agents and advisers (whether located in or outside Singapore) for any of the purposes listed above.
- 25.7 The Client agrees and acknowledges that Orient Futures may transfer any Client Information outside of Singapore to any member of the Orient Futures Group, third party service providers and agents outside of Singapore for any of the purposes listed above. Any such transfer of Client Information outside of Singapore will be carried out in accordance with the PDPA. The Client is entitled to request details of such transfer from Orient Futures at any time, in accordance with Clause 25.12 below.
- 25.8 Without prejudice to the generality of Clause 25.6, the Client consents to, authorises and approves the provision of documents, records or information (including Client Information) to an Exchange and/or the Clearing House and/or their related corporations, service providers and agents for all purposes in connection with:
- (a) the Exchange and/or the Clearing House discharging their obligations under their rules or any applicable law;
  - (b) the opening, administration and operation of the trading, clearing or other relevant accounts with the Exchange or Clearing House or other ancillary purposes; and
  - (c) such other purposes set out in the respective privacy policies of the Exchanges and the Clearing Houses (for the purpose of Clause 25, each referred to as a **"Exchange/Clearing House Privacy Policy"**),
- (for the purpose of Clause 25, all such purposes collectively referred to as **"Exchange/Clearing House Permitted Purposes"**).
- 25.9 Such consents, authorisations and/or approvals shall include consents, authorisations and/or approvals for Client Information to be: (i) collected and/or used by the Exchange and/or the Clearing House and/or their related corporations, service providers and agents; (ii) disclosed by the Exchange and/or the Clearing House and/or their related corporations, service providers and agents to the following persons and their authorised representatives, for all Exchange/Clearing House Permitted Purposes:
- (a) other members of the Exchange or Clearing House;
  - (b) banks of other members of the Clearing House with whom such members' bank accounts are maintained for direct crediting or debiting in connection with Transactions;
  - (c) the Clearing House's bank by whom the Clearing House's bank account is maintained for direct crediting or debiting in connection with Transactions; and/or
  - (d) such other persons as specified in the Exchange/Clearing House Privacy Policy(ies).
- 25.10 The Client acknowledges that it has read and understood and will undertake to read and understand the relevant Exchange/Clearing House Privacy Policy(ies).

Personal data of another individual

- 25.11 If the Client provides Orient Futures with personal data of another individual (including, where applicable, the Client's directors, partners, the Client's appointed mandate and/ or Authorised User, shareholders and beneficial owners), the Client undertakes, represents and warrants to Orient Futures that the Client has obtained such individual's consent for, and hereby consent on behalf of such individual to, the collection, processing, use and disclosure of his/her personal data by Orient Futures in accordance with this Clause 25.

Data Protection Officer

- 25.12 Should the Client have any questions relating to Orient Futures' data protection practices, please contact Orient Futures' Data Protection Officer at [pdpa@orientfutures.com.sg](mailto:pdpa@orientfutures.com.sg).

**26. GOVERNING LAW AND JURISDICTION**

- 26.1 This Agreement (except where specifically otherwise stated) shall be governed by and construed in accordance with the laws of Singapore.
- 26.2 Except where specifically otherwise stated in this Agreement, the parties hereby agree that the courts of Singapore shall have exclusive jurisdiction over any and all disputes arising from or in respect of this Agreement.
- 26.3 Notwithstanding Clause 26.2, but except where specifically otherwise stated in this Agreement, nothing in this Agreement restricts the right of Orient Futures to submit disputes to any other court of competent jurisdiction and the Client agrees to submit to the jurisdiction of such other court, whether concurrently or not.

Service of process

- 26.4 Without prejudice to any other mode of service allowed under any relevant law, where the Client is not an individual resident in Singapore or a Singapore incorporated company or a foreign company registered under Part XI of the Companies Act, the Client:
- (a) irrevocably appoints the person named as the process agent in the Application Form as its agent for service of process in relation to any proceedings before the Singapore courts;
  - (b) must immediately appoint another agent for service of process on terms acceptable to Orient Futures, if any person appointed as process agent is unable for any reason to act as agent for service of process. Failing this, Orient Futures may appoint another agent for this purpose; and
  - (c) agrees that failure by a process agent to notify the Client of the process will not invalidate the proceedings concerned.

No litigation against third parties for account of Client

- 26.5 Unless otherwise agreed or required by Orient Futures, Orient Futures will not engage in litigation or arbitration or any other proceedings (including bankruptcy, winding up and/or other analogous proceedings in connection with the Client's assets or otherwise) against third parties for the account of the Client. For the avoidance of doubt, any termination of this

Agreement shall not affect and shall be without prejudice to this Clause 26.5 which shall survive such termination.

## **27. FATCA, CRS AND OTHER REPORTING/ DISCLOSURE OF INFORMATION**

27.1 The Client authorises Orient Futures, Orient Futures' Officers and any other person who by reason of their scope of work or capacity or office have access to Orient Futures' records, registers or any correspondence or material with regards to the Client Information, to disclose any Client Information, for any purpose whatsoever, to:

- (a) any entity in the Orient Futures Group, wherever situated;
- (b) any government, quasi-government, regulatory, fiscal, monetary or other authority, agency body or person, including, without limitation, any self-regulatory organisation, Clearing Houses and Exchanges or members thereto, whether in Singapore or elsewhere, where such disclosure is required by any Applicable Laws (including applicable laws imposing any reporting and/or withholding obligations on Orient Futures such as the FATCA and CRS);
- (c) any agents or contractors which have agreed to perform works for or provide services to Orient Futures; and
- (d) any other person or entity at any time to whom Orient Futures, any of its Officers or agents are under a duty to disclose or in good faith considers to be appropriate or in Orient Futures' interest to make such disclosure.

27.2 Without prejudice to any provision of this Agreement relating to information or data or its disclosure, the Client consents to the disclosure, without prior notice to the Client, by Orient Futures of any information or data in connection with or relating to the Client, this Agreement and/or any Transaction to the extent required, permitted or desirable to comply with Applicable Laws.

27.3 The consent and authority in Clause 27.1 and Clause 27.2 shall constitute consent and authority for the purpose of the provisions of any Applicable Laws.

27.4 Without prejudice to any provision of this Agreement relating to notification of changes, the Client will promptly notify Orient Futures in writing of any change in:

- (a) the Client's particulars, circumstances, status, including any (where applicable) change in citizenship, residence, tax residency, address(es) on record, telephone and facsimile numbers and e-mail addresses; and
- (b) (where applicable) the Client's constitution, shareholders, partners, directors or company secretary, or the nature of the Client's business.

27.5 Without prejudice to any provision of this Agreement relating to cooperation, the Client will cooperate fully in respect of any enquiry that Orient Futures may make for the purposes of compliance with any Applicable Law (including the FATCA and CRS and/or any other reporting and/or withholding requirements of any government) including promptly providing all relevant information, details and/or documents as may be necessary to enable Orient Futures to comply with the same.

27.6 The Client hereby authorises Orient Futures to make such enquiries and carry out such credit

checks and assessments on itself and to obtain from any third party any and all information regarding the Client or the relationship or account(s) of the Client with such third party as Orient Futures may in its sole and absolute discretion deem fit and undertakes to execute and deliver such documents as Orient Futures may require for the purposes of such enquiries, credit checks and assessment and the obtaining of such information, including but not limited to a letter of authorisation in such form as Orient Futures may require.

- 27.7 Without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, the Client shall indemnify, keep indemnified and hold harmless Orient Futures against any and all liabilities, actions, claims, Losses, damages, costs and expenses (including but not limited to legal costs on a full indemnity basis) suffered or incurred by Orient Futures as a result of or in connection with the Client's disclosure on its US Persons status being inaccurate, outdated or untrue.

## 28. FINANCIAL CRIMES

- 28.1 Orient Futures shall be entitled to take all actions Orient Futures considers appropriate in order for it to meet any obligation or requirement, either in Singapore or elsewhere, in connection with the detection, investigation and prevention of financial crime including fraud, money laundering, terrorism financing, bribery, corruption, or tax evasion or the enforcement of any economic or trade sanction ("**Financial Crime**").
- 28.2 The Client understands and agrees that if any activities, conduct or circumstances the Client is involved in (directly or indirectly) may, in the sole and absolute discretion of Orient Futures, expose Orient Futures to legal or reputational risk, or actual or potential regulatory or enforcement actions, Orient Futures shall at any time, and without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, without giving any reason or notice to the Client, have the right to immediately or at any time thereafter,:
- (a) close all Accounts and terminate all Services the Client has with Orient Futures;
  - (b) delay, block or refuse the making or clearing of any payment, the processing of any Transaction or the provision of all or part of the Services; and/or
  - (c) make reports and take such other actions as Orient Futures may deem appropriate,
- without incurring any liability to the Client.

## 29. COMMUNICATIONS FROM ORIENT FUTURES

- 29.1 Communications may be transmitted or sent by Orient Futures to the Client by telephone, electronic mail, facsimile or to any postal address of the Client at such numbers or address(es) last known to Orient Futures.
- 29.2 Where:
- (a) the Account is a Joint Account; and
  - (b) no specific person is nominated for receiving communications from Orient Futures,
- Orient Futures may address, transmit and/or send all communications to the first of such

persons identified in Orient Futures' written records and such communication shall be deemed to be sent to all such persons.

29.3 Where there is one or more Authorised Representative in relation to any Account, any notice, demand and/or other communications shall be deemed to be received by the Client if it is received (or deemed received) by any one of the Authorised Representative (whether or not it is forwarded to or received by the Client).

29.4 Any such communications shall be deemed received by the Client:

- (a) in the case of electronic mail or facsimile communications, immediately upon transmission by Orient Futures; or
- (b) in the case of posted communications, 1 calendar day after the communication was dispatched by Orient Futures, whether or not actually received by the Client.

29.5 Communications served personally on or delivered personally to the Client by Orient Futures shall be deemed received upon service or delivery.

29.6 The risk of loss or damage to, and the costs of delivery of, any articles or items sent to the Client shall be borne by the Client.

### **30. GENERAL POWER OF ATTORNEY**

30.1 Orient Futures is hereby authorised as the Client's attorney (with full rights of substitution) with full authority to be the Client's true and lawful attorney and in the Client's name to do on the Client's behalf and as the Client's acts and deeds, all things which the Client could have done for the purposes of:

- (a) carrying out any Orders of the Client;
- (b) sign and execute all documents;
- (c) discharging any of its obligations to the Client; and/or
- (d) doing any act or thing as may, in Orient Futures' opinion, be necessary or desirable for the purposes of preserving its rights hereunder.

30.2 Registration of this power of attorney in any jurisdiction may be effected on the Client's behalf by Orient Futures at the Client's expense.

30.3 The Client undertakes to ratify and confirm, and hereby ratifies and confirms, all and whatsoever Orient Futures may do pursuant to this power of attorney.

### **31. AMENDMENTS**

31.1 The Client acknowledges, agrees and accepts that Orient Futures shall have the right at any time at its sole and absolute discretion to amend, vary or supplement any of the clauses in this Agreement or any additional or specific terms relating to any Account, Service or Transaction, by not less than 5 Business Days' notice to the Client by electronic mail, post and/or any means as Orient Futures deems fit, including by publication of the same on the Orient Futures Website. Any such amendment, variation or supplement shall take effect as



from the date specified in such notice (the “**effective date**”), provided that such date is not less than 5 Business Days’ from the date of the notice.

- 31.2 Without prejudice to Clause 31.1, use of the Services (including, without limitation, the placing of any Order or entry into of any Transaction) after the the effective date (as defined in Clause 31.1) of such amendments, variations and/or supplements shall be deemed as the Client’s acceptance in totality and agreement to all such amendments, variations and/or supplements.
- 31.3 Notwithstanding Clause 31.1, no prior notice to the Client shall be required for any amendments, variations or supplements required by Applicable Law or by the relevant Exchange, Clearing House or Intermediary (as the case may be).

## **32. MISCELLANEOUS**

### Third party rights

- 32.1 Unless expressly provided to the contrary in this Agreement, a person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any of the terms in this Agreement.
- 32.2 Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement between the parties hereto to amend or vary (including any release or compromise of any liability) or terminate this Agreement. Where third parties are conferred rights under this Agreement, those rights are not assignable or transferable.

### Rights and remedies

- 32.3 All of Orient Futures’ rights and remedies under this Agreement are cumulative of, in addition to, and not exclusive or in derogation of, any other rights or remedies provided or available to Orient Futures hereunder, by law, in equity or by any other agreement.

### Entire agreement

- 32.4 The Client acknowledges that it has not relied on or been induced to enter into this Agreement by a representation other than those expressly set out in this Agreement. Without prejudice to Clause 24, Orient Futures shall not be liable to the Client (in equity, contract or tort under the Misrepresentation Act (Chapter 390 of Singapore)) for any representation that is not set out in this Agreement and that is not fraudulent.

### Assignment

- 32.5 This Agreement shall be binding on Orient Futures and the Client and their respective successors in title and assigns, and shall continue to be binding on the Client notwithstanding any change in the name or constitution of Orient Futures, or the consolidation or amalgamation of Orient Futures into or with any other entity.
- 32.6 The Client may not assign its rights hereunder or under any Account or Transaction without the prior written consent of Orient Futures.
- 32.7 Orient Futures may assign any or all of its rights hereunder or under any Account to any affiliate or successor of Orient Futures, or change the office through which any Transaction is booked, or through which it makes or receives payments or deliveries for the purpose of any

Service or Transaction.

No waiver

- 32.8 No failure to exercise or enforce and no delay in exercising or enforcing on the part of Orient Futures of any right, power or privilege shall operate as a waiver thereof, nor shall it in any way prejudice or affect the right of Orient Futures afterwards to act strictly in accordance with the powers conferred on Orient Futures under this Agreement, nor shall any single or partial exercise of any right, power or privilege of Orient Futures preclude any other or further exercise thereof or the exercise of any other right, power or privilege of Orient Futures.
- 32.9 Without prejudice to Clause 32.8, Orient Futures may grant time or other indulgence to the Client, a Credit Support Provider or any of them or any other person without impairing or affecting in any way any of Orient Futures' rights as against such Client, Credit Support Provider or any such other person.
- 32.10 Unless otherwise expressly agreed in writing by Orient Futures, no waiver of any provision in this Agreement, rules and regulations applicable to any exchange or clearing house, or otherwise imposed by Orient Futures relating to all or any Transaction, Service or Account may be implied from any conduct or course of dealing between the Client and Orient Futures.

Severability

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

Waiver of immunities

- 32.12 The Client irrevocably waives, to the fullest extent permitted by Applicable Law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by Applicable Law, that it will not claim any such immunity in any proceedings.

## SECTION 2 TERMS AND CONDITIONS APPLICABLE TO FUTURES TRANSACTIONS

### 1. APPLICATION OF THIS SECTION

- 1.1 The clauses in this Section 2 shall apply (in addition to all other terms and conditions under Section 1 of this Agreement) to Futures Transactions and to the trading, clearing and other services, in connection with Futures Contracts (including Futures Options), provided by Orient Futures hereunder to the Client ("**Futures Services**").
- 1.2 The Client shall also comply with all other rules, guidelines, notices and documents of Orient Futures pertaining to trading and/or clearing of Futures Contracts as Orient Futures may issue from time to time (together with the clauses in this Section 2, the "**Futures Trading/Clearing Terms**").
- 1.3 In the event of any conflict or inconsistency between:
- (a) the clauses in this Section 2 and the Futures Trading/Clearing Terms, the clauses in this Section 2 shall prevail to the extent of such conflict or inconsistency;
  - (b) the clauses in this Section 2 and the terms of any Confirmation, the terms of that Confirmation shall prevail with respect to the Futures Transaction to which that Confirmation relates.
- 1.4 Unless otherwise stated, references to numbered clauses in this Section 2 are references to the clauses of this Section 2.

### 2. DEFINITIONS FOR THIS SECTION

- 2.1 All terms used in this Section 2 which are defined in Section 1 shall, unless otherwise defined here, have the same meanings ascribed to them in Section 1.
- 2.2 In this Section 2, unless the context otherwise requires:
- "**Clearing Arrangements**" has the meaning ascribed to it in Clause 10.1;
- "**Clearing Margin**" has the meaning ascribed to it in Clause 10.6;
- "**Clearing Provisions**" has the meaning ascribed to it in Clause 10.1;
- "**Exchange Transactions**" has the meaning ascribed to it in Clause 10.1;
- "**Futures Trading/Clearing Terms**" has the meaning ascribed to it in Clause 1.2;
- "**Futures Services**" has the meaning ascribed to it in Clause 1.1;
- "**Futures Trading Loss**" means any loss, cost, claim, demand, expense or damage including, without limitation, loss of profit, loss of revenue, loss of opportunity, consequential, unforeseeable, special or indirect damages or expenses which arise directly or indirectly as a result of any Futures Transactions, or otherwise arising from the use of the trading and/or clearing services for Futures Contracts provided by Orient Futures;

**“Futures Transaction”** means any transaction in a Futures Contract as Orient Futures may from time to time permit to be carried out under the Account;

**“Limits”** has the meaning ascribed to it in Clause 4.1;

**“Notice of Exercise”**, in respect of a Futures Option, means telephonic or other electronic notification providing assurance of receipt (excluding facsimile transmission), given by the Client before the Prescribed Cut-off Time or Orient Futures’ Cut-off Time, whichever is earlier, of the exercise of a Futures Option, which notification shall be irrevocable;

**“Orient Futures’ Cut-off Times”** has the meaning ascribed to it in Clause 5.1;

**“Prescribed Cut-off Times”** has the meaning ascribed to it in Clause 5.1.

**“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 Exchange Transactions;

### 3. GENERAL

- 3.1 The Client shall at all times be fully responsible for monitoring its own positions entered into in respect of Futures Transactions.

#### Commissions

- 3.2 Without prejudice to the generality of Clause 10 of Section 1, commission will be payable on the entry or liquidation into each Futures Transaction and payable on the Business Day on which the Client have entered into or liquidated a Futures Transaction.

#### No third party beneficiary rights

- 3.3 Notwithstanding that, as between the Client and Orient Futures, Orient Futures may in fact be the agent of the Client in respect of a Futures Transaction, the Client acknowledges and agrees that, in relation to all Futures Transactions executed on the Exchange, the Client shall have no third party beneficiary rights as against any other counterparties to such Futures Transactions, the Exchange or the Clearing House.

#### Omnibus account

- 3.4 Where the Client is holding an Omnibus Account with Orient Futures:
- (a) the Client shall disclose to Orient Futures the gross long and short positions and the purchase and sale dates of all open positions held in the Client’s Omnibus Account, or any sub-account of such Omnibus Account, in each contract, as required under the Applicable Laws, and in particular, the rules, regulations, directives, orders, notices, interpretations and practice notes of the relevant Exchange, market or Clearing House; and
  - (b) the Client irrevocably and unconditionally confirms that Orient Futures may notify such relevant Exchange, market or Clearing House of any failure by the Client to make any disclosure referred to in Clause 3.4(a).

Provision of information

- 3.5 Without prejudice to the generality of any other provision in this Agreement, the Client shall promptly provide to Orient Futures such information as Orient Futures may at any time require in respect of any or all of the Client's customers, or their respective positions in any Exchange Transaction by or through the Client. Orient Futures may communicate such information to any person as Orient Futures may deem to be necessary, desirable or expedient for compliance with any Applicable Laws. The Client shall ensure that it has obtained all necessary consents from its underlying customers for the Client's and Orient Futures' collection, use and disclosure of such information.

Notification obligation

- 3.6 Where the Client's membership on the relevant Exchange is suspended or terminated or the Client is in any other way disabled from trading on the relevant Exchange, the Client shall immediately notify Orient Futures in writing of such event.

Record keeping

- 3.7 The Client shall keep such books, accounts and written records as may be required under all Applicable Laws and the rules of the relevant Exchange or Clearing House in respect of the Client's Exchange Transactions and all business transacted on or through the relevant Exchange or Clearing House to which this Agreement relates.
- 3.8 The Client shall promptly make available all such books, accounts and written records, and the Client shall promptly permit the conduct of such inspections by Orient Futures (or such external auditor as Orient Futures may appoint) as Orient Futures may require to monitor and ensure Orient Futures' or the Client's compliance with Applicable Laws, and the rules of the relevant Exchange or Clearing House, or as the Client may be required to do so by the relevant Exchange or Clearing House under and the rules of the relevant Exchange or Clearing House.
- 3.9 The Client shall promptly render its cooperation and assistance, and shall procure that its officers, employees, agents and representatives, if any, shall promptly render their cooperation and assistance, to Orient Futures or Orient Futures' external auditor in the conduct and facilitation of such inspection.
- 3.10 The Client shall ensure that all of its aforesaid books, accounts and written records are kept in such form as will facilitate inspection of the same by Orient Futures or Orient Futures' external auditor, and the Client shall promptly make the same available to Orient Futures or Orient Futures' external auditor (including to take copies thereof) as and when required for the purpose of such inspection.
- 3.11 All costs and expenses incurred by the Client in keeping and maintaining such books, accounts and records, and all costs and expenses incurred by the Client or Orient Futures in respect of such inspection, shall be borne wholly by the Client.

**4. TRANSACTION LIMITS AND RESTRICTIONS**

- 4.1 Without prejudice to the generality of Clause 9 of Section 1 and to any other right of Orient Futures under this Agreement or otherwise at law, Orient Futures may, at its sole and absolute discretion, without giving the Client any reasons therefor, and without incurring any

liability on its part, impose and vary limits, including but not limited to trading, exposure and position limits, (the “**Limits**”) on the Account and/or Exchange Transactions, and the Client shall strictly comply with all such Limits.

4.2 The Client confirms its familiarity with and awareness of the Applicable Laws and the rules of the relevant Exchange or Clearing House in relation to the Limits.

4.3 Without prejudice to any other right or remedy of Orient Futures under this Agreement, any other agreement or otherwise at law, if there is a breach of the Limits, Orient Futures may, in its discretion, immediately, or at any time thereafter:

- (a) withhold and not pay any money or deliver any property to the Client that may otherwise be due, owing or deliverable, take steps to disable the Client’s trading on the relevant Exchange;
- (b) suspend its clearing arrangements with the Client; and/or
- (c) close out any of the Client’s open positions under any Futures Transaction,

until Orient Futures is satisfied that such breach has been fully remedied.

4.4 Orient Futures may communicate such Limits (and any changes to such Limits) to the Client from time to time and in such manner as Orient Futures may deem appropriate. In the event that Orient Futures does not, or is unable to, communicate any or all such Limits to the Client for any reason, the most recently communicated Limits then prevailing shall continue in force until new Limits have been communicated to the Client.

4.5 Without prejudice to Orient Futures’ right to vary any Limits, the Client agrees and acknowledges that, Orient Futures may at Orient Futures’ discretion, increase or decrease the Client’s Limits on a case by case basis for any reason, including but not limited to the occurrence of any event or circumstances as Orient Futures may communicate to the Client.

4.6 The Client:

- (a) shall monitor its trading and be fully aware at all times of its outstanding positions on Exchange Transactions or the quantity that the Client can trade at each Exchange Transaction so as not to over trade against the Client’s Limits;
- (b) agrees and acknowledges that Orient Futures and Orient Futures’ Officers, agents and representatives shall not be responsible or held liable for any error in computing the Client’s position(s) or for failing to inform the Client of any excess in any Limit, as it is solely the Client’s own responsibility to know the Client’s own positions and Limits at all times; and
- (c) shall inform Orient Futures immediately if the Client does not receive any communication on Limits by the customary time or by the time indicated by Orient Futures.

## 5. EXERCISE OF FUTURES OPTIONS AND FUTURES CONTRACTS

5.1 The Client acknowledges that Exchanges, Clearing Houses and other Intermediaries have established cut-off times (“**Prescribed Cut-off Times**”) for the submission of exercise instructions in relation to Future Options and Orient Futures may set its own exercise cut-off

times ("**Orient Futures' Cut-off Times**") which may be earlier than the Prescribed Cut-off Times.

- 5.2 The Client agrees and acknowledges that it is the Client's sole responsibility to make itself aware of all relevant Prescribed Cut-off Times in respect of a Futures Option. The Client acknowledges that Prescribed Cut-off Times may be imposed (and from time to time amended) by Exchanges, Clearing Houses or Intermediaries without prior notice or without notice and which may be beyond the control of Orient Futures, and the Client agrees to abide by and be subject to all such Prescribed Cut-off Times.
- 5.3 Orient Futures shall give the Client reasonable prior notice of any Orient Futures' Cut-off Time which differs from a Prescribed Cut-off Time.
- 5.4 The Client may exercise a Futures Option by delivery to Orient Futures of a Notice of Exercise.
- 5.5 The Client agrees and acknowledges that in the event that a Notice of Exercise with respect to a Futures Option has not been received by Orient Futures before the Prescribed Cut-off Time or Orient Futures' Cut-off Time, whichever is earlier, such Futures Option shall expire worthless.
- 5.6 Where the Client has:
- (a) sold a Futures Option and such Futures Option is exercised by the Futures Option purchaser; or
  - (b) entered into a Futures Contract and the Client is required to deliver the underlying under such Futures Contract,
- the Client agrees and undertakes to:
- (c) make all the necessary payments and/or deliveries in accordance with the timelines and conditions; and/or
  - (d) accept any and all amendments to such Futures Option exercise or obligation to deliver the underlying under a Futures Contract, as may from time to time be prescribed by the relevant Exchange, Clearing House or Intermediary, and as notified by Orient Futures to the Client and the Client acknowledges that the occurrence of any of Clause 5.6(a) or Clause 5.6(b), the timelines and conditions under which the Client may be required to perform its obligations under such Futures Options or Futures Contracts and the amendments in respect thereof, may be beyond the control of Orient Futures.
- 5.7 Notwithstanding Clause 5.6, the Client agrees and acknowledges that Orient Futures may itself stipulate a different timeline and/or impose such additional or different conditions from that imposed by the relevant Exchange, Clearing House or Intermediary, as the case may be, in respect of such Futures Option or Futures Contract, and the Client agrees and undertakes to make all the necessary payments and/or deliveries in accordance with the timelines and conditions as may be prescribed by Orient Futures from time to time.
- 5.8 Where the relevant Exchange, Clearing House or Intermediary does not identify a particular Futures Option or Futures Contract pursuant to Clause 5.6 and if the aggregate of:
- (a) Futures Options exercised by Futures Options purchasers; or

- (b) Futures Contracts specified for delivery of the underlying,

are less than the aggregate of all positions in such Futures Options or Futures Contracts for the time being, Orient Futures may allocate the exercised Futures Option or the Futures Contract specified for delivery in such manner as Orient Futures believes to be fair and equitable and the Client:

- (c) and its Account will be bound by any allocation made to the Client pursuant to these procedures; and
- (d) accepts that such allocation or actions by Orient Futures as aforesaid may result in prejudice and/or loss to the Client which may arise from any Futures Trading Loss and accepts the risks thereof as being solely for its account.

- 5.9 The Client shall not have any claim against Orient Futures or its Officers arising from the exercise, non-exercise, allocation or non-allocation of a Futures Option or Futures Contract, save in circumstances where Orient Futures has failed to act in accordance with the Client's Instructions to exercise or, as the case may be, refrain from exercising an Futures Option where such Instructions have been duly given in accordance with Clause 5.4.

## **6. RIGHTS OF ORIENT FUTURES**

- 6.1 Without prejudice to any other provision in this Agreement (including, without limitation, Clause 15.1 of Section 1), Orient Futures may but is not obliged, in its sole and absolute discretion, at any time and from time to time if it deems necessary, desirable or advisable for the protection of its interest, without notice to the Client and at the Client's sole expense and risk, take such measures in such manner as it deems fit in relation to the Account in respect of the Futures Services, including but not limited to:

- (a) liquidating any of the positions in Futures Contracts held by the Client in the Account by entering into an off-setting transaction or in any other manner as Orient Futures deems fit;
- (b) taking delivery under any of the positions in the Account;
- (c) hedging and/or entering into off-setting or other transaction in order to establish a spread or straddle to protect against any risk of Futures Trading Loss in respect of such positions; cancelling or completing any open Orders or other commitments made on behalf of the Client; and/or
- (d) any action(s) set out in Clause 11.3.

- 6.2 In exercising any of its rights under this Clause 6, Orient Futures shall not be obliged to furnish any reason to the Client.

## **7. EXCHANGE ACTIONS**

- 7.1 If an Exchange (or an Intermediary, acting at the direction of, or as a result of action taken by, an Exchange) or regulatory body takes any action which affects a Transaction:

- (a) the Client agrees that Orient Futures may take any action which Orient Futures, in its reasonable discretion, considers desirable to correspond with such action or to



mitigate any potential or actual loss or prejudice incurred as a result of such action;

(b) Orient Futures shall notify the Client of such action; and

(c) any such action shall be binding on the Client.

