

SCHEDULE A
SPECIFIC TERMS FOR FUTURES AND OPTIONS

Save where otherwise stated, references to numbered clauses and schedules are references to the clauses and schedules of the Client Agreement of UOB Bullion and Futures Limited ("**UOBBF**") ("**Client Agreement**") that are so numbered.

All capitalized terms used herein shall, unless otherwise defined, have the same meanings as defined in the Client Agreement.

This Schedule should be read in conjunction with all other terms and conditions of the Client Agreement (including, but not limited to, Clauses 1.36 and 1.38).

A.1 General

Where the Customer has requested, on the Application or subsequent to the date of the Application, for UOBBF to provide services in futures contracts and/or foreign exchange trading, the Customer shall comply with the relevant terms and conditions of this Schedule A which shall apply in addition to all other terms and conditions in Clauses 1 and 2 of the Client Agreement and all other documents pertaining to futures contracts and/or foreign exchange trading.

A.2 Exercise of Options and Futures Contracts

1. The Customer acknowledges that exchanges, clearing houses and Intermediaries have established cut-off times ("**Prescribed Cut-off Times**") for the submission of exercise instructions in relation to options and UOBBF may set its own exercise cut-off times ("**UOBBF Cut-off Times**") which may be earlier than the Prescribed Cut-off Times.
2. It is the Customer's sole responsibility to make itself aware of all relevant Prescribed Cut-off Times in respect of an option. The Customer 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 UOBBF, and the Customer agrees to abide by and be subject to all such Prescribed Cut-off Times.
3. UOBBF shall give the Customer reasonable prior notice of any UOBBF Cut-off Time which differs from a Prescribed Cut-off Times.
4. Any instruction from the Customer to exercise an option must be received by UOBBF before the Prescribed Cut-off Time or UOBBF Cut-off Time, whichever is earlier.
5. The Customer acknowledges that in the event that it does not instruct UOBBF to exercise an option as provided in clause A.2.4, such option may expire worthless.
6. Where the Customer has:
 - (a) sold an option and such option is exercised by the option purchaser; or
 - (b) entered into a futures contract and the Customer is required to deliver the underlying under such futures contract,

the Customer agrees and undertakes to:

- (i) make all the necessary payments and/or deliveries in accordance with the timelines and conditions; and/or
- (ii) accept any and all amendments to such option exercise or obligation to deliver the underlying under a futures contract, as the case may be,

as may from time to time be prescribed by the relevant exchange, clearing house or Intermediary, as the case may be, and as notified by UOBBF to the Customer and the Customer acknowledges that the occurrence of any of clause A.2.6(a) or (b), as the case may be, the timelines and conditions under which the Customer may be required to perform its obligations under such options or futures contracts and the amendments in respect thereof, may be beyond the control of UOBBF.

7. Notwithstanding clause A.2.6, the Customer agrees and acknowledges that UOBBF 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 option or futures contract, and the Customer agrees and undertakes to make all the necessary payments and/or deliveries in accordance with the timelines and conditions as may be prescribed by UOBBF from time to time.
8. Where the relevant exchange, clearing house or Intermediary does not identify a particular option or futures contract pursuant to clause A.2.6 and if the aggregate of:
 - (a) options exercised by options purchasers; or
 - (b) futures contracts specified for delivery of the underlying,are less than the aggregate of all positions in such options or futures contracts for the time being, UOBBF may allocate the exercised option or the futures contract specified for delivery in such manner as UOBBF believes to be fair and equitable and the Customer:
 - (i) and its Account will be bound by any allocation made to the Customer pursuant to these procedures; and
 - (ii) accepts that such allocation or actions by UOBBF as aforesaid may result in prejudice and/or Loss to the Customer and accepts the risks thereof as being for its account.
9. The Customer shall not have any claim against UOBBF or its Officers arising from the exercise, non-exercise, allocation or non-allocation of an option or futures contract, save in circumstances where UOBBF has failed to act in accordance with the Customer's instructions to exercise or, as the case may be, refrain from exercising an option where such instructions have been duly given in accordance with clause A.2.4.

A.3 Settlement of Transactions

1. For spot or forward trading:
 - (a) there shall be no actual delivery of Currencies or cash bullion by UOBBF on the maturity date(s) of the Transaction(s);
 - (b) on the maturity date(s) of the abovementioned Transaction(s), UOBBF shall debit or credit the Account(s) for any losses or profits, as the case may be, suffered or realised respectively by the Customer from the abovementioned Transaction(s); and
 - (c) such debit or credit entries shall, in the absence of manifest error, be conclusive evidence without any further proof that such entries are correct and UOBBF shall be free from all claims in respect of such Transaction(s).
2. For trading in futures contracts and options:
 - (a) the Customer shall make actual delivery of the Commodity relating to the futures contracts and options to UOBBF on the maturity date(s) of the Transaction(s);
 - (b) if at any time, the Customer shall be liable to deliver to UOBBF any Commodity previously sold by UOBBF on the Customer's behalf, the Customer authorises UOBBF and on such terms and conditions as UOBBF shall consider fit, to borrow or buy and deliver the same on the Customer's behalf; and

- (c) the Customer shall immediately pay, hold harmless, indemnify and keep indemnified UOBBF from and against any and all Loss (including legal costs on a full indemnity basis) which UOBBF may sustain in making such borrowing, buying or delivery.

3. For trading in futures contracts and options:

- (a) in the event that the Customer is required to take actual delivery on the maturity date(s) of the Transaction(s), the Customer acknowledges and agrees that:
 - (i) it is the Customer's sole responsibility to take delivery on any such maturity date(s); and
 - (ii) UOBBF is not responsible for or obliged to inform the Customer of such delivery to be taken or to take delivery of such futures contracts on behalf of the Customer;
- (b) if UOBBF takes any such delivery of any Commodity for the Account(s), in the absence of UOBBF's wilful default, manifest fraud or gross negligence, the Customer agrees to indemnify, keep indemnified and hold UOBBF harmless against and from any Loss (save that any such Loss being costs, charges and expenses shall be those costs, charges and expenses which are or may be reasonably suffered or incurred by UOBBF) that UOBBF may suffer or incur resulting directly or indirectly from a decline in value of the abovementioned Commodity; and
- (c) the Customer acknowledges and agrees that UOBBF shall have no duty to borrow, buy or deliver any of the abovementioned Commodity or attempt to do so, in order to satisfy the Customer's delivery obligation in such circumstances.

A.4 Liquidation of Positions in Futures Contracts

- 1. The Customer shall give UOBBF liquidating instructions on open futures contracts and option positions maturing in a current month:
 - (a) at least three (3) Business Days prior to the first notice day in the case of long positions in open futures contracts; and
 - (b) at least three (3) Business Days prior to the last trading day in the case of short positions in open futures contracts and long and short positions in open option contracts.
- 2. Alternatively, the Customer shall provide UOBBF with sufficient funds to take delivery of the necessary delivery documents within the same period described above.
- 3. If neither instructions, nor funds, nor documents are received by UOBBF by the time specified above, UOBBF may, without notice to the Customer, either:
 - (a) liquidate the Customer's position; or
 - (b) make or receive delivery on the Customer's behalf,upon such terms and by such methods which UOBBF deem to be appropriate.
- 4. If the Customer fails to remit delivery documents in a timely manner, the Customer will be responsible for:
 - (a) any and all fines and damages imposed by the relevant exchange, market or clearing house through which such Transactions are executed, settled or cleared;
 - (b) any and all late charges imposed by UOBBF; and

- (c) 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.

A.5 Omnibus Account

1. The Customer shall disclose to UOBBF the gross long and short positions and the purchase and sale dates of all open positions held in the Customer's omnibus account in respect of each contract, Transaction and Commodity, 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.
2. The Customer acknowledges that UOBBF is required to, and the Customer irrevocably and unconditionally confirms that UOBBF may, immediately notify such relevant exchange, market or clearing house of any failure by the Customer to make the aforesaid disclosures to UOBBF as aforesaid.

A.6 SCHEDULES RELATING TO FUTURES AND OPTIONS

A.6.1 Terms and Conditions for the Provision of Clearing Arrangements

A.6.1.1 General

1. Where the Customer, being a non-clearing member of the relevant exchange or clearing house, instructs UOBBF to provide clearing arrangements in respect of the Customer's transactions on the relevant exchange (the "**Exchange Transactions**") and to clear such Exchange Transactions through the relevant clearing house, the Customer shall be deemed to have accepted the terms and conditions of this clause A.6.1 (this "**Clearing Agreement**") as additionally applying to such clearing arrangements.
2. All expressions used in this Clearing Agreement shall, unless the context requires otherwise or unless defined in this Clearing Agreement, have the same meanings assigned to them in the Client Agreement, and if also not defined in the Client Agreement, they shall have the same meanings assigned to them under the rules of the relevant exchange or clearing house.
3. In the event of any inconsistency between the provisions of the Client Agreement and this Clearing Agreement, the provisions of this Clearing Agreement shall prevail.

A.6.1.2 Applicable Laws

1. The Customer shall at all times observe and comply with all Applicable Laws, including 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 Customer's Exchange Transactions through the relevant clearing house. The Customer shall also ensure that it does not, by its actions or omissions, cause UOBBF to be in breach of any Applicable Laws or any provision of the rules of the relevant exchange or clearing house.

A.6.1.3 Margin

Prior to commencement of trading on the relevant exchange and throughout the duration of this Clearing Agreement, the Customer shall provide to, and maintain with, UOBBF collateral and security in such form, and for such amount (including but not limited to cash, fixed deposits and banker's guarantees) as UOBBF may, from time to time, require in UOBBF's absolute discretion as security for:

- (a) UOBBF providing the clearing arrangements and clearing the Customer's Exchange Transactions;

- (b) any and all liability which UOBBF may assume when providing clearing arrangements hereunder and clearing the Customer's Exchange Transactions, including but not limited to any indemnity, guarantee or other liability which UOBBF may assume to the relevant exchange or clearing house, pursuant to all Applicable Laws;
- (c) the performance of the Customer's obligations under this Clearing Agreement, the Client 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 shall at any time be owing or deliverable to UOBBF anywhere on the Customer's accounts with UOBBF or the Customer's Exchange Transactions whatsoever, whether from the Customer solely or jointly with any other person or persons.

A.6.1.4 Limits

1. Pursuant to Clause 1.12 of the Client Agreement, UOBBF has, at its discretion, the right to impose and to vary limits, including but not limited to trading, exposure and position limits, (the "**Limits**") on the Customer's Accounts and/or Exchange Transactions, and the Customer shall strictly comply with all such Limits. In this regard, the Customer confirms its familiarity with and awareness of the Applicable Laws and the rules of the relevant exchange or clearing house in relation to such Limits. If there is a breach of such Limits, UOBBF may, in its discretion, immediately withhold and not pay any money or deliver any property to the Customer that may otherwise be due, owing or deliverable, take steps to disable the Customer's trading on the relevant exchange, suspend its clearing arrangements with the Customer and/or close out any of the Customer's open positions under any Transaction, until UOBBF is satisfied that such breach has been fully remedied.
2. UOBBF may communicate such Limits (and any changes to such Limits) to the Customer from time to time and in such manner as UOBBF may deem appropriate. Until UOBBF notifies the Customer otherwise, such Limits will be communicated by UOBBF to the Customer on a quarterly basis (i.e. for January to March, April to June, July to September and October to December). In the event that UOBBF does not, or is unable to, communicate any or all such Limits to the Customer for any reason, the most recently communicated Limits then prevailing shall continue in force until new Limits have been communicated to the Customer. Without prejudice to the foregoing, such Limits (including any changes to such Limits) may be communicated by way of a computer generated notice (which will be unsigned) or a printed notice (which will be signed by a UOBBF authorised officer) with the effective date of such Limits therein stated. The Limits so communicated shall be deemed to be effective on such indicated effective date.
3. Without prejudice to UOBBF's foregoing rights to vary any Limits, the Customer confirms that, UOBBF may at UOBBF's discretion, increase or decrease the Customer's Limits on a case by case basis for any reason, including but not limited to the occurrence of any event or circumstances as UOBBF may communicate to the Customer.
4. The Customer shall observe the following codes of conduct:
 - (a) to be fully aware of the Customer's outstanding positions on Exchange Transactions or the quantity that the Customer can trade at each Exchange Transaction entry at all times so as not to over trade against the Customer's Limits;
 - (b) to agree that UOBBF and UOBBF's Officers, agents and representatives shall not be responsible or held liable for any error in computing the Customer's position(s) or for failing to inform the Customer of any excess in any Limit, as it is solely the Customer's own responsibility to know the Customer's own positions and Limits at all times; and
 - (c) to inform UOBBF immediately if the Customer does not receive any communication on Limits by the customary time or by the time indicated by UOBBF.

A.6.1.5 Clearing

1. The Customer shall (unless otherwise directed by UOBBF in writing) place all Exchange Transactions executed by the Customer on the relevant exchange on UOBBF's books. The Customer undertakes to be responsible for resolving immediately all unmatched Exchange Transactions.
2. The Customer shall report all Exchange Transactions done by the Customer to UOBBF on a half-hourly basis or at such other shorter intervals as shall be prescribed by the relevant clearing house to enable UOBBF to make the necessary reporting to the relevant clearing house.
3. The Customer shall have no claim against UOBBF whatsoever in respect of or in connection with UOBBF's inability to provide the clearing arrangements in respect of the Customer's Exchange Transactions or in respect of the losses sustained by the Customer or the Customer's customers (if any) as a direct or indirect result of UOBBF's inability.
4. UOBBF 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 under this Clearing Agreement, to the Customer.

A.6.1.6 Due Payment or Delivery

The Customer shall pay UOBBF on demand any sums owing to UOBBF, and deliver to UOBBF on demand any property deliverable to UOBBF, on the Customer's Accounts and Exchange Transactions whatsoever from the Customer solely or jointly with any other person or persons.

A.6.1.7 Force Majeure, Exclusions of Liability and Indemnity

1. UOBBF shall not be responsible for any breach, non-performance, delays or non-clearance of any Exchange Transactions due to events beyond UOBBF's control including but not limited to strike, fire, accident, act of any government, natural disasters, war, acts of terrorism, act of God or emergency including those declared by the relevant exchange or clearing house or due to any failure in the performance or function or breakdown or disruption of any of the Customer's or UOBBF's computers (whether hardware or software), machinery, equipment, products and/or systems (whether electronic, telecommunicative or otherwise) maintained by, used for, in connection with or otherwise affecting the Customer's or UOBBF's business whatsoever, including but not limited to the failure or inability of such computers, machinery, equipment, product and systems or any one or more of them to accept, recognise, store, retrieve, process and/or transmit dates or data with respect to dates or otherwise, or due to the failure of any relevant exchange, clearing house, settlement system or broker for any reason to perform its obligations, or due to the Customer's mistake, misconduct or omission or those of other members of the relevant exchange or clearing house, or due to UOBBF's suspension or expulsion from or UOBBF's ceasing to be a clearing member of the relevant clearing house.
2. The Customer shall indemnify UOBBF and keep UOBBF indemnified, fully and completely, and hold UOBBF harmless, at all times from and against any and all claims, demands, actions, proceedings, damages, costs, expenses, losses and all other liabilities whatsoever including legal costs on a full indemnity basis which UOBBF may suffer, incur or sustain in connection with this Clearing Agreement, the Client Agreement, UOBBF's performance and observance of the terms of this Clearing Agreement and the Client Agreement, any of the Customer's acts or omissions, UOBBF's agreeing to provide the clearing arrangements under this Clearing Agreement and the Client Agreement, and UOBBF's clearing of the Customer's Exchange Transactions.

A.6.1.8 Default

1. In the event the Customer's membership on the relevant exchange is suspended or terminated or the Customer is in any other way disabled from trading on the relevant exchange, the Customer shall immediately notify UOBBF in writing of such event. Upon the occurrence of any of such events, UOBBF shall be entitled, by oral or written notice to the Customer, to do one or more of the following in UOBBF's absolute discretion:
 - (a) terminate this Clearing Agreement, the Client Agreement, or both;
 - (b) require the Customer to immediately repay or deliver all monies and property under the Customer's account(s) with UOBBF 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 Customer;
 - (c) require the Customer to immediately satisfy and perform any and all other liabilities and obligations in respect of the Customer's account(s) with UOBBF; and
 - (d) liquidate all Exchange Transactions in the Customer's account(s) with UOBBF (with all resulting losses therefrom being borne solely by the Customer).
2. Without prejudice to any provision in this Clearing Agreement, UOBBF may at any time without prior notice to the Customer, and without assigning any reason whatsoever and in UOBBF's absolute discretion, terminate UOBBF's provision of clearing arrangements hereunder in accordance with the rules of the relevant exchange or clearing house and UOBBF shall be entitled, by oral or written notice to the Customer, to do one or more of the following in UOBBF's absolute discretion:
 - (a) terminate this Clearing Agreement, the Client Agreement, or both;
 - (b) require the Customer to immediately repay or deliver all monies and property due under the Customer's Account(s) with UOBBF 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 by UOBBF;
 - (c) require the Customer to immediately satisfy and perform any and all liabilities and obligations in respect of the Customer's account(s) with UOBBF; and
 - (d) liquidate all Exchange Transactions in the Customer's account(s) with UOBBF (with all resulting losses therefrom being borne solely by the Customer).
3. Upon the termination of this Clearing Agreement, the Client Agreement or the termination of UOBBF's qualification of the Customer or provision of clearing arrangements to the Customer hereunder for whatsoever reason, either UOBBF or the Customer shall inform the relevant exchange or clearing house (as required) accordingly.
4. In the event of:
 - (a) the Customer's failing to make any delivery or payment or to satisfy or perform any other liabilities or obligations due to UOBBF on demand by UOBBF;
 - (b) the Customer's failing to liquidate all Exchange Transactions upon the termination of this Clearing Agreement and/or the Client Agreement or UOBBF's qualification of the Customer or provision of clearing arrangement to the Customer hereunder;
 - (c) the Customer's failing to meet any margin requirement or any obligation under this Clearing Agreement or the Client Agreement; or
 - (d) UOBBF deeming it desirable for UOBBF or the Customer's protection including but not limited to an instance where any proceedings for the Customer's winding up or

liquidation or for the appointment of a receiver or judicial manager against the Customer or over the Customer's assets is commenced, or an attachment is levied against the Customer's account(s) or any of the Customer's properties;

then without prejudice to UOBFF's other rights and remedies (including but not limited to those set out in Clause 1.17 of the Client Agreement), UOBFF may in its absolute discretion and without notice to the Customer:

- (i) liquidate any or all the Customer's Exchange Transactions (with all resulting losses therefrom being borne solely by the Customer);
 - (ii) hedge and/or offset all or any of the Customer's Exchange Transactions at the Customer's sole risk;
 - (iii) take and convert any deposits which the Customer may have with UOBFF;
 - (iv) call upon any security which may have been issued to UOBFF to secure the Customer's Account(s);
 - (v) combine, consolidate and set-off all the Customer's Account(s); and
 - (vi) sell, dispose or realise in any manner UOBFF deems fit anything including all property belonging to or deposited by the Customer and in UOBFF's possession or control or held by UOBFF and apply the proceeds thereof to extinguish or diminish the Customer's obligations towards UOBFF including the payment of interest, commission and other costs and expenses.
5. Any action referred to in this Clause A.6.1.8 may be taken without demand for margin or additional margin, notice of sale or purchase or other notice and any such actions including sales or purchases may be made at UOBFF's discretion on any exchange or market where such business is then usually transacted.
6. The Customer hereby undertakes to repay upon demand any deficiency thereafter remaining in the Customer's Account(s) with UOBFF. In the event that UOBFF shall in its discretion decide not to take any of the action referred to in Clause A.6.1.8.4, UOBFF shall be entitled to demand the immediate payment of all amounts, and the immediate delivery of all property, due to UOBFF.

A.6.1.9 Transfer of Open Position

UOBFF shall be entitled to transfer any open position in respect of any Exchange Transaction, along with all margin, collateral and security provided by the Customer or received by UOBFF in connection with that Exchange Transaction, to another clearing member of the relevant clearing house as UOBFF 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).

A.6.1.10 Information

1. The Customer 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 Customer's Exchange Transactions and all business transacted on or through the relevant exchange or clearing house to which this Clearing Agreement, the Client Agreement or the clearing arrangements hereunder relates. The Customer shall promptly make available all such books, accounts and written records, and the Customer shall promptly permit the conduct of such inspections by UOBFF (or such external auditor as UOBFF may appoint) as UOBFF may require to monitor and ensure UOBFF's or the Customer's compliance with

Applicable Laws, and the rules of the relevant exchange or clearing house, or as the Customer may be required to do so by the relevant exchange or clearing house under and the rules of the relevant exchange or clearing house. The Customer 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 UOBBF or UOBBF's external auditor in the conduct and facilitation of such inspection. The Customer 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 UOBBF or UOBBF's external auditor, and the Customer shall promptly make the same available to UOBBF or UOBBF's external auditor (including to take copies thereof) as and when required for the purpose of such inspection. All costs and expenses incurred by the Customer in keeping and maintaining such books, accounts and records, and all costs and expenses incurred by the Customer or UOBBF in respect of such inspection, shall be borne wholly by the Customer.

2. Without prejudice to the generality of Clause A.6.1.10.1, the Customer shall promptly provide to UOBBF such information as UOBBF may at any time require in respect of any or all of the Customer's customers, or their respective positions in any Exchange Transaction by or through the Customer. UOBBF may communicate such information to any person as UOBBF may deem to be necessary, desirable or expedient for compliance with any Applicable Law. The Customer shall ensure that it has obtained all necessary consents from its underlying customers for the Customer's and UOBBF's collection, use and disclosure of such information.

A.6.1.11 General Lien

The Customer agrees that general lien in Clause 1.27.1 of the Client Agreement shall not cease to exist in UOBBF's favour in the event that UOBBF shall deposit any of the property with any exchange, market, clearing association or other bodies.

A.6.1.12 Miscellaneous

1. The Customer's obligations and UOBBF's rights under this Clearing Agreement are additional to and not in substitution of those contained in the Client Agreement. The Customer shall at the request made by UOBBF at any time and from time to time at the Customer's own expense sign, seal, deliver and perfect all such further deeds and documents and do and perform such further things as UOBBF may require to give effect to the terms of this Clearing Agreement and the Client Agreement.
2. The Customer shall be entitled to terminate this Clearing Agreement by giving UOBBF two (2) Business Days' written notice provided that no such termination shall take effect, unless UOBBF otherwise specifies, until UOBBF has been paid in full all moneys, and UOBBF has received full and complete delivery of all property, due or owing to UOBBF under or pursuant to this Clearing Agreement or the Client Agreement.
3. The termination of this Clearing Agreement shall not release either UOBBF or the Customer from any breach or liability that shall have occurred or existed prior to such termination.
4. Any legal process instituted against the Customer may be served by delivery of such process to the Customer's last given address or registered address in the Republic of Singapore and such delivery shall be deemed to be good and effective service.
5. Notwithstanding Clause 1.41.2 of the Client Agreement, where there shall be any dispute between the Customer and UOBBF and which disputes are required by the rules of the relevant exchange or clearing house to be referred to arbitration then and only then would such disputes be so referred, provided however, that any amount owing by the Customer or which UOBBF allege to be owing to UOBBF shall be promptly paid to UOBBF before UOBBF may initiate such proceedings.

A.6.2 Risk Disclosure Statement Required to be Furnished and Kept by the Holder of a Capital Markets Services Licence to Trade in Futures Contracts or Leveraged Foreign Exchange Contracts under the SFA

(The references to “you” below are references to the Customer.)

FORM 13

SECURITIES AND FUTURES ACT (Cap. 289)

SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS (Rg 10)

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 TRADE IN FUTURES CONTRACTS OR LEVERAGED FOREIGN EXCHANGE 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 and leveraged foreign exchange. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to the risks. Trading in futures, options and leveraged foreign exchange may not be suitable for many members of the public. You should carefully consider whether such trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances. In considering whether to trade, you should be aware of the following:

(a) Futures and Leveraged Foreign Exchange Trading

(i) Effect of ‘Leverage’ or ‘Gearing’

Transactions in futures and leveraged foreign exchange carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract or leveraged foreign exchange transaction so that the transaction is highly ‘leveraged’ or ‘geared’. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against you as well as for you. You may sustain a total loss 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 or leveraged foreign exchange transaction, the purchaser will have to acquire a futures or leveraged foreign exchange position, as the case may be, with associated liabilities for margin (see the section on Futures and Leveraged Foreign Exchange Trading above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium paid plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that, ordinarily, the 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 or a leveraged foreign exchange transaction, the seller will acquire a futures or leveraged foreign exchange position, as the case may be, with associated liabilities for margin (see the section on Futures and Leveraged Foreign Exchange Trading above). If the option is 'covered' by the seller holding a corresponding position in the underlying futures contract, leveraged foreign exchange transaction or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

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

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

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

(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

futures contract or in a leveraged foreign exchange transaction to ensure performance of the terms of the futures contract or leveraged foreign exchange transaction.

A.6.3 Risk Warning Statement on Overseas-Listed Investment Products

(The references to “you” below are references to the Customer.)

RISK WARNING STATEMENT

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 product that is listed for quotation or quoted only on overseas securities exchange(s) or overseas futures exchange(s) (collectively referred to as “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

- (a) 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.
- (b) 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.
- (c) 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.
- (d) 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

- (a) 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.
- (b) 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.
- (c) 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

- (a) 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

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.

A.6.4 Additional Risk Disclosures

This risk disclosure statement provides a brief outline of some of the risks associated with holding and trading of financial instruments generally. It cannot be and is not sufficient to explain all the risks. The Customer should therefore fully understand the nature of the transactions and contractual relationships, the extent of its exposure to risk and the potential losses that can be incurred and, as appropriate, consult its professional advisers before entering into any transaction.

The Customer acknowledges that it has read and understood this statement and accepts these risks.

General Investment Risks

Price and Market Risks - *The prices of securities fluctuate, sometimes dramatically. The price of a security 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 securities. The Customer's position on various transactions may be liquidated at a loss and the Customer 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 transactions - *If the Customer enters into an off-exchange transaction, UOB BF may be acting as the Customer'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 Customer'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 Customer to additional risk. Such markets may be subject to rules which may offer different or diminished investor protection. Before the Customer trades, the Customer should make enquiries with UOB BF about any rules relevant to the Customer's particular transactions. The Customer'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 Customer's transactions have been effected. The Customer should ask UOB BF for details about the types of redress available in both the Customer's home jurisdiction and other relevant jurisdictions before the Customer 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 Customer's investment or the Customer's ability to enjoy its benefit.*

Investment in equities, investment funds and other assets 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 Customer 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).

Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit the Customer'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.

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 Customer'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 Customer 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 Customer 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 Customer'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 Customer's profit and loss where a transaction involves a foreign currency element.

Credit Risks - Equities and equity-linked products are subject to the credit risks of the issuer or counterparty, including but not limited to failure by such issuer or counterparty to make delivery or payment to the Customer. The Customer 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 Customer 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.

Custodial Services - The Customer acknowledges that there may be risks in leaving securities and assets with UOBBF as custodian. Such risks could involve the loss of all securities and assets, leading to diminished investor protection. The Customer should be prepared to assume these risks if it decides to leave its securities and assets with UOBBF as custodian. The Customer should also understand that in relation to securities and assets held in other jurisdictions, UOBBF 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 Customer should therefore be prepared to assume these further risks before it engages UOBBF to provide such foreign custodial services. The Customer should also be aware that it may incur additional costs for utilising custodial services.

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 UOBBF on the Customer's behalf. The Customer acknowledges and agrees that transactions entered into on the Customer'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 Customer (including the loss of any Collateral, Currencies, Margin, investments, property or other documents of title belonging to the Customer and/or held in respect of the Customer's transactions) or lead to the Customer's positions being liquidated or closed out without prior notice to or consent from the Customer and, by trading through or with UOBBF, the Customer acknowledges and understands that any and all such Losses will be for the Customer's own account. In certain circumstances, the Customer may not even get back (in whole or in part) the actual cash and/or assets which the Customer may have deposited with UOBBF (whether as Margin, Collateral or otherwise) or the Customer 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 Customer's open positions to another appropriate counterparty or intermediary (the "**Replacement Intermediary**"). However, there may be occasions where the Customer'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 Customer's margins, cash and/or assets deposited with the Defaulting Intermediary ("**Original Margin**") may continue to be retained by the Defaulting Intermediary and the Customer may be required to provide fresh or additional margin, cash and/or other assets to the Replacement Intermediary ("**Replacement Margin**") in order for the Customer's open positions to be transferred to the Replacement Intermediary. In such a situation, UOBBF may, if permitted by Applicable Law, and whether with or without notice to the Customer, provide to the Customer an advance or a loan for the purpose of meeting the Replacement Margin requirements so as to facilitate and support the transfer of the Customer's open positions from the Defaulting Intermediary to the Replacement Intermediary. The Customer will have to repay UOBBF in full for any such advance or loan granted by UOBBF. Any and all Original Margin subsequently received by UOBBF from the Defaulting Intermediary may be used by UOBBF to repay all such advances and loans granted by UOBBF. While UOBBF will generally endeavour to notify the Customer of the insolvency or default of a Defaulting Intermediary, the possibility of transferring the Customer's open positions to a Replacement Intermediary and the Replacement Margin requirements, the Customer accepts that it may not always be possible or feasible for UOBBF do so given prevailing market conditions and that it may not be in the Customer's interest for there to be any delay in the transfer of its open positions to a Replacement Intermediary. So long as UOBBF acts in good faith and in a commercially reasonable manner, UOBBF will accept no liability or responsibility for any Loss suffered by the Customer and the Customer will be required to indemnify UOBBF against all Losses (including legal costs on a full indemnity basis) suffered or incurred by UOBBF in connection with any act, omission or step taken by UOBBF 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 Customer acknowledges and accepts that the foregoing risks are inherent in trading with or through UOBBF 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 Customer as well as for the Customer. 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 Customer 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 Customer 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 Customer's collateral may be liquidated without its consent. Moreover, the Customer will remain liable for any resulting deficit in its account and interest charged on its account. The Customer should therefore carefully consider whether such a financing arrangement is suitable in light of its own financial position and investment objectives.

Impact of Fees and Charges - Before the Customer begins to trade, the Customer should obtain a

clear explanation of all commissions, fees and other charges for which it will be liable. These charges will affect the Customer's net profit (if any) or increase its loss and must be considered in any risk assessment made by the Customer.

Deposited cash and assets - The Customer 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 Customer 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 Customer's will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

Derivatives Products - Derivatives are financial contracts for which the price is derived from an underlying asset or benchmark, such as a share or share index. Derivatives may be comprised of a number of different elements and this often makes them difficult to understand. The Customer should not deal in derivatives unless it asks about and understands the nature of the contract it is entering into, the terms and conditions of the contract and the extent of its exposure to risk. While the following sections of this risk disclosure statement describe the principal risks relevant to certain derivatives products, such as options, warrants, futures and forwards, it does not disclose all of the risks and other significant aspects of these products or other derivatives products. 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, a copy of which is produced above.

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 Customer should familiarise itself with the type of options (i.e. put or call) which it contemplates trading and the associated risks. The Customer should calculate the extent to which the value of an option would have to increase for the Customer'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 "Futures and Forwards". If the purchased options expire worthless, the Customer will suffer a total loss of its investment, which will consist of the option premium paid plus transaction costs. If the Customer is contemplating purchasing deep-out-of-the-money options, the Customer 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 Customer should thoroughly understand the nature and type of option involved and the underlying physical commodity. In addition to the risks set out above, the Customer 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 Customer 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 Customer should seek comprehensive advice about the particular risks involved before entering into any transaction involving an exotic option.

Warrants - A warrant is a right to subscribe for shares, debentures or other securities, and is exercisable against the original issuer of the securities. As in the case of options, warrants often involve a high degree of gearing, so that a relatively small movement in the price of the underlying security results in a disproportionately large movement in the price of the warrant. The prices of the warrants can therefore be volatile. As in the case of options, the buyer of a warrant is subject to the risk of losing the premium and transaction costs.

Some other instruments are also called warrants but are actually options -- for example, a right to acquire shares or other securities which is exercisable against someone other than the original issuer of the securities, which is often called a "covered warrant". More generally, options which are in securitised form are often referred to as warrants.

An investment in warrants involves valuation risks in relation to the underlying asset, which may vary over time and may increase or decrease by reference to various factors, which may include corporate actions (where the underlying asset is a share or a basket of shares), changes in computation or composition (where the underlying asset is an index), macro economic factors and market trends. Although the issuer may be required or permitted to adjust or amend the conditions of the warrants under certain circumstances, if an event occurs which does not require the issuer to make such adjustments, the price of the warrants and the return upon the exercise of the warrants may be affected.

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 Customer 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 Customer 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 Customer must take delivery of the underlying at the price originally agreed even if its market value has since fallen below the agreed price. The Customer'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 Customer 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 Customer 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.

OTC forwards - 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.

Contracts for Differences - Certain futures, forward or option contracts can also be referred to as a "contract for differences" -- for example, a forward relating to an equity index. However, these contracts can only be settled in cash. Investing in a contract for difference carries the same risks as investing in a futures contract, forward or an option, and the Customer should be aware of these as set out in the respective sections of this risk disclosure statement above. Transactions in contracts for differences may have margin requirements and the Customer should be aware of the implications of this as set out in the section above entitled "Margin and Leveraged Transactions".

Structured Products - Structured products are formed by combining two or more financial instruments, including one or more derivatives. They may be traded either over-the-counter or on-exchange. Structured products carry a high degree of risk and may not be suitable for many members of the public, as the risks associated with the financial instruments may be interconnected. Prior to engaging in structured product transactions, the Customer should understand the inherent risks involved. In particular, the various risks associated with each financial instrument should be evaluated separately as well as taking the structured product as a whole.

With structured products, buyers can only assert their rights against the issuer. The Customer therefore needs to be aware that, as well as any potential loss it may incur due to a fall in the market value of the underlying, a total loss of its investment is possible should the issuer default.

Equity-linked notes (or ELNs) are an example of structured products. ELNs may be viewed as combining a debt instrument with an option that allows a bull (rising), bear (falling) or range bet. The return on an ELN is usually determined by the performance of a single share or other security, a basket of securities or an equity index or other index. The Customer should also note that the return on investment of an ELN may be predetermined, so that even if the Customer's view of the direction of the underlying market is correct, the Customer will not gain more than the specified amount. In addition, there is a limited secondary market for outstanding ELN issues.

Market risk is the risk that the value of a Transaction will be adversely affected by fluctuations in the level or volatility of or correlation or relationship between one or more market prices, rates or indices or other market factors or by illiquidity in the market for the relevant Transaction or in a related market. In short that the value of the Transaction or the underlying commodity can go down as well as up.

Credit risk is the risk that a counterparty (including UOBBF) may fail to perform its obligations to the Customer when due.

Funding risk is the risk that, as a result of mismatches or delays in the timing of cash flows due from or to UOBBF in Transactions or related hedging, trading, collateral or other transactions, the Customer or a relevant counterparty will not have adequate cash available to fund current obligations.

Operational risk is the risk of loss to the Customer arising from inadequacies in, or failures by UOBBF in, monitoring and/or quantifying the risks and contractual obligations associated with the Transactions the Customer enters into, for recording and valuing the Transactions, or for detecting human error, systems failure or management failure.

There may be other significant risks that the Customer should consider based on the terms of a specific Transaction the Customer enters into. Highly customized Transactions in particular may increase liquidity risk and introduce other significant risk factors of a complex character.

Highly leveraged transactions may experience substantial gains or losses in value as a result of relatively small changes in the value or level of an underlying or related market factor. If the Customer intends to hedge a Transaction which the Customer enters into, there is a risk that that may not be possible.

In evaluating the risks and contractual obligations associated with a particular Transaction, the Customer should also consider that an OTC bilateral Transaction may be modified or terminated only by mutual consent and subject to agreement on individually negotiated terms. Accordingly, it may not be possible for the Customer to modify, terminate or offset the Customer's obligations or its exposure to the risks associated with a Transaction prior to its agreed termination or settlement date.

The prices of any Commodities, options and other property in which UOBBF may trade for the Customer under the Account that are quoted on the exchanges may be volatile, unpredictable and

sensitive to events both happening within the jurisdiction of the exchange and extraneously or internationally.

The risk of Loss from undertaking such Transactions is high and the degree of such Loss may be substantial and far in excess of the value of the Margin and as such the Transactions are only suitable for those who are experienced investors capable of assuming such Loss by virtue of their financial conditions.

It may, in certain circumstances, be difficult or even impossible to off-set a position in relation to an option on any exchange and in such event, the Customer shall be required to exercise the option.

UOBBF may refuse to execute any Order which is impossible or not reasonably practicable to execute including but not limited to the execution of a "stop", "contingent" or other similar Order on electronic systems which may generally only be able to accept "limit" Orders.

Transactions in respect of foreign exchange or otherwise involving foreign currencies may be subject to foreign exchange fluctuations, which may affect the returns on the Transactions for the Customer. In addition, exchange controls may also be from time to time imposed in respect of any foreign currency applicable to such Transactions and such exchange controls may have an impact on the convertibility or transferability of such foreign currencies and may also result in the Customer incurring a loss on such Transactions as a result thereof.

The disclosures above (even when taken and read in conjunction with the risk disclosures statements in the Schedule) do not purport to disclose all of the risks and other material considerations associated with Transactions the Customer may enter into. The Customer specifically should not take the general disclosures herein as business, legal, tax or accounting or other advice or as modifying applicable law.

IF THE CUSTOMER IS IN ANY DOUBT ABOUT AN ACTUAL OR PROPOSED TRANSACTION, THE CUSTOMER SHOULD CONSULT ITS OWN BUSINESS, LEGAL, TAX, ACCOUNTING AND OTHER ADVISERS WITH RESPECT TO THE TRANSACTION AND IN ALL CASES THE CUSTOMER SHOULD REFRAIN FROM ENTERING INTO ANY TRANSACTION WITH OR THROUGH UOBBF UNLESS THE CUSTOMER 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.

A.6.5 Disclosures, Terms and Other Matters Relating to Trading on SGX-DT

When the Customer instructs UOBBF to execute any Transaction on SGX-DT, the Customer shall be deemed to have accepted the terms and the risks set out in this clause A.6.5 as additionally applying to all such Transactions.

A.6.5.1 Rules for Omnibus Accounts and Risk Acknowledgements

The Customer acknowledges that it has been made aware of Rule 3.3.3 and Rule 3.3.21 of the Futures Trading Rules of the SGX-DT (the "**Exchange**") (as reproduced below) and undertakes to comply with such requirements as may be imposed by UOBBF in connection with an omnibus account for the purpose of ensuring UOBBF's compliance with Rule 3.3.3 and Rule 3.3.21.

Reproduction of Rule 3.3.3

3.3.3 Risk Disclosure Statement

- (a) A Member shall obtain a written acknowledgement from its Customer that the Customer is aware of the risks associated with trading in Contracts.
- (b) The written acknowledgement shall:
 - (i) in the case of a General Trading Member that holds a licence to engage in a Regulated Activity, contain such requirements as contemplated under the [SFA];
 - (ii) in the case of a General Trading Member that holds a licence specified in Rule 2.4.1(b), contain such requirements as may be prescribed by the Relevant Regulatory

Authority. The General Trading Member shall immediately notify the Exchange on any changes to such requirements. Notwithstanding the foregoing, the Exchange shall have the discretion to prescribe additional requirements; and

- (iii) in the case of a Bank Trading Member, contain such requirements as contemplated under the [SFA] and include an acknowledgement by the Customer that the Investor Compensation Scheme contemplated under Part XI of the [SFA] does not apply in relation to the Bank Trading Member.

Reproduction of 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.

A.6.5.2 Notification of SGX-DT Rule 1.6

A member company is required by the Futures Trading Rules of the SGX-DT to notify the Customer of the following Rule 1.6 (*Exclusion of Liability, Disclaimer of Warranties & Statutory Immunity*) of the Rules and to satisfy itself that it is acceptable to the Customer.

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

Reproduction of Rule 1.6

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, the Exchange shall not be liable to any Person for any loss (consequential or otherwise, including, without limitation, loss of profit), damage, injury, or delay, whether direct or indirect, arising from:

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

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

1.6.1A *Indemnity to the Exchange*

(1) Each Trading Member indemnifies the Exchange and its directors, officers, employees, representatives and agents (“Indemnified Persons”) against any loss or liability reasonably incurred or suffered by the 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 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 Exchange for:—

- (a) *all expenses and legal fees incurred by the Exchange in connection with such proceedings;*
- (b) *any payment made by the Exchange with the approval of the Trading Member in connection with any settlement of such proceedings; and*
- (c) *any payment made by the Exchange as a result of any order, award or judgment made in such proceedings.*

The Trading Member shall render such co-operation as the Exchange 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 cost to the Exchange of producing, pursuant to a court order or other legal process, records relating to the business or affairs of a Trading Member may, at the absolute discretion of the Exchange, be required to be paid to the Exchange by such Trading Member, whether such production is required at the instance of such Trading Member or at the instance of any other party.

1.6.2 Statutory Immunity

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

1.6.3 Disclaimer of Warranties

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

1.6.4 Index Related Disclaimers.

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

1.6.5 Notification to Customers.

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

A.6.5.3 Customer cooperation required during Inspection and Audit

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

The Customer undertakes to cooperate with UOBFF and the Exchange or any duly appointed person in accordance with Rule 3.5 (*Inspection and Audit*) and comply with such requirements as may be imposed by UOBFF in connection with ensuring compliance by UOBFF or its execution broker with Rule 3.5.

Reproduction of Rule 3.5.1 and 3.5.2

3.5 Inspection and Audit

3.5.1 Scope of Inspection and Audit Rights

The Exchange, in its discretion, may inspect, audit and take copies of the accounts, books, contracts and other records and documents of that Member to the extent that is necessary or desirable in connection with the discharge of the Exchange's regulatory obligations. The Exchange may also appoint or cause the Member to appoint independent Persons to do the same. Such Person shall report to the Exchange on all or any of the following:

- (a) whether that Member's accounts are being kept and maintained in compliance with this Rules;*
- (b) whether that Member's financial position is being maintained in compliance with this Rules;*
- (c) whether that Member's business is being conducted in compliance with this Rules;*
- (d) whether that Member's accounts, financial position or any non-compliance with this Rules may jeopardize the integrity of the Exchange; and*
- (e) such other matter as the Exchange may direct.*

3.5.2 Access and Cooperation

A Member shall cooperate with the Exchange and procure for the Exchange or the duly appointed Person:

- (a) access to its premises or its Affiliates' premises, as applicable, to carry out on-site inspections during normal business hours;*
- (b) access to the appropriate person for any queries or interviews which the Exchange or the duly appointed Person wishes to conduct in connection with its audit;*
- (c) any information or documents which the Exchange or the duly appointed Person considers appropriate for the purpose of investigations; and*
- (d) its Customers' full cooperation with the Exchange.*

A.6.5.4 Prohibited Trading Practices

This statement is being provided to the Customer pursuant to Rule 3.3.5 (*Customer Education*) of the Futures Trading Rules of the SGX-DT. This statement reproduces, for the Customer's information,

certain salient provisions of the SFA which prohibit certain trading practices and conduct. The Customer acknowledges that it has read and (having consulted its legal advisers as necessary) further hereby acknowledges that it has understood this statement and undertakes not to engage in any such prohibited trading practices and conduct.

Reproduction of Salient Provisions of the SFA

False trading and market rigging transactions

197. — (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 securities on a securities market; or*
- (b) *with respect to the market for, or the price of, such securities.*

(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 securities on a securities market, or with respect to the market for, or the price of, such securities, 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) *No person shall, by means of any purchase or sale of any securities that do not involve a change in the beneficial ownership of those securities, or by any fictitious transaction or device, maintain, inflate, depress, or cause fluctuations in, the market price of any securities.*

(3) *Without prejudice to the generality of subsection (1), a person who —*

- (a) *effects, takes part in, is concerned in or carries out, directly or indirectly, any transaction of purchase or sale of any securities, being a transaction that does not involve any change in the beneficial ownership of the securities;*
- (b) *makes or causes to be made an offer to sell any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him 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 securities at a price that is substantially the same as the first-mentioned price; or*
- (c) *makes or causes to be made an offer to purchase any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him 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 securities at a price that is substantially the same as the first-mentioned price,*

it shall be presumed that his purpose, or one of his purposes, for doing so is to create a false or misleading appearance of active trading in securities on a securities market.

(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 securities on a securities market*

(5) *For the purposes of this section, a purchase or sale of securities does not involve a change in the beneficial ownership if a person who had an interest in the securities before the purchase or sale, or a person associated with the first-mentioned person in relation to those securities, has an interest in the securities after the purchase or sale.*

(6) In any proceedings against a person for a contravention of subsection (2) in relation to a purchase or sale of securities that did not involve a change in the beneficial ownership of those securities, it is a defence if the defendant establishes that the purpose or purposes for which he purchased or sold the securities 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, securities.

(7) The reference in subsection (3)(a) to a transaction of purchase or sale of securities includes —

- (a) a reference to the making of an offer to purchase or sell securities; 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 securities.

Securities market manipulation

198. — (1) No person shall effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities of a corporation, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining or stabilising the price of securities of the corporation on a securities market, with intent to induce other persons to subscribe for, purchase or sell securities of the corporation or of a related corporation.

(1A) No person shall effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities 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 of the business trust on a securities market, with intent to induce other persons to subscribe for, purchase or sell securities of the business trust.

(2) A reference in subsection (1) or (1A) to transactions in securities of a corporation or securities of a business trust, as the case may be, includes —

- (a) a reference to the making of an offer to purchase or sell such securities of the corporation or such securities of the business trust, as the case may be; and
- (b) 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 of the corporation or such securities of the business trust, as the case may be.

False or misleading statements, etc.

199. 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;
- (b) to induce the sale or purchase of securities by other persons; or
- (c) to have the effect of raising, lowering, maintaining or stabilising the market price of securities, 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.

Fraudulently inducing persons to deal in securities

200. — (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 securities.

(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), 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.

Employment of manipulative and deceptive devices

201. *No person shall, directly or indirectly, in connection with the subscription, purchase or sale of any securities —*

- (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.*

Dissemination of information about illegal transactions

202. *No person shall circulate or disseminate, or authorise or be concerned in the circulation or dissemination of, any statement or information to the effect that the price of any securities of a corporation or any securities 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 securities of that corporation, or of a corporation that is related to that corporation, or securities of that business trust, as the case may be, which to his 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 if —*

- (a) the person, or a person associated with the 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, or a person associated with the 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, the statement or information.*

False trading

206. — *(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 futures contract on a futures market or in connection with leveraged foreign exchange trading; or*
- (b) with respect to the market for, or the price of, futures contracts on a futures market or foreign exchange in connection with leveraged foreign exchange trading.*

(2) 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 futures contract on a futures market or in connection with leveraged foreign exchange trading, or with respect to the market for, or the price of, futures contracts on a futures market or foreign exchange in connection with leveraged foreign exchange trading, 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.

Bucketing

207. — (1) No person shall knowingly execute, or hold himself out as having executed, an order for the purchase or sale of a futures contract on a futures market, without having effected a bona fide purchase or sale of the futures contract in accordance with the business rules and practices of the futures market.

(2) No person shall knowingly execute, or hold himself out as having executed, an order to make a purchase or sale of foreign exchange in connection with leveraged foreign exchange trading, without having effected a bona fide purchase or sale in accordance with the order.

Manipulation of price of futures contract and cornering

208. No person shall, directly or indirectly:

- (a) manipulate or attempt to manipulate the price of a futures contract that may be dealt in on a futures market, or of any commodity which is the subject of such futures contract; or
- (b) corner, or attempt to corner, any commodity which is the subject of a futures contract.

Fraudulently inducing persons to trade in futures contracts

209. — (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 false, misleading 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 false, misleading 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 trade in a futures contract or engage in leveraged foreign exchange trading.

(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.

Employment of fraudulent or deceptive devices, etc.

210. No person shall, directly or indirectly, in connection with any transaction involving trading in a futures contract or leveraged foreign exchange trading:

- (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 false statement of a material fact; 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.*

Dissemination of information about illegal transactions

211. *No person shall circulate, disseminate, or authorise, or be concerned in the circulation or dissemination of, any statement or information to the effect that the price of a class of futures contracts or foreign exchange in connection with leveraged foreign exchange trading will, or is likely to, rise or fall or be maintained because of the market operations of one or more persons which, to his knowledge, are conducted in contravention of section 206, 207, 208, 209 or 210 if —*

- (a) *the person, or a person associated with the person, has conducted such market operations; or*
- (b) *the person, or a person associated with the 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, the statement or information.*

Prohibited conduct by connected person in possession of inside information

218. — (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 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 of that corporation,*

subsections (2), (3), (4), (5) and (6) shall apply.

(1A) *Subject to this Division, where —*

- (a) *a person who is connected to any corporation, where such corporation —*
 - (i) *in relation to a business trust, acts as its trustee or manages or operates the business trust; or*
 - (ii) *in relation to a collective investment scheme that invests primarily in real estate and real estate-related assets specified by the Authority in the Code on Collective Investment Schemes and all or any units of which are listed on a securities exchange, is the trustee or manager of the scheme,*

possesses information concerning that corporation, business trust or scheme, as the case may be, 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 of that corporation, of securities of that business trust or of units in that scheme, as the case may be; 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 of that corporation, of those securities of that business trust or of those units in that scheme, as the case may be,*

subsections (2), (3), (4A), (5) and (6) shall apply.

- (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, any such securities referred to in subsection (1) or (1A), 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 referred to in subsection (1) or (1A), as the case may be.*
- (3) *Where trading in the securities referred to in subsection (1) or (1A) is permitted on the securities market of a securities exchange or futures market of a futures exchange, the connected person must not, directly or indirectly, communicate the information, 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, any such securities; or*
 - (b) *procure a third person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell, any such securities.*
- (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 of that corporation.*
- (4A) *In any proceedings for a contravention of subsection (2) or (3) against a person connected to a corporation which —*
- (a) *in relation to a business trust, acts as its trustee or manages or operates the business trust; or*
 - (b) *in relation to a collective investment scheme, is the trustee or manager of the scheme,*
as the case may be, referred to in subsection (1A), where the prosecution or plaintiff proves that the connected person was at the material time —
 - (i) *in possession of information concerning the corporation, business trust or scheme, as the case may be; and*
 - (ii) *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 —
 - (A) *the information was not generally available; and*
 - (B) *if the information were generally available, it might have a material effect on the price or value of securities of that corporation, of securities of that business trust or of units in the scheme, as the case may be.*
- (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;
 - (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.

Prohibited conduct by other persons in possession of inside information

219. — (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 securities¹; 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,
 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; 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.
- (3) Where trading in the securities referred to in subsection (1) is permitted on the securities market of a securities exchange or futures market of a futures exchange, the insider must not, directly or indirectly, communicate the information, 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:

¹ For the purpose of section 219 of the SFA, the term “securities” includes a futures contract only if the commodity which is the subject of the futures contract is a share or share index, or stock or stock index.

- (a) *subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any such securities; or*
- (b) *procure a third person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell, any such securities.*

A.6.5.5 Limitations and risks of on-line or internet trading

This statement is being provided to the Customer pursuant to Rule 3.3.5 (*Customer Education*) of the Futures Trading Rules of the SGX-DT. The Customer acknowledges that it has read and understood this statement and accepts these limitations and risks. The Customer may contact UOBBF if it requires any clarification or further information on these limitations and risks.

On-line or internet identification

UOBBF is entitled and authorised to act upon, rely on or regard electronic instructions given on-line or via the internet as if they were carried out or transmitted by the Customer or its authorised persons. Whilst UOBBF uses reasonable efforts to ensure that access to and use of its on-line 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 on-line systems is generally difficult to establish. There is therefore a risk that on-line 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 Customer).

Security and confidentiality

The Customer and its authorised persons play a part as well in protecting the security and confidentiality of the Customer's information. Some recommended good practices include the following:

- (a) *A user should not share its user ID or password with any other person.*
- (b) *A user should never display its user ID or password in an area visible to others.*
- (c) *A user's personal computer or trading terminal should never be left unattended.*

Limitations

Any on-line or internet services provided by UOBBF, 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. UOBBF does not warrant: (i) the accuracy, timeliness, adequacy or completeness of the information, materials, services and/or functions provided at or contained in on-line or internet services; (ii) that the Customer'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.

On-line, 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 Customer acknowledges that any on-line 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 Customer through the on-line or internet system may not be accurate, even if it appears to be real-time information. The price*

at which the Customer's order is executed may be different from the displayed quote at the time the order was entered;

- (b) the Customer 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 Customer, 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 Customer 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 on-line or internet system, or where the Customer experiences any delay in the transmission of its orders or instructions, the Customer should immediately contact UOBBF's Head of Operations, Singapore.

Speed of on-line or internet trading

Although execution of an order that was entered on-line 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 Customer 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 Customer, the Customer 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, UOBBF may manually review and enter an order. It may do this to verify that Customer'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 Customer may be tempted to cancel and resubmit an order. However, by cancelling and resubmitting an order in a fast market, the Customer runs the risk of entering duplicate orders.

Conversely, the fact that orders are sometimes executed quickly may be to the Customer's disadvantage, where the Customer has erroneously placed an order; in this situation, the Customer may not be able to withdraw or correct the erroneous order before it is executed and the Customer may then be bound to perform its obligations under the erroneous trade.

A.6.5.6 Rules for Negotiated Large Trades (“NLTs”)

The Customer acknowledges that it has been made aware of Rule 4.1.11 (*Negotiated Large Trades*) of the Futures Trading Rules of the SGX-DT, approves the execution of the Customer's NLT orders via the NLT facility and undertakes to comply with such requirements as may be imposed by UOBBF for the purpose of ensuring compliance with Rule 4.1.11 including the requirement that NLTs not be transacted for the Customer if it has the same beneficial interest in both sides of the transactions.

A.6.5.7 Contract Notes and Statement of Account

A member company is required by Rule 3.3.9 (*Customer's Statement of Account and Contract Note*) of the Futures Trading Rules of the SGX-DT to obtain its client's revocable and informed consent before issuing contract notes or statements of account in electronic form.

For the purposes of Rule 3.3.9 of the Futures Trading Rules of the SGX-DT and also for the purposes of all Applicable Laws, the Customer hereby agrees and consents to the provision by UOBBF to it of contract notes, confirmation notes, daily statements, monthly statements and other advices (the “**statements**”) by electronic means. The Customer agrees that:

- (a) UOBFF may deliver such statements by electronic mail to the electronic mail address(es) specified by the Customer to UOBFF in the Application or such other form as UOBFF may prescribe;
- (b) delivery of such statements shall be in lieu of printed contract notes and statements of account, and the Customer will not receive printed versions of these documents;
- (c) UOBFF will not impose any additional fees or charges in connection with the provision of the statements by electronic means; and
- (d) the Customer may at any time revoke its consent to the delivery of these statements by electronic means by written notice to UOBFF and, following receipt by UOBFF of such written revocation, UOBFF shall deliver printed contract notes and statements of account to the Customer by fax or post.

A.6.6 Disclosures, Terms and Other Matters Relating to Clearing on SGX-DC

When the Customer instructs UOBFF to clear any Transaction through SGX-DC, the Customer shall be deemed to have accepted the terms and the risks set out in this clause A.6.6 as additionally applying to all such Transactions.

A.6.6.1 Rules for Omnibus Accounts and Risk Acknowledgements

The Customer acknowledges that it has been made aware of Rule 2.19 (*Omnibus Account*) (as reproduced below) of the Clearing Rules of SGX-DC (for the purposes of this clause A.6.6, the "**Clearing House**") and undertakes to comply with such requirements as may be imposed by UOBFF in connection with an omnibus account for the purpose of ensuring UOBFF's compliance with Rule 2.19.

Reproduction of Rule 2.19

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:-

- a. the number of Omnibus Accounts carried and volume of business of the Clearing Member;*
- b. the financial condition of the Clearing Member and the Omnibus Account Holder in light of requirements or standards determined by the Clearing House; and*
- c. 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.

A.6.6.2 Notification of SGX-DC Rule 1.01

A member company is required by the business rules of SGX-DC to notify its client of the following sub-Rules 1.01.2 to 1.01.5 under Rule 1.01 (*Application of Rules*) of the Rules of the Clearing House and to satisfy itself that these rules are acceptable to the client. The Customer acknowledges that it has been made aware of these provisions of Rule 1.01 and hereby confirms to UOBBF that these provisions of Rule 1.01 are acceptable.

Reproduction of Rule 1.01.2 to Rule 1.01.5

1.01 Application of Rules

1.01.2 *Except where the Clearing House otherwise expressly agrees with or expressly commits itself to any party, the benefit of any performance by the Clearing House of its 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 shall have no liability to any other party. In particular, the Clearing House shall have no liability to any party affected or aggrieved by any alleged action or omission of the Clearing House or any of the directors, officers or employees of the Clearing House.

1.01.3 *Without prejudice to Rule 1.01.2 or the benefit of any exclusion of liability in any contract or undertaking in favour of the Clearing House, the Clearing House accepts 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:*

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 Clearing House;*

- 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 Clearing House (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 Clearing House;*
 - 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 by the Clearing House 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 Clearing House, its directors or officers 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.*

A.6.6.3 Notification of SGX-DC Clearing Rule 7.03A.7.3

This statement is provided to the Customer as per Rule 7.03A.7.3 of the Clearing Rules of SGX-DC.

The Customer acknowledges that it has been notified of Rule 7.03A.7.3 of the Clearing Rules of SGX-DC (as reproduced below) and that the same is acceptable to the Customer.

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.

A.7 SCHEDULES RELATING TO THE CLEARING MEMBERSHIPS OF UOBBF

A.7.1 Terms and Conditions for the Provision of Execution and/or Clearing Services and Arrangements in Respect of Dubai Gold and Commodities Exchange DMCC and the Dubai Commodities Clearing

A.7.1.1 General

1. When the Customer instructs or requests UOBBF to provide trading services to it in respect of DGCX and/or, being a non-clearing member of DGCX, instructs or requests UOBBF to provide clearing services in respect of the Customer's transactions on DGCX to be cleared through DCCC, the Customer shall be deemed to have accepted the terms and conditions of this Clause A.7.1 ("**Clause A.7.1**") as additionally applying to such trading and/or clearing services provided by UOBBF to it.
2. All expressions used in this Clause A.7.1 shall, unless the context requires otherwise or unless defined in this Clause A.7.1, have the same meanings assigned to them in the main body of the Client Agreement, and if also not defined in the main body of the Client Agreement, they shall have the same meanings assigned to them under the by-laws of the DGCX or the rules of DCCC, as the case may be.
3. For the avoidance of doubt, where this Clause A.7.1 applies, Clause A.6.1 (Terms and Conditions for the Provision of Clearing Arrangements) of the Client Agreement shall generally be inapplicable to UOBBF's provision of the services under this Clause A.7.1.
4. In the event of any inconsistency between the provisions of the main body of the Client Agreement and this Clause A.7.1, the provisions of this Clause A.7.1 shall prevail.
5. UOBBF may in its discretion not accept Orders or execute any Orders prior to UOBBF's acceptance of the Customer's Application to open, maintain or operate an Account in respect of the services to be provided to the Customer as set out in this Clause A.7.1.
6. UOBBF will not deal with third parties who act on behalf of the Customer unless such third party has been duly authorised by the Customer (in such form and on such terms and conditions as may be required by UOBBF) to act on the Customer's behalf.
7. Money owing to the Customer must be disbursed only in the Customer's name.
8. UOBBF will not use Customer's funds in any manner which is inconsistent with the Customer's Orders.
9. UOBBF will notify the Customer by sending a Confirmation to the Customer or by any other agreed means, of the Transactions executed on the Customer's Account. The Customer may make any objection known to UOBBF in accordance with Clause 1.29.2 of the main body of the Client Agreement or such shorter period as may be determined by the DGCX. UOBBF will provide the Customer with a detailed statement of account in relation to the trading activities of the Customer on a periodic basis at such frequency as may be required by DGCX from time to time. The foregoing shall be without prejudice to the right of the Customer to request at any time for a detailed statement of account in relation to the contracts or any other financial instruments that may be held in the Customer's Account.

A.7.1.2 DGCX's right to cancel Orders

1. The Customer acknowledges that DGCX may, in its sole discretion, cancel an Order or direct UOBBF to withdraw an Order, where in the opinion of the DGCX:

- (a) an Order has been entered which is not in the best interests of an orderly, fair and transparent market; and
 - (b) the matter cannot be adequately or appropriately dealt with pursuant to the by-laws of DGCX.
2. If DGCX gives notice of a decision made to UOBBF pursuant to Clause A.7.1.2.1, UOBBF shall have the power to do all acts, matters, deeds and things as may be necessary, desirable or expedient to ensure compliance with such decision of DGCX and the Customer hereby accepts and acknowledges that it shall be fully bound by such decision and all actions, matters, deeds and things carried out by UOBBF in this regard and shall do all things required by UOBBF in order for UOBBF to secure, procure or ensure for UOBBF's benefit all compliance with the foregoing.
 3. The Customer acknowledges that no decision of the DGCX under this clause A.7.1.2 shall be subject to appeal.
 4. Without prejudice to the generality of Clauses 1.7 and 1.21 of the main body of the Client Agreement, the Customer agrees that in the event that the DGCX cancels an Order or directs UOBBF to withdraw an Order, UOBBF shall on no account be liable for any loss or damage suffered by the Customer in connection therewith.

A.7.1.3 DGCX's powers to deal with an undesirable situation or practice

1. The Customer agrees and acknowledges that, if in the opinion of DGCX, an undesirable situation or practice has developed or is developing, the DGCX may take any steps whatsoever to correct the situation or practice and may give directions to UOBBF accordingly.
2. The steps which DGCX may, but is not obliged to take in dealing with an undesirable situation or practice, include any one or more of the following:
 - (a) suspending or curtailing trading in a Class of Contracts for any one or more trading months for such period as it specifies;
 - (b) limiting trading in any Class of Contract to closing out of Open Positions;
 - (c) deferring settlement of Contracts and/or extending the date for settlement of a Contract for such period as it determines;
 - (d) cancelling or amending a Contract;
 - (e) directing that any Contract be closed out forthwith or be invoiced back to a fixed date and/or at a price determined by it;
 - (f) permitting any merchantable lot of a particular commodity or financial instrument equal to or superior to the commodity or the financial instrument as specified in any Contract to be tendered subject to appropriate conditions as to compensation;
 - (g) fixing an amount of compensation payable under the by-laws of DGCX or clause A.7.1.3.2.(f);
 - (h) directing that Contracts be settled at a price other than that provided for by the by-laws of DGCX, in such manner as it may determine;
 - (i) giving directions to UOBBF to act in such manner as will in its opinion correct or assist in overcoming the situation or practice including, but not limited to, directions in relation to Open Positions;
 - (j) refraining from taking any action which it considers inappropriate; or

- (k) requesting DCCC to exercise its powers under the rules of DCCC relating to the situation or practice.

In the event that DGCX exercises its powers as set out above and the Customer suffers any loss or damages, UOBBF and/or DGCX shall not in any event be liable to compensate the Customer in respect of such damage or loss.

A.7.1.4 Inability to declare Settlement Price

1. If in the opinion of the DGCX or the DCCC, as the case may be, a situation or practice may prevent or has prevented the settlement price for a Class of Contract from being declared in accordance with the Individual Contract Specifications for that Class of Contract, the DGCX or DCCC may take any steps it deems necessary in the circumstances to correct such situation or practice so as to enable the Settlement Price to be declared and may give direction to UOBBF accordingly.
2. Any decision of DGCX or DCCC under their respective by-laws or rules, as the case may be, shall be binding upon UOBBF and their representatives and the Customer to the extent relevant.

A.7.1.5 Accuracy of Information

The Customer acknowledges that, in performing their respective obligations, each of UOBBF and DCCC is entitled to rely upon and assumes the accuracy of information provided by the DGCX and DGCX's systems and accordingly, neither UOBBF nor DCCC shall be liable with respect to any loss suffered by the Customer as a result of any incorrect information provided to UOBBF or DCCC, as the case may be, or the breakdown of the systems of the DGCX.

A.7.1.6 Limitation of Liability in Respect of Systems

1. The Customer agrees that none of UOBBF, DGCX, DCCC or the developer of any system (whether trading, computer or otherwise) of the DGCX or DCCC accept or shall bear any liability whatsoever in respect of the operation of any system of DGCX or DCCC or otherwise, whether for any breach of a provision of any relevant legislation, any act or omission (whether negligent or not), injury, death, damage to physical property, any direct or indirect losses including, but not limited to, lost profits, loss of files, loss of contracts, loss of data or use of data (including any error in information supplied or made available), loss of operation time or loss of or loss of use of equipment or process, economic loss, loss of reputation or losses or damages incidental or consequential to the installation, use or operation of the systems of DGCX and/or DCCC, as the case may be. All warranties and conditions, both express and implied as to the condition, description, quality, performance, durability or fitness for purpose or otherwise of any of the systems of DGCX and/or DCCC, as the case may be, or any component thereof are excluded except as required by law; and each of UOBBF, DGCX, DCCC or any developer of any system of the DGCX or DCCC does not warrant or forecast that any of such systems or any component thereof or any services performed in respect thereof will meet the requirements of any user, or that operation of such systems will be uninterrupted or error-free, or that any services performed in respect of such systems will be uninterrupted or error-free.
2. The Customer agrees that every limitation or exclusion from liability, defence or immunity applicable to UOBBF, DGCX, DCCC or the developer of any system of the DGCX or DCCC, as the case may be, to such persons may be entitled under the by-laws of the DGCX, the rules of the DCCC and/or clause A.7.1.6.1 shall also be available and shall extend to protect the officers, agents and employees of each of UOBBF, DGCX, DCCC and any developer of any systems of DGCX or DCCC, as the case may be.

A.7.1.7 Dispute Resolution

To the extent that there is a dispute between UOBBF and the Customer in respect of this clause A.7.1, the following will apply:

- (a) The parties hereto agree to negotiate in good faith to resolve any dispute arising between them in respect of a DGCX matter in light of any guidelines offered by the DGCX with a view to conciliation and settlement. If any dispute remains unresolved for more than 30 days from the day on which notification was (or should have been) given to the DGCX, or on such sooner date as may be agreed by the relevant parties, it shall be referred to final and binding arbitration in Dubai under the auspices and in accordance with the Rules of Arbitration of the Dubai International Arbitration Centre (the "DIAC Rules"), the DIAC Rules being incorporated into this clause by reference.
- (b) The number of arbitrators shall be three. Each party shall appoint one arbitrator of its choice from the list of arbitrators maintained by the DGCX. The two arbitrators shall within one week of the appointment of the second arbitrator appoint a third arbitrator.
- (c) The arbitration shall be conducted in English.
- (d) In the event of any inconsistency between the DIAC Rules and applicable law and procedure in the Emirate of Dubai, the inconsistency shall be resolved by reference to applicable law and procedure in the Emirate of Dubai.

A.7.1.8 Force Majeure

1. Where the business of the DCCC is materially adversely affected for any reason including, without limiting the generality of the foregoing, the intervention of any government or government authority or agency, fire, power failure or restrictions, communication breakdown, accident, flood, war or the threat of war, embargoes, boycotts, labour disputes, unavailability of data processing or bank clearance systems or act of God such that the DCCC is unable to properly conduct the business of the DCCC in whole or in part the DCCC shall be released from its obligations under the rules of DCCC to the extent that the performance of such obligations are prevented or hindered in whole or in part by circumstances referred to above and the DCCC may vary or modify the rules of DCCC to the extent that in the opinion of the DCCC is reasonably necessary in the circumstances and without limiting the generality of the above the steps which the DCCC may take shall include:
 - (a) the Compulsory Settlement in accordance with the rules of DCCC of all or some Open Contracts at a price determined by the DGCX or failing that by the DCCC;
 - (b) the Close Out of any Open Contract; and/or
 - (c) the exercise of any power which would be exercisable by the DCCC in the event of a Default.
2. Compulsory Settlement (and the determination of any price for compulsory settlement) shall be final and binding on all parties and Compulsory Settlement shall be a full and effective discharge of obligations under Open Contracts and neither UOBBF nor DCCC shall be liable for any loss suffered by the Customer due to Compulsory Settlement.

A.7.1.9 Governing Law

This clause A.7.1 shall be governed by and construed in accordance with the laws of the Emirate of Dubai and all applicable laws of the United Arab Emirates. All Transactions executed on DGCX shall be subject to the DGCX by-laws and the DCCC rules.

A.7.1.10 Anti Money Laundering

The Customer shall comply with all Anti Money Laundering and Counter Terrorist Financing (AML/CTF) laws and rules in the UAE and authorizes UOBBF to do all acts and things which it is required to do, to ensure the Customer's compliance therewith.

A.8 SCHEDULES RELATING TO THE TRADING AND/OR CLEARING MEMBERSHIPS OF UOBBF

A.8.1 Terms and Conditions for the Provision of Execution and/or Clearing Services and Arrangements in respect of ICE Futures Singapore and ICE Clear Singapore

A.8.1.1 General

1. When the Customer instructs or requests UOBBF to provide trading services to it in respect of ICE Futures Singapore Pte. Ltd. (the "**Exchange**") and/or, being a non-clearing member of ICE Clear Singapore Pte. Ltd. (the "**Clearing House**"), instructs or requests UOBBF to provide clearing services in respect of transactions to be cleared through the Clearing House, the Customer shall be deemed to have accepted (to the extent applicable as hereafter provided) the terms and conditions of this Clause A.8.1 (as additionally applying to such trading and/or clearing services provided by UOBBF to it).
2. All expressions used in this Clause A.8.1 shall, unless the context requires otherwise or unless defined in this Clause A.8.1, have the same meanings assigned to them in the main body of the Client Agreement, and if also not defined in the main body of the Client Agreement, they shall (in the case of expressions appearing in Clause A.8.1.2) have the same meanings assigned to them under the Trading Rules of the Exchange (as defined below) or (in the case of expressions appearing in Clause A.8.1.3) have the same meanings assigned to them under the Clearing Rules of the Clearing House (as defined below), as the case may be.
3. In the event of any inconsistency between the provisions of the main body of the Client Agreement and this Clause A.8.1, the provisions of this Clause A.8.1 shall prevail but only to the extent of such inconsistency.

A.8.1.2 Execution Services And Arrangements

1. **Applicability of this Clause A.8.1.2.** When the Customer instructs or requests UOBBF to provide trading services to it in respect of the Exchange, this Clause A.8.1.2 shall apply to such trading services.
2. **Background.** UOBBF is a General Participant in the Exchange, as defined in the rules (together with the Trading Procedures, the Membership Procedures and the Complaint Resolution Procedures, as interpreted in accordance with Circulars and as the same are amended in accordance with the rules from time to time, or any arrangements, directions and provisions made thereunder as the context may require) (the "**Trading Rules**") of the Exchange and is thereby permitted to transact certain business for itself and for its clients (whether such clients are other Members or non-Members) on the markets and other facilities operated, maintained or made available by the Exchange.
3. **Definitions and Interpretation of this Clause A.8.1.2.** Notwithstanding Clause A.8.1.2, the expression "**Applicable Laws**" where used in this Clause A.8.1.2 shall have the meaning assigned to it in the Trading Rules. Any reference to a "**Rule**" in this Clause A.8.1.2 shall be deemed to be a reference to a rule in the rules of the Exchange. Unless otherwise expressly stated, any expression defined in this Clause A.8.1.2 shall only apply to this Clause A.8.1.2.
4. **Trading Rules and Applicable Laws.** The trading of Products, the entry into Contracts and/or Corresponding Contracts and the acceptance of Orders to enter into Contracts or Corresponding Contracts by or for the Customer shall be subject to the Trading Rules and Applicable Laws. The Customer shall at all times observe and comply with the Trading Rules

and Applicable Laws in respect of the foregoing and shall do all things necessary to facilitate the provision of execution services and arrangements in respect of the Exchange by UOBBF to the Customer as UOBBF or the Exchange may determine to be necessary, expedient or desirable in UOBBF's or the Exchange's sole and absolute discretion for compliance with the Trading Rules and Applicable Laws. The Customer shall also ensure that it does not, by its actions or omissions, cause UOBBF to be in breach of the Trading Rules or any Applicable Laws.

5. **Average Price Reporting.** Where UOBBF has executed for the Customer on the same day one or more orders (either buy or sell but not together) for the same Product and Contract Month, the Corresponding Contracts made with the Customer may be reported to the Customer at an average price provided that, where rounding of the average price is used, the Customer is given written notice of the method of rounding, the number of decimal places to which the reported average price will be rounded, and the method of distribution or collection of the cash residual.
6. **Confidentiality.** The Customer is hereby given notice that the Exchange is subject to section 21(1) of the SFA (subject to the exemptions to the obligation to maintain confidentiality set out in section 21(2) of the SFA and regulation 11(1) of the Securities and Futures (Markets) Regulations of Singapore ("**SF(M)R**"). Subject, at all times, to such Applicable Laws, the Exchange may, notwithstanding Rule A.4.2, make the following disclosures of confidential information subject to such terms and conditions as the Exchange may from time to time deem appropriate:
 - (a) to a Regulatory Authority or Governmental Authority where a request is formally made to the Exchange by or on behalf of the same or pursuant to Applicable Laws, where disclosure is required under Applicable Laws or is necessary for the making of a complaint or report under Applicable Laws for an offence alleged or suspected to have been committed under Applicable Laws;
 - (b) in the case of a breach by a Member of:
 - (i) any membership criteria established by the Exchange, whether as a breach of Rule B.3, the Membership Procedures or otherwise; or
 - (ii) such Member's obligation to publicly disclose prices and fees associated with the services it provides or its obligation to provide clients with separate access to each specific service it provides to the public;
 - (c) pursuant to an order of a competent court or other Governmental Authority or otherwise to such other persons, at such times and in such manner as may be required by Applicable Laws;
 - (d) to any member of the ICE group, any other exchange or clearing organisation and any of their representatives, committees, experts, delivery facilities, auditors, advisers or lawyers including (without limitation) for audit, compliance, making or taking delivery, market surveillance or disciplinary purposes for the purposes of an arbitration pursuant to Section H of the rules of the Exchange or any proceedings in support of such an arbitration, or in relation to any possible or actual Event of Default under and within the meaning of Rule D.3, in accordance with Rule D.10 or under the Clearing House Rules, or the termination or suspension of any membership;
 - (e) to any person in the business of providing data processing or similar services for the purposes of performing computations or analysis, or of preparing reports or records, for the Exchange;
 - (f) to any person who has provided or is considering entering into a loan, insurance policy, guarantee or other financial arrangement with the Exchange or any of its affiliates, provided that information identifying the positions or name of a Member or any of its accounts or the name of any of a Member's clients will not be so disclosed;

- (g) to any Insolvency Practitioner and any other authority or body having responsibility for any matter arising out of or connected with an Event of Default under and within the meaning of Rule D.3 or under the Clearing House Rules;
- (h) in the case of information relating to any Matched Transaction or Contract (including details of the parties thereto and related margin), to a Repository or Governmental Authority for purposes of transaction reporting;
- (i) to any person or to the public as a result of its complaints procedure or disciplinary proceedings, including pursuant to Rule E.4.13;
- (j) to any person if the information comes into the public domain, other than as a result of a breach of Rule A.4.3 by the Exchange or its representatives;
- (k) in the case of information concerning any client of a Member, to such Member with a relationship with such client in respect of trades entered into for such client, including, without limitation, information concerning the user ID and contact details of the Member's clients granted access to the ICE Platform by such Member through the Front End Application provided by the Exchange. In the event that the Exchange discloses client details to a Member, the Exchange may simultaneously notify relevant clients of such disclosure;
- (l) otherwise with the specific written consent of the person or persons to whom the confidential information relates; or
- (m) otherwise to any person permitted under section 21(2) of the SFA and regulation 11(1) of the SF(M)R, in accordance with such provisions.

7. **Transaction Reporting.** The Customer acknowledges and agrees that UOBBF and the Exchange shall be authorised to submit the terms of any Contract (and any related Corresponding Contract) to any Repository as a delegate for the Clearing House, Clearing Member and any relevant client, as applicable.

8. **Co-operation in Exchange Inspections Etc.** Without prejudice to the generality of Clause 1.3.3 of the main body of the Agreement, the Customer shall co-operate with, and render all necessary assistance and access to, UOBBF, the Exchange and their duly appointed representatives and comply with such requirements as may be imposed by UOBBF or the Exchange in connection with any inspections, enquiries or investigations which may be authorised by the Exchange.

9. **Exclusion of Liability of the Exchange.** The Customer acknowledges that business on the Market or through any other facility provided by the Exchange may from time to time be suspended or restricted or such facilities (including, without limitation, the Market) may from time to time be closed for a temporary or longer period. Without limitation, this may occur as a result of the occurrence of one or more events which require action to be taken by the Exchange under the Trading Rules in the interests of, *inter alia*, maintaining a fair and orderly market. Any such action may result in the inability of one or more Members and through such Member one or more clients to enter into Contracts or Corresponding Contracts on the Market in accordance with the Trading Rules. Furthermore, a Member and through the Member one or more clients may from time to time be prevented from or hindered in entering into Contracts or Corresponding Contracts on the Market as a result of failure or malfunction of communications equipment or Trading Facilities including, but not limited, to the ICE Platform, or Front End Application supplied to the Member by the Exchange or any other person. Unless otherwise expressly provided in the Trading Rules or in any other agreement to which the Exchange is party, neither the Exchange nor its Directors, officers, employees, committees, panels, any individual committee or panel member, agents or representatives shall be liable to any Member or client for any loss, damage, injury or delay (including any indirect or consequential loss, including without limitation, any loss of profit) arising from or in connection with the Trading Facilities including, but not limited to, the ICE Platform or the occurrence of a temporary or longer suspension, restriction or closure of business on the Market or the

Trading Facilities including, but not limited to, the ICE Platform or any act or omission of the Exchange, its Directors, officers, employees, committees, panels, any individual committee or panel member, agents or representatives under the Trading Rules or pursuant to the Exchange's obligations under statute or from any breach of contract by or any negligence howsoever arising of the Exchange, its Directors, