

Appendix

Please Read The Terms And Conditions Below For Our Provision of OTC Clearing Services And Then Complete The Application For Such Services If You Wish Such Services And Are Agreeable To The Terms And Conditions.

1. SCOPE

- 1.1 **Application:** The clauses in this Appendix apply to clearing services (collectively "OTC Clearing Services") provided for OTC transactions intended as transactions eligible to be so cleared ("Eligible OTC transactions") for clearing through such clearing house(s) and/or clearing facilities as we may agree from time to time (each an "Agreed Clearing System") whether directly through ourselves as a relevant clearing member with respect to the relevant Agreed Clearing System(s) or indirectly through a correspondent of ours (each a "CB") as such relevant clearing member in either case via such approved trade registration systems (each a "Trade Registration System") as may be established or approved with respect to the respective relevant Agreed Clearing Systems (hereafter "Clearing Transactions").
- 1.2 **Supplemental Effect Of This Appendix:** Please note that the terms and conditions in this Appendix are intended to be read in conjunction with and as supplementary to the terms of the Client Agreement – the "Agreement" (collectively the "Terms") executed by you. Your Clearing Transactions shall therefore be subject to the Terms and not merely the clauses in this Appendix. Accordingly you agree to these terms and conditions forming part of the terms of the Client Agreement executed by you as if the transactions to be covered under such Agreement were also to include our providing to you OTC Clearing services for the clearing of OTC transactions through the relevant Trade Registration System by ourselves or a relevant CB and not merely acting as a broker and/or clearing agent for you with respect to Commodities Contracts.
- 1.3 **Specific Terms For OTC Clearing Services:** The provision of OTC Clearing Services by us is conditioned on your having confirmed and continuing to maintain such confirmation for the duration of our provision of such services that:
- 1.3.1 you have read and understood the relevant rules of each Agreed Clearing System provider – respectively the "CH"- (which, without prejudice to the generality of the foregoing and by way of illustration, in the case of OTC Clearing Services for Eligible OTC Transactions to be cleared through the Agreed Clearing System of the Singapore Exchange Clearing House Limited ("SGX-DC") would be the rules of the the SGX-DC) - the "Rules" and in particular the specific rules relating to clearing of Eligible OTC Transactions (which, again for illustration only in the case of the Rules of the SGX-DC would be chapter 7 of the Rules);
- 1.3.2 you agree to the OTC clearing services provided by us for your Clearing Transactions being subject to the relevant Rules in all cases;
- 1.3.3 you will keep yourselves updated on the Rules relevant for the Eligible OTC Transactions you wish effected;

- 1.3.4 you will ensure that neither you nor (in a case where you will be using an Inter Dealer Broker) the Inter Dealer Broker you have chosen (the "IDB") to register your Clearing Transactions through the relevant Trade Registration System will do any act or fail to do any act which will cause us to be in breach of the relevant Rules for the clearing of your Clearing Transactions or our CB's obligations to the relevant CH as a relevant clearing member of the CH or with respect to the access and use of the relevant Trade Registration System. You will accordingly undertake and do undertake to keep us indemnified against any and all claims, loss, prejudice or damages that we may suffer or incur referable to any breach on your part of your preceding obligation and will also co-operate fully in admitting to and explaining such breach forthwith upon our request for same for the purposes of answering any queries or charges or claims against us by any relevant CH, a relevant regulatory or supervisory authority or authorities having jurisdiction over ourselves (including the Monetary Authority of Singapore) or any other regulatory or enforcement agency having jurisdiction over the relevant Clearing Transaction or us referable to such breach;
- 1.3.5 where you use an IDB, you agree and accept that although as between ourselves and a relevant CH and/or CB we are to be responsible for all the actions of the IDB; as between you and us, the IDB is in fact and law solely to be regarded as your appointed agent for the registration of your Clearing Transactions and for whose actions, inactions (including any and all errors) you are solely responsible and for whose actions and non-actions with respect to the registration of the Clearing Transactions you will be liable to and shall indemnify and keep us harmless against. Without prejudice to the foregoing, we are entitled to assume that all inputs by the IDB purportedly relating to your Clearing Transactions are, as between you and ourselves, wholly correct and authorised to be inputted by you and (to the extent relevant, on the basis that you will ensure that all relevant margin requirements to enable the Clearing Transactions to be cleared for you have been provided or will be provided within the relevant deadline for the provision of such margins);
- 1.3.6 you agree and accept that if for any reason (including the fact that the relevant Clearing Transaction as registered or attempted to be registered by the IDB or ourselves if you do not use an IDB for the registration of the Clearing Transaction through the Trade Registration System does not fulfil the criteria for registration under the Rules) the Clearing Transaction is not or deemed not to have been submitted to the CH or is not or deemed not to have been accepted for clearing, then such Clearing Transaction shall (whether pursuant to the operation of any specific Rule of the relevant Rules, such as Rule 7.02A.12 of the SGX-DC Rules for Clearing Transactions intended to be cleared by the SGX-DC, or general law) remain in effect as a bi-lateral transaction between you and your counter-party to the transaction or be cancelled or terminated as the case may be, in accordance with the terms of the bi-lateral agreement for such transaction agreed or deemed to be agreed between you and your counterparty; With respect to the preceding you hereby agree and confirm that we are not privy to and have no responsibility or obligation referable to such bi-lateral contract;
- 1.3.7 for the purpose of enabling and having us submit the name of the IDB and authorising the IDB, as between ourselves and a relevant CH and/or CB, to register the Clearing Transactions through the relevant Trade Registration System and to accept responsibility as principal for such registration to the CH and/or CB upon the registration and submission of the Clearing Transactions to the relevant CH in accordance with the relevant Rules, you shall, if you wish to use an IDB:
- (i) provide us with the name and all other relevant particulars of the IDB **together with your consent for us** to submit to the relevant CH and/or CB for the purposes of authorising the IDB to register your Clearing Transactions through the Trade Registration System;
 - (ii) ensure, to the extent relevant, that the IDB at all times would also be the relevant Inter Dealer Broker for the registration of requisite counter-party information and particulars, including information on the counter-party's clearing member for the Clearing Transaction, for the the Clearing Transactions; and
 - (iii) be deemed to have authorised the IDB as your appointed agent for the registration of your Clearing Transactions and for whose actions, inactions (including any and all errors) you are, as between yourselves and ourselves, solely responsible.

- 1.3.8 you agree and will ensure that at all times you comply with all margin and other limits to the scope or value of your Clearing Transactions permitted to be cleared through ourselves. You also agree that such margin prescriptions and other limits may be different from and greater than those that may be prescribed by the relevant CH or CB; and
- 1.3.9 if you are using us and not an IDB for the registration of any Clearing Transaction that you provide us with full particulars of such Clearing Transaction, including but not limited to, the particulars of the Clearing Transaction and your counter-party and its clearing member (together, where relevant, with all relevant reference codes/numbers of such counter-party and its clearing member) to enable the proper inputting of the Clearing Transaction for either confirmation by the clearing member providing OTC Clearing Services to the counter-party or such counter-party clearing member's proper decision on whether to confirm the Clearing Transaction.

Authorised Signature : _____

Name : _____

Designation : _____

Company Name : _____

Date of Submission : _____

Company Stamp : _____

1. APPLICATION FOR PROVISION OF OTC CLEARING SERVICES

In consideration of UOB Bullion & Futures Limited agreeing at its discretion from time to time to permit me/us to effect registration of my/our* OTC Transactions for submission to one or more relevant CH (as the expression is defined in the Appendix above) for clearing in accordance with its respective Rules for the clearing of such OTC Transactions:

(i) through, if the particulars for the same are set out below, the following Inter Dealer Broker (the "IDB") for OTC Transactions in the following Agreed Clearing System(s):

<i>Particulars of Agreed Clearing System(s):</i>	<i>IDB particulars – please enclose on an attachment if space is insufficient</i>
1.	1.
	2.
	3.
	4.
	5.
2.	1.
	2.
	3.
	4.
	5.

and such IDBs whose particulars I/we may provide to you from time to time with respect OTC Transactions for a specified Agreed Clearing System(s), and/or

(ii) directly through you,

I/we hereby declare, warrant and agree:-

- (a) that I/we* have read, understood, accepted and agreed to the terms and conditions set out in this Appendix for the provision of OTC Clearing Services to me/us;
- (b) that I/we* acknowledge and agree to the terms and conditions in this Appendix forming part of the terms of the [Customer Agreement] executed by me/us as if the transactions to be covered under such Agreement were also to include you providing me/us* OTC Clearing services for the clearing of OTC transactions through each and every relevant Trade Registration System provided/approved by the relevant CH as an Agreed Clearing System by yourselves and/or a relevant CB (as the case may be) as a clearing member of the relevant CH and not merely acting as a broker and/or clearing agent for me/us with respect to Commodity Contracts or other trading services; and
- (c) where I am/we are* using an IDB with respect to any Agreed Clearing System, I/we* in each case specifically consent to you submitting to the relevant CH and/or CB the name of the IDB and authorising the IDB for the purposes of authorising the IDB to register my/our* Clearing Transactions through the relevant Trade Registration System(s).

Authorised Signature : _____

Name : _____

Designation : _____

Company Name : _____

Date of Submission : _____

Company Stamp : _____

ELECTION FOR ENHANCED CUSTOMER COLLATERAL PROTECTION (“ECCP”)

Please refer to overleaf for information on ECCP and tick one of the boxes below.

- I/We, _____, hereby confirm that I/we wish to elect for ECCP.
- I/We, _____, hereby confirm that I/we do not wish to elect for ECCP.

For individual customers

Signature: _____

Signature: _____

Name: _____

Name: _____

Date: _____

Date: _____

For corporate customers

For and on behalf of _____ (name of Customer)

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ENHANCED CUSTOMER COLLATERAL PROTECTION

Enhanced Customer Collateral Protection (“ECCP”) is available for Non-Relevant Market Transactions¹ and/or OTCF² contracts.

Paragraphs 4.2 and 4.3 of the SGX New Practice Note 7.30 are set out below:

“**4.2** ECCP provides the following key benefits:

(a) Protection from fellow-customer risk

Non-Applicable Customers³ 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 Customers⁴ 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 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 the 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 corollary of obtaining protection from fellow-customer risk, no longer having the benefit of non-defaulting Customers sharing in the fulfillment 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.”

For your information:

1. Operationally we will be ready to offer this service by 2nd Quarter of 2018*
2. There will be no netting of the margins between the Applicable Customer’s account and Non-Applicable Customer’s account.
3. We will impose a 50% margin on the Applicable Customer’s account in addition to the margin add-on of 10% mentioned above.
4. An administrative fee, an amount to be determined will be imposed.

*Operational date is subjected to change

1. Refers to a contract or transaction that is not listed or quoted for trading on the Exchange or any Relevant Market but shall not include any OTCF Contract or OTCF Transaction
2. Refers to a contract or transaction that is not listed or quoted for trading on the Exchange or any Relevant Market and relates to a financial derivative
3. Refers to customers who do not enroll for ECCP
4. Refers to customer who enrolled for ECCP