7.2 Without prejudice to any provision of this Agreement relating to cooperation, if an Exchange or regulatory body makes an enquiry in respect of any of the Client's Futures Transactions, the Client agrees to cooperate with Orient Futures and to promptly supply information requested in connection with the enquiry.

## **8. TRANSACTION REPORTING**

8.1 Without prejudice to the generality of any provision in this Agreement (including, without limitation, the provisions in Clause 27 of Section 1), the Client acknowledges and hereby authorises Orient Futures and each of its Officers and agents to submit, report or disclose such data or information relating to the Client and its Futures Transactions to the relevant repository, Exchange, Clearing House or Intermediary or any other person for the purposes of complying with Applicable Laws, and the Client shall use its best efforts to co-operate with Orient Futures in respect of the foregoing.

8.2 Without prejudice to any other rights or remedies Orient Futures may otherwise have, the Client shall indemnify, keep indemnified and hold harmless Orient Futures against any and all Futures Trading Loss suffered or incurred by Orient Futures in connection with or in relation to the submission, report or disclosure of information where required by Applicable Laws or any delay, failure, omission or mistake by Orient Futures in doing so.

8.3 The Client agrees that all proprietary rights in such information relating to its Futures Transactions are owned by Orient Futures and waives any duty of confidentiality of Orient Futures attaching to such information which Orient Futures may reasonably disclose.

## **9. SETTLEMENT OR LIQUIDATION OF FUTURES TRANSACTIONS**

9.1 For avoidance of doubt and notwithstanding anything in this Clause 9, Orient Futures will not physically settle any Futures Transactions unless it has expressly agreed to the same in writing with the Client.

9.2 The Client shall give Orient Futures Instructions to liquidate open Futures Contracts and Futures Option positions maturing in a current month:

(a) in the case of long positions in open Futures Contracts, at least 3 Business Days prior to the first notice day; and

(b) in the case of short positions in open Futures Contracts and long and short positions in open Futures Options, at least 3 Business Days prior to the last Trading Day,

or by such other time as Orient Futures may notify the Client.

9.3 If Orient Futures does not receive such Instructions referred to in Clause 9.2 by the time specified in Clause 9.2:

(a) Orient Futures may, without notice to the Client, liquidate the Client's position and/or

take such other steps as Orient Futures deems fit upon such terms which Orient Futures deem to be appropriate (including closing-out or rolling such Futures Transaction(s)) to prevent physical settlement of such Futures Transaction(s) from taking place; and

- (b) any gains, losses, costs or expenses made or incurred by Orient Futures in relation to taking any such action will be solely for the Client's account.

Settlement by physical delivery

9.4 Subject to Orient Futures' prior agreement that settlement may be by physical delivery in respect of any Futures Transactions:

- (a) where the Client is required to take actual delivery on the maturity date(s) of the Futures Transaction(s):
  - (i) the Client acknowledges and agrees that it is the Client's sole responsibility to take delivery on any such maturity date(s). Unless Orient Futures agrees in writing, Orient Futures shall have no responsibility nor obligation to inform the Client of such delivery to be taken or to take delivery of such Futures Contracts on behalf of the Client; and
  - (ii) without prejudice to the generality of the immediately preceding Clause, where Orient Futures takes any such delivery for the Account of the Client, in the absence of Orient Futures' wilful default, manifest fraud or gross negligence, the Client agrees to indemnify, keep indemnified and hold Orient Futures harmless against and from any Futures Trading Loss that Orient Futures may suffer or incur including without limitation any and all costs involved in taking such delivery and any losses resulting directly or indirectly from a decline in value of the underlying;
- (b) where the Client is required to make any delivery, the Client acknowledges and agrees that Orient Futures shall have no duty to borrow, buy or deliver any of the underlying or attempt to do so, in order to satisfy the Client's delivery obligation in such circumstances; and
- (c) where physical delivery is required to be made or taken, and the Client fails to remit delivery documents or effect or take delivery in a timely manner, the Client will be responsible for any and all fines and damages imposed by the relevant Exchange, market or Clearing House through which such Futures Transactions are executed, settled or cleared, and any and all late charges imposed by Orient Futures; and all consequential losses and damages pursuant to Applicable Laws and also to the customary practices prevailing in the relevant Exchange, market or Clearing House concerned.

## 10. CLEARING ARRANGEMENTS

Application of this Clause 10

10.1 Where Orient Futures is a clearing member of the relevant Exchange or Clearing House, and the Client instructs Orient Futures to provide clearing arrangements ("**Clearing Arrangements**") in respect of the Client's Futures Transactions on the relevant Exchange

(“**Exchange Transactions**”) and to clear such Exchange Transactions through the relevant Clearing House, the Client shall be deemed to have accepted the terms and conditions of this Clause 10 as additionally applying to such Clearing Arrangements (“**Clearing Provisions**”).

#### Definitions

- 10.2 All expressions used in the Clearing Provisions shall, unless the context requires otherwise or unless defined in this Section 2, have the meanings ascribed to them in Section 1, or if also not defined in Section 1, shall have the same meanings ascribed to them, if any, under the rules of the relevant Exchange or Clearing House.

#### Reporting

- 10.3 The Client shall report all Exchange Transactions done by the Client to Orient Futures on a half-hourly basis or at such other shorter intervals as shall be prescribed by the relevant Clearing House to enable Orient Futures to make the necessary reporting to the relevant Clearing House.

#### Client's compliance

- 10.4 The Client shall at all times observe and comply with all Applicable Laws, the rules of the relevant Exchange(s) and Clearing House(s) for the time being in force and do all things necessary to facilitate the clearing of the Client's Exchange Transactions through the relevant Clearing House.
- 10.5 The Client shall also ensure that it does not, by its actions or omissions, cause Orient Futures to be in breach of any Applicable Law or any provision of the rules of the relevant Exchange or Clearing House.

#### Margin for clearing

- 10.6 Without prejudice to the generality of Clause 14 of Section 1, for the purposes of the Clearing Provisions, the Client agrees that prior to commencement of trading on the relevant Exchange and in the course of trading and for as long as any position remains open in respect of any Exchange Transaction and the Client owes any liability to Orient Futures, the Client shall provide to Orient Futures in a timely manner, and maintain, collateral and security in such form (including but not limited to cash, fixed deposits and banker's guarantees), and for such amount, whether for Initial Margin or Maintenance Margin or for securing the Client's obligations or otherwise (“**Clearing Margin**”) as Orient Futures may, from time to time, require in Orient Futures' absolute discretion as security for:
- (a) Orient Futures providing the Clearing Arrangements and clearing the Client's Exchange Transactions;
  - (b) any and all liability which Orient Futures may assume when providing Clearing Arrangements hereunder and clearing the Client's Exchange Transactions, including but not limited to any indemnity, guarantee or other liability which Orient Futures may assume to the relevant Exchange or Clearing House, pursuant to all Applicable Laws;
  - (c) the performance of the Client's obligations under the Clearing Provisions, this Agreement and in respect of each Exchange Transaction; and

- (d) the payment of all sums of money, and the delivery of all property, which are now or at any time owing or deliverable to Orient Futures, under the Account or an Exchange Transaction(s), whether from the Client solely or jointly with any other person or persons.
- 10.7 Calls for any (including additional) or all Margin shall be satisfied by the Client by cash payment or any other instrument prescribed by Orient Futures within the time period specified by Orient Futures to the Client.
- 10.8 Subject to Applicable Laws, valuation of any such instruments referred to in Clause 10.7 by Orient Futures shall be done in its sole and absolute discretion although reference may be made to the procedures prescribed by an Exchange or Clearing House.

Inter-exchange cross margining

- 10.9 The Client agrees and acknowledges that:
- (a) where the Client holds long and short positions on contracts (as defined in the Clearing Rules of the SGX-DC) (on the same underlying) with SGX-DC and another Clearing House, Orient Futures may (but is not obliged to) at any time set off such positions for the purpose of Rule 7.22A of the Clearing Rules of the SGX-DC; and
  - (b) where the Client holds long and short positions on futures contracts (having the same meaning as used in Rule 3.3.14 of the Futures Trading Rules of the SGX-DT) which are traded on the SGX-DT and another Exchange and held with SGX-DC and another Clearing House, Orient Futures may (but is not obliged to) at any time set off such positions for the purpose of Rule 3.3.14 of the Futures Trading Rules of the SGX-DT.

No liability

- 10.10 The Client shall have no claim against Orient Futures whatsoever in respect of or in connection with Orient Futures' inability to provide Clearing Arrangements in respect of any of the Client's Exchange Transactions for any reason whatsoever or in respect of the Loss sustained by the Client or the Client's customers (if any) as a direct or indirect result of Orient Futures' inability.

Money and assets paid to or deposited with Orient Futures

- 10.11 The Client agrees and acknowledges that, subject to Applicable Laws, the Clearing House may use any money or assets the Client has paid to or deposited with Orient Futures in relation to any Futures Contracts or any Futures Transaction to meet obligations arising from Futures Contracts or Futures Transaction of the Client and/or from other clients to the Clearing House.

Due Payment or Delivery

- 10.12 Without prejudice to any other provision in this Agreement, the Client shall pay Orient Futures on demand any sums owing to Orient Futures, and deliver to Orient Futures on demand any property deliverable to Orient Futures, on the Accounts and Exchange Transactions whatsoever from the Client solely or jointly with any other person or persons.

Statements

- 10.13 Orient Futures shall, where required by the Applicable Laws (including the rules of the relevant Exchange or Clearing House), send periodic statements in respect of the Clearing Arrangements, to the Client.

Transfer of open position

- 10.14 Orient Futures shall be entitled to transfer any open position in respect of any Exchange Transaction, along with all Clearing Margin, Collateral and security provided by the Client or received by Orient Futures in connection with that Exchange Transaction, to another clearing member of the relevant Clearing House as Orient Futures may in its sole and absolute discretion deem necessary, desirable or expedient, whether for clearing through the relevant Clearing House or other purpose (including but not limited to where such transfer is contemplated in the rules of the relevant Exchange or Clearing House or is required or directed by the relevant Exchange or Clearing House).

Rights of Orient Futures

- 10.15 Without prejudice to Orient Futures' other rights and remedies (including but not limited to those set out in Clauses 20 and 21 of Section 1 and Clause 6), Orient Futures reserves the rights to, in its sole and absolute discretion, at any time and from time to time, if it deems necessary for the protection of its interests, without prior notice to the Client and at the Client's sole expense and risk:

- (a) suspend (whether indefinitely or otherwise); or
- (b) terminate,

Orient Futures' provision of the Clearing Arrangements in accordance with the rules of the relevant Exchange or Clearing House and Orient Futures shall further be entitled, by oral or written notice to the Client, to:

- (c) terminate any Account or Orient Futures' relationship with the Client;
  - (d) require the Client to immediately repay or deliver all monies and property under the Account with Orient Futures whereon such repayments and deliveries shall immediately become due, owing, payable and deliverable, including but not limited to, Commodities borrowed or deliverable, interest thereon, commission and other fees or costs payable to the Client;
  - (e) require the Client to immediately satisfy and perform any and all other liabilities and obligations in respect of any of the Account held by the Client with Orient Futures; and/or
  - (f) liquidate all Exchange Transactions in the Account with Orient Futures (with all resulting Losses therefrom being borne solely by the Client).
- 10.16 In exercising any of its rights under Clause 10.15, Orient Futures shall not be obliged to furnish any reason to the Client.
- 10.17 Upon Orient Futures suspending or terminating the provision of Clearing Arrangements to the Client hereunder for whatsoever reason, either Orient Futures or the Client shall inform the

relevant Exchange or Clearing House (as required) accordingly.

- 10.18 Any action referred to in Clause 10.15 may be taken without demand for Clearing Margin or additional Clearing Margin, notice of sale or purchase or other notice, and any such actions including sales or purchases may be made at Orient Futures' sole and absolute discretion on any Exchange or market where such business is then usually transacted.

## 11. DEFAULT

- 11.1 This Clause 11 shall be without prejudice and in addition to Clauses 19 to 21 of Section 1. For the avoidance of doubt, any action(s) taken by Orient Futures under this Clause 11 shall not prejudice any other right or remedy which Orient Futures may have under this Agreement (including, without limitation, under Clauses 19 to 21 of Section 1) or otherwise at law.

- 11.2 For the purpose of this Clause 11 and Clauses 20.1 to 20.8 of Section 1, any of the following events shall be considered to be a **"Default"**:

- (a) Orient Futures has reasonable concerns that the Client does not have a sufficient understanding of the nature of, or the risks of, Futures Transactions;
- (b) the Client's membership on the relevant Exchange is suspended or terminated or the Client is in any other way disabled from trading on the relevant Exchange;
- (c) the Client fails to liquidate all Futures Transactions upon the termination of this Agreement or provision of clearing arrangement to the Client hereunder;
- (d) the Client fails to meet any Clearing Margin requirement or any obligation under the Clearing Provisions;
- (e) the Client breaches any provision of the Applicable Laws, this Section 2, the Futures Trading/Clearing Terms and/or any rule of the relevant Exchange or Clearing House.

- 11.3 In the event that Orient Futures determines in its judgement that a Default has occurred, Orient Futures shall be entitled, by oral or written notice to the Client, in Orient Futures' sole and absolute discretion:

- (a) to do one or more of the following, in relation to the Futures Services:
  - (i) suspend or cease (whether indefinitely or otherwise) providing to the Client the Futures Services and/or terminate any Account or Orient Futures' relationship with the Client;
  - (ii) require the Client to immediately repay or deliver all monies and property under the Account with Orient Futures whereon such repayments and deliveries shall immediately become due, owing, payable and deliverable, interest thereon, commission and other fees or costs payable to the Client;
  - (iii) require the Client to immediately satisfy and perform any and all other liabilities and obligations in respect of any of the Account held by the Client with Orient Futures;
  - (iv) liquidate all Exchange Transactions in any of the Account held by the Client with Orient Futures (with all resulting Losses therefrom being borne solely by

the Client);

- (v) hedge and/or offset all or any of the Client's Exchange Transactions at the Client's sole risk;
- (vi) sell, dispose or realise in any manner Orient Futures deems fit the Clearing Margin or other Collateral belonging to or deposited by the Client and in Orient Futures' possession or control or held by Orient Futures in respect of one or more Futures Transaction, and apply the proceeds thereof to extinguish or diminish the Client's obligations towards Orient Futures including the payment of interest, commission and other costs and expenses; and
- (vii) take such other action as Orient Futures deems appropriate; and/or

(b) to exercise one or more of the rights set out in Clause 21.1 of Section 1.

- 11.4 Where Orient Futures, in its sole and absolute discretion, decides to take any of the action or exercise any of Orient Futures' rights referred to in Clause 11.3, the Client shall repay upon demand any deficiency that may thereafter remain in the Account with Orient Futures.
- 11.5 Should Orient Futures, in its sole and absolute discretion, decide not to take any of the action or exercise any of Orient Futures' rights referred to in Clause 11.3, Orient Futures shall nevertheless be entitled to demand the immediate payment of all amounts, and the immediate delivery of all property, due to Orient Futures.
- 11.6 Any action referred to in this Clause 11 may be taken without demand for Clearing Margin or additional Clearing Margin, notice of sale or purchase or other notice, and any such actions including sales or purchases may be made at Orient Futures' sole and absolute discretion on any Exchange or market where such business is then usually transacted.

## **12. DISPUTES**

Notwithstanding Clauses 26.2 and 26.3 of Section 1, where there is any dispute between the Client and Orient Futures and which is required by the rules of the relevant Exchange or Clearing House to be referred to arbitration, then and only then would such dispute be so referred, provided however, that Orient Futures shall be entitled to require any amount owing by the Client or which Orient Futures allege to be owing to Orient Futures to be promptly paid to Orient Futures before the Client may initiate such proceedings.





## SECTION 3 TERMS AND CONDITIONS APPLICABLE TO OTC TRANSACTIONS

### 1. APPLICATION OF THIS SECTION

- 1.1 The clauses in this Section 3 shall apply (in addition to all other terms and conditions under Section 1 of this Agreement) to OTC Transactions and to the trading services, OTC Clearing Services (defined below) and other services, in connection with OTC Transactions, provided by Orient Futures hereunder to the Client ("**OTC Transactions Services**").
- 1.2 For the avoidance of doubt, the clauses in this Section 3 shall not apply:
- (a) to any CFD Transaction (as defined in Section 4); or
  - (b) to any Transaction in Spot FX Contracts or FX Options (as respectively defined in Section 5) but shall apply to contracts for the sale and purchase of Currencies on a "forward" or "deferred settlement" basis.
- 1.3 The Client shall also comply with all other rules, guidelines, notices and documents of Orient Futures pertaining to OTC Transactions as Orient Futures may issue from time to time (together with the clauses in this Section 3, the "**OTC Transactions Terms**").
- 1.4 In the event of any conflict or inconsistency between:
- (a) the clauses in this Section 3 and the OTC Transactions Terms, the clauses in this Section 3 shall prevail to the extent of such conflict or inconsistency;
  - (b) the clauses in this Section 3 and the terms of any Confirmation, the terms of that Confirmation shall prevail with respect to the OTC Transaction to which that Confirmation relates.
- 1.5 Unless otherwise stated, references to numbered clauses in this Section 3 are references to the clauses of this Section 3.

### 2. DEFINITIONS FOR THIS SECTION

- 2.1 All terms used in this Section 3 which are defined in Section 1 shall, unless otherwise defined here, have the same meanings ascribed to them in Section 1.

- 2.2 In this Section 3, unless the context otherwise requires:

**"Agreed Clearing System"** means the Clearing House and/or clearing facilities as Orient Futures and the Client may agree from time to time through which the OTC Clearing Transactions may be cleared;

**"Market Day"** means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open in Singapore and (for the purposes of making payments) the principal financial centre of the country of each relevant Currency;

**"Market Disruption Event"** has the meaning ascribed to it in Clause 7.2;

**“OTC Clearing Rules”** means the relevant rules of each Agreed Clearing System and, in particular, the specific rules relating to clearing of transactions eligible to be cleared through such Agreed Clearing System, including:

- (a) in the case of OTC Clearing Services for transactions eligible to be cleared through the Agreed Clearing System of the SGX-DC, the Clearing Rules of SGX-DC and, in particular, Chapter 7 of the Clearing Rules of SGX-DC; and
- (b) in the case of OTC Clearing Services for transactions eligible to be cleared through the Agreed Clearing System of APEX Clear, the Clearing Rulebook of APEX Clear and, in particular, Chapter 4 of the Clearing Rulebook of APEX Clear;

**“FX NDF”** and **“FX Non-Deliverable Forward”** means a contract for the purchase by one party of an agreed amount in one Currency against the sale by it to the other party of an agreed amount in another Currency, on a “forward” or “deferred settlement” basis, where the obligations to deliver both such amounts are settled by the parties as follows:

- (a) the obligations of both parties to deliver the respective Currencies on the Value Date shall be cancelled and replaced by obligations to deliver the equivalent amount of USD at such exchange rate as may be determined by Orient Futures; and
- (b) the resultant obligation of each party to deliver USD on the Value Date will be set-off against the other party’s obligation, with the party having the obligation to deliver the greater amount of USD being obliged to pay the difference to the party having the obligation to deliver the smaller amount.

**“OTC Clearing Services”** means clearing services provided by Orient Futures to the Client for clearing of OTC Transactions which are eligible to be cleared through an Agreed Clearing System(s), whether directly through Orient Futures as a clearing member with respect to the relevant Agreed Clearing System or indirectly through an Intermediary, in either case via such approved trade registration system(s) as may be established or approved with respect to the relevant Agreed Clearing System;

**“OTC Clearing Transaction”** means an OTC Transaction for which Orient Futures provides OTC Clearing Services;

**“OTC Transactions Services”** has the meaning ascribed to it in Clause 1.1;

**“OTC Transactions Terms”** has the meaning ascribed to it in Clause 1.3;

**“square”** has the meaning ascribed to it in Clause 4.5; and

**“USD”** means the lawful currency of the United States of America.

### **3. OTC SERVICES**

- 3.1 Without prejudice to any provision of this Agreement (including, without limitation, Clauses 4.3, 4.4 and 4.5 of Section 1), where Orient Futures acts as principal to the Client in respect of OTC Transactions, the Client hereby acknowledges and agrees that in providing prices for OTC Transactions, Orient Futures (or any person authorised by Orient Futures to accept OTC Orders) may quote prices to the Client by reference to prices from other regulated financial institutions (for example, but not limited to, market-makers) and the prices quoted by Orient Futures may not be the same as the prices which Orient Futures secures from such financial

institutions for its own contracts with such financial institutions.

- 3.2 The Client acknowledges that such prices quoted by Orient Futures to the Client may differ from prices provided to other customers of Orient Futures.

Cash settlement only

- 3.3 All OTC Transactions (regardless of whether the underlying subject matter is traded on an Exchange or whose specifications mirror the referenced Commodity traded on an Exchange) are entered into on the basis that they shall be cash settled and not physically settled.
- 3.4 Notwithstanding anything in this Section 3, Orient Futures will not arrange delivery of Currency unless Orient Futures deems it necessary or if otherwise agree in writing with the Client and, accordingly, unless such arrangements have been made by Orient Futures with the Client any currency positions that settle shall do so by credit or debit to the Account.

Calculation agent

- 3.5 Orient Futures shall with respect to any and all OTC Transactions be the calculation agent for all underlying reference pricings of the Transaction and all relevant settlement and other pricing for the purposes of determining the respective rights and obligations of the parties thereto by reference to such pricing.
- 3.6 Any determinations and calculations by Orient Futures shall (in the absence of Manifest Error) be final and binding on the Client, provided that Orient Futures has acted in good faith and in a commercially reasonable manner.

**4. SETTLEMENT**

- 4.1 The Value Date of an OTC Transaction shall be the date payment or delivery is due from the Client to Orient Futures or *vice versa* and as stated in the Confirmation relating to such OTC Transaction. Such Value Date may be extended by Orient Futures at Orient Futures' sole and absolute discretion and on such terms as Orient Futures deems fit.
- 4.2 Without prejudice to any other notification obligation of the Client, the Client must notify Orient Futures at least 2 Business Days (or such other time as may be prescribed by Orient Futures or otherwise agreed in writing with the Client by Orient Futures) before the Value Date of any OTC Transaction if the Client intends to:

- (a) square (as defined below) such OTC Transaction;
- (b) otherwise settle such OTC Transaction; or
- (c) roll-over such OTC Transaction.

- 4.3 The Client hereby agrees that:

- (a) unless the Client has given Orient Futures Instructions to square or otherwise settle an OTC Transaction, the Value Date of such OTC Transaction (save for FX NDFs) shall be automatically rolled-over at the start of each Market Day (or such other time as may be prescribed by Orient Futures) such that the Value Date will be the second following Market Day;

- (b) such OTC Transaction shall be rolled-over on the same terms and conditions as the maturing OTC Transaction; and
  - (c) upon the roll-over of such OTC Transaction, all losses (or gains) as determined by Orient Futures in its sole and absolute discretion shall be debited (or credited) to the relevant Account.
- 4.4 If the Client notifies Orient Futures pursuant to Clause 4.2 of its intention to square an OTC Transaction or to extend its Value Date:
  - (a) Orient Futures shall in its sole and absolute discretion decide whether or not to accept or reject such Instructions; and
  - (b) if Orient Futures accepts such Instructions referred to in Clause 4.4:
    - (i) the relevant OTC Transaction shall be squared or extended at such exchange rate as may be agreed between the Client and Orient Futures;
    - (ii) the Client shall provide such funds as Orient Futures may require to square such OTC Transaction or to extend its Value Date; and
    - (iii) Orient Futures' notification to the Client in respect of the amount of funds required to be provided by the Client pursuant to Clause 4.4(b)(ii) shall, in the absence of Manifest Error, be conclusive and binding on the Client.
- 4.5 In this Clause 4, to "**square**" an OTC Transaction means to enter into a Transaction opposite to the outstanding OTC Transaction, as the case may be, having the same Value Date and otherwise matching such outstanding OTC Transaction or matching such OTC Transaction and any other OTC Transaction(s) having the same Value Date, as the case may be. Orient Futures shall in its sole and absolute discretion determine the order and manner in which an OTC Transaction shall be squared. Where only a part of a Transaction is squared, the remaining part will be considered to be a separate open position having the same Value Date as the original OTC Transaction.
- 4.6 Settlement (other than through squaring) of an OTC Transaction (other than a Transaction in a FX NDF) may be effected by way of net settlement (as described below) or gross settlement (as described below) on the Value Date as follows:
  - (a) in a "net settlement" of an OTC Transaction in which the underlying thing is a Commodity or Commodities or Commodity index ("**OTC Commodity Transaction**"), if on any Value Date amounts would otherwise be payable:
    - (i) in the same Currency; and
    - (ii) in respect of one or more of OTC Commodity Transactions,by each of the Client and Orient Futures to the other party, then, on such Value Date, each such party's obligation to make payment of any such amount shall be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by which the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount;

- (b) in a “net settlement” of an OTC Transaction (other than a Transaction in a FX NDF) in which the underlying thing is a Currency or Currencies or Currency index (“**OTC FX Transaction**”):
  - (i) the obligation of one of the parties to deliver Currency on the Value Date under the OTC FX Transaction shall be cancelled and replaced by an obligation to deliver the equivalent amount of one of the Currencies of the Currency pair of that OTC FX Transaction (such Currency which shall be selected by Orient Futures from the Currency pair at its sole and absolute discretion (the “**Reference Currency**”)), at such exchange rate as may be determined by Orient Futures;
  - (ii) the resultant obligation of such party to deliver the Reference Currency will be set-off against the other party’s obligation to deliver the Currency of the Reference Currency on the Value Date under that OTC FX Transaction, with the party having the obligation to deliver the greater amount of the Reference Currency being obliged to pay the difference to the party having the obligation to deliver the smaller amount;
  - (iii) where the Client has entered into two or more OTC FX Transactions on the same Currency pair (with the same Reference Currency) and with the same Value Date, and the Client has elected that net settlement is to take place for such OTC FX Transaction, Orient Futures may at its sole and absolute discretion set-off the Client’s obligations to deliver the Reference Currency to Orient Futures under one or more such OTC FX Transactions against Orient Futures’ obligation to deliver the Reference Currency to the Client against one or more such OTC FX Transactions, and *vice versa*, such that a single net amount is payable by the Client to Orient Futures (or vice versa) under all of the relevant OTC FX Transactions;
- (c) in a “gross settlement” of an OTC Commodity Transaction, each party will make payment of the respective amounts payable in any Currency, under each relevant OTC Commodity Transaction on the Value Date. The Client must give Orient Futures notice of intention to effect gross settlement at least two Market Days before the Value Date (failing which Orient Futures shall be entitled to reject such request). If such notice has been duly given, then the Client shall proceed to pay the relevant amount at least two Market Days before the Value Date to Orient Futures in the manner and on such terms and conditions as may be agreed between Orient Futures and the Client or, where not so agreed, as specified by Orient Futures; and
- (d) in a “gross settlement” of an OTC FX Transaction (other than a Transaction in a FX NDF), each party will make delivery of the respective Currencies under the relevant OTC FX Transaction on the Value Date. The Client must give Orient Futures notice of intention to effect gross settlement at least two Market Days before the Value Date (failing which Orient Futures shall be entitled to reject such request). If such notice has been given, then the Client shall proceed to make payment of the relevant Currency at least two Market Days before the Value Date to an account specified by Orient Futures and Orient Futures shall following receipt or confirmation of the receipt of such Currency in the specified account deliver the Currency bought by the Client by crediting the relevant Account on the Value Date.

4.7 A FX NDF shall be settled as follows:

- (a) the obligations of the parties to deliver the respective Currencies on the Value Date under the FX NDF shall be cancelled and replaced by obligations to deliver the equivalent amount of USD at such exchange rate as may be determined by Orient Futures; and
  - (b) the resultant obligation of each party to deliver USD on the Value Date will be set-off against the other party's obligation, with the party having the obligation to deliver the greater amount of USD being obliged to pay the difference to the party having the obligation to deliver the smaller amount.
- 4.8 Notwithstanding the foregoing, if the Client fails to make payment to settle an OTC Transaction, Orient Futures may, without prejudice to its rights under this Agreement or otherwise at law, roll-over such OTC Transaction.

## **5. TITLE TRANSFER IN RELATION TO COLLATERAL AND MARGIN**

- 5.1 The provisions of this Clause 5 of Section 3 shall only apply where the Client is an Accredited Investor, Expert Investor or Institutional Investor.
- 5.2 Unless Orient Futures otherwise specifies, all cash or other property provided to Orient Futures as Margin or other Collateral in respect of one or more OTC Transactions shall be provided on a title transfer basis so that all right, title and interest in and to such cash or other property shall vest in Orient Futures free and clear of any liens, claims, charges or encumbrances or any other interest of the Client or of any third party (other than a lien or other security interest routinely imposed on the type of property (other than cash) so provided in a relevant clearing system).
- 5.3 The Client acknowledges and agrees that:
  - (a) Orient Futures shall be the sole owner of all such Margin and other Collateral so provided to Orient Futures as aforesaid;
  - (b) Orient Futures shall have the right to transfer, use or apply the same in such manner as Orient Futures may deem fit without notice or accounting to the Client, free and clear of any security interest, lien, encumbrance or other restriction (other than a lien or other security interest routinely imposed on the type of property (other than cash) so provided in a relevant clearing system), including but not limited to, onward transferring or paying such Margin and other Collateral to third parties as margin or other credit support on an absolute title transfer basis in respect of any one or more Hedging Transactions; and
  - (c) such Margin and other Collateral will accordingly not be held on trust nor segregated from Orient Futures' cash or other property notwithstanding anything to the contrary in this Agreement.
- 5.4 Subject to all rights of Orient Futures under this Agreement, and save where Clause 14.14 of Section 1 applies, all payments and distributions, whether of cash or other property, received by Orient Futures in respect of any Margin or other Collateral, shall be received by Orient Futures as Margin or other Collateral in accordance with this Agreement (and in particular, the provisions of Clause 14 of Section 1 and this Clause 5).
- 5.5 To the extent that the cash or other property so provided to Orient Futures as Margin or other Collateral as aforesaid (or any part thereof) is in excess of all obligations and liabilities of the

Client under this Agreement and is not otherwise required by Orient Futures in respect of any OTC Transaction or FX Transaction or the exercise of Orient Futures' rights in respect thereof under this Agreement:

- (a) in the case of cash so provided as Margin or other Collateral, Orient Futures shall pay to the Client, by way of crediting to the Account, an equivalent cash amount in the same Currency or in such other Currency as Orient Futures may determine; and
- (b) in respect of other property (not being cash) so provided as Margin or other Collateral as aforesaid, Orient Futures shall transfer or deliver to the Client, by way of crediting to the Account, equivalent property of the same type, nominal value, description and amount.

## **6. OTC CLEARING SERVICES**

6.1 The Client agrees and acknowledges that the OTC Clearing Services are provided by Orient Futures subject in all cases to the OTC Clearing Rules.

6.2 The Client agrees and undertakes to Orient Futures on a continuing basis:

- (a) that it shall keep itself updated on the OTC Clearing Rules that are relevant for the OTC Transactions eligible to be cleared through the relevant Agreed Clearing System that the Client wishes to be effected;
- (b) that it shall ensure that neither it nor (in a case where it uses an inter-dealer broker) the inter-dealer broker that it has chosen (the "IDB") to register its OTC Clearing Transactions through the relevant approved trade registration system shall do any act or fail to do any act which may cause Orient Futures to be in breach of:
  - (i) the relevant OTC Clearing Rules for the clearing of the OTC Clearing Transactions; and/or
  - (ii) Orient Futures or its Intermediary's obligations as a clearing member of the relevant Agreed Clearing System provider or with respect to the access and use of the relevant approved trade registration system;
- (c) (without prejudice to Clause 23 of Section 1) to keep Orient Futures indemnified from and against any and all claims, Loss, prejudice or damages that Orient Futures may suffer or incur referable to any breach on the Client's part of its obligations in Clauses 6.2(a) and/or 6.2(b);
- (d) to co-operate fully in admitting to and explaining any breach on the Client's part of its obligations in Clause 6.2(a) and/or Clause 6.2(b) forthwith upon Orient Futures' request for same for the purposes of answering any queries, charges or claims against Orient Futures by any relevant Agreed Clearing System provider, regulatory or supervisory authority having jurisdiction over Orient Futures (including the Monetary Authority of Singapore) or any other regulatory or enforcement agency having jurisdiction over the relevant OTC Clearing Transaction or over Orient Futures referable to such breach; and
- (e) to comply with all margin and other limits on the scope or value of its OTC Clearing Transactions permitted to be cleared through Orient Futures, which may be different from and greater than those that may be prescribed by the relevant Agreed Clearing

System provider and/or Intermediary.

6.3 The Client shall, if it is using Orient Futures and not an IDB for the registration of any OTC Clearing Transaction, provide Orient Futures with full particulars of such OTC Clearing Transaction, including particulars of:

- (a) the OTC Clearing Transaction; and
- (b) the Client's counterparty and its clearing member (together, where relevant, with all relevant reference codes/numbers of such counterparty and its clearing member)

to enable proper input of the OTC Clearing Transaction for confirmation by the counterparty's clearing member.

Use of Inter-dealer broker

6.4 The Client shall, if it wishes to use an IDB to register its OTC Clearing Transactions:

- (a) for the purposes of authorising the IDB to register the Client's OTC Clearing Transactions through the relevant approved trade registration system, provide Orient Futures with the name and all other relevant particulars of the IDB together with the Client's consent for Orient Futures to submit such particulars to the relevant Approved Clearing System provider and/or Intermediary;
- (b) ensure, to the extent relevant, that the IDB shall at all times be the relevant inter-dealer broker for the registration of requisite counterparty information and particulars, including information on the counterparty's clearing member for the OTC Clearing Transaction; and
- (c) be deemed to have authorised the IDB as the Client's appointed agent for the registration of the Client's OTC Clearing Transactions and shall be solely responsible, as between Orient Futures and the Client, for the IDB's actions and omissions (including any and all errors).

6.5 The Client agrees and acknowledges that, where it uses an IDB to register its OTC Clearing Transactions:

- (a) (notwithstanding that, as between Orient Futures and a relevant Agreed Clearing System provider and/or Intermediary, Orient Futures may be responsible for all the actions of the IDB) as between Orient Futures and the Client, the IDB is in fact and in law solely to be regarded as the Client's appointed agent for the registration of its OTC Clearing Transactions and the Client shall be solely responsible for the IDB's actions and omissions (including any and all errors) and shall (without prejudice to Clause 23 of Section 1) indemnify and hold harmless Orient Futures from and against any Losses, damages, liability, costs (including legal fees) and expenses incurred by Orient Futures as a result of or in connection with IDB's actions and omissions with respect to the registration of the OTC Clearing Transactions;
- (b) without prejudice to Clause 6.5(a), Orient Futures shall be fully entitled to assume that all inputs by the IDB purportedly relating to the Client's OTC Clearing Transactions are, as between Orient Futures and the Client, wholly correct and authorised to be made;



- (c) (to the extent relevant) the Client shall ensure that all relevant margin requirements to enable the OTC Clearing Transactions to be cleared for the Client have been provided or shall be provided within the relevant deadline for the provision of such margins; and
- (d) if for any reason, including the fact that the relevant OTC Clearing Transaction as registered or attempted to be registered:

- (i) by the IDB; or
- (ii) if the Client does not use an IDB for registering the OTC Clearing Transaction through the approved trade registration system, by Orient Futures,

does not fulfil the criteria for registration under the OTC Clearing Rules, the OTC Clearing Transaction is not or is deemed not to have been:

- (iii) submitted to the relevant Agreed Clearing System provider; or
- (iv) accepted for clearing,

then such OTC Clearing Transaction shall (whether pursuant to the operation of any specific OTC Clearing Rule of the relevant OTC Clearing Rules or general law):

- (v) remain in effect as a bilateral transaction between the Client and its counterparty to the transaction; or
- (vi) be cancelled or terminated as the case may be, in accordance with the terms of the bilateral agreement for such transaction agreed or deemed to be agreed between the Client and its counterparty,

and Orient Futures will not be privy to and shall have no responsibility or obligation referable to such bilateral contract.

## 7. MARKET DISRUPTION EVENTS

7.1 This Clause 7 shall be without prejudice and in addition to the provisions of this Agreement (including, without limitation, Clauses 15.15 and 15.16 of Section 1). For the avoidance of doubt, any action(s) taken by Orient Futures under this Clause 7 shall not prejudice any other right or remedy which Orient Futures may have under this Agreement or otherwise at law.

7.2 In the event of a determination by Orient Futures in good faith that any material disruption to the price source set out in the terms for any OTC Transaction or in a relevant reference market has occurred (each such event a **"Market Disruption Event"**), Orient Futures may determine, in good faith and in a commercially reasonable manner, the market pricing of the underlying reference instrument for the purposes of the parties' respective rights and obligations under such OTC Transaction and its determination shall be final and binding on the Client.

7.3 Orient Futures may, in its sole and absolute discretion, determine:

- (a) whether a Market Disruption Event has occurred during the life of an OTC Transaction or on its Settlement Date;

- (b) if such Market Disruption Event occurs on the Settlement Date, what price or level the relevant closing level of the underlying reference instrument should be for the purposes of settlement of such OTC Transaction; and
  - (c) whether any adjustments to the terms of the OTC Transaction should be made as a result of any event(s) affecting the underlying reference instrument or (if the same is an index) any of its constituent components or combination thereof to which the relevant reference instrument and OTC Transaction relate (including an index adjustment event such as a material change in the formula for or the method of calculating the index or failure to calculate and publish the index).
- 7.4 Any such discretion exercised by, or any calculation made by Orient Futures (in the absence of Manifest Error) shall be binding on the Client.
- 7.5 The Client agrees and acknowledges that Orient Futures, when making any such adjustments or calculations, will not take into account the Client's individual circumstances and/or tax or other consequences of such adjustments or calculations.

## 8. DEFAULT

- 8.1 This Clause 8 shall be without prejudice and in addition to Clauses 19 to 21 of Section 1. For the avoidance of doubt, any action(s) taken by Orient Futures under this Clause 8 shall not prejudice any other right or remedy which Orient Futures may have under this Agreement (including, without limitation, under Clauses 19 to 21 of Section 1) or otherwise at law.
- 8.2 For the purpose of this Clause 8 and Clauses 20.1 to 20.8 of Section 1, any of the following events shall be considered to be a **"Default"**:
- (a) Orient Futures has reasonable concerns that the Client does not have a sufficient understanding of the nature of, or the risks of, OTC Transactions;
  - (b) the Client is in any way disabled from clearing on the relevant Agreed Clearing System;
  - (c) the Client fails to meet any Margin requirement in relation to any OTC Clearing Transaction;
  - (d) the Client breaches any provision of the Applicable Laws, this Section 3, the OTC Transactions Terms and/or any rule of any Agreed Clearing System.
- 8.3 In the event that Orient Futures determines in its judgement that a Default has occurred, Orient Futures shall be entitled, by oral or written notice to the Client, in Orient Futures' sole and absolute discretion:
- (a) to do one or more of the following, in relation to the OTC Transactions Services:
    - (i) suspend or cease (whether indefinitely or otherwise) providing to the Client the OTC Transactions Services and/or terminate any Account or Orient Futures' relationship with the Client;
    - (ii) require the Client to immediately repay or deliver all monies and property under the Account with Orient Futures whereon such repayments and deliveries shall immediately become due, owing, payable and deliverable,

interest thereon, commission and other fees or costs payable to the Client;

- (iii) require the Client to immediately satisfy and perform any and all other liabilities and obligations in respect of any of the Account held by the Client with Orient Futures;
- (iv) liquidate all OTC Transactions in any of the Account held by the Client with Orient Futures (with all resulting Losses therefrom being borne solely by the Client);
- (v) hedge and/or offset all or any of the Client's OTC Transactions at the Client's sole risk;
- (vi) sell, dispose or realise in any manner Orient Futures deems fit anything, including all Margin or other Collateral belonging to or deposited by the Client and in Orient Futures' possession or control or held by Orient Futures in respect of one or more OTC Transaction, and apply the proceeds thereof to extinguish or diminish the Client's obligations towards Orient Futures including the payment of interest, commission and other costs and expenses; and
- (vii) take such other action as Orient Futures deems appropriate; and/or

(b) to exercise one or more of the rights set out in Clause 21.1 of Section 1.

8.4 Where Orient Futures, in its sole and absolute discretion, decides to take any of the actions or exercise any of Orient Futures' rights referred to in Clause 8.3, the Client shall repay upon demand any deficiency that may thereafter remain in the Account with Orient Futures.

8.5 Should Orient Futures, in its sole and absolute discretion, decide not to take any of the actions or exercise any of Orient Futures' rights referred to in Clause 8.3, Orient Futures shall nevertheless be entitled to demand the immediate payment of all amounts, and the immediate delivery of all property, due to Orient Futures.



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## SECTION 5 TERMS AND CONDITIONS APPLICABLE TO FX TRANSACTIONS

### 1. APPLICATION OF THIS SECTION

- 1.1 The clauses in this Section 5 shall apply (in addition to all other terms and conditions under Section 1 of this Agreement) to FX Transactions and to the trading and other services, in connection with Spot FX Contracts and/or FX Options, provided by Orient Futures to the Client ("**FX Transactions Services**").
- 1.2 For the avoidance of doubt, the clauses in this Section 5 shall not apply:
- (a) to any CFD Transaction (as defined in Section 4); or
  - (b) to any contract for the sale and purchase of Currencies on a "forward" or "deferred settlement" basis.
- 1.3 The Client shall also comply with all other rules, guidelines, notices and documents of Orient Futures pertaining to FX Transactions as Orient Futures may issue from time to time (together with the clauses in this Section 5, the "**FX Transactions Terms**").
- 1.4 In the event of any conflict or inconsistency between:
- (a) the clauses in this Section 5 and the FX Transactions Terms, the clauses in this Section 5 shall prevail to the extent of such conflict or inconsistency;
  - (b) the clauses in this Section 5 and the terms of any Confirmation, the terms of that Confirmation shall prevail with respect to the FX Transaction to which that Confirmation relates.
- 1.5 Unless otherwise stated, references to numbered clauses in this Section 5 are references to the clauses of this Section 5.

### 2. DEFINITIONS FOR THIS SECTION

- 2.1 All terms used in this Section 5 which are defined in Section 1 shall, unless otherwise defined here, have the same meanings ascribed to them in Section 1.
- 2.2 In this Section 5, unless the context otherwise requires:
- "Buyer"**, in respect of a FX Option, means the owner of such FX Option;
- "Call Currency"** means the Permitted Currency agreed to as such at the time a FX Option is entered into, as evidenced in the Confirmation;
- "Currency Obligation"** means any obligation of a party to deliver a Permitted Currency pursuant to:
- (a) a Spot FX Contract; or
  - (b) an exercised FX Option (other than one which is to be settled at its In-the-Money Amount under Clause 5.11);

**“Currency Pair”** means the two Permitted Currencies which may be exchanged in connection with a Spot FX Contract or upon the exercise of a FX Option, one of which shall be the Put Currency and the other the Call Currency;

**“European Style Option”** means a FX Option for which Notice of Exercise may be given only on such FX Option’s Expiration Date up to and including the Expiration Time, unless otherwise agreed in writing by Orient Futures;

**“Exercise Date”**, in respect of a FX Option, means the day on which a Notice of Exercise received by the Seller becomes effective pursuant to Clause 5.6;

**“Expiration Date”**, in respect of a FX Option, means the date agreed to as such at the time such FX Option is entered into, as evidenced in the Confirmation;

**“Expiration Time”** in respect of a FX Option, means the date agreed to as such at the time such FX Option is entered into, as evidenced in the Confirmation;

**“FX Call”** means a FX Option entitling, but not obliging (except upon exercise), the Buyer to purchase from the Seller at the Strike Price a specified quantity of the Call Currency;

**“FX Option”** means a FX Put or FX Call, as the case may be, which is or shall become subject to this Agreement;

**“FX Put”** means a FX Option entitling but not obliging (except upon exercise) the Buyer to sell to the Seller at the Strike Price a specified quantity of the Put Currency;

**“FX Transaction”** means any Transaction in a Spot FX Contract or FX Option as Orient Futures may from time to time permit to be carried out under the Account;

**“In-the-Money Amount”** means:

- (a) in the case of a FX Call, the excess of the Spot Price over the Strike Price, multiplied by the aggregate amount of the Call Currency to be purchased under the FX Call, where both prices are quoted in terms of the amount of the Put Currency to be paid for one unit of the Call Currency; and
- (b) in the case of a FX Put, the excess of the Strike Price over the Spot Price, multiplied by the aggregate amount of the Put Currency to be sold under the FX Put, where both prices are quoted in terms of the amount of the Call Currency to be paid for one unit of the Put Currency;

**“Local Banking Day”**, with respect to a Permitted Currency, means a day on which commercial banks effect deliveries of such Permitted Currency in accordance with the market practice of the relevant foreign exchange market, provided, however, that neither Saturday nor Sunday shall be considered a Local Banking Day;

**“Notice of Exercise”**, in respect of a FX Option, means telephonic or other electronic notification providing assurance of receipt (excluding facsimile transmission), given by the Buyer to the Seller prior to or at the Expiration Time, of the exercise of such FX Option, which notice shall be irrevocable;

**“Permitted Currency”** means such currencies as may be designated by Orient Futures from time to time for the FX Transactions Services or for any particular FX Transaction;



**“Premium”**, in respect of a FX Option, means the purchase price of such FX Option as agreed upon by the Buyer and Seller at the time such Option is entered into, as evidenced in a Confirmation, and payable by the Buyer to the Seller;

**“Premium Payment Date”**, in respect of a FX Option, means the date on which the Premium is due and payable, as agreed upon by the Buyer and Seller at the time such FX Option is entered into, as evidenced in the Confirmation;

**“Put Currency”** means the Permitted Currency agreed to as such at the time a FX Option is entered into, as evidenced in the Confirmation;

**“Seller”**, in respect of a FX Option, means the party granting such FX Option;

**“Settlement Date”** in respect of a European Style Option, means the Spot Date of the Currency Pair on the Expiration Date of such option, and where market practice in the relevant foreign exchange market in relation to the two Permitted Currencies involved provides for delivery of one Permitted Currency on one date which is a Local Banking Day in relation to that Permitted Currency but not to the other Permitted Currency and for delivery of the other Permitted Currency on the next Local Banking Day in relation to that other Permitted Currency (**“Split Settlement”**), **“Settlement Date”** means such 2 Local Banking Days;

**“Split Settlement”**, has the meaning ascribed to it in the definition of Settlement Date;

**“Spot Date”** means the spot delivery day for the relevant Currency Pair as determined by Orient Futures based on general usage in the relevant foreign exchange market;

**“Spot FX Contract”** means a contract entered into by Orient Futures with the Client pursuant to this Section 5 to buy or sell against one Permitted Currency, agreed between the Client and Orient Futures, an amount of another Permitted Currency, agreed between the Client and Orient Futures, for spot settlement;

**“Spot Price”** means the rate of exchange at the time at which such price is to be determined for foreign exchange transactions in the relevant Currency Pair for value on the Spot Date, as determined in good faith by Orient Futures;

**“Strike Price”** in respect of a FX Option, means the price at which the Currency Pair may be exchanged, as agreed to at the time the FX Option is entered into and as evidenced in a Confirmation; and

**“Value Date”**, with respect to any Currency Obligation, means the Local Banking Day upon which the obligation to deliver Permitted Currency pursuant to such Currency Obligation is to be performed.

### 3. FX TRANSACTIONS SERVICES

- 3.1 The Client acknowledges that quotes provided by Orient Futures to the Client may differ from quotes provided to other customers of Orient Futures.
- 3.2 The Client acknowledges that FX Transactions may be subject to measures which affect their convertibility and/or liquidity and hereby agrees that Orient Futures is not obliged to provide quotes for any FX Transaction but if Orient Futures chooses to do so, it shall not be obliged to ensure that such quote is in line with the market as then prevailing.

Margin

- 3.3 Without prejudice to the generality of Clause 14 of Section 1, the Client is required to provide and maintain such Margin specified by Orient Futures and advised to the Client from time to time in order to create and/or maintain the Client's position(s) in respect of Futures Transaction(s).

Cash settlement only

- 3.4 Notwithstanding anything in this Section 5, Orient Futures will not arrange delivery of any Currency unless Orient Futures deems it necessary or if otherwise agree in writing with the Client and, accordingly, unless such arrangements have been made by Orient Futures with the Client any currency positions that settle shall do so by credit or debit to the Account.

**4. SPOT FX CONTRACTS**

Entering into a Spot FX Contract

- 4.1 Subject to the terms and conditions of this Agreement, the Client may, on any Business Day during Orient Futures' business hours, place an Order with Orient Futures to enter into one or more Spot FX Contract at the exchange rate quoted by Orient Futures.
- 4.2 Each Order shall be irrevocable and shall specify the amount of Permitted Currency which the Client wishes to buy or sell against another Permitted Currency.

Settlement

- 4.3 Payment or delivery, as the case may be, for a Spot FX Contract shall be required 2 Business Days after the Spot FX Contract is concluded.

**5. FX OPTIONS**

Purchase or sale of FX Option

- 5.1 The Client may, on any Business Day, place an Order with Orient Futures to purchase from or sell any FX Option (whether a FX Put or FX Call) to Orient Futures:

- (a) for such Premium;
- (b) with such Expiration Date and Expiration Time;
- (c) at such Strike Price; and
- (d) for the purchase or sale of such quantities of such Permitted Currencies,

as may be agreed subject to the terms and conditions of this Agreement. For the avoidance of doubt, Orient Futures may (but shall not be obligated to) comply with any such Order.

- 5.2 Each FX Option shall be governed by the terms and conditions in this Agreement and in the Confirmation relating to such FX Option.

Payment of Premium

- 5.3 Unless otherwise agreed in writing by the Buyer and Seller, the Buyer shall be obliged to pay the Premium related to an FX Option to the Seller no later than its Premium Payment Date.
- 5.4 If any Premium is not received on or before the Premium Payment Date, the Seller may elect:
- (a) to accept a late payment of such Premium; or
  - (b) to give written notice of such non-payment and, if such payment shall not be received within 2 Local Banking Days of such notice, treat the related FX Option as void, and

the Buyer shall pay all out-of-pocket costs and actual damages incurred in connection with such unpaid or late Premium or void FX Option, including without limitation, interest on such Premium from and including the Premium Payment Date to but excluding the late Payment Date in the same Permitted Currency as such Premium at such overnight rate as the Bank may determine and any other losses, costs or expenses incurred by the Seller in connection with such terminated FX Option, for the loss of its bargain, its cost of funding, or the loss incurred as a result of terminating, liquidating, obtaining or re-establishing a delta hedge or related trading position with respect to such FX Option.

- 5.5 Without prejudice to any other right or remedy of Orient Futures under this Agreement (including, without limitation, under Clause 5.4), any other agreement or otherwise at law, if any Premium which the Client is obliged to pay Orient Futures is not received by Orient Futures on or before the Premium Payment Date, Orient Futures may elect to give written notice of such non-payment and, if such payment shall not be received within 2 Local Banking Days of such notice, treat such non-payment as a Default.

Exercise of FX Options

- 5.6 The Buyer may exercise a FX Option by delivery to the Seller of a Notice of Exercise. Subject to Clause 5.9, if a Notice of Exercise with respect to a FX Option has not been received by the Seller prior to or at the Expiration Time, such FX Option shall expire worthless and become void and of no effect. Any Notice of Exercise shall (unless otherwise agreed in writing by Orient Futures), in respect of a European Style Option, if received on or, if the parties have so agreed, before the Expiration Date, prior to or at the Expiration Time, be effective upon receipt thereof by the Seller.
- 5.7 Unless otherwise agreed in writing by Orient Futures, a FX Option may be exercised only in whole.
- 5.8 An exercised FX Option shall be treated as a Currency Obligation (unless it is to be settled at its In-the-Money Amount pursuant to Clause 5.11), and for this purpose the relevant Settlement Date shall be treated as the Value Date of the Transaction.

Automatic exercise of FX Options

- 5.9 Unless Orient Futures agrees otherwise in writing, if a FX Option has an In-the-Money Amount at its Expiration Time, then the FX Option shall be deemed automatically exercised. In such case, Orient Futures may elect to settle the FX Option either in accordance with Clause 5.10, or by payment to the Client or, by requiring from the Client payment, on the Settlement Date for such FX Option of the In-the-Money Amount, as determined at the Expiration Time or as soon thereafter as practicable. In the latter case, the sole obligation of

Orient Futures and the Client with respect to settlement of such FX Option shall be to deliver or receive the In-the-Money Amount of such FX Option on the Settlement Date. Orient Futures shall notify the client of the method selected by it for settlement of an automatically exercised FX Option as soon as practicable after the Expiration Time.

Settlement of FX Options

- 5.10 An exercised FX Option shall settle on its Settlement Date. Subject to Clauses 5.9 and 5.11, the Buyer shall deliver the Put Currency to the Seller for value on the Settlement Date and the Seller shall deliver the Call Currency to the Buyer for value on the Settlement Date.

Settlement of FX Options at In-the-Money Amount

- 5.11 A FX Option shall be settled at its In-the-Money Amount if so agreed by Orient Futures and the Client at the time such FX Option is entered into. In such case, the In-the-Money Amount shall be determined based upon the Spot Price at the time of exercise or as soon thereafter as practicable. The sole obligation of Orient Futures and the Client with respect to the settlement of such FX Option shall be to deliver or receive the In-the-Money Amount of such FX Option on the Settlement Date.

Termination and discharge of FX Options

- 5.12 Any FX Call or any FX Put written by Orient Futures or the Client will automatically be terminated and discharged, in whole or in part, as applicable, against a FX Put or a FX Call, respectively, written by the other party, such termination and discharge to occur automatically upon the payment in full of the last Premium payable in respect of such FX Options; provided that such termination and discharge may only occur in respect of FX Options:

- (a) each being with respect to the same Put Currency and the same Call Currency;
- (b) each having the same Expiration Date and Expiration Time;
- (c) each being of the same style, i.e., both being European Style Options;
- (d) each having the same Strike Price; and
- (e) neither of which shall have been exercised by delivery of a Notice of Exercise;

and, upon the occurrence of such termination and discharge, neither Orient Futures nor the Client shall have any further obligation to the other party in respect of the relevant FX Options or, as the case may be, parts thereof so terminated and discharged. Such termination and discharge shall be effective notwithstanding that either party may fail to record such termination and discharge in its books.

- 5.13 In the case of a partial termination and discharge of FX Options (i.e. where the relevant Options are for different amounts of the Currency Pair) pursuant to Clause 5.12, the remaining undischarged portion of such FX Options shall continue to be FX Options for all purposes of this Agreement.

**6. SETTLEMENT NETTING**

- 6.1 If, on any date, more than one delivery of a particular Permitted Currency under Currency

Obligations is to be made between Orient Futures and the Client then, Orient Futures may, at its absolute discretion require that each of them shall aggregate the amounts of such Permitted Currency deliverable by it and only the difference between these aggregate amounts shall be delivered by the party owing the larger aggregate amount to the other party, and, if the aggregate amounts are equal, no delivery of the Permitted Currency shall be made.

## **7. TITLE TRANSFER IN RELATION TO COLLATERAL AND MARGIN**

7.1 The provisions of this Clause 7 of Section 5 shall only apply where the Client is an Accredited Investor, Expert Investor or Institutional Investor.

7.2 Unless Orient Futures otherwise specifies, all cash or other property provided to Orient Futures as Margin or other Collateral in respect of one or more FX Transactions shall be provided on a title transfer basis so that all right, title and interest in and to such cash or other property shall vest in Orient Futures free and clear of any liens, claims, charges or encumbrances or any other interest of the Client or of any third party (other than a lien or other security interest routinely imposed on the type of property (other than cash) so provided in a relevant clearing system).

7.3 The Client acknowledges and agrees that:

- (a) Orient Futures shall be the sole owner of all such Margin and other Collateral so provided to Orient Futures as aforesaid;
- (b) Orient Futures shall have the right to transfer, use or apply the same in such manner as Orient Futures may deem fit without notice or accounting to the Client, free and clear of any security interest, lien, encumbrance or other restriction (other than a lien or other security interest routinely imposed on the type of property (other than cash) so provided in a relevant clearing system), including but not limited to, onward transferring or paying such Margin and other Collateral to third parties as margin or other credit support on an absolute title transfer basis in respect of any one or more Hedging Transactions; and
- (c) such Margin and other Collateral will accordingly not be held on trust nor segregated from Orient Futures' cash or other property notwithstanding anything to the contrary in this Agreement.

7.4 Subject to all rights of Orient Futures under this Agreement, and save where Clause 14.14 of Section 1 applies, all payments and distributions, whether of cash or other property, received by Orient Futures in respect of any Margin or other Collateral, shall be received by Orient Futures as Margin or other Collateral in accordance with this Agreement (and in particular, the provisions of Clause 14 of Section 1 and this Clause 7).

7.5 To the extent that the cash or other property so provided to Orient Futures as Margin or other Collateral as aforesaid (or any part thereof) is in excess of all obligations and liabilities of the Client under this Agreement and is not otherwise required by Orient Futures in respect of any FX Transaction or OTC Transaction or the exercise of Orient Futures' rights in respect thereof under this Agreement:

- (a) in the case of cash so provided as Margin or other Collateral, Orient Futures shall pay to the Client, by way of crediting to the Account, an equivalent cash amount in the

same Currency or in such other Currency as Orient Futures may determine; and

- (b) in respect of other property (not being cash) so provided as Margin or other Collateral as aforesaid, Orient Futures shall transfer or deliver to the Client, by way of crediting to the Account, equivalent property of the same type, nominal value, description and amount.

## 8. DEFAULT

8.1 This Clause 8 shall be without prejudice and in addition to Clauses 19 to 21 of Section 1. For the avoidance of doubt, any action(s) taken by Orient Futures under this Clause 8 shall not prejudice any other right or remedy which Orient Futures may have under this Agreement (including, without limitation, under Clauses 19 to 21 of Section 1) or otherwise at law.

8.2 For the purpose of this Clause 8 and Clauses 19 to 21 of Section 1, any of the following events shall be considered to be a **"Default"**:

- (a) Orient Futures has reasonable concerns that the Client does not have a sufficient understanding of the nature of, or the risks of, FX Transactions;
- (b) the Client fails to meet any Margin requirement in relation to any FX Transaction;
- (c) the Client breaches any provision of the Applicable Laws, this Section 5 and/or the FX Transactions Terms.

8.3 In the event that Orient Futures determines in its judgement that a Default has occurred, Orient Futures shall be entitled, by oral or written notice to the Client, in Orient Futures' sole and absolute discretion:

- (a) to do one or more of the following, in relation to the FX Transactions Services:
  - (i) suspend or cease (whether indefinitely or otherwise) providing to the Client the FX Transactions Services and/or terminate any Account or Orient Futures' relationship with the Client;
  - (ii) require the Client to immediately repay or deliver all monies and property under the Account with Orient Futures whereon such repayments and deliveries shall immediately become due, owing, payable and deliverable, interest thereon, commission and other fees or costs payable to the Client;
  - (iii) require the Client to immediately satisfy and perform any and all other liabilities and obligations in respect of any of the Account held by the Client with Orient Futures;
  - (iv) liquidate all FX Transactions in any of the Account held by the Client with Orient Futures (with all resulting Losses therefrom being borne solely by the Client);
  - (v) hedge and/or offset all or any of the Client's FX Transactions at the Client's sole risk;
  - (vi) sell, dispose or realise in any manner Orient Futures deems fit anything, including all Margin or other Collateral belonging to or deposited by the Client

and in Orient Futures' possession or control or held by Orient Futures in respect of one or more FX Transaction, and apply the proceeds thereof to extinguish or diminish the Client's obligations towards Orient Futures including the payment of interest, commission and other costs and expenses; and

(vii) take such other action as Orient Futures deems appropriate; and/or

(b) to exercise one or more of the rights set out in Clause 21.1 of Section 1.

8.4 Where Orient Futures, in its sole and absolute discretion, decides to take any of the actions or exercise any of Orient Futures' rights referred to in Clause 8.3, the Client shall repay upon demand any deficiency that may thereafter remain in the Account with Orient Futures.

8.5 Should Orient Futures, in its sole and absolute discretion, decide not to take any of the actions or exercise any of Orient Futures' rights referred to in Clause 8.3, Orient Futures shall nevertheless be entitled to demand the immediate payment of all amounts, and the immediate delivery of all property, due to Orient Futures.





## **SCHEDULES**

**SCHEDULE 1 RISK DISCLOSURE STATEMENT PURSUANT TO REGULATION 47E(1) OF THE  
SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS**

**SECURITIES AND FUTURES ACT**

**(Cap. 289)**

**SECURITIES AND FUTURES**

**(LICENSING AND CONDUCT OF BUSINESS) REGULATIONS (Rg 10)**

**FORM 13**

**RISK DISCLOSURE STATEMENT REQUIRED TO BE FURNISHED UNDER REGULATION 47E(1)  
AND TO BE KEPT UNDER REGULATION 39(2)(c) BY THE HOLDER OF A CAPITAL MARKETS  
SERVICES LICENCE TO DEAL IN CAPITAL MARKETS PRODUCTS IN RESPECT OF FUTURES  
AND CERTAIN OVER-THE-COUNTER DERIVATIVES CONTRACTS**

1. This statement is provided to you in accordance with regulation 47E(1) of the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg 10).
2. This statement does not disclose all the risks and other significant aspects of trading in futures, options, over-the-counter derivatives contracts where the underlying is a currency or currency index ("**OTCD currency contracts**") and spot foreign exchange contracts for the purposes of leveraged foreign exchange trading ("**Spot LFX trading contracts**"). In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to the risks. Trading in futures, options, OTCD currency contracts and Spot LFX trading contracts may not be suitable for many members of the public. You should carefully consider whether such trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances. In considering whether to trade, you should be aware of the following:

**(a) Futures, OTCD currency contracts and Spot LFX trading contracts**

**(i) Effect of 'Leverage' or 'Gearing'**

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

**(ii) Risk-Reducing Orders or Strategies**

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

**(b) Options**

**(i) Variable Degree of Risk**

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

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

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

Certain exchanges in some jurisdictions permit deferred payment of the option premium, limiting the liability of the purchaser to margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

**(c) Additional Risks Common to Futures, Options and Leveraged Foreign Exchange Trading**

**(i) Terms and Conditions of Contracts**

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

**(ii) Suspension or Restriction of Trading and Pricing Relationships**

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

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

**(iii) Deposited Cash and Property**

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

**(d) Commission and Other Charges**

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

**(e) Transactions in Other Jurisdictions**

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

home jurisdiction and other relevant jurisdictions before you start to trade.

**(f) Currency Risks**

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

**(g) Trading Facilities**

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

**(h) Electronic Trading**

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

**(i) Off-Exchange Transactions**

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

*Note:*

“Margin” means an amount of money, securities, property or other collateral, representing a part of the value of the contract or agreement to be entered into, which is deposited by the buyer or the seller of a transaction in a futures contract, OTCD currency contract or spot LFX trading contract to ensure performance of the terms of the transaction in the futures contract, OTCD currency contract or spot LFX trading contract.

## SCHEDULE 2 RISK WARNING STATEMENT FOR OVERSEAS-LISTED INVESTMENT PRODUCTS

### **RISK WARNING**

An overseas-listed investment product\* is subject to the laws and regulations of the jurisdiction it is listed in. Before you trade in an overseas-listed investment product or authorise someone else to trade for you, you should be aware of:

- The level of investor protection and safeguards that you are afforded in the relevant foreign jurisdiction as the overseas-listed investment product would operate under a different regulatory regime.
- The differences between the legal systems in the foreign jurisdiction and Singapore that may affect your ability to recover your funds.
- The tax implications, currency risks, and additional transaction costs that you may have to incur.
- The counterparty and correspondent broker risks that you are exposed to.
- The political, economic and social developments that influence the overseas markets you are investing in.

These and other risks may affect the value of your investment. You should not invest in the product if you do not understand or are not comfortable with such risks.

\*An “**overseas-listed investment product**” in this statement refers to a capital markets products that is approved in-principle for listing and quotation only on, or listed for quotation or quoted only on, one or more overseas exchanges.

1. This statement is provided to you in accordance with paragraph 29D of the Notice on the Sale of Investment Products [SFA04-N12].
2. This statement does not disclose all the risks and other significant aspects of trading in an overseas-listed investment product. You should undertake such transactions only if you understand and are comfortable with the extent of your exposure to the risks.
3. You should carefully consider whether such trading is suitable for you in light of your experience, objectives, risk appetite, financial resources and other relevant circumstances. In considering whether to trade or to authorise someone else to trade for you, you should be aware of the following:

#### Differences in Regulatory Regimes

- (a) Overseas markets may be subject to different regulations, and may operate differently from approved exchanges in Singapore. For example, there may be different rules providing for the safekeeping of securities and monies held by custodian banks or depositories. This may affect the level of safeguards in place

to ensure proper segregation and safekeeping of your investment products or monies held overseas. There is also the risk of your investment products or monies not being protected if the custodian has credit problems or fails. Overseas markets may also have different periods for clearing and settling transactions. These may affect the information available to you regarding transaction prices and the time you have to settle your trade on such overseas markets.

- (b) Overseas markets may be subject to rules which may offer different investor protection as compared to Singapore. Before you start to trade, you should be fully aware of the types of redress available to you in Singapore and other relevant jurisdictions, if any.
- (c) Overseas-listed investment products may not be subject to the same disclosure standards that apply to investment products listed for quotation or quoted on an approved exchange in Singapore. Where disclosure is made, differences in accounting, auditing and financial reporting standards may also affect the quality and comparability of information provided. It may also be more difficult to locate up-to-date information, and the information published may only be available in a foreign language.

#### Differences in legal systems

- (d) In some countries, legal concepts which are practiced in mature legal systems may not be in place or may have yet to be tested in courts. This would make it more difficult to predict with a degree of certainty the outcome of judicial proceedings or even the quantum of damages which may be awarded following a successful claim.
- (e) The Monetary Authority of Singapore will be unable to compel the enforcement of the rules of the regulatory authorities or markets in other jurisdictions where your transactions will be effected.
- (f) The laws of some jurisdictions may prohibit or restrict the repatriation of funds from such jurisdictions including capital, divestment proceeds, profits, dividends and interest arising from investment in such countries. Therefore, there is no guarantee that the funds you have invested and the funds arising from your investment will be capable of being remitted.
- (g) Some jurisdictions may also restrict the amount or type of investment products that foreign investors may trade. This can affect the liquidity and prices of the overseas-listed investment products that you invest in.

#### Different costs involved

- (h) There may be tax implications of investing in an overseas-listed investment product. For example, sale proceeds or the receipt of any dividends and other income may be subject to tax levies, duties or charges in the foreign country, in Singapore, or in both countries.
- (i) Your investment return on foreign currency-denominated investment products will

be affected by exchange rate fluctuations where there is a need to convert from the currency of denomination of the investment products to another currency, or may be affected by exchange controls.

- (j) You may have to pay additional costs such as fees and broker's commissions for transactions in overseas exchanges. In some jurisdictions, you may also have to pay a premium to trade certain listed investment products. Therefore, before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

Counterparty and correspondent broker risks

- (k) Transactions on overseas exchanges or overseas markets are generally effected by your Singapore broker through the use of foreign brokers who have trading and/or clearing rights on those exchanges. All transactions that are executed upon your instructions with such counterparties and correspondent brokers are dependent on their respective due performance of their obligations. The insolvency or default of such counterparties and correspondent brokers may lead to positions being liquidated or closed out without your consent and/or may result in difficulties in recovering your monies and assets held overseas.

Political, Economic and Social Developments

- (l) Overseas markets are influenced by the political, economic and social developments in the foreign jurisdiction, which may be uncertain and may increase the risk of investing in overseas-listed investment products.



### **SCHEDULE 3 ADDITIONAL RISK DISCLOSURES**

This Schedule 3 briefly outlines some general investment risks and some of the risks associated with certain products. In particular, the Client must be aware that the associated risk of loss in trading transactions or contracts can be substantial.

Clients who trade or transact with or through Orient Futures should be aware of the risks which may be involved in such trading and transactions. The Client should not enter into such a trade or transaction unless the Client fully understands:

- (a) the nature and fundamentals of the transaction and the market underlying such transaction;
- (b) the legal terms and conditions of the documentation for such transaction;
- (c) the extent of the economic risk to which the Client is exposed as a result of such transaction (and determine that such risk is suitable for the Client in light of the Client's specific experience in relation to the specific transaction and the Client's financial objectives, circumstances and resources);
- (d) the income tax treatment and the accounting treatment of such transaction (which can be complex);
- (e) the regulatory treatment of such transaction; and
- (f) the nature and scope of the relationship between the Client and Orient Futures with respect of such transaction undertaken by the Client.

IT IS IMPORTANT FOR THE CLIENT TO DETERMINE WHETHER ANY TRANSACTION IS SUITABLE FOR THE CLIENT'S OPERATIONS, BUSINESS AND ORGANISATION, AND THE CLIENT SHOULD BE AWARE THAT THIS IS THE CLIENT'S SOLE RESPONSIBILITY. THE CLIENT SHOULD REFRAIN FROM ENTERING INTO ANY TRANSACTION WITH OR THROUGH ORIENT FUTURES UNLESS THE CLIENT HAS FULLY UNDERSTOOD THE TERMS AND RISKS OF THE TRANSACTION, INCLUDING THE EXTENT OF ITS POTENTIAL RISK OF LOSS AND IS WILLING AND ABLE TO SUSTAIN SUCH LOSS.

#### **General investment risks**

The risks set out herein are generally common to all trades and transactions.

#### **Price and market risks**

The prices of capital market products fluctuate, sometimes dramatically. The price of a capital market product may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling capital market products. The Client's position on various transactions may be liquidated at a loss and the Client will then be liable for any resulting deficit. Under certain circumstances, it may be difficult to liquidate an existing position, assess the value, determine a fair price or assess its exposure to risk. The specifications of outstanding contracts (including the exercise price of an option or warrant) may also be modified by an exchange or Clearing House to reflect changes in the underlying asset.

#### Off-exchange/over-the-counter transactions

If the Client enters into an off-exchange transaction, Orient Futures may be acting as the Client's counterparty. Off-exchange transactions may be less regulated or subject to a separate regulatory regime, compared to on-exchange transactions.

Because prices and characteristics of over-the-counter financial instruments are often individually negotiated, there may be no central source for obtaining prices and there can be inefficiencies in the pricing of such instruments.

Off-exchange transactions may also involve greater risk than dealing in exchange traded products because there is no exchange market through which to liquidate the Client's position, to assess the value of the product or the exposure to risk. Bid and offer prices need not be quoted and it may be difficult to establish what is a fair price.

#### Country risks

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose the Client to additional risk. Such markets may be subject to rules which may offer different or diminished investor protection. Before the Client trades, the Client should make enquiries with Orient Futures about any rules relevant to the Client's particular transactions.

The Client's local regulatory authority will be unable to compel the enforcement of the rules of the regulatory authorities or markets in other jurisdictions where the Client's transactions have been effected. The Client should ask its advisers for details about the types of redress available in both the Client's home jurisdiction and other relevant jurisdictions before the Client starts to trade. Any imposition by a country of exchange controls or other limitations or restrictions may cause payments to be made in the local currency instead of the original invested currency, or may result in the inability to effect outward remittances of funds from such country, which can affect the value of the Client's investment or the Client's ability to enjoy its benefit.

Investment in capital market products in "emerging markets", including those located in Asia, Latin America and Eastern Europe, may yield high returns but may also carry high investment risks. Such risks include political risks, risks of economic instability, heightened levels of the general risks described above, greater prevalence of unsavoury market practices and laws and regulations which afford inadequate protection and safeguards to investors. Generally less information is publicly available with respect to emerging markets issuers and obligors and many emerging markets companies are subject to less rigorous accounting and reporting requirements than those applicable in developed markets.

#### Liquidity and market disruption risks

Adverse market conditions may result in the Client not being able to effect transactions, liquidate all or part of its investments, assess a value or its exposure or determine a fair price, as and when it requires. This may also arise from the rules in certain markets (for example, the rules of a particular exchange may provide for "circuit breakers" where trading is suspended or restricted at times of rapid price movements).

#### Risk-reducing orders or strategies

Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit the Client's losses to the intended amounts, as it may be impossible to execute such orders under adverse market conditions. Strategies using combinations of positions, such as spread and straddle

positions, may be as risky as taking simple long or short positions.

The normal pricing relationships between a derivative and the underlying assets may not exist in certain circumstances. For example, this can occur when an asset underlying an option is subject to price limits while the option is not.

#### Trading facilities and electronic trading

Most open-outcry and electronic trading facilities are supported by computer-based systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. The Client's ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the Clearing House and/or member firms. Such limits may vary. Before conducting any transactions through such facilities or systems, the Client should understand the details in this respect. Further, trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If the Client undertakes transactions on an electronic trading system, it will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that the Client's order is either not executed according to its instructions or not executed at all.

#### Foreign exchange risks

Fluctuations in foreign currency rates will have an impact on the Client's profit and loss where a transaction involves a foreign currency element.

#### Credit risks

Over-the-counter transactions are subject to the credit risks of the counterparty, including but not limited to failure by such counterparty to make delivery or payment to the Client. The Client should also familiarise itself with the protection accorded to any money or other property which it deposits for domestic and foreign transactions, particularly in a firm's insolvency or bankruptcy. The extent to which the Client may recover its money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as its own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

#### Monies and assets

The Client acknowledges that there may be risks in holding monies and assets with Orient Futures. Such risks could involve the loss of all monies and assets, leading to diminished investor protection. The Client should be prepared to assume these risks if it decides to leave its monies and assets with Orient Futures. The Client should also understand that in relation to monies and assets held in other jurisdictions, Orient Futures may appoint foreign custodians to safe-keep its foreign securities and assets. In this respect, there may be additional risks in relation to such foreign custodians arising from the operation of foreign law, rules and regulations.

The Client should familiarise itself with the protections given to money or other property it deposits for domestic and foreign transactions, particularly in the event of a firm's insolvency or bankruptcy. The extent to which the Client may recover its money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as the Client's will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

#### Counterparty and intermediary default risks

There may be a number of counterparties and/or intermediaries (including other brokers, dealers,

market-makers, exchanges, Clearing Houses or other third parties) that may be involved with transactions entered into by Orient Futures on the Client's behalf. The Client acknowledges and agrees that transactions entered into on the Client's behalf with or through such counterparties and/or intermediaries are subject to the prevailing terms and conditions as may be specified by such counterparties and/or intermediaries and are dependent on the performance, settlement or delivery by such counterparties and/or intermediaries.

Any wrongdoing, act, omission, insolvency, negligence, breach of duty, misconduct, fraud, wilful default or any other failure or default by or in respect of any such counterparty and/or intermediary may result in losses to the Client (including the loss of any collateral, currencies, margin, investments, property or other documents of title belonging to the Client and/or held in respect of the Client's transactions) or lead to the Client's positions being liquidated or closed out without prior notice to or consent from the Client and, by trading through or with Orient Futures, the Client acknowledges and understands that any and all such losses will be for the Client's own account. In certain circumstances, the Client may not even get back (in whole or in part) the actual cash and/or assets which the Client may have deposited with Orient Futures (whether as margin, collateral or otherwise) or the Client may have to accept cash in lieu of the delivery of any available assets.

Upon an insolvency or other default of any such counterparty or intermediary (the **"Defaulting Intermediary"**), it may sometimes be possible to transfer the Client's open positions to another appropriate counterparty or intermediary (the **"Replacement Intermediary"**). However, there may be occasions where the Client's margins, cash and/or assets deposited with the Defaulting Intermediary may not be transferred to the Replacement Intermediary together with the transferred open positions. In such a scenario, the Client's margins, cash and/or assets deposited with the Defaulting Intermediary (**"Original Margin"**) may continue to be retained by the Defaulting Intermediary and the Client may be required to provide fresh or additional margin, cash and/or other assets to the Replacement Intermediary (**"Replacement Margin"**) in order for the Client's open positions to be transferred to the Replacement Intermediary. In such a situation, Orient Futures may, if permitted by Applicable Law, and whether with or without notice to the Client, provide to the Client an advance or a loan for the purpose of meeting the Replacement Margin requirements so as to facilitate and support the transfer of the Client's open positions from the Defaulting Intermediary to the Replacement Intermediary. The Client will have to repay Orient Futures in full for any such advance or loan granted by Orient Futures. Any and all Original Margin subsequently received by Orient Futures from the Defaulting Intermediary may be used by Orient Futures to repay all such advances and loans granted by Orient Futures.

While Orient Futures will generally endeavour to notify the Client of the insolvency or default of a Defaulting Intermediary, the possibility of transferring the Client's open positions to a Replacement Intermediary and the Replacement Margin requirements, the Client accepts that it may not always be possible or feasible for Orient Futures to do so given prevailing market conditions and that it may not be in the Client's interest for there to be any delay in the transfer of its open positions to a Replacement Intermediary. So long as Orient Futures acts in good faith and in a commercially reasonable manner, Orient Futures will accept no liability or responsibility for any Loss suffered by the Client and the Client will be required to indemnify Orient Futures against all Losses (including legal costs on a full indemnity basis) suffered or incurred by Orient Futures in connection with any act, omission or step taken by Orient Futures in good faith in connection with the insolvency or other default of the Defaulting Intermediary and the transfer of open positions to a Replacement Intermediary and the grant of any advances or loans for Replacement Margin. The Client acknowledges and accepts that the foregoing risks are inherent in trading with or through Orient Futures which requires transactions to be placed with or executed through counterparties or intermediaries.

### Margin and leveraged transactions

Financial transactions may sometimes involve a high degree of leverage. This can work against the Client as well as for the Client. A small market movement can produce large losses as well as gains.

The risk of loss in financing a transaction by deposit of collateral is significant. The Client may sustain losses in excess of its cash and any other assets deposited as collateral with the licensed or registered person. Market conditions may make it impossible to execute contingent orders, such as “stop-loss” or “stop-limit” orders. The Client may be called upon at short notice to make additional margin deposits or interest payments. If the required margin deposits or interest payments are not made within the prescribed time, the Client’s collateral may be liquidated without its consent.

Moreover, the Client will remain liable for any resulting deficit in its account and interest charged on its account. The Client should therefore carefully consider whether such a financing arrangement is suitable in light of its own financial position and investment objectives.

### Impact of fees, commissions and other charges

Before the Client begins to trade, the Client should obtain a clear explanation of all commissions, fees and other charges for which it will be liable. These charges will affect the Client’s net profit (if any) or increase its loss and must be considered in any risk assessment made by the Client.

### Derivatives products generally

Derivatives are financial contracts for which the price is derived from an underlying asset or benchmark, such as a currency or currency index. Derivatives may be comprised of a number of different elements and this often makes them difficult to understand. The Client should not deal in derivatives unless the Client understands the nature of the contract the Client is entering into, the terms and conditions of the contract and the extent of the Client’s exposure to risk.

The normal pricing relationships between a derivative and the underlying asset may not exist in certain circumstances (such as in adverse market conditions). The absence of an underlying reference price may make it difficult to judge “fair” value.

### Options

An option is a right granted by a person (the seller or writer) to another (the buyer or holder) to buy (call option) or to sell (put option) a specified amount of an underlying share or other asset at a predefined price (strike price) at or until a certain time (expiration date), in exchange for the payment of a premium. American-style options are exercisable on any trading day up until the expiration date. European-style options may only be exercised on their expiration date. Transactions in options carry a high degree of risk. The Client should familiarise itself with the type of options (i.e. put or call) which it contemplates trading and the associated risks. The Client should calculate the extent to which the value of an option would have to increase for the Client’s position to become profitable, taking into account the premium paid and all transaction costs.

Exercising an option results in either a cash settlement or in the buyer acquiring delivery of the underlying asset. The buyer of options may offset its position by trading in the market or exercise the options or allow the options to expire. If the option is on a futures contract, for example, the buyer will acquire the futures position together with associated liabilities for margin; this will expose the buyer to

the risks of the futures contract, described below under “Forwards and futures”. If the purchased options expire worthless, the Client will suffer a total loss of its investment, which will consist of the option premium paid plus transaction costs. If the Client is contemplating purchasing deep-out-of-the-money options, the Client should be aware that, ordinarily, the chance of such options becoming profitable is remote.

The risks associated with writing an option are generally considerably greater than buying an option. If the option is covered by a corresponding position in the underlying asset, the risk may be reduced. Conversely, if the option is uncovered, then the possible loss may be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

During the life of an option, the buyer will often have to provide margin. The margin is determined by the counterparty or, in the case of exchange traded options, the exchange. If the deposited margin proves insufficient, the buyer may have to provide additional collateral or be faced with its position being closed-out. Certain exchanges in some jurisdictions permit deferred payment of the option premium, limiting the liability of the buyer to margin payments not exceeding the amount of the premium. The buyer is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the buyer is responsible for any unpaid premium outstanding at that time.

#### Commodity options

Before entering into any transaction involving a commodity option, the Client should thoroughly understand the nature and type of option involved and the underlying physical commodity. In addition to the risks set out above, the Client should note that specific market movements of the underlying physical commodity cannot be predicted accurately. The prices of commodities can and do fluctuate, and may experience up and down movements which would affect the value of the option.

#### Exotic options

Unlike “plain vanilla” put and call options, exotic options are subject to additional conditions and agreements. Exotic options come in the form of tailor-made over-the-counter options or as warrants (see section on “Warrants” below). Given the special composition of exotic options, their price movements can vary markedly from those of their “plain vanilla” cousins. The Client must also be aware that larger transactions can trigger price movements even shortly before expiration and that these can render an option worthless. There is no limit to the structures exotic options may take and the Client should seek comprehensive advice about the particular risks involved before entering into any transaction involving an exotic option.

#### **Forwards and futures**

Forwards and futures entail the obligation to deliver or take delivery on a specified expiration date of a defined quantity of an underlying asset at a price agreed on the contract date. Futures are standardised contracts traded on-exchange. Forwards are traded over-the-counter. Futures and forwards involve a high degree of risk: the “gearing” or “leverage” often obtainable in forwards or futures trading means that a small deposit or down payment can lead to large losses as well as gains.

On buying or (short) selling an underlying asset on the futures market, the Client must supply a specified initial margin on agreement of the contract. This is usually a percentage of the total value of the contracted instruments. In addition, a variation margin is calculated periodically during the life of

the contract. This corresponds to the book profit or loss arising from any change in value in the contract or underlying instrument. In the event of a book loss, the variation margin can be several times as large as the initial margin.

For forward sales, the underlying must be delivered at the price originally agreed even if its market value has since risen above the agreed price. In such a case, the Client risks losing the difference between these two amounts. Theoretically, there is no limit to how far the market value of the underlying can rise. Hence, potential losses are similarly unlimited and can substantially exceed the margin requirements. For forward purchases, the Client must take delivery of the underlying at the price originally agreed even if its market value has since fallen below the agreed price. The Client's potential loss corresponds to the difference between these two values. The maximum loss corresponds to the originally agreed price. Potential losses can substantially exceed the margin requirements. If the Client sells forward an underlying which it does not hold at the outset of the contract, this is referred to as a short sale. In this case, the Client risks having to acquire the underlying at an unfavourable market price in order to fulfill its obligation to effect delivery on the contract's expiration date.

There is no actual market for OTC forwards agreed individually, and hence such positions may only be closed out with the agreement of the counterparty.

The risks relating to transacting in futures contracts and options are further described in Form 13 of the Securities and Futures (Licensing and Conduct of Business) Regulations set out in Schedule 1.

### **Contracts for differences (CFDs)**

CFDs are derivative instruments and may not be suitable for everyone. IN PARTICULAR, IF THE CLIENT CONSIDERS ITSELF TO BE A CONSERVATIVE, RISK-AVERSE INVESTOR, THEN CFDS ARE NOT SUITABLE.

#### **Effect of 'Leverage' or 'Gearing'**

Transactions in CFDs carry a high degree of risk. The amount of initial margin is small relative to the value of the CFDs transaction so that the transaction is highly 'leveraged' or 'geared'. A relatively small market movement will have a proportionately larger impact on the funds the Client has deposited or will have to deposit; this may work against the Client as well as for the Client. The Client may sustain a total loss of the initial margin funds and any additional funds deposited with Orient Futures to maintain the Client's position.

If the market moves against the Client's position or margin levels are increased, the Client may be called upon to pay substantial additional funds on short notice in order to maintain the Client's position. If the Client fails to comply with a request for additional funds within the specified time, the Client's position may be liquidated at a loss and the Client will be liable for any resulting deficit in the Client's account.

#### **Liquidity**

CFDs are over-the-counter (OTC) instruments and may be illiquid at times due to the absence of a secondary market, meaning such instruments may be difficult to be transacted within a reasonable time (if at all) or a price which reflects its objectively perceived "fair" value. For some of such instruments it may even be difficult to get any reliable independent information about the value and risks associated with such instruments.

### Risk of inadequate margin

Positions are marked-to-market on a daily basis with payments being settled daily to account for market movements. This risk of loss in securing a transaction by deposit of collateral can be significant. The Client may sustain losses in excess of the cash and any other assets deposited as collateral/margin with Orient Futures. The Client may be called upon at short notice to make additional margin deposits or shortfall fee payments. If the required margin deposit or shortfall fee payment is not made within the prescribed time, the Client will be deemed in default and Orient Futures may liquidate the Client's CFDs positions and supporting collateral without notice to the Client. This may result in a loss for the Client. Such loss may be substantial. The Client must therefore carefully consider whether such a collateral/margin provision arrangement for trading in CFDs is suitable for the Client in light of the Client's own financial position and investment objectives.

The Client should familiarise itself with and understand what the requirements are for trading on margin. In addition, the Client acknowledges that the Client is fully responsible for monitoring all of the Client's positions and knowing when the Client will be required to place additional margin. If the required margin deposit or interest payment is not made within the prescribed time, Orient Futures may close the Client's positions without prior notification to the Client.

### Important Notice

1. This Schedule is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Schedule may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.
2. Without prejudice to the generality of the foregoing: (i) the risks set out above in this Schedule are a brief outline of general investment risks and some of the risks associated with certain products. This Schedule does not address any other risks that may arise as a result of a Client's particular circumstances or as a result of the terms of particular Transactions; (ii) this Schedule is not intended to provide a comprehensive description of the risks of trading or of the risks associated with any product or service offered by Orient Futures.
3. Nothing contained in this Schedule should be considered as an offer or a solicitation to engage in any transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Schedule to the recipient.
4. Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Schedule. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or consequential loss. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.
5. Nothing contained in this Schedule is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.



**SCHEDULE 4 INTENTIONALLY LEFT BLANK**

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## **SCHEDULE 5 DISCLOSURES, TERMS AND OTHER MATTERS RELATING TO TRADING ON SINGAPORE EXCHANGE DERIVATIVES TRADING LIMITED**

This Schedule 5 shall additionally apply to the execution of trades in on or through Singapore Exchange Derivatives Trading Limited (**SGX-DT**) and all other services and arrangements in relation thereto, provided or granted by Orient Futures (or instructed or requested by the Client to be provided or granted by Orient Futures) to the Client.

1. Orient Futures is required by the Futures Trading Rules of the SGX-DT ("**Futures Trading Rules**") to notify the Client of Rule 1.6 of the Futures Trading Rules, reproduced below.

The Client acknowledges that it has been made aware of Rule 1.6 and that Rule 1.6 is acceptable to the Client.

### **"1.6 Exclusion of Liability, Disclaimer of Warranties & Statutory Immunity**

#### **1.6.1 No Liability for Loss**

Unless otherwise expressly provided in this Rules or in any other agreements to which the Exchange is a party, none of the Exchange, its related corporations, SGX RegCo, any person or entity referred to under Rule 1.7.4, or their respective directors, officers, employees, representatives or agents shall be liable to any Person for any loss (consequential or otherwise, including, without limitation, loss of profit), damage, injury, or delay, whether direct or indirect, arising from or in connection with the following, or any thing done or not done as a direct or indirect consequence of the following:

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

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

#### **1.6.1A Indemnity**

- (1) Each Trading Member indemnifies each of the Exchange, its related corporations, SGX RegCo, any person or entity referred to under Rule 1.7.4, and their respective directors, officers, employees, representatives and agents ("Indemnified Persons") against any loss or liability reasonably incurred or suffered by an Indemnified Persons where such loss or liability arose out of or in connection with:—
  - (a) any breach by the Trading Member of its obligations under the Rules; or
  - (b) any wilful, unlawful, reckless or negligent act or omission by the Trading Member.

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

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

- (3) Without prejudice to Rule 1.6.1A(2), the Trading Member shall pay to an Indemnified Person, if the Indemnified Person so requires, the costs incurred by or on behalf of the Indemnified Person of producing or obtaining, pursuant to a court order or other legal process, records relating to the business or affairs of a Trading Member or any of its directors, officers, employees, representatives or

#### 1.6.2 Statutory Immunity

As provided under the Act, the Exchange or any Person or entity acting on its behalf, including any person or entity referred to under Rule 1.7.4 and their respective directors, officers, employees, representatives, and agents, shall be immune from any criminal or civil liability for anything done (including any statement made) or omitted to be done with reasonable care and in good faith in the course of, or in connection with, the discharge or purported discharge of its obligations under the Act or this Rules.

#### 1.6.3 Disclaimer of Warranties

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

#### 1.6.4 Index Related Disclaimers

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

#### 1.6.5 Notification to Customers

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

2. Orient Futures is required by Rule 3.5.2 of the Futures Trading Rules to procure the full cooperation of the Client during any inspection, audit or investigation that may be carried out by SGX-DT or any duly appointed person in connection with the discharge of SGX-DT's regulatory obligations.

The Client undertakes to cooperate with Orient Futures and SGX-DT or any duly appointed person in accordance with Rule 3.5 of the Futures Trading Rules and comply with such requirements as may be imposed by Orient Futures in connection with ensuring compliance with this rule.

3. The Client acknowledges that it is aware of the risks associated with trading in the instruments, contracts and transactions, and classes of instruments, contracts or transactions listed or traded on the markets operated by SGX-DT.
4. The Client acknowledges that it is aware of Rule 3.3.21 of the Futures Trading Rules,

reproduced below, and undertakes to comply with such requirements as may be imposed by Orient Futures in connection with an omnibus account for the purpose of ensuring Orient Futures' compliance with Rule 3.3.21.

***"3.3.21 Disclosures Relating to Omnibus Accounts***

An Omnibus Account holder shall at all times disclose to the Member carrying that account the gross long and short positions held in that Omnibus Account in each contract. Such Member shall immediately notify the Exchange and shall promptly comply with all orders of the Exchange if the Omnibus Account holder fails to make such disclosure. A Member that carries Omnibus Accounts shall ensure that its Omnibus Account holders are aware of this Rule."

5. The Client acknowledges that it has been separately provided with information, guidance and training on the system functionalities and order management procedures of Orient Futures.

## **SCHEDULE 6 DISCLOSURES, TERMS AND OTHER MATTERS RELATING TO CLEARING ON SINGAPORE EXCHANGE DERIVATIVES CLEARING LIMITED**

This Schedule 6 shall additionally apply to the clearing of transactions on or through the Singapore Exchange Derivatives Clearing Limited (**SGX-DC**) and all other services and arrangements in relation thereto, provided or granted by Orient Futures (or instructed or requested by the Client to be provided or granted by Orient Futures) to the Client.

Words and expressions used in both the Clearing Rules of the SGX-DC (in this Schedule, “**Clearing Rules**”) and in this Schedule shall bear the same meanings as construed under the Clearing Rules.

1. Orient Futures is required by the Clearing Rules to notify the Client of the following provisions of the Clearing Rules, reproduced below.

The Client acknowledges that it has been made aware of these provisions and hereby confirms to Orient Futures that the same are acceptable to the Client.

### **Reproduction of Rules 1.01.1 to 1.01.5 of the Clearing Rules**

“1.01.1 This Rules apply to all Clearing Members and operate as a binding contract between the Clearing House and each Clearing Member and between a Clearing Member and any other Clearing Member and for the exclusive benefit only of the parties to such contract(s). Save as otherwise provided in this Rules, a person who is not a party to this Rules has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B) to enforce any terms of this Rules.

1.01.2 Except where the Clearing House, SGX RegCo, or any person or entity referred to under Rule 1.01.8 otherwise expressly agree with or expressly commit to any party, the benefit of any performance of obligations under:

1.01.2.1 this Rules, or

1.01.2.2 Directives, Practice Notes or Circulars issued by the Clearing House,

is restricted to only Clearing Members. The Clearing House, its related corporations, SGX RegCo, any person or entity referred to under Rule 1.01.8, and their respective directors, officers, employees, representatives or agents (the “Relevant Persons”) shall have no liability to any other party. In particular, the Relevant Persons shall have no liability to any party affected or aggrieved by any alleged action or omission.

1.01.3 Without prejudice to Rule 1.01.2 or the benefit of any exclusion of liability in any contract or undertaking, the Relevant Persons accept no duty to and therefore shall have no liability whatsoever to any Clearing Member or any Third Party in contract, tort, trust, as a fiduciary or under any other cause of action in respect of any damage, loss, cost or expense of whatsoever nature suffered or incurred by a Clearing Member or any Third Party, as the case may be, arising out of or in connection with the following, or any thing done or not done as a direct or indirect consequence of the following:

1.01.3.1 any suspension, restriction or closure of any market whose contracts are cleared by or novated to the Clearing House (each a “Relevant Market”), whether for a temporary period or otherwise or as a result of a decision

taken on the occurrence of a market emergency;

- 1.01.3.2 any failure by the Clearing House or any Relevant Market to supply each other with data or information in accordance with arrangements from time to time established between and/or amongst any or all such persons;
- 1.01.3.3 the failure of any systems, communications facilities or technology supplied, operated or used by the Relevant Persons;
- 1.01.3.4 the failure of any systems, communications facilities or technology supplied, operated or used by any Relevant Market;
- 1.01.3.5 the inaccuracy of any information supplied to and relied on by the Relevant Persons (including but not limited to any error in the establishment of a settlement price made by a Relevant Market) or a Relevant Market;
- 1.01.3.6 any event which is outside the reasonable control of the Relevant Persons;
- 1.01.3.7 the Clearing House's clearing and settlement of Contracts, and all other matters as contemplated in this Rules; and
- 1.01.3.8 the exercise or non-exercise of any discretion or decision making power under this Rules.

1.01.4 Without prejudice to Rule 1.01.2, and in addition to Rule 1.01.3, each Clearing Member should and must note that in connection with any index used or to be used by the Clearing House for clearing and settlement or in connection or by reference therewith, none of the Relevant Persons or any relevant party that the Clearing House may contract with for the supply of the index or information in relation thereto (each of the foregoing, a "Relevant Party") assume any obligation or liability in connection with the clearing or settlement of any contract based on such index. Accordingly, none of the foregoing parties shall be in any way responsible for any losses, expenses or damages (in all cases direct or indirect) arising in connection with or referable to the clearing or settlement of any contract linked or referable to the said index, provided that nothing herein shall affect either obligations of the Clearing House or its Clearing Members as parties clearing or settling in any contract so linked or referable. None of the Relevant Parties guarantee or warrant or undertake in any manner the accuracy or completeness of any such index or any information or data included in or referable to it.

NONE OF THE RELEVANT PARTIES MAKES ANY WARRANTY OR GIVES ANY GUARANTEE OR UNDERTAKING, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF, OR THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM THE USE OF ANY SUCH INDEX, OR ANY INFORMATION OR DATA INCLUDED IN OR REFERABLE TO IT IN CONNECTION WITH ANY CLEARING OR SETTLEMENT OF ANY CONTRACTS OR FOR ANY OTHER USE. NONE OF THE RELEVANT PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO ANY SUCH INDEX, OR ANY INFORMATION OR DATA INCLUDED IN OR REFERABLE TO ANY SUCH INDEX.

- 1.01.5 All Clearing Members are to note the foregoing and ensure that they are taking on Clearing Membership in and/or will carry on as Clearing Members of the Clearing House, transact and will transact by reference to the Clearing House or any Contract or information or action referable to the Clearing House or any of its directors or officers, only on the foregoing basis and will also ensure that they will not open or allow the continued operation of any account for any person with respect to any Contract unless such person has been notified of the foregoing provisions and has satisfied him/herself or itself that the same is acceptable and is accepted.”
2. The Client acknowledges that it is aware of Rule 2.19 of the Clearing Rules, reproduced below, and undertakes to comply with such requirements as may be imposed by Orient Futures in connection with an omnibus account for the purpose of ensuring Orient Futures’ compliance with this rule.

**“2.19 Omnibus Account**

**2.19.1 Clearing Requirements**

A Clearing Member carrying Omnibus Accounts must maintain with the Clearing House a complete list of all such accounts, and shall notify the Clearing House in writing within three (3) Business Days from the time such an account is either opened or closed. Information for each Omnibus Account must include the account holder's name, account number and the account holder's address, and such other information as the Clearing House may require, and classification of the account as either “Customer” or “House”.

**2.19.2 Restrictions**

The Clearing House is empowered to place restrictions or limitations on each Clearing Member which carries Omnibus Accounts. In making these determinations, the Clearing House may consider:—

- 2.19.2.1 the number of Omnibus Accounts carried and volume of business of the Clearing Member;
- 2.19.2.2 the financial condition of the Clearing Member and the Omnibus Account Holder in light of requirements or standards determined by the Clearing House; and
- 2.19.2.3 the Clearing Member's clearing facilities and capacity.

**2.19.3 Responsibility**

A Clearing Member that maintains an Omnibus Account shall be responsible to the Clearing House to ensure that the Omnibus Account is operated at all times in accordance with all relevant provisions of this Rules including the relevant rules on position limits and shall, without prejudice to any other liability it may have, indemnify the Clearing House for any loss or damage or prejudice that the Clearing House may suffer referable to a violation of this Rule (including such loss, damage or costs the Clearing House incurs in taking such measures as it deems in good faith necessary to preserve the integrity of the Clearing House and/or the Exchange in relation to any claim referable to such violation).

**2.19.4 Disclosure**



An Omnibus Account Holder shall at all times disclose to the Clearing Member carrying that account the gross long and short positions held by that Omnibus Account in each Commodity. Such Clearing Member shall immediately notify the Clearing House and shall promptly comply with all orders of the Clearing House if the Omnibus Account Holder fails to make such disclosure.

An Omnibus Account Holder shall, prior to the first delivery day in a Delivery Month or as otherwise required by the Clearing House, provide the Clearing Member carrying that account with a complete list of the purchase and sale dates of all open positions for that Delivery Month. Such list shall be kept up to date throughout the Delivery Month in order that the delivery procedure of the Clearing House not be impaired.

A Clearing Member that maintains an Omnibus Account shall ensure that its Omnibus Account Holders are aware of this Rule 2.19.”

3. Orient Futures is required by the Clearing Rules to notify the Client of Rule 7.03A.7.3 of the Clearing Rules, reproduced below.

The Client acknowledges that it has been made aware of Rule 7.03A.7.3 and hereby confirms to Orient Futures that the same are acceptable to the Client.

**Reproduction of Rule 7.03A.7.3**

“7.03A.7.3 All Collateral deposited or provided by each Clearing Member to the Clearing House shall be subject to this Rules, the Security Deed, the SFA (each as amended or supplemented from time to time) and any applicable laws. Each Clearing Member shall ensure that all Collateral deposited or provided to the Clearing House are deposited or provided only on the foregoing basis and shall also ensure that, prior to depositing or providing any Collateral to the Clearing House for the account or for the Contracts of any person, such person has been notified of and has accepted the foregoing.”

4. If and provided that Orient Futures offers client clearing to the Client for Non-Relevant Market Transactions (i.e. contracts or transactions that is not listed or quoted for trading on the Exchange or any Relevant Market), the Client may opt for Enhanced Customer Collateral Protection pursuant to Rules 7.30.1 and 7.30.2 of the Clearing Rules.

The Client acknowledges that it has been made aware of the foregoing and the following key benefits of Enhanced Customer Collateral Protection set out in Practice Note 7.30 of the Clearing Rules and reproduced below.

**Reproduction of paragraph 4 of Practice Note 7.30**

“4. Benefits and Costs

4.1 Clearing Members should advise their Customers of the benefits and costs involved in opting for ECCP in order to facilitate an informed decision by their Customers.

4.2 ECCP provides the following key benefits:

(a) Protection from fellow-customer risk

Non-Applicable Customers are technically exposed to a degree of risk in the default of another non-Applicable Customer. Section 60(1)(b) of the SFA and Regulation 24(1) of the Securities and Futures (Clearing Facilities) Regulations 2013 ("SFR (Clearing Facilities)") provide that the Clearing House may use Customer Collateral of non-Applicable Customers to meet obligations of a Clearing Member that arise from other non-Applicable Customers' contracts where certain conditions are met.

In contrast, Applicable Customers are protected from fellow-customer risk because SFR (Clearing Facilities) Regulation 24(2) provides that in the event of a default of a Clearing Member caused by a Customer, Collateral of a non-defaulting Applicable Customer will not be used to satisfy the obligations arising from the Contracts of such defaulting Customer. In the event of a default of a Clearing Member caused by an Applicable Customer, only the Collateral of such defaulting Applicable Customer will be used. Other Customers' Collateral will not be used.

(b) Ease of porting

Clear identification of positions and associated Collateral in respect of each Applicable Customer Account enables Clearing House to accurately determine the minimum amount of Collateral each Applicable Customer has to deposit and will potentially expedite the porting of positions and associated Collateral in an event of default.

- 4.3 In consideration of the additional protection against fellow-customer risk that Applicable Customers receive, a margin add-on of 10% will be imposed on positions held in respect of Applicable Customer Accounts as compared to non-Applicable Customer Accounts. The differentiation in margining is required due to an Applicable Customer, as a corollary of obtaining protection from fellow-customer risk, no longer having the benefit of non-defaulting Customers sharing in the fulfilment of its obligations if it defaults. Higher margin is therefore required in respect of each Applicable Customer Account to maintain the existing level of safety in the clearing system."

## **SCHEDULE 7 DISCLOSURES, TERMS AND OTHER MATTERS RELATING TO TRADING ON ASIA PACIFIC EXCHANGE PTE. LTD.**

This Schedule 7 shall additionally apply to the execution of trades in on or through Asia Pacific Exchange Pte. Ltd. (**APEX**) and all other services and arrangements in relation thereto, provided or granted by Orient Futures (or instructed or requested by the Client to be provided or granted by Orient Futures) to the Client.

Unless otherwise defined in this Schedule, capitalised terms have the same meanings ascribed to them in the Trading Rulebook of APEX (in this Schedule 7, the “**Exchange Rules**”).

### Information, Confidentiality and Data Usage

1. The Client agrees to be bound and subject to the Exchange Rules.
2. The Client is directed to refer to Rule 203 of the Exchange Rules for further information in respect of APEX's use of data and confidential information. The Client hereby irrevocably consents to the Client's Confidential Information and Personal Data being collected, used, disclosed and processed by APEX in accordance with such Rule, and, if not a natural person, it agrees to procure such consent from the relevant persons to the extent necessary. The Client further agrees that APEX shall have the right to disclose Personal Data and Confidential Information to such Persons and for the Purposes, and APEX and other Persons referred to in Rule 203(b) may transfer Personal Data outside Singapore subject to Applicable Law.
3. The Client has the right (subject to Applicable Law): (i) on payment of a small fee to APEX, to receive a copy of Personal Data held by APEX; (ii) to have any errors or inaccuracies in such APEX rectified; and (iii) to submit questions to APEX in relation to collection, use or disclosure by APEX of Personal Data in relation to the Client. Any request should be addressed to APEX's registered office.

### Orient Futures' Duties under the Exchange Rules

4. The Client acknowledges that Orient Futures is subject to specified duties pursuant to Rule 404 of the Exchange Rules, and for Orient Futures' compliance with the same, shall be bound by the Exchange Rules and shall cooperate with Orient Futures, and shall not act or omit to do anything that may cause Orient Futures to be in breach of such duties.
5. In respect of the above, if the Client is an Omnibus Account holder, and does not wish for the identity of any sub-account holder to be disclosed to Orient Futures, the Client as the Omnibus Account holder may apply to APEX for special identification for the sub-account thereof.

### Prohibited Conduct

6. The Client is directed to and acknowledges that it shall not engage in any of the prohibited conduct or acts set out in Rule 405(b) and Rule 405(c) of the Exchange Rules.

### Disciplinary Panel Proceedings

7. The Client acknowledges and confirms that if it or its clients or any of their representatives are suspected of committing a Violation or potential Violation, it or such Persons may be subject to disciplinary proceedings by APEX, in which case Chapter 5 of the Exchange Rules applies. The Client shall cooperate fully with all investigations (whether or not it is the direct subject of such investigation), including without limitation, doing all things set out under Rule 502(e).
8. The Client acknowledges and agrees that failure by Orient Futures or the Client to co-operate with an investigation by APEX, or failure by Orient Futures or the Client to provide information requested on a timely basis and concealment or destruction of evidence are each a Violation of the Exchange Rules.
9. The Client authorises APEX to request any clearing house, exchange or regulatory body to furnish to APEX such information and documents as APEX may request in writing in connection with an investigation. This shall constitute written authorisation to the aforementioned parties to furnish to APEX such information and documents as APEX may request in writing in connection with an investigation.
10. Where the Client is the Respondent, it is entitled to be represented during all stages of any proceeding pursuant to the Exchange Rules by an advocate and solicitor of the Supreme Court of Singapore.
11. The Client agrees to, upon request by Orient Futures, attend and provide evidence before the Disciplinary Panel at the hearing and produce any books, written material, records, and any information, whether electronic or not, that are in possession, control or custody of the Person relating to any matter of any disciplinary action.

#### Notice of Limitation of Liabilities and Immunities

12. The Client acknowledges that it has been made aware of the limitations on liability, indemnifications and disclaimer of warranty provided for under Rule 206 of the Exchange Rules, as reproduced below, and undertakes to be bound by the same.

#### **Reproduction of Rule 206 Indemnification and Limitation on Liability**

- “(a) Unless otherwise expressly provided in these Rules or in any other agreements to which the Exchange is a party, the Exchange shall not be liable to any Person for any loss (consequential or otherwise, including, without limitation, loss of profit), damage, injury, or delay, whether direct or indirect, arising from:
- (1) any action taken by the Exchange reasonably necessary in connection with discharging its legal or regulatory powers or responsibilities (including the suspension, interruption or closure of the Market) or any action taken to ensure the orderly operation and evolution of the Market. For the avoidance of doubt, such actions shall include but not be limited to any actions taken by the Exchange under Rules 705, 712 and 713;
  - (2) any failure, malfunction, fault in delivery, delay, omission, suspension, inaccuracy, interruption, termination, or any other event, in connection with the furnishing, performance, operation, maintenance, use of or inability to use all or any part of any of the systems and services of the Exchange Systems, or services, equipment or facilities used to support such systems and services, including without limitation electronic order entry/delivery, trading

through any electronic means, electronic communication of market data or information, workstations used by participants, price reporting systems and any and all terminals, communications networks, central computers, software, hardware, and firmware relating thereto;

- (3) any failure or malfunction, fault in delivery, delay, omission, suspension, inaccuracy, interruption or termination, or any other event, of any system or service of the Exchange, or services, equipment or facilities used to support such systems or services, caused by any third parties including, but not limited to, independent software vendors and network providers;
  - (4) any errors or inaccuracies in information provided by the Exchange or any of the Exchange Systems, services or facilities; or
  - (5) any unauthorized access to or unauthorized use of any of the Exchange Systems, services, equipment or facilities by any person.
- (b) Each Member agrees to indemnify the Exchange and its Directors, officers, employees, representatives and agents ("Indemnified Persons") against any losses, liabilities, judgments, suits, actions, proceedings, claims, damages, costs and expenses (including reasonable attorney's fees) ("Losses") incurred or suffered by the Indemnified Persons where such Losses arose out of or in connection with:—
- (1) any breach by the Member of its obligations under the Rules; or
  - (2) any willful, unlawful, reckless or negligent act or omission by the Member other than through the negligence of the Exchange.
- (c) Without limiting the generality of Rule 206(b), in the event that any legal, arbitration or other proceedings are brought to impose any liability on the Indemnified Persons for an alleged failure on the part of any Indemnified Person to prevent or to require action by a Member or any of its Member's Representatives, employees, representatives or agents, the Member shall reimburse the Exchange for:
- (1) all expenses and legal fees incurred by the Exchange in connection with such proceedings;
  - (2) any payment made by the Exchange with the approval of the Member in connection with any settlement of such proceedings; and
  - (3) any payment made by the Exchange as a result of any order, award or judgment made in such proceedings.

The Member shall render such cooperation as the Exchange reasonably requires in respect of such proceedings including without limitation the production of any document or records.

- (d) The Exchange or any Person acting on its behalf, including any Director or any member of any committee established by the Exchange, shall be immune from any criminal or civil liability for anything done (including any statement made) or omitted to be done with reasonable care and in good faith in the course of, or in connection with, the discharge or purported discharge of its obligations under the SFA or these Rules.
- (e) The Exchange does not make any express or implied warranties or representations as to the condition, description, quality, performance, durability, or

fitness for the purpose or otherwise of any of the Exchange Systems or any component thereof except as required by Applicable Law. The Exchange does not make any express or implied warranties or forecasts that the Exchange Systems, any component thereof or any services performed in respect thereof will meet the requirements of any user, or that operation of the Exchange Systems will be uninterrupted or error-free, or that any services performed in respect of the Exchange Systems will be uninterrupted or error-free.

- (e) Members shall notify Clients in writing of the limitations on liability, indemnifications and disclaimer of warranty provided for under this Rule 206.”

#### Direct Market Access Services

- 13. This paragraph 13 only applies to the Client to the extent that the Client utilises Direct Market Access provided by Orient Futures.

- (A) **Direct Market Access Clients**

Where Orient Futures has authorised a Client to have Direct Market Access to APEX (in this Schedule 7, the “**DMA Client**”), the DMA Client is hereby given notice that when it conducts Futures Transactions on APEX using Direct Market Access, it understands and agrees to that it is subject to the Exchange Rules including, in particular, the provisions contained in Chapter 8 (Trading) relating to “Withholding Orders Prohibited”, “Pre-arranged trades” and “Cross-Trades Prohibited”.

- (B) **Conclusive Evidence**

Any electronic record relating to the terms and conditions of the Direct Market Access Services provided hereunder kept and/or maintained by Orient Futures shall be conclusive evidence of the contents thereof. The DMA Client agrees to the admission as evidence in any court in Singapore of such electronic records maintained or kept by Orient Futures and any part, copy or computer output thereof, as an original document, and it further agrees not to challenge or dispute the admissibility, authenticity or accuracy of such electronic records or computer output thereof.

- (C) **Order Entry**

All orders entered into the Market operated by APEX by the DMA Client shall be performed using an APEX-provided or APEX-approved order management system (in this Schedule 7, “**DMA Platform**”). When entering orders on the DMA Platform:

- (a) DMA Clients and their traders shall accurately input for each order all information APEX requires for an order entry;
- (b) where the DMA Client is authorised to create a Front End Application to the DMA Platform, create an audit trail of each message entered into the DMA Platform.
  - (i) This electronic audit trail shall be maintained for a minimum of 5 years;
  - (ii) Each such electronic audit trail must be complete and accurate and account for every electronic communication such system receives or

generates and any other data required under Rule 401(c) of the Exchange Rules, including any electronic communication such system receives from and generates to the DMA Platform and an indication of whether a transaction is initiated by a buy or sell order; and

- (iii) The electronic audit trail must record the times for all messages to or from the DMA Platform, including all confirmations, to the highest level of precision achievable by the operating system, but at least to the millisecond.

**(D) Representations and Warranties**

The DMA Client acknowledges, agrees, represents and warrants (on a continuing basis which representation, warranties and undertaking are deemed to be repeated each time an instruction is issued by the DMA Client to Orient Futures and/or at the date of each Futures Transaction, with the intent that such representations, warranties and undertakings shall survive the completion of any Futures Transaction contemplated herein) that:

- (a) it and its authorised users have met the minimum standards regarding, without limitation, financial standing, credit history and criminal records, adverse records or pending court proceedings relating to prohibited market conduct set out in the Exchange Rules;
- (b) is familiar with and shall always comply with the Exchange Rules, and has the knowledge and proficiency regarding trading through Direct Market Access (including having read the risk disclosure statements issued by Orient Futures and understands that the nature of the transactions conducted using the Direct Market Access services and the extent of and its exposure of risks and that it has considered whether undertaking such transactions is appropriate in the light of its own experience, objectives, financial resources and other relevant circumstances);
- (c) it has received information concerning access to the Market and Applicable Law and it and its authorised users will comply the same and will not do or omit to do anything that would cause Orient Futures to be in breach of any Applicable Laws;
- (d) it is bound by the terms and conditions set out in this paragraph 13 that governs the terms and conditions for the DMA Client's use of the Direct Market Access services provided by Orient Futures and will comply;
- (e) it has security arrangements in place to ensure that unauthorised persons are not permitted to trade via Direct Market Access;
- (f) it will assist APEX in any investigation into potential Violations. Such assistance shall be timely and shall include, but not be limited to, the provision of information to APEX relating to the identity and address of any person who may be responsible for the execution of an order or trade;
- (g) Orient Futures shall have no liability or responsibility whatsoever to the DMA Client for any Losses whatsoever (direct, indirect, special, incidental,

consequential, punitive or otherwise), loss of investment opportunity or failure to make a profit suffered or incurred by the DMA Client as a result of or in connection with the use of the Direct Market Access services;

- (h) it and its authorised users have read and familiarised themselves, as appropriate, with the instructions manual provided by Orient Futures in relation to the DMA Platform, and that it and its authorised users have knowledge and proficiency in the use of the DMA Platform and the electronic trading systems for automatic matching of orders designated and approved by APEX for Futures Transactions on APEX;
- (i) the terms and conditions of this paragraph 13 are legal, valid, binding and enforceable against it;
- (j) it has taken all necessary corporate action, and have obtained all authorisations, consents, licences or approvals (whether under the Applicable Laws or otherwise) required to accept and agree to the terms and conditions in this paragraph 13 and to access and use the Direct Market Access services, and all transactions made using the Direct Market Access services by it and its authorised users shall be in compliance with all Applicable Laws;
- (k) any transaction entered into by it and its authorised users using the Direct Market Access services is duly authorised, and the Client agrees that Orient Futures shall have no obligation or duty to enquire if any transaction entered into using the DMA Platform has been so authorised and shall be entitled at all times to assume so;
- (l) it and its authorised users will not use the Direct Market Access services for any unlawful or illegal act or do or omit to do anything that would be in breach of any Applicable Laws;
- (m) it is not prohibited under any Applicable Laws from using the Direct Market Access services;
- (n) it has reviewed this paragraph 13, and has decided to enter into the terms and conditions set out in this paragraph 13 and to utilise the Direct Market Access services based on its own independent judgement, and have not in any way whatsoever relied on any representation, warranty or undertaking from Orient Futures in entering into these terms and conditions and utilising the Direct Market Access Services; and
- (o) it shall ensure that all transactions entered into using the Direct Market Access services do not exceed the limits prescribed by Orient Futures in relation to its account(s) at any one time and from time to time.

**(E) Report**

The DMA Client accepts that Orient Futures may be required to report, or to provide a report by an independent reviewer on compliance with Rule 303(c) of the Exchange Rules, and the DMA Client hereby irrevocably and unconditionally authorises Orient Futures to disclose all information that may be necessary regarding the DMA Client and such Accounts, including, without limitation, its personal details, identity, address, transactions entered into using the Direct Market Access services, and information on



the DMA Client's use of the DMA Platform.

**(F) Delegation**

Orient Futures may delegate the performance of any function in connection with the Direct Market Access services and reserves the right to use any agents or service providers on such terms as it thinks appropriate.

The DMA Client represents, warrants and undertakes that it shall not delegate access to the DMA Platform to any other persons or allow any person to delegate access to the DMA Platform to other persons.

**(G) Technical and Security Obligations**

The DMA Client represents, warrants and undertakes that it shall be responsible for all the information, account numbers, codes, usernames and passwords issued to it to access and use the DMA Platform and that it shall have in place security arrangements to prevent unauthorised access to any of the DMA Platform in relation to markets established by or operated by APEX. The DMA Client undertakes to notify and/or contact Orient Futures immediately if it becomes aware or have reason to believe, or suspect that there is any unauthorised access to the DMA Platform.

**(H) Discontinuation of Access and Other Conditions for Use of Direct Market Access Services**

The DMA Client agrees that Orient Futures may, at its sole discretion and without notice and liability, suspend, limit, revoke and/or terminate its access to the Direct Market Access services without giving any reason or if Orient Futures believes that the DMA Client has violated or acted inconsistently with any terms or conditions set out herein.

Without limiting the generality of the above, the DMA Client agrees that Orient Futures may, at its sole discretion and without notice and liability, suspend, limit, revoke and/or terminate its access to all or part of the Direct Market Access services under any of the following circumstances: (a) if the DMA Client breaches any trading restriction and/or credit limit established or imposed by Orient Futures at any time and from time to time; (b) if the DMA Client fails to assist Orient Futures and/or any relevant government body, regulatory or other authority (including APEX) in any investigation; (c) if Orient Futures receives an order or directive from the relevant government body, regulatory or other authority to suspend, limit, revoke and/or terminate the DMA Client's access to all or part of the Direct Market Access services; (d) if the relevant government body, regulatory or other authority issues an order or directive to suspend, limit, revoke and/or terminate the DMA Client's access to all or part of the Direct Market Access services; (e) if Orient Futures, in its sole discretion, determines that it is in the interests of maintaining a fair, orderly and transparent market, to suspend, limit, revoke and/or terminate the DMA Client's access to all or part of the Direct Market Access services; (f) if the DMA Client has caused Orient Futures to breach its statutory requirements or any requirements placed upon Orient Futures by the relevant government body, regulatory or other authority, including, without limitation, under the Applicable Laws; (g) if Orient Futures, in its sole discretion, determines that it is necessary to suspend, limit, revoke and/or terminate the DMA Client's access to all or part of the Direct Market Access services so that Orient Futures may fulfil its duties and obligations under the Applicable Laws; and / or

(h) if Orient Futures, at its sole discretion, determines for whatever reason that it is necessary to suspend, limit, revoke and/or terminate the DMA Client's access to all or part of the Direct Market Access services.

The DMA Client agrees that Orient Futures is entitled to, and it authorises Orient Futures to, conduct checks, from time to time, to determine its and its authorised users' financial standing, credit history, and existence of any criminal records, any pending legal court proceedings relating to prohibited market conduct and/or any adverse record (and such other checks on minimum standards as may be determined by Orient Futures at its sole discretion). The DMA Client agrees that, in the event that Orient Futures, at its sole discretion, is not satisfied with the results of any of such checks, Orient Futures may (without notice to it, or liability to Orient Futures), reject its application for the Direct Market Access services or at any time, suspend, limit, revoke and/or terminate its access to all or part of the Direct Market Access services.

The DMA Client agrees that in the event that Orient Futures suspends, limits, revokes and/or terminates its access to all or part of the Direct Market Access services under this sub-paragraph (H), the DMA Client shall have no claim against Orient Futures in respect thereof.

The DMA Client agrees that all Direct Market Access services, if offered by Orient Futures, are subject to the regulation of the relevant government body, regulatory or other authority which may, at its/their sole discretion, directly suspend, limit, revoke and/or terminate the Direct Market Access services offered to the DMA Client and in such an event, Orient Futures shall not be liable to the DMA Client and it shall have no claim against Orient Futures in respect thereof.

## **SCHEDULE 8 DISCLOSURES, TERMS AND OTHER MATTERS RELATING TO CLEARING ON ASIA PACIFIC CLEAR PTE. LTD.**

This Schedule 8 shall additionally apply to the clearing of transactions on or through Asia Pacific Clear Pte. Ltd. (**APEX Clear**) and all other services and arrangements in relation thereto, provided or granted by Orient Futures (or instructed or requested by the Client to be provided or granted by Orient Futures) to the Client.

### Confidentiality and Data Usage

1. The Client is directed to refer to Rule 209 of the Clearing Rulebook of APEX Clear (in this Schedule 8, "**Clearing Rules**") in respect of APEX Clear's use of data and confidential information. The Client hereby irrevocably consents to the Client's Confidential Information (as defined in the Clearing Rules) and Personal Data (as defined in the Clearing Rules) being collected, used, disclosed and processed by APEX Clear in accordance with such Rule, and, if not a natural person, procuring such consent from the relevant persons to the extent necessary. The Client further agrees that APEX Clear shall have the right to disclose Personal Data to such Persons (as defined in the Clearing Rules) and for the Purposes (as defined in the Clearing Rules) which shall apply to Personal Data in the same way as it applies to Confidential Information), and APEX Clear and other Persons referred to in Rule 209(b) may transfer Personal Data outside Singapore subject to Applicable Law (as defined in the Clearing Rules).
2. The Client has the right (subject to Applicable Law): (i) on payment of a small fee to APEX Clear, to receive a copy of Personal Data held by APEX Clear; (ii) to have any errors or inaccuracies in such Personal Data rectified; and (iii) to submit questions to APEX Clear in relation to collection, use or disclosure by APEX Clear of Personal Data in relation to the Client. Any request should be addressed to APEX Clear's registered office.

### Margin

3. The Client is directed to refer to Rule 406.7 of the Clearing Rules in respect of the collection of Initial Margin, Variation Margin, Delivery Margin and Special Margin (each as defined in the Clearing Rules) from the Client.
4. The Client agrees and acknowledges that in the event of Orient Futures' failure to obtain Margin (as defined in the Clearing Rules) from the Client as required under Rule 406.7 of the Clearing Rules, Orient Futures may take such necessary action to rectify the deficiency as it deems fit including closing out the Open Positions (as defined in the Clearing Rules) of the Client. The Client also acknowledges and agrees that APEX Clear may also direct Orient Futures to immediately close out all or such part of the Open Positions of the Client so as to rectify the deficiency. APEX Clear and Orient Futures shall not be liable to the Client for any loss sustained by the Client as a result of Orient Futures closing out Open Positions under Rule 406.7 of the Clearing Rules.

### Investment and Use of Collateral

5. The Client is directed to refer to Rule 206.6 of the Clearing Rules in respect of the investment and use of Collateral (as defined in the Clearing Rules) by APEX.

6. Without prejudice to the generality of the provisions in Clause 16.5 of Section 1 of the Agreement, the Client hereby waives in favour of Orient Futures its respective rights to all interest and investment earnings from the Collateral held with or otherwise provided to the Clearing House in respect of Client Contracts (as defined in the Clearing Rules), as may be necessary to give effect to APEX Clear's rights in relation to interest and fees under Rule 206.7 of the Clearing Rules.
7. The Client acknowledges that it has been made aware of and agrees to that all Collateral deposited to APEX Clear through Orient Futures shall be subject to the Clearing Rules and MAS Requirements (as defined in the Clearing Rules) pursuant to Rule 206.6(c) (as reproduced below).

**Reproduction of Rule 206.6(c)**

"All Collateral deposited or provided by each Clearing Member to the Clearing House shall be subject to these Rules and MAS Requirements. Each Clearing Member shall ensure that all Collateral deposited or provided to the Clearing House are deposited or provided only on the foregoing basis and shall also ensure that, prior to depositing or providing any Collateral to the Clearing House for the account or for the Contracts of any Person, such Person has been notified of and has accepted the foregoing."

Deliveries Involving APEX Clear as Escrow Agent and Treatment of Performance

8. If so required under the relevant Contract Terms (as defined in the Clearing Rules), where Orient Futures is a Selling Clearing Member and/or Buying Clearing Member (each as defined in the Clearing Rules) in a Deliverable Contract, the Client (being either the Seller or Buyer (each as defined in the Clearing Rules)) acknowledges that it may be required by Orient Futures to post with APEX Clear as escrow agent a Performance Deposit (as defined in the Clearing Rules) and/or other payment (including but not limited to contract value) as may be prescribed under the relevant Contract Terms (such person responsible for posting the Performance Deposit or other payment being referred to as the "depositing party"), at such time as provided under the relevant Contract Terms, as security for the benefit of the counterparty under the Deliverable Contract (as defined in the Clearing Rules) for the performance of the depositing party's obligations under the Deliverable Contract. For the avoidance of doubt, posting of Performance Deposits or other payments by the depositing party is to be made without any set-off or withholding.
9. Where Orient Futures is the Selling Clearing Member or Buying Clearing Member, the Client shall provide Orient Futures the Performance Deposits, other payments and other Escrow Assets (where applicable) where it is the respective Seller or Buyer within such time as prescribed in the relevant Contract Terms, or by APEX. The Client acknowledges that Orient Futures may collect additional monies or deposits from the Client to secure performance as it sees fit.

Co-operation with Exchange and Regulatory Authorities

10. The Client acknowledges and agrees that, subject to the MAS Requirements (as defined in the Clearing Rules), in exercising its enforcement powers and performing its functions, APEX Clear may co-operate with the Exchange (as defined in the Clearing Rules), the Authority and other Regulatory Authorities and Governmental Authorities (each as defined in the Clearing Rules), in such manner as it deems fit and necessary, and disclose to any of the foregoing persons any information or document regarding Orient Futures and its affairs and/or of the

Client, and no such act or disclosure by APEX Clear shall constitute a breach of any confidentiality provisions in the Clearing Rules.

#### Information Gathering Powers of Clearing House

11. The Client acknowledges that APEX Clear may, among other things, for the purpose of investigating, monitoring and obtaining information about any matter which it considers may relate to the Clearing Rules, Directives or Regulatory Notices (each as defined in the Clearing Rules):
  - (a) upon written notice require Orient Futures to procure the interview or physical attendance of the Client and require the Client to answer questions and provide documents, information or explanations and/or give evidence, and such answers, information, explanations and evidence may be recorded by APEX Clear electronically or otherwise or retained by APEX Clear; and
  - (b) upon written notice require the submission by or on behalf of Orient Futures of information or documents related to any person who is to be, is, or has been a Client of Orient Futures.
12. The Client shall use its best efforts to co-operate with APEX Clear in respect of the above.

#### Disciplinary Panel Proceedings

13. The Client acknowledges and confirms that if it or its clients or any of their representatives are suspected of committing a Violation (as defined in the Clearing Rules) or potential Violation, it or such Persons may be subject to disciplinary proceedings by APEX, in which case Chapter 7 of the Clearing Rules applies. The Client shall cooperate fully with all investigations (whether or not it is the direct subject of such investigation) and without limitation, doing all things set out under Rule 702(f) of the Clearing Rules.
14. The Client authorises APEX Clear to request any Clearing Organisation (as defined in the Clearing Rules), exchange, Regulatory Authority or Person, including Clearing Members (such as Orient Futures), to furnish to APEX Clear such information and documents as APEX Clear may request in writing in connection with an investigation. This shall constitute written authorisation to the aforementioned parties to furnish to APEX Clear such information and documents as APEX Clear may request in writing in connection with an investigation.
15. Where the Client is the Respondent (as defined in the Clearing Rules), it is entitled to be represented during all stages of any proceeding pursuant to the Clearing Rules by an advocate and solicitor of the Supreme Court of Singapore.
16. The Client agrees to, upon request by Orient Futures, attend and provide evidence before the Disciplinary Panel (as defined in the Clearing Rules) at the hearing and produce any books, written material, records, and any information, whether electronic or not, that are in possession, control or custody of the Person relating to any matter of any disciplinary action.

#### Notice of Limitation of Liabilities and Immunities

17. The Client acknowledges that it has been made aware of all limitations of liability and

immunities available to APEX Clear in the Clearing Rules, or otherwise, including those in the Clearing Rules (as reproduced below), and undertakes to be bound by the same.

### **Reproduction of Rule 206.8**

#### **"Rule 206.8 Indemnity**

- (a) Any Collateral accepted by Clearing House shall be deposited with the appropriate Settlement Bank(s) or custodian(s) designated by the Clearing House for such purpose in a Clearing House account for Proprietary Contracts or in a Clearing House account for Customer Contracts, as the case may be, and the Clearing House shall retain control over such Collateral.
- (b) The Clearing House shall not have any obligation or responsibility to preserve, protect, collect or realise, and under no circumstances shall the Clearing House be liable for any loss or diminution in value or depreciation in or in connection with, the Collateral maintained pursuant to this Rule 206.8.
- (c) A Clearing Member who maintains Collateral with the Clearing House pursuant to this Rule shall indemnify and hold the Clearing House harmless from any loss, damage, costs, charges and/or expenses of whatsoever nature and howsoever arising suffered or incurred by the Clearing House (including legal costs on a full indemnity basis) to any designated Settlement Bank(s) or custodian which may result from or arise with respect to:
  - (1) any act, delay or omission in connection with Collateral (whether by such Clearing Member or the Clearing House) deposited with such Settlement Bank(s) or designated custodian; or
  - (2) any contract or agreement between the Clearing House and any Settlement Bank(s) or designated custodian, or any representation, warranty or undertaking given by the Clearing House to any Settlement Bank(s) or designated custodian, in relation to or otherwise in connection with Collateral deposited with such Settlement Bank(s) or designated custodian, provided that this indemnity shall not cover any loss, damage, costs, charges and/or expenses and/or liability of whatsoever nature and howsoever arising suffered or incurred by the Clearing House (including legal costs on a full indemnity basis) attributable or referable to the gross negligence or wilful misconduct of the Clearing House or any of the Clearing House's Officers, agents and/or employees.
- (d) If any loss of Collateral occurs, or any Collateral becomes unavailable to the Clearing House, such that any obligation of the Clearing Member under these Rules or as may otherwise be owing to the Clearing House, pursuant to which such Collateral was deposited or provided, cannot be sufficiently met as determined by the Clearing House, the Clearing Member shall deposit with or provide to the Clearing House such additional Collateral as may be required to meet such obligation, within such time as the Clearing House may require."

## Reproduction of Rule 207

### “Rule 207 Limitation and Exclusion of Liability

- (a) The Clearing House shall have no liability, obligation or duty to any Clearing Member, any of their Customers, Settlement Bank or any third party, including but not limited to, as a result of:
  - (1) any Force Majeure Event;
  - (2) any losses or damages, including consequential losses and damages, which may be incurred by any Clearing Member or any other Person and which may arise directly or indirectly with respect to the activities and functions of or any transactions undertaken by the Clearing House;
  - (3) any failure, omission or error on the part of the Clearing House, including any losses or damages with respect to clearing and settlement on the Clearing House, or suspension, interruption, cancellation or closure or cessation of services of the Clearing House or the Exchange or any market whose contracts are cleared by the Clearing House, or any inoperability or malfunction of equipment, software or any other product operated, supplied or used by the Clearing House or the Exchange;
  - (4) any decision of the Disciplinary or Appeals Panel exercising their powers, or the Clearing House accepting a Clearing Member's resignation, or the Clearing House's discharge of its regulatory responsibilities or powers, including any decision to reject a potential Clearing Member's application for membership, suspend or terminate the membership of any Clearing Member, or declare any Clearing Member to be a Defaulting Clearing Member; or
  - (5) the exercise of, or failure to exercise, any discretion, powers or rights by the Clearing House under these Rules or by the Exchange under the Exchange Rules.
- (b) Without any prejudice to the foregoing, the Clearing House does not make any representation or warranty, express or implied, and shall not have any liability to any Person in connection with or as result of:
  - (1) any failure by the Exchange or the Clearing House to provide any information to or communicate with each other;
  - (2) the accuracy, originality, completeness or timeliness of any information, document or data;
  - (3) the merchantability, satisfactory quality and fitness for a particular purpose of, or use of, any information or data, computer, software or any clearing and settlement system used or operated by the Clearing House; or
  - (4) any direct, indirect, special, punitive, consequential damages or loss of profits.
- (c) The Clearing House, the Exchange and the developer of any trading, clearing and settlement system or of any computer system or software used or operated by the Clearing House in relation to the functions of the Clearing House shall not have any

liability in respect of the operation or use of any such systems or software to the fullest extent permitted by law, including but not limited to, any breach of any law, any act or omission, injury, death, damage to physical property, any direct or indirect losses, loss of operation time or loss of equipment or process, economic loss, loss of reputation or losses or damages incidental or consequential to the installation, use or operation of any such system or software. All warranties and conditions including express and implied as to the description, condition, performance, quality, fitness for purpose, durability or otherwise of such system or any component thereof or software are excluded except as required by law. Neither the Clearing House, nor the Exchange warrants or forecasts that such systems or any component thereof or software or any services performed in respect thereof will meet the requirements of any user, or that operation of such systems or software will be uninterrupted or error-free, or that any services performed in respect of such systems or software will be uninterrupted or error-free. Nothing in these Rules, including this Rule 207(c) shall, in any way, limit any liability of a developer of such systems or software to the Clearing House.

- (d) Without prejudice to any of the foregoing, the Clearing House does not make any representation or warranty, express or implied, and shall not have any liability to any Person in connection with or as result of the accuracy, originality, completeness or timeliness of, or the merchantability, satisfactory quality and fitness for a particular purpose of, or use of, any indices, used by the Clearing House. This exemption of liability available to the Clearing House shall also extend to any developer(s) of such indices. Notwithstanding the foregoing, nothing in these Rules shall in any way limit any liability of a developer of such indices to the Clearing House.
- (e) In the event that an obligation of the Clearing House must be performed by or prior to a particular time but does not occur on or before that time, the Clearing House shall not be in violation of these Rules provided that it performs the relevant obligation within a reasonable timeframe thereafter.
- (f) No power conferred on the Clearing House by these Rules (including but not limited to, any power to close out Open Positions or to transfer or call Margin or Daily Settlement Amounts) shall impose any duty on the Clearing House to exercise such power or to exercise such power in a particular way, and no Person shall have any claim against the Clearing House in relation to any decision made in good faith to exercise or refrain from exercising such powers, or exercising them in any particular manner.
- (g) The Clearing House shall have no implied duties or obligations of any kind, and is only responsible for the performance of those obligations that are expressly required by MAS Requirements and these Rules.
- (h) The Clearing House and its Officers, employees, contractors and/or agents (including members of any committees established under these Rules, whether past or present) shall not be liable for anything done (including any statement made) or omitted to be done in good faith and in the course of, the performance or purported performance of, or the discharge or purported discharge of, the functions or in the exercise of any power under MAS Requirements or these Rules.”

### **Reproduction of Rule 208**

“Rule 208 Indemnity



- (a) Every Clearing Member shall indemnify and keep indemnified the Clearing House and its Officers and employees against any and all losses, costs, expenses, damages, injuries and liabilities (including legal costs on a full indemnity basis) whatsoever incurred or suffered by the Clearing House and its Officers and employees where such losses, costs, expenses, damages, injuries and liabilities arise out of, or in connection with, any violation by the Clearing Member (including its Officers, employees, Representatives, agents, contractors or Customers, past or present) of its obligations under these Rules or violation of any Applicable Laws, or any unlawful, wilful, reckless or negligent act or omission of the Clearing Member (including its Officers, employees, Representatives, agents, contractors or Customers, past or present).
- (b) Without prejudice to sub-paragraph (a) above, each Clearing Member shall indemnify and hold the Clearing House harmless for the full amount of any judgment, award or settlement paid by the Clearing House in respect of any legal or administrative proceeding brought against the Clearing House as a result of an alleged Violation of any Applicable Laws or these Rules, or any Regulatory Notices or Directives by such Clearing Member (including its Officers, employees, Representatives, agents, contractors or Customers, past or present)."

#### **Reproduction of Rule 211(b) and (c)**

##### **"Rule 211 Force Majeure**

- (b) Notwithstanding anything contained in sub-paragraph (a) above, any failure on the part of the Clearing House which is caused by conditions beyond its control shall not in any way reduce, alter, limit or affect the liability of a Clearing Member in respect of any Contract or transaction entered into or executed through the systems of the Clearing House by such Clearing Member.
- (c) In the event the Clearing House identifies or suspects the development or possible development of a Force Majeure Event, it shall forthwith refer the matter to a panel (the "Force Majeure Panel") being a minimum of three (3) people comprising: (i) the Chief Executive Officer of the Clearing House, or his or her designee, (ii) the Chief Regulatory Officer of the Clearing House, or his or her designee and (iii) the Chief Executive Officer of the Exchange, or his or her designee. If the aforesaid panel determines, in the good faith exercise of its sole discretion, that a Force Majeure Event exists and action is warranted, it shall be entitled, notwithstanding anything contained in sub-paragraph (a) and (b) above, to require any Clearing Member to take such actions, including but not limited to, close out all or any of the Contracts, as it may decide in respect of Contracts or transactions affected by the Force Majeure Event and/or require immediate settlement of such Contracts or transactions."

#### **Reproduction of Rule 309.4**

##### **"Rule 309.4 Consequences of Resignation, Suspension or Termination**

- (a) A Clearing Member who has resigned, is suspended or whose membership is terminated shall be liable to the Clearing House for all pending obligations and liabilities incurred by it under these Rules during the period of its membership and shall continue to be subject to the disciplinary powers of Clearing House, the Disciplinary Panel and the Appeals Panel for any act or omission committed by it during its membership.

- (b) A resigning, suspended or terminated Clearing Member shall cooperate with and assist the Clearing House in all matters arising out of such resignation, suspension or termination, including but not limited to, (if so permitted by the Clearing House) transferring its Open Positions to other Clearing Members or closing out or liquidating the same in such manner as may be directed by the Clearing House.
- (c) A resigning, suspended or terminated Clearing Member shall complete all pending Contracts unless otherwise decided by the Clearing House at its absolute discretion.
- (d) The Clearing House may publish the resignation, suspension and termination of a Clearing Member and notify the MAS, other Clearing Members and third parties. For this purpose, this Rule 309.4(d) shall operate as the irrevocable consent given by the Clearing Member to the Clearing House, and the Clearing House shall not be liable in any way for publishing such details under this Rule 309.4(d).
- (e) The Clearing House shall immediately notify the Exchange of the resignation, suspension or termination of a Clearing Member.
- (f) The Clearing Member who resigned, is suspended or whose membership is terminated is not entitled to a refund of its membership, annual or other fees paid.
- (g) All costs and expenses sustained by the Clearing House in connection with anything done by the Clearing House under Rule 309 (including any losses incurred) in respect of a Clearing Member shall be borne by, and be promptly paid to the Clearing House by, that Clearing Member.”

### **Reproduction of Rule 403**

#### **“Rule 403 Limitation of Liability**

Without prejudice to any other limitation or exclusion of liability in these Rules:

- (a) in the event of a Declared Default, the liability of the Clearing House shall be limited to net losses to the Clearing Members resulting from the substitution of the Clearing House by way of novation in respect of the Contracts between Clearing Members; and
- (b) except as expressly provided in Rule 402, the Clearing House shall not have any liability or obligation to any Customer of a Clearing Member or any person that such Customer may be liable or has any obligation to, nor shall the Clearing House be liable for any obligations or liabilities of a Clearing Member to any person (including any non-Clearing Members), or any obligations of a Clearing Member to any other Clearing Member other than liabilities of the Clearing House as a central counterparty described in Rule 402 above.”

### **Reproduction of Rule 406.1(d)**

#### **“Rule 406.1(d) (General)**

- (d) All assets provided to the Clearing House as Margin shall be free of, and shall remain free of, any Security Interest whatsoever, subject only to MAS Requirements. The Clearing Member shall be liable to the Clearing House for any cost or liability incurred by the Clearing House as a result of the Clearing House possessing, holding, perfecting the title to or otherwise being associated with, any asset provided to it by

that Clearing Member by way of Margin. A Clearing Member shall take any action reasonably requested by the Clearing House that may be necessary or desirable to create, preserve, perfect or validate the right, title or interests of the Clearing House in Margin or contributions to the Guaranty Fund intended to be created under these Rules, or to enable the Clearing House to exercise or enforce any of its rights with respect thereto.”

#### **Reproduction of Rule 406.7(g)**

“Rule 406.7(g) Margin from Customers

- (g) In the event of a Clearing Member’s failure to obtain Margin from the relevant Customers as required under this Rule 406.7, a Clearing Member may take such necessary action to rectify the deficiency as it deems fit including closing out the Open Positions of such Customer. The Clearing House may also direct such Clearing Member to immediately close out all or such part of the Open Positions of such Customers so as to rectify the deficiency. The Clearing House and the Clearing Member shall not be liable to the Customer for any loss sustained by the Customer as a result of that Clearing Member closing out Open Positions under this Rule 406.7.”

#### **Reproduction of Rule 406.8(c) and (d)**

“Rule 4.06.8 (c) and (d) Powers of the Clearing House

- (c) In the event of the failure of a Clearing Member to deposit any Margin or to comply with the order of transfer of Open Positions or to effect the required reduction in Open Positions within such time as may be directed by the Clearing House or to deposit additional funds as required under this Rule 406, the Clearing House may direct (and the Clearing Member shall in such event forthwith comply with any such direction) that the Clearing Member forthwith liquidate all or part of the Open Positions on its books.
- (d) Any Clearing Member whose trades are thus liquidated shall be liable to pay the Clearing House for any losses arising from the liquidation.”

#### **Reproduction of Rule 407.1**

“Rule 407.1 Position Limits

- (a) The Clearing House and/or the Exchange may, at its absolute discretion and at any time prescribe Position Limits in the Contract Terms with respect to any Contract.
- (b) If a Clearing Member or any of its Customers exceeds any imposed Position Limits, the Clearing House is entitled to require the Exchange to restrict the trading of such Clearing Member and/or its Customer(s) on the Exchange, advise the Clearing Member to close out Open Positions or may itself close out such Open Positions on behalf of the Clearing Member and/or its Customer(s) or impose higher Margin requirements on the Clearing Member or take such other measures including withdrawal of clearing facility as deemed fit by the Clearing House.
- (c) The Clearing House shall not be responsible for any loss or liability arising out of or in connection with the close out of the Open Positions and the Clearing Member shall be liable for settlement of any such loss or liability incurred, if any, in respect of such

actions taken by the Clearing House on behalf of the Clearing Member and/or any of its Customers.”

#### **Reproduction of Rule 408(d) and (e)**

“Rule 408(d) and (e) Exposure Limits

- (d) If a Clearing Member exceeds any imposed Exposure Limits, the Clearing House is entitled to require the Exchange to restrict the trading of such Clearing Member and/or its Customer(s) on the Exchange, require the Clearing Member to close out Open Positions or may itself close out such Open Positions on behalf of the Clearing Member and/or its Customer(s) or impose higher Margin requirements on the Clearing Member or take such other measures including withdrawal of clearing facility as deemed fit by the Clearing House. If the Clearing Member fails to comply with any requirement imposed on it above, it shall be in Violation of these Rules.
- (e) The Clearing House shall not be responsible for any loss or liability arising out of or in connection with the close out of the Open Positions and the Clearing Member shall be liable for settlement of any such loss or liability incurred, if any, in respect of such actions taken by the Clearing House on behalf of the Clearing Member.”

#### **Reproduction of Rule 414.6**

“Rule 414.6 No Liability for Settlement Banks or Custodians

The Clearing House shall not in any way be liable for the defaults, negligence, actions or omissions of any designated Settlement Banks or custodians, or for any loss of or diminution in value or depreciation in or in connection with any Margin, assets or monies in any accounts maintained with such designated Settlement Banks or custodians.”

#### **Reproduction of Rule 504(b)**

“Rule 504(b) Delivery Process

- (b) Alternate Delivery Process
  - (1) Subject to the relevant Contract Terms, the Clearing Members may opt to effect delivery in respect of a Contract using an alternate delivery process, which may be effected only upon delivery of a notice of alternative delivery process to the Clearing House (the “ADP Notice”) in advance, and only if the Clearing House has no objection to such alternate delivery process.
  - (2) Each ADP Notice shall be in such form, and delivered to the Clearing House in such manner, as required by the Delivery Procedures and/or the Contract Terms. If the Clearing House has no objection to the alternate delivery process specified in an ADP Notice, the Clearing House will communicate such non-objection to the Clearing Members by the relevant deadline specified in the Delivery Procedures and/or the Contract Terms. As non-communication of any objection or non-objection by the Clearing House in respect of an ADP Notice is ambiguous, such non-communication shall not be regarded as a non-objection to the alternate delivery process specified in the ADP Notice. If for any reason the Clearing Members do not receive any communication from the Clearing House as to its objection or non-objection by the relevant deadline specified in the Delivery Procedures and/or the

Contract Terms, the Clearing Members shall contact the Clearing House within the relevant deadline specified in the Delivery Procedures and/or the Contract Terms for confirmation as to the Clearing House's non-objection before proceeding with the alternate delivery process.

- (3) Upon communication or confirmation by the Clearing House of its non-objection to the alternate delivery process specified in an ADP Notice in respect of a Contract as aforesaid, the Clearing Members designated to make or take delivery as may be specified in the ADP Notice shall be solely responsible for completing delivery in accordance with the ADP Notice in respect of the Contract.
- (4) Upon communication or confirmation by the Clearing House of its non-objection to the alternate delivery process specified in an ADP Notice in respect of a Contract as aforesaid, the Clearing House shall be released from its obligations as a central counterparty and from any liabilities in relation to such Contract.
- (5) In executing such alternate delivery process, the Clearing Members designated to respectively make and take delivery as may be specified in the ADP Notice shall jointly and severally indemnify the Clearing House and/or the Exchange against any liability, costs or expense it may incur for any reason as a result of the execution, delivery or performance of any agreement reached between such Clearing Members, or such persons designated to respectively make and take delivery as may be prescribed in the ADP Notice, or any breach thereof or default thereunder."

#### **Reproduction of Rule 506**

##### **"Rule 506 Liability of the Clearing House**

- (a) Without any prejudice of the rights of the Clearing House under these Rules, the Clearing House shall ensure the financial settlement of transactions executed on the Exchange and accepted by the Clearing House for clearing and settlement. Unless otherwise provided under these Rules, the Clearing House accepts no liability either to effect, or ensure or guarantee the discharge or satisfactory discharge of an obligation to deliver or accept delivery under any Deliverable Contract and shall effect cash settlement in discharge of its obligation.
- (b) The Clearing House shall have no liability with respect to any forgery or irregularity in any Commodity or document delivered by a Clearing Member to the other Clearing Member pursuant to these Rules and the sole recourse of the other Clearing Member receiving such forged or irregular Commodity or document shall be to the first mentioned Clearing Member which delivered or caused to be delivered that forged or irregular Commodity or document to the other Clearing Member or the Clearing House.
- (c) The Clearing House shall have no liability with respect to any Deliverable Contracts in the case of failure or Insolvency of any bank, financial institution, depository or custodian.
- (d) The Clearing House does not, and shall not be deemed to, guarantee the delivery, title, genuineness, quality, fitness for purpose, compliance with specifications or

validity of any goods or any documents transmitted by one Clearing Member to another Clearing Member through the Clearing House.

- (e) The Clearing House shall not be liable under any circumstances to make deliveries to or take deliveries from a Customer of Clearing Members or in any way become obligated to a Customer by reason of any Contract or otherwise.
- (f) The Clearing House retains the discretion to accept delivery of any title documents in either physical or electronic format and subject to such safeguards as it deems fit.
- (g) The Clearing House shall have no responsibility or liability to any person:
  - (1) to investigate, verify or guarantee the authenticity, validity, accuracy, or completeness of:
    - (i) any form or document required by it for the matching of any Seller and Buyer;
    - (ii) any title documents received by the Clearing House under the relevant Contract Terms, to effect delivery as between such matched parties as are consistent with these Rules, any Regulatory Notices or Directives. Nonetheless, the Clearing House reserves the right (at its discretion) to reject any form or accompanying documents submitted by a Clearing Member for such matching, delivery or any other purposes if in its good faith, it is of the opinion that the form or accompanying documents (or, where relevant, payment) submitted are not in compliance with its stated requirements or otherwise indicate that the delivery to be effected or accepted are not in compliance with these Rules, any Regulatory Notices or Directives; and
  - (2) to check any Commodity received from or delivered through a Clearing Member in relation to the quantity or quality or suitability or fitness of the Commodity under a Deliverable Contract.
- (h) The Clearing House shall have no responsibility or liability to any person:
  - (1) to check the availability, suitability or quality of any designated delivery facility, producer, factory, port, grader, surveyor, sampler, analyst or any other organisation that may be involved with delivery of any Commodity as identified in the relevant Contract Terms; and
  - (2) for the acts, omissions, default or Insolvency of any designated delivery facility, producer, factory, port, grader, surveyor, sampler, analyst or any other organisation that may be involved with delivery of any Commodity as identified in the relevant Contract Terms.
- (i) The Clearing House disclaims any liability arising from or in connection with the delivery or non-delivery of any title documents by any Clearing Member and any irregularities in the transfer of title and/or possession in the underlying Commodity from the Seller to the Buyer.
- (j) In no event shall the Clearing House be liable for releasing any payment in exchange for documents that appear bona fide on their faces."

### **Reproduction of Rule 510**

#### **“Rule 510 Passing of Property and Risk**

Property and risk in relation to an underlying Commodity in any Deliverable Contract shall pass in accordance with the provisions in the relevant Contract Terms and these Rules. For the avoidance of doubt, at no time will property and risk in any underlying Commodity in any Deliverable Contract pass to the Clearing House.”

### **Reproduction of Rule 513(d)**

#### **“Rule 513 Deliveries Involving Clearing House as Escrow Agent and Treatment of Performance Deposits, Other Payments and Other Escrow Asset**

- (d) When under these Rules, the Clearing House becomes the escrow agent of any Escrow Assets in connection with the delivery of the underlying Commodity, the following shall apply:
- (1) the Clearing House holds such Escrow Assets solely as escrow agent on behalf of the depositing party subject to these Rules or the relevant Contract Terms. As escrow agent, the Clearing House shall act solely as a stakeholder for the convenience of the depositing party and in accordance with the terms for such escrow holding as may be set out in these Rules or the relevant Contract Terms; and
  - (2) none of the Clearing House, any of its Officers, agents or employees shall be liable to any party for any loss or damage arising out of or in connection with any act or omission with respect to the delivery and/or payment obligations of the depositing party during the period that the Clearing House is the escrow agent for such Escrow Assets or with respect to the non-release or delay in release of the Escrow Assets in accordance with the terms of the escrow unless the loss or damage is caused directly as a result of wilful breach or breach in bad faith of the terms of the escrow.”

### **Reproduction of Rule 513 (i)**

#### **“Rule 513 Deliveries Involving Clearing House as Escrow Agent and Treatment of Performance Deposits, Other Payments and Other Escrow Asset**

- (i) The Clearing House shall release the Escrow Assets and other payments posted to it (less any administrative fees payable) to the respective Clearing Members of the Seller and/or Buyer, as the case may be, only as provided in the relevant Contract Terms. For the avoidance of doubt, upon the release of such Escrow Assets, the Clearing House shall be released from its obligations as an escrow agent in relation to such Escrow Assets, and from any liabilities in relation thereto.”

### **Reproduction of Rule 712(a)**

#### **“Rule 712(a) Publication of Findings**

- (a) The Disciplinary Panel shall give such publicity as it considers appropriate to any finding of, or any sanction imposed or other order made by a Disciplinary Panel or by an Appeals Panel, or any offer of settlement accepted by the Disciplinary Panel under Rule 706(b), including notifying MAS or any other relevant Regulatory Authority,

provided that if the Disciplinary Panel shall determine that no publicity shall be given as aforesaid, they shall record in the minutes of their meeting the reasons for the said determination. These Rules shall operate as the irrevocable consent of a Clearing Member for the Disciplinary Panel to disclose the finding of, or any sanction imposed or other order made by a Disciplinary Panel or by an Appeals Panel, or any ratified settlement. The consent remains valid and effective notwithstanding that the person ceases to be a Clearing Member. The Clearing House (including members of the Disciplinary Panel and Appeals Panel) shall not be liable in any way for anything referable to such disclosure.”

## **Reproduction of Rule 802**

### **“Rule 802 Declared Default**

- (a) The Clearing House shall, at its absolute discretion, determine whether it shall treat an Event of Breach as a “Declared Default” and shall determine the date and time of such Declared Default. The Clearing Member with respect to whom the Declared Default has occurred shall be declared a “Defaulter” or a “Defaulting Clearing Member”.
- (b) The Clearing House shall notify, in writing, the Defaulting Clearing Member as well as other Clearing Members of the Declared Default and its date and timing (as well as any steps taken pursuant to Rule 803). The Clearing House may inform any relevant Regulatory Authority of a Declared Default prior to declaring a Declared Default and disclose such information to such Regulatory Authority as it sees fit.
- (c) Without prejudice to the generality of these Rules, the Clearing House shall not be liable to any Clearing Member or any third party in respect of any loss, damage, costs, charges and/or expenses and/or liability of whatsoever nature and howsoever arising suffered or incurred by such Clearing Member or third party, arising out of or in connection with the declaration or non-declaration of a “Declared Default” by the Clearing House.
- (d) Without prejudice to the generality of the indemnities in these Rules, the Defaulting Clearing Member, acting for its own account as principal, shall indemnify, hold harmless and be liable to the Clearing House in respect of all the loss, damage, costs, charges and/or expenses and/or liability of whatsoever nature suffered or incurred (including legal costs on a full indemnity basis) by the Clearing House arising out of the Defaulting Clearing Member's conduct (whether such conduct took place prior to or after declaration of the Declared Default) or in connection with the Declared Default.”

## **Reproduction of Rule 1101**

### **“Rule 1101 Emergency Powers of the Clearing House**

- (a) Whenever the Clearing House considers that there is an emergency (being without limitation any threatened or actual market manipulation or cornering including any act of any government or any international organisation or any institution or agency thereof, any major market disturbance which affects the market, or any undesirable situation or practice that the Clearing House deems to be an emergency), or crisis in the nature of manipulation, squeeze, bear raid, or wherever it appears to the Clearing House that the Contracts are executed for the purpose of inducing a false or artificial



appearance of activity, or upsetting the price equilibrium, or that the business is being conducted in a manner prejudicial to the interests of the trade or the interests of the Clearing House, or in the case of any unusual or unforeseeable events or adverse circumstances, or it is expedient, necessary or desirable for ensuring a fair and orderly market or for ensuring a safe and efficient clearing facility, or for ensuring the integrity of the market or for proper management of systemic risk in the market, or it is in the general interests of the Clearing House to do so, notwithstanding anything to the contrary contained in these Rules, Regulatory Notices or Directives or Contract Terms, the Clearing House may, at its absolute discretion, subject to any MAS Requirements: effect alternative settlement or delivery of outstanding

- (1) effect alternative settlement or delivery of outstanding Contracts;
  - (2) close out a Contract at a price determined by the Clearing House and with effect from such date as may be determined by the Clearing House;
  - (3) impose Special Margin;
  - (4) amend or delete or add to these Rules and Regulatory Notices made thereunder; and/or
  - (5) take such other measures or require one or more Clearing Members to take such measures as it deems necessary or desirable.
- (b) The Clearing House may also take any and all action as directed by the Authority as the Authority considers necessary to maintain or restore the safe and efficient operation of the Clearing House.
- (c) Without prejudice to the rest of these Rules, the Clearing House shall not be liable to any Clearing Member or any third party in respect of any loss, damage, costs, charges and/or expenses and/or liability of whatsoever nature and howsoever arising suffered or incurred by such Clearing Member or third party (including legal costs on a full indemnity basis), arising out of or in connection with the exercise or non-exercise by the Clearing House of its powers under Rule 1101(a), the determination by the Clearing House of the satisfaction or non-satisfaction of any condition for the exercise of such powers or the taking of any action directed by the Authority under Rule 1101(b).
- (d) The Authority shall be notified of such actions taken by the Clearing House under this Rule 1101 as soon as practicable. Nothing in these Rules shall in any way limit the authority of the Board or any other committee to act in an emergency situation in accordance with these Rules.”

## **SCHEDULE 9 DISCLOSURES PURSUANT TO REGULATION 16(5) AND REGULATION 26(5) OF THE SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS**

1. This statement is provided to Clients (as defined in the Agreement) to comply with Regulations 16(5) and 26(5) of the Securities and Futures (Licensing and Conduct of Business) Regulations ("**SFR**").
2. Capitalised terms used in this Schedule which are defined in the Agreement shall have the same meanings ascribed to them in the Agreement. Words and expressions used in both Regulations 16(5) and 26(5) of the SFR and in this Schedule shall bear the same meanings as construed under the SFR.
3. A customer may, request Orient Futures International (Singapore) Pte. Ltd. ("**Orient Futures**"), being a member of an approved/recognised clearing house, to:
  - (a) separate, pursuant to Regulation 16(5) of the SFR, the books for any money deposited or paid for or in relation to the OTC derivatives contracts of the customer; and/or
  - (b) separate, pursuant to Regulation 26(5) of the SFR, the books for any asset deposited or paid for or in relation to the OTC derivatives contracts of the customer,from the books for the moneys or assets, respectively, deposited or paid for or in relation to the OTC derivatives contracts of any other customer or customers of Orient Futures (each a "**Request**"), subject to additional costs that may be imposed by Orient Futures on the customer (which Orient Futures will inform the customer of if the customer makes such Request).
4. In the event of Orient Futures becoming insolvent, and with respect to the OTC derivatives contracts of a customer that are cleared by a clearing house:
  - (a) (even) if the customer had made the Request, the customer may face time delay and costs (e.g. legal costs) in recovering its moneys and/or assets (as the case may be) deposited by Orient Futures with a clearing house pursuant to Regulation 19 (in the case of moneys) or Regulation 30 (in the case of assets) of the SFR, may not recover all of its moneys and/or assets back and may not retain the benefit of its positions, as (i) the customer generally has no rights or remedies against the clearing house and only has recourse against Orient Futures and (ii) any stage of a transaction may, in certain circumstances, be challenged by an insolvency representative;
  - (b) if the customer had not made the Request: (i) the customer's moneys and/or assets (as the case may be) deposited with the clearing house may, in certain circumstances, be applied towards other obligations owing to the clearing house arising from the failure of Orient Futures to discharge any obligation to the clearing house in respect of other customers. In addition, the customer's moneys and/or assets may also be reduced or may not increase by as much as expected because the collateral posted by other customers have decreased in value (collectively referred to as "**Fellow Customer Risk**"); (ii) it would likely be difficult to satisfy the conditions imposed by the clearing house for the transfer of the positions and related moneys and/or assets of the customer to other clearing member(s) of the clearing house. The clearing house may also have a discretion not to make such a transfer.

The positions and related moneys and assets of a customer of a defaulted clearing member that have not been transferred within the period of time specified by the clearing house may then be liquidated by the clearing house (collectively referred to as “**Difficulty in Porting**”);

- (c) the differences between the consequences mentioned in sub-paragraphs (a) and (b) above are that, if the customer had made the Request, the customer would likely not be exposed to Fellow Customer Risk and Difficulty in Porting; and
- (d) for the avoidance of doubt, both a customer that had made the Request and a customer that had not made the Request would be exposed to the risks mentioned in sub-paragraph (a) above.

## 5. **Important Notice**

- (a) This Schedule is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Schedule may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.
- (b) Without prejudice to the generality of the foregoing: (i) The description set out above in paragraph 4 is a very high-level summary of the consequences involved and does not address any other consequence that may arise as a result of a Client’s particular circumstances or as a result of the terms of particular Transactions; (ii) The description set out above in paragraph 4 is based on the typical levels of segregation in the account types offered by clearing houses. However, the particular characteristics of the accounts each clearing house offers may affect such consequences so the recipient must review the information provided by a clearing house on the account structures it offers and may wish to seek professional advice to understand the differences in detail; (iii) The description set out above in paragraph 4 deals only with Orient Futures’ insolvency (and does not consider the insolvency of any other party in the clearing structure, e.g. the clearing house itself or a custodian); (iv) A large part of the customer’s protection comes from clearing house arrangements and the legal regimes surrounding them. It is important that the recipient review the relevant disclosures by the clearing house in this respect. In addition, insolvency law may override the terms of contractual arrangements. The recipient may wish to take professional advice on the interaction of these various regimes; (v) This Schedule is not intended to provide a comprehensive description of the treatment of customer moneys or assets protection regime under Singapore law (or any other Applicable Law).
- (c) Nothing contained in this Schedule should be considered as an offer or a solicitation to engage in any transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Schedule to the recipient.
- (d) Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Schedule. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or

consequential loss. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.

- (e) Nothing contained in this Schedule is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.

**SCHEDULE 10 DISCLOSURES PURSUANT TO REGULATION 18A AND REGULATION 27A OF  
THE SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS)  
REGULATIONS**

1. This statement is provided to and applies only to Retail Clients (as defined in the Agreement) to comply with Regulations 18A and 27A of the Securities and Futures (Licensing and Conduct of Business) Regulations (“SFR”).
2. Capitalised terms used in this Schedule which are defined in the Agreement shall have the same meanings ascribed to them in the Agreement. Words and expressions used in both Regulations 18A and 27A of the SFR and in this Schedule shall bear the same meanings as construed under the SFR.
3. Moneys received on account of a retail customer by Orient Futures International (Singapore) Pte. Ltd. (“**Orient Futures**”) will be held on behalf of Orient Futures by a bank licensed under the Banking Act (Chapter 19 of Singapore). Assets received on account of a retail customer by Orient Futures will be held on behalf of that customer in accordance with Regulation 27 of the SFR.
4. The entity with which the retail customer’s assets or moneys is deposited with may in turn deposit such assets and/or moneys with another custodian or broker (for instance, for the customer’s transactions on foreign exchanges), giving rise to the existence of a holding chain. The manner in which the customer’s moneys or assets are held by the different entities in the holding chain may be different. The risks of a holding chain includes the customer not being able to recover, or facing a delay in the recovery of, its moneys or assets if an entity within the holding chain holding such moneys or assets goes into liquidation or winding up.
5. Orient Futures may :
  - (a) subject to Regulation 30 of the SFR, withdraw a retail customer’s assets from the custody account mentioned in Regulation 27 of the SFR and deposit such assets with an approved clearing house, a recognised clearing house, a member of a clearing facility or a member of an organized market for any of the purposes specified in Regulation 30; and
  - (b) subject to Regulation 19 of the SFR, withdraw a retail customer’s moneys from the trust account mentioned in Regulation 17 of the SFR and deposit such moneys with an approved clearing house, a recognised clearing house, a member of a clearing facility or a member of an organized market for any of the purposes specified in Regulation 19.
6. A retail customer’s assets and moneys will (subject to, and in compliance with, the SFR) be deposited and commingled with the assets and moneys of Orient Futures’ other customers. The risks of such commingling include the customer being exposed to losses of other customers whose moneys and assets are held in the same account as the customer. In the event of a shortfall of customer moneys or assets in such account, such shortfall would be pooled and the customer may not recover its assets or moneys (as the case may be) in full.
7. If:
  - (a) the financial institution or custodian with which the trust account (holding the customer’s moneys) is maintained;

- (b) the custodian with which the custody account (holding the customer's assets) is maintained; or
- (c) the approved clearing house, recognised clearing house, member of a clearing facility or member of an organised market with whom the retail customer's moneys is deposited with,

becomes insolvent, the customer may not be able to fully recover its moneys and/or assets (as the case may be). In the worst case scenario, the customer may lose part or all of its moneys and/or assets. There are also likely to be time delays and costs (e.g. legal fees) connected with recovering such moneys and/or assets.

8. Where the trust or custody account is maintained with a financial institution or custodian outside Singapore in accordance with Regulation 17(2) or Regulation 27(3) of the SFR (as the case may be):

- (a) the laws and practices relating to such account in the jurisdiction under which the financial institution or custodian is licensed, registered or authorised may be different from the laws and practices in Singapore relating to such account, and the level of protection and safeguards afforded to moneys and assets that are held in the relevant foreign jurisdiction may not be the same as in Singapore; and
- (b) any such differences may affect the ability of the customer to recover the moneys or assets (as the case may be) deposited in such account.

9. **Important Notice**

- (a) This Schedule is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Schedule may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.
- (b) Without prejudice to the generality of the foregoing: (i) the risks set out above in this Schedule are a very high-level summary of the general risks involved and this Schedule does not address any other risks that may arise as a result of a Retail Client's particular circumstances or as a result of the terms of particular Transactions; (ii) this Schedule is not intended to provide a comprehensive description of the treatment of customer moneys or assets protection regime under Singapore law (or any other Applicable Law).
- (c) Nothing contained in this Schedule should be considered as an offer or a solicitation to engage in any transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Schedule to the recipient.
- (d) Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Schedule. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or consequential loss. This paragraph does not extend to an exclusion of liability for, or

remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.

- (e) Nothing contained in this Schedule is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.

## **SCHEDULE 11 DISCLOSURES PURSUANT TO REGULATION 34(2) OF THE SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS**

1. This statement is provided to and applies only to Retail Clients (as defined in the Agreement) to comply with Regulation 34(2) of the Securities and Futures (Licensing and Conduct of Business) Regulations ("**SFR**").
2. Capitalised terms used in this Schedule which are defined in the Agreement shall have the same meanings ascribed to them in the Agreement. Words and expressions used in both Regulation 34 of the SFR and in paragraphs 3 and 4 of this Schedule shall bear the same meanings as construed under the SFR.
3. Under Regulation 34 of the SFR, Orient Futures International (Singapore) Pte. Ltd. ("**Orient Futures**") may mortgage, charge, pledge or hypothecate a retail customer's assets but only for a sum not exceeding the amount owed by the retail customer to Orient Futures.
4. The risks of a retail customer's assets being mortgaged, charged, pledged or hypothecated by Orient Futures include the following:
  - (a) the regulatory safeguards under Regulations 26 and 27 of the SFR in relation to customers' assets which Orient Futures receive will not apply to such assets;
  - (b) in some cases (depending on the form of the collateral arrangement), the property interest retained by that retail customer in such assets (if any) may be subject to superior rights of the creditors of the party holding such assets (whether Orient Futures or a third party custodian);
  - (c) where the party holding such assets is a foreign party, that retail customer may not receive the same level of protection available under Singapore law; and
  - (d) in the event of the insolvency of the party holding such assets, that retail customer may (depending on, amongst others, the form of the collateral arrangement and the status of the party holding such assets) lose its property interest if its assets cannot be identified as distinct from the assets of other persons. In such event, that retail customer may not be able to recover such assets and may only have a general unsecured claim against the party holding such assets for the recovery of such assets and be entitled only to a pro rata distribution along with all other general unsecured creditors. This type of claim ranks behind other creditor claims of higher priority, and thus in many insolvencies general unsecured creditors get paid less than 100% of their claim amount. There are also likely to be time delays and costs (e.g. legal fees) connected with recovering such assets.
5. **Important Notice**
  - (a) This Schedule is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Schedule may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.
  - (b) Without prejudice to the generality of the foregoing: (i) the risks set out in paragraph 4 above are a very high-level summary of the general risks involved and this Schedule



does not address any other risks that may arise as a result of a Retail Client's particular circumstances or as a result of the terms of particular Transactions; (ii) this Schedule is not intended to provide a comprehensive description of security/collateral arrangements under Singapore law (or any other Applicable Law) or of the regulatory regime under the SFA.

- (c) Nothing contained in this Schedule should be considered as an offer or a solicitation to engage in any transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Schedule to the recipient.
- (d) Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Schedule. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or consequential loss. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.
- (e) Nothing contained in this Schedule is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.



## SCHEDULE 12 PROHIBITED TRADING PRACTICES

Schedule 12 is provided to non-Accredited Investors (as defined in the Agreement) pursuant to Rule 3.3.5(b) of the Futures Trading Rules of the Singapore Exchange Derivatives Trading Limited (“SGX-DT”). It reproduces certain prohibited trading practices under the Securities and Futures Act, the Futures Trading Rules of the SGX-DT and Trading Rulebook of Asia Pacific Exchange Pte. Ltd.

Such Client acknowledges that it has read and understood Schedule 12 and undertakes not to engage in any such prohibited trading practices. Such Client further acknowledge that the provisions therein may be amended from time to time by the relevant authorities, and it should therefore refer to the relevant rules and regulations for the updated provisions on these prohibited trading practices.

### **Prohibited trading practices under the Securities and Futures Act**

#### **Section 197 False trading and market rigging transactions**

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

transaction of purchase or sale of the capital markets products, being a transaction that does not involve any change in the beneficial ownership of the capital markets products;

- (b) makes or causes to be made an offer to sell the capital markets products at a specified price, where the person has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with the person has made or caused to be made or proposes to make or to cause to be made, an offer to purchase the same number, or substantially the same number, of the capital markets products at a price that is substantially the same as the firstmentioned price; or
  - (c) makes or causes to be made an offer to purchase the capital markets products at a specified price, where the person has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with the person has made or caused to be made or proposes to make or to cause to be made, an offer to sell the same number, or substantially the same number, of the capital markets products at a price that is substantially the same as the firstmentioned price.
- (4) The presumption under subsection (3) may be rebutted if the defendant establishes that the purpose or purposes for which he did the act was not, or did not include, the purpose of creating a false or misleading appearance of active trading in the capital markets products on the organised market.
- (5) For the purposes of this section, a purchase or sale of capital markets products does not involve a change in the beneficial ownership if any of the following persons has an interest in the capital markets products after the purchase or sale:
- (a) a person who had an interest in the capital markets products before the purchase or sale;
  - (b) a person associated with the person mentioned in paragraph (a).
- (6) In any proceedings against a person for a contravention of subsection (2) in relation to a purchase or sale of capital markets products that did not involve a change in the beneficial ownership of the capital markets products, it is a defence if the defendant establishes that the purpose or purposes for which the defendant purchased or sold the capital markets products was not, or did not include, the purpose of creating a false or misleading appearance with respect to the market for, or the price of, the capital markets products.
- (7) The reference in subsection (3)(a) to a transaction of purchase or sale of the capital markets products includes —
- (a) a reference to the making of an offer to purchase or sell the capital markets products; and
  - (b) a reference to the making of an invitation, however expressed, that expressly or impliedly invites a person to offer to purchase or sell the capital markets products.

## **Section 198 Market manipulation in relation to securities and securities-based derivatives contracts**

- (1) A person must not effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities, or securities-based derivatives contracts, of a corporation, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining

or stabilising the price of securities, or securities-based derivatives contracts, as the case may be, of the corporation on an organised market, with the intent to induce other persons to subscribe for, purchase or sell securities, or securities-based derivatives contracts, as the case may be, of the corporation or of a related corporation.

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

### **Section 199 False or misleading statements, etc.**

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

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

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

- (i) he does not care whether the statement or information is true or false; or

- (ii) he knows or ought reasonably to have known that the statement or information is false or misleading in a material particular.

### **Section 200 Fraudulently inducing persons to deal in capital markets products**

- (1) No person shall —
  - (a) by making or publishing any statement, promise or forecast that he knows or ought reasonably to have known to be misleading, false or deceptive;
  - (b) by any dishonest concealment of material facts;
  - (c) by the reckless making or publishing of any statement, promise or forecast that is misleading, false or deceptive; or
  - (d) by recording or storing in, or by means of, any mechanical, electronic or other device information that he knows to be false or misleading in a material particular,

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

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

### **Section 201 Employment of manipulative and deceptive devices**

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

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

### **Section 201A Bucketing**

- (1) A person must not knowingly execute, or hold himself out as having executed, an order for

the purchase or sale of a derivatives contract, without having effected in good faith a purchase or sale of that derivatives contract in accordance with the order or with the business rules and practices of an organised market on which the derivatives contract is to be purchased or sold.

- (2) A person must not knowingly execute, or hold himself out as having executed, an order to make a purchase or sale of a spot foreign exchange contract for purposes of leveraged foreign exchange trading, without having effected in good faith a purchase or sale in accordance with the order.

### **Section 201B Manipulation of price of derivatives contracts and cornering**

A person must not, directly or indirectly —

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

### **Section 202 Dissemination of information about illegal transactions**

- (1) A person must not circulate or disseminate, or authorise or be concerned in the circulation or dissemination of, any statement or information to any of the following effect if any condition in subsection (2) is satisfied:
- (a) the price of any securities or securities-based derivatives contract, of a corporation will, or is likely, to rise or fall or be maintained by reason of any transaction entered into or to be entered into or other act or thing done or to be done in relation to the securities or securities-based derivatives contracts, of that corporation (or of a related corporation) which to the person's knowledge was entered into or done in contravention of section 197, 198, 199, 200 or 201, or if entered into or done would be in contravention of section 197, 198, 199, 200 or 201;
- (b) the price of any securities or securities-based derivatives contract, of a business trust will, or is likely, to rise or fall or be maintained by reason of any transaction entered into or to be entered into or other act or thing done or to be done in relation to the securities or securities-based derivatives contracts, of that business trust which to the person's knowledge was entered into or done in contravention of section 197, 198, 199, 200 or 201, or if entered into or done would be in contravention of section 197, 198, 199, 200 or 201;
- (c) the price of a class of derivatives contracts will, or is likely to, rise or fall or be maintained by reason of any transaction entered into or to be entered into, or other act or thing done or to be done, in relation to that class of derivatives contracts by one or more persons which to the person's knowledge was entered into, or done, in contravention of section 197, 200, 201, 201A or 201B, or if entered into, or done, would be in contravention of section 197, 200, 201, 201A or 201B;
- (d) the price of a class of spot foreign exchange contracts for purposes of leveraged foreign exchange trading, will, or is likely to, rise or fall or be maintained by reason of any transaction entered into or to be entered into, or other act or thing done or to be done, in relation to that class of spot foreign exchange contracts for purposes of

leveraged foreign exchange trading, by one or more persons which to the person's knowledge was entered into, or done, in contravention of section 197, 200, 201, 201A or 201B, or if entered into, or done, would be in contravention of section 197, 200, 201, 201A or 201B.

- (2) For the purpose of subsection (1), the condition is either —
- (a) the person mentioned in subsection (1), or a person associated with that person, has entered into or purports to enter into any such transaction, or has done or purports to do any such act or thing; or
  - (b) the person mentioned in subsection (1), or a person associated with that person, has received, or expects to receive, directly or indirectly, any consideration or benefit for circulating or disseminating, or authorising or being concerned in the circulation or dissemination of, the statement or information.

### **Section 218 Prohibited conduct by connected person in possession of inside information**

- (1) Subject to this Division, where —
- (a) a person who is connected to a corporation possesses information concerning that corporation that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities or securities-based derivatives contracts of that corporation; and
  - (b) the connected person knows or ought reasonably to know that —
    - (i) the information is not generally available; and
    - (ii) if it were generally available, it might have a material effect on the price or value of those securities or securities-based derivatives contracts of that corporation,

subsections (2), (3), (4), (5) and (6) shall apply.

- (1A) Subsections (2), (3), (4A), (5) and (6) apply if —

- (a) a person is connected to —
  - (i) a corporation that is the trustee of, or manages or operates, a business trust; or
  - (ii) a corporation that is the trustee or manager of a collective investment scheme —
    - (A) that invests primarily in real estate and real estate-related assets specified by the Authority in the Code on Collective Investment Schemes; and
    - (B) all or any units of which are listed on an approved exchange;
- (b) the connected person possesses —
  - (i) where the person is connected to a corporation mentioned in paragraph



- (a)(i), any information concerning the corporation or business trust that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities or securities-based derivatives contracts of the corporation or business trust; or
    - (ii) where the person is connected to a corporation mentioned in paragraph (a)(ii), any information concerning the corporation or collective investment scheme that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities or securities-based derivatives contracts of the corporation, or the price or value of CIS units in the scheme; and
  - (c) the connected person knows or ought reasonably to know that —
    - (i) the information is not generally available; and
    - (ii) if it were generally available, it might have a material effect on —
      - (A) where the person is connected to a corporation mentioned in paragraph (a)(i), the price or value of securities or securities-based derivatives contracts of the corporation or business trust; or
      - (B) where the person is connected to a corporation mentioned in paragraph (a)(ii), the price or value of securities or securities-based derivatives contracts of the corporation, or the price or value of CIS units in the collective investment scheme.
- (2) The connected person must not (whether as principal or agent) —
  - (a) subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell —
    - (i) the securities or securities-based derivatives contracts mentioned in subsection (1); or
    - (ii) the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A); or
  - (b) procure another person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell —
    - (i) the securities or securities-based derivatives contracts mentioned in subsection (1); or
    - (ii) the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A).
- (3) The connected person must not, directly or indirectly, communicate the information mentioned in subsection (1) or (1A), or cause the information to be communicated, to another person if the connected person knows, or ought reasonably to know, that the other person would or would be likely to —
  - (a) subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase

or sell —

- (i) the securities or securities-based derivatives contracts mentioned in subsection (1); or
  - (ii) the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A); or
- (b) procure a third person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell —
  - (i) the securities or securities-based derivatives contracts mentioned in subsection (1); or
  - (ii) the securities, securities-based derivatives contracts or CIS units mentioned in subsection (1A).
- (4) In any proceedings for a contravention of subsection (2) or (3) against a person connected to a corporation referred to in subsection (1), where the prosecution or plaintiff proves that the connected person was at the material time —
  - (a) in possession of information concerning the corporation to which he was connected; and
  - (b) the information was not generally available,

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

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

- (ii) where the person is connected to a corporation mentioned in subsection (1A)(a)(ii), the price or value of the securities or securities-based derivatives contracts of the corporation or the price or value of CIS units in the collective investment scheme.
- (5) In this Division —
  - (a) “connected person” means a person referred to in subsection (1) or (1A) who is connected to a corporation; and
  - (b) a person is connected to a corporation if —
    - (i) he is an officer of that corporation or of a related corporation;
    - (ii) he is a substantial shareholder in that corporation or in a related corporation; or
    - (iii) he occupies a position that may reasonably be expected to give him access to information of a kind to which this section applies by virtue of —
      - (A) any professional or business relationship existing between himself (or his employer or a corporation of which he is an officer) and that corporation or a related corporation; or
      - (B) being an officer of a substantial shareholder in that corporation or in a related corporation.
- (6) In subsection (5), “officer”, in relation to a corporation, includes —
  - (a) a director, secretary or employee of the corporation;
  - (b) a receiver, or receiver and manager, of property of the corporation;
  - (c) a judicial manager of the corporation;
  - (d) a liquidator of the corporation; and
  - (e) a trustee or other person administering a compromise or arrangement made between the corporation and another person.

### **Section 219 Prohibited conduct by other persons in possession of inside information**

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

- (ii) if it were generally available, it might have a material effect on the price or value of those securities, securities-based derivatives contracts or CIS units, as the case may be,

subsections (2) and (3) shall apply.

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

**Prohibited trading practices under the Futures Trading Rules of the Singapore Exchange  
Derivatives Trading Limited**

**Rule 3.4.1 Market Manipulation**

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

**Rule 3.4.2 Churning**

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

**Rule 3.4.3 False Trading, Bucketing, Fraudulent Inducement to Trade and Employment of Fraudulent Device**

A Member, Approved Trader or Registered Representative shall not:

- (a) engage in, or knowingly act with any other Person in, any act or practice that will or is likely to create a false or misleading appearance of active trading in any contract or a false or misleading appearance with respect to the price of any contract;
- (b) knowingly execute, or hold out as having executed, an order for the purchase or sale of a contract, without having effected a bona fide purchase or sale of the contract in accordance with this Rules;

- (c) induce or attempt to induce another person to trade in a contract:
  - (i) by making or publishing any statement, promise or forecast that it knows or ought reasonably to know to be false, misleading or deceptive;
  - (ii) by any dishonest concealment of material facts;
  - (iii) by the reckless making or publishing of any statement, promise or forecast that is false, misleading or deceptive; or
  - (iv) by recording or storing in any mechanical, electronic or other device information that is knowingly false or materially misleading;

or

- (d) directly or indirectly in connection with any trading in a contract:
  - (i) employ any device, scheme or artifice to defraud;
  - (ii) engage in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception upon any Person;
  - (iii) make any false statement of a material fact; or
  - (iv) omit to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

#### **Rule 3.4.5 Dissemination of False or Misleading Information**

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

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

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

#### **Rule 3.4.9 Fictitious Transactions Without Change In Ownership**

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

- (a) the orders are from a fund manager whose instructions are intended to switch the contract from one (1) sub-account to another for legitimate commercial reasons;
- (b) the orders will be booked out finally to different beneficial owners; or

- (c) if the Member or the Approved Trader establishes to the Exchange that it was not a purpose of the orders to create a false market.

**Rule 3.4.10 Overtrading by a Member, Approved Trader or Customer**

The following provisions apply in relation to overtrading:

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

**Prohibited trading practices under the Trading Rulebook of Asia Pacific Exchange Pte. Ltd.**

**Rule 405(b)**

- (b) No Member, Member's Trader, Member's Representative or other Person subject to the Rules, in relation to Contracts entered into, or orders placed, on the Market or otherwise in accordance with the Rules, shall:
  - (1) commit any act of fraud or bad faith;
  - (2) act dishonestly;

- (3) engage or attempt to engage in extortion;
- (4) continue (otherwise than to liquidate existing positions) to trade or enter into such Contracts or provide margin to or accept margin from the Exchange when not in compliance with the minimum financial requirement currently in force in relation to the category of membership to which it belongs;
- (5) knowingly or recklessly disseminate false, misleading or inaccurate reports concerning any Contract, product or market information or conditions that affect or tend to affect prices on the Market;
- (6) manipulate or attempt to manipulate the Market, or create or attempt to create a disorderly Market, or assist its clients, or any other person to do so;
- (7) make or report a false or fictitious trade;
- (8) knowingly front-run a Client's order, unless the Client has prescribed that the order be executed under specified conditions and the order cannot be executed by reason of those conditions;
- (9) enter into any Contract or fail to close out the same either intending to default in performance of the same or having no reasonable grounds for thinking that it would be able to avoid such default; or
- (10) use or reveal any information, records, materials or documents provided to or obtained by another Person by reason of participating in any investigation or disciplinary proceedings.

#### **Rule 410 Wash Trades Prohibited**

- (a) No Person shall place or accept buy and sell orders in the same Contract and expiration month, and, for a put or call option, the same strike price, where the Person knows or reasonably should know that the purpose of the orders is to avoid taking a bona fide market position exposed to market risk (transactions commonly known or referred to as wash sales).
- (b) Buy and sell orders for different accounts with common beneficial ownership that are entered with the intent to negate market risk or price competition shall also be deemed to violate the prohibition on wash trades.
- (c) No Person shall knowingly execute or accommodate the execution of such orders by direct or indirect means.

#### **Rule 411 Disruptive Trading Practices Prohibited**

- (a) All orders must be entered for the purpose of executing bona fide transactions.
- (b) All non-actionable messages must be entered in good faith for legitimate purposes.
- (c) No Person shall:
  - (1) enter or cause to be entered an order with the intent, at the time of order entry, to cancel the order before execution or to modify the order to avoid execution;
  - (2) enter or cause to be entered an actionable or non-actionable message or messages

with intent to mislead other market participants;

- (3) enter or cause to be entered an actionable or non-actionable message or messages with intent to overload, delay, or disrupt the systems of the Exchange or other market participants;
- (4) engage in, or knowingly act with any other Person in, any act or practice that will or is likely to create a false or misleading appearance of active trading in any Contract or a false or misleading appearance with respect to the price of any Contract;
- (5) knowingly execute, or hold out as having executed, an order for the purchase or sale of a Contract, without having effected a bona fide purchase or sale of the Contract in accordance with these Rules;
- (6) induce or attempt to induce another person to trade in a Contract:
  - (i) by making or publishing any statement, promise or forecast that it knows or ought reasonably to know to be false, misleading or deceptive;
  - (ii) by any dishonest concealment of material facts;
  - (iii) by the reckless making or publishing of any statement, promise or forecast that is false, misleading or deceptive; or
  - (iv) by recording or storing in any mechanical, electronic or other device information that is knowingly false or materially misleading;or
- (7) directly or indirectly in connection with any trading in a Contract:
  - (i) employ any device, scheme or artifice to defraud;
  - (ii) engage in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception upon any Person;
  - (iii) make any false statement of a material fact; or
  - (iv) omit to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

### Important Notice

This Schedule is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Schedule may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.

Without prejudice to the generality of the foregoing, the reproduction of prohibited trading practices set out above in this Schedule is not intended to be a comprehensive description of prohibited trading practices under Singapore law (or any other applicable law) and does not address a person's



particular circumstances.

Nothing contained in this Schedule should be considered as an offer or a solicitation to engage in any transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Schedule to the recipient.

Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Schedule. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or consequential loss. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.

Nothing contained in this Schedule is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.

## **SCHEDULE 13 POTENTIAL LIMITATIONS AND RISKS OF INTERNET TRADING**

Schedule 13 is provided to non-Accredited Investors (as defined in the Agreement) pursuant to Rule 3.3.5(a) of the Futures Trading Rules of the Singapore Exchange Derivatives Trading Limited. The Client acknowledges that the Client has read and understood Schedule 13.

### **Limitations**

Any online or internet services provided by Orient Futures, and all information, materials and functions contained therein including software, programs, data, databases, text, graphics, links or other materials, are provided “as is” and “as available”. No warranty of any kind, implied, express or statutory, including but not limited to any warranties of title, non-infringement of third party rights, merchantability, satisfactory quality, fitness for a particular purpose and freedom from computer virus or other malicious, destructive or corrupting code, agent, program or macros, is given in conjunction with such services or any information and materials provided through such services. Orient Futures does not warrant: (i) the accuracy, timeliness, adequacy or completeness of the information, materials, services and/or functions provided at or contained in online or internet services; (ii) that the Client's use of and/or access to such services or any information or any materials on the services, or the services as a whole, will be uninterrupted, secure or free from errors or omissions or that any identified defect will be corrected; (iii) that the services or any information or materials provided are free from any virus or other malicious, destructive or corrupting code, agent, program or macros.

Online, internet and other electronic or computer-based systems are vulnerable to disruption or failure of hardware or software, because of high demand, market volatility, systems upgrades or maintenance, or any other reason. Accordingly, the Client acknowledges that any online or internet service (including order-routing, execution, matching, registration or clearing of trades) may be subject to such disruption or failure. For example:

- (a) market, order or transaction information transmitted to the Client through the online or internet system may not be accurate, even if it appears to be real-time information. The price at which the Client's order is executed may be different from the displayed quote at the time the order was entered;
- (b) the Client may not be able to enter new orders, or modify or cancel existing orders;
- (c) existing orders may not be executed according to the instructions given by the Client, or may not be executed at all. Such orders may be lost or modified, or their priority affected; and
- (d) where an order has been executed, the Client may experience delay in receiving confirmation of such execution, or may not receive a confirmation at all, or may receive inaccurate or conflicting information.

Where there is any disruption or failure of an online or internet system, or where the Client experiences any delay in the transmission of its orders or instructions, the Client should immediately contact Orient Futures.

### **Speed of online or internet trading**

Although execution of an order that was entered online or via the internet typically occurs only seconds after being sent to the market, sometimes orders can be delayed due to high volume or low liquidity. Prices can change very quickly, and even where the order is executed in seconds, the Client may not always receive the quoted price last seen before placing the order. To avoid entering into a transaction at a price higher or lower than is acceptable to the Client, the Client may consider using

limit orders rather than market orders. A limit order is an order to enter into a transaction at no higher or lower than a specified price. However, using a limit order often results in the trade executions failing to occur when that specified price cannot be met.

Delays in executing trades may occur for other reasons. For example, Orient Futures may manually review and enter an order. It may do this to verify that Client's account and margin requirements are in order, or to examine the order for trading restrictions.

Where there is delay in execution of an order, the Client may be tempted to cancel and resubmit an order. However, by cancelling and resubmitting an order in a fast market, the Client runs the risk of entering duplicate orders.

Conversely, the fact that orders are sometimes executed quickly may be to the Client's disadvantage, where the Client has erroneously placed an order; in this situation, the Client may not be able to withdraw or correct the erroneous order before it is executed and the Client may then be bound to perform its obligations under the erroneous trade.

### **Online or internet identification**

Orient Futures is entitled and authorised to act upon, rely on or regard electronic instructions given online or via the internet as if they were carried out or transmitted by the Client or its authorised persons.

Whilst Orient Futures uses reasonable efforts to ensure that access to and use of its online or internet services will be given only where a user accesses the service with a valid user ID and corresponding password, user authentication on the Internet or other online systems is generally difficult to establish.

There is therefore a risk that online or internet activities may be subject to fraudulent or deceptive activity (including but not limited to unauthorised users falsely pretending to be authorised representatives of the Client).

### **Security and confidentiality**

The Client and its authorised persons play a part as well in protecting the security and confidentiality of the Client's password, security tokens, personal details and other confidential data or information. These will help to prevent unauthorised transactions and the fraudulent access and use of user accounts.

Some recommended good practices include the following:

- (a) A user should adopt the following approach when creating a secure password ("**credentials**"):
  - (i) Credentials should be at least eight characters, comprised of an alphanumeric mix;
  - (ii) Credentials should not be based on easily inferred information such as username, personal telephone number, birthday dates or other personal information;
  - (iii) Credentials should be kept confidential and not be divulged to anyone;
  - (iv) Credentials should be memorised and not be recorded anywhere;
  - (v) Credentials should be changed regularly or when there is any suspicion that it has been compromised or impaired; and

- (vi) The same password should not be used for different websites, applications or services, particularly when they relate to different entities.
- (b) A user should not select the browser option for storing or retaining user name and password.
- (c) A user should check the authenticity of Orient Futures' website by comparing the URL and Orient Futures' name in its digital certificate or by observing the indicators provided by an extended validation certificate.
- (d) A user should check that the website address changes from 'http://' to 'https://' and a security icon that looks like a lock or key appears when authentication and encryption are expected.
- (e) A user should install anti-virus, anti-spyware, and firewall software in its personal computers and mobile devices.
- (f) A user should update the operation systems, virus and firewall products with security patches or newer versions on a regular basis.
- (g) A user should remove file and printer sharing in computers, especially when they are connected to the internet.
- (h) A user should make regular backups of critical data.
- (i) A user should use 2FA security measures (where offered) to protect their online trading account and information from unauthorized access and enhance the overall security of online trading systems.
- (j) A user should log off each and every online session and clear their browser cache.
- (k) A user should not install software or run programmes of unknown origin.
- (l) A user should delete junk or chain e-mails.
- (m) A user should not open e-mail attachments sent from unknown individuals or parties.
- (n) A user should not disclose personal, financial, or credit card information to little-known or suspect websites.
- (o) A user should not use a computer or a device which cannot be trusted.
- (p) A user should not use public or internet café computers to access online services or perform financial transactions.

### **Important Notice**

This Schedule is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Schedule may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.

Without prejudice to the generality of the foregoing: (i) the Schedule does not explain all the potential limitations and risks of internet trading and electronic communications, which can be substantial; (ii)

before entering into any internet trading, the recipient should be satisfied that it fully understands the precise nature of internet trading and electronic communications, how it actually works, the extent of its exposure to risks and the potential losses that it could incur; (iii) this Schedule does not address any other risks that may arise as a result of a person's particular circumstances or as a result of the terms of particular transactions.

Nothing contained in this Schedule should be considered as an offer or a solicitation to engage in any transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Schedule to the recipient.

Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Schedule. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or consequential loss. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.

Nothing contained in this Schedule is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.



## SCHEDULE 14 POTENTIAL LIMITATIONS AND RISKS OF ELECTRONIC COMMUNICATIONS

Orient Futures emphasises and the Client acknowledges that e-mails, instant messaging, Voice Over Internet Protocol and other similar services (including, without limitation, WhatsApp, WeChat, ICE Chat, Instant Bloomberg and Thomson Reuters Eikon Messenger) (each an “**Electronic Communication**”) may be sent via open installations (such as public and private data transfer networks and providers that are accessible worldwide) available to anyone. It may therefore be impossible to control the transmission route of any Electronic Communication, which may be routed through more than one country (even when the sender(s) and recipient(s) are located in the same country).

By communicating with Orient Futures via Electronic Communications, the Client confirms that it fully understands and accepts the multitude of risks inherent in Electronic Communications (which are not exhaustive), including:

- (a) the lack of confidentiality and unintended disclosures where e-mails and their attachments may be viewed or accessed without restriction and systematically monitored by unauthorised parties;
- (b) the content of any Electronic Communications, attachments (where applicable) and sender details (where applicable) including e-mail address can be tampered with or falsified by unauthorised parties;
- (c) Electronic Communications may be altered, mutilated, misrouted, delayed, or deleted due to technical failures, interruptions or malfunctions during transmissions, and other risks include errors in transmission, technical defect, data corruption, power failure, breakdown of telecommunication networks, fraud, forgery, misunderstanding, fraud or forgery of third parties ;
- (d) there may be no way for a recipient to technically verify the integrity of an Electronic Communication); and
- (e) damage can be done to the addressee and an Electronic Communication from Orient Futures can be altered or falsified as a result of e-mail or computer infections such as viruses, trojan horses, worms or spams created or spread by third parties.

### Important Notice

This Schedule is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Schedule may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.

Without prejudice to the generality of the foregoing: (i) the Schedule does not explain all the potential limitations and risks of Electronic Communications, which can be substantial; (ii) before making any Electronic Communications, the recipient should be satisfied that it fully understands the precise nature of Electronic Communications, how it actually works, the extent of its exposure to risks and the potential losses that it could incur; (iii) this Schedule does not address any other risks that may arise as a result of a person's particular circumstances or as a result of the terms of particular transactions.

Nothing contained in this Schedule should be considered as an offer or a solicitation to engage in any

transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Schedule to the recipient.

Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Schedule. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or consequential loss. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.

Nothing contained in this Schedule is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.



## APPENDICES

**APPENDIX 1 CONSENT TO TAKE THE OTHER SIDE OF AN ORDER PURSUANT TO  
REGULATION 47C OF THE SECURITIES AND FUTURES (LICENSING AND CONDUCT OF  
BUSINESS) REGULATIONS AND RULE 3.4.14 OF THE FUTURES TRADING RULES OF THE  
SINGAPORE EXCHANGE DERIVATIVES TRADING LIMITED**

**Preamble**

Pursuant to regulation 47C of the Securities and Futures (Licensing and Conduct of Business) Regulations, (Rg 10) read with rule 3.4.14 of the SGX-DT Futures Trading Rules ("**FTR**"), we are required to secure your prior consent to effect a transaction to buy or sell any contract for our own account or for any account in which we, any Approved Trader<sup>1</sup> or Registered Representative<sup>1</sup> have an interest, or for the account of any person associated with or connected to us, any Approved Trader or Registered Representative (each a "**Connected Person**").

To avoid the need on each occasion where there is the possibility that we or a Connected Person may be on the opposite side of your order to seek your prior consent before your own order may be executed and so avoid delay in execution and filling of your order, please sign below to confirm your consent to the foregoing.

**Consent by customer**

To: Orient Futures International (Singapore) Pte. Ltd. ("**Orient Futures**")

I/We, being the customer indicated below, having read and understood the preamble above, hereby agree to waive prior notice by Orient Futures and expressly consent to it assuming, from time to time, the opposite side of my/our order(s) for its own account, an account of any Connected Person or an account in which it or a Connected Person has a direct or indirect interest.

I/We also confirm that our waiver and consent shall stand until and unless revoked by at least 5 working days' prior written notice to Orient Futures.

For and on behalf of: ..... (Name of Applicant)

SIGNED: .....

FULL NAME: .....

DESIGNATION: .....

DATE: .....(DD/MM/YY)

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<sup>1</sup> As defined in the FTR.

**APPENDIX 2    GENERAL APPROVAL FOR NEGOTIATED LARGE TRADES PURSUANT TO  
RULE 4.1.11 OF THE FUTURES TRADING RULES OF THE SINGAPORE EXCHANGE  
DERIVATIVES TRADING LIMITED**

To:     Orient Futures International (Singapore) Pte. Ltd.

I/We acknowledge that I/we am/are aware of and hereby approve the execution of my/our orders via the Negotiated Large Trade ("**NLT**") facility of Singapore Exchange Derivatives Trading Limited ("**SGX-DT**"). I/We understand that:

- (a)     where my/our order is not a NLT order but meets the requirements of the NLT facility, you may execute my/our order via the NLT facility;
- (b)     you will inform me/us if you may be or is a counterparty to my/our NLT;
- (c)     you will disclose to me/us all NLTs executed in the contract notes sent to me/us;
- (d)     this approval is subject to compliance with the rules, laws and regulations in my/our country of domicile;
- (e)     I/we may be exposed to risks and liabilities in giving such approval. In particular, in some instances, NLT orders may not be executed at the best possible price and the timeliness of order execution may be compromised;
- (f)     I/we am/are obligated to accept all NLTs executed pursuant to this approval; and
- (g)     my/our order may be withdrawn from the Trading System (as defined in the Futures Trading Rules of the SGX-DT) and executed as a NLT notwithstanding that the price for the NLT is not equal to or better than the prevailing bid/offer quoted in the Trading System at the time my/our order is withdrawn.

This approval shall remain in force until cancelled by me/us in writing and such written cancellation has been received by you.

I/We acknowledge I/we have read, understood and received a copy of this approval.

For and on behalf of: ..... (Name of Applicant)

SIGNED: .....

FULL NAME: .....

DESIGNATION: .....

DATE: .....(DD/MM/YY)

**APPENDIX 3    CONSENT TO RECEIVE STATEMENTS IN ELECTRONIC FORM PURSUANT TO  
RULE 3.3.9 OF THE FUTURES TRADING RULES OF THE SINGAPORE EXCHANGE  
DERIVATIVES TRADING LIMITED**

To:     Orient Futures International (Singapore) Pte. Ltd.

I/We hereby agree and consent to the provision by you to me/us of contract, confirmation notes, daily statements, monthly statements and other advices (the “**Statements**”) by electronic means. I/We agree that:

- (a)     you may deliver such statements by electronic mail to any of the following electronic mail address(es):
  - (1) \_\_\_\_\_;
  - (2) \_\_\_\_\_;
- (b)     delivery of such statements shall be in lieu of printed contract notes and statements of account, and I/we will not receive printed versions of these documents;
- (c)     you will not impose any additional fees or charges in connection with the provision of these documents by electronic means; and
- (d)     I/we may at any time revoke my/our consent to the delivery of these documents by electronic means by written notice to you and, following receipt by you of such written revocation, you shall deliver printed contract notes and statements of account to us by fax or post.

For and on behalf of: ..... (Name of Applicant)

SIGNED: .....

FULL NAME: .....

DESIGNATION: .....

DATE: .....(DD/MM/YY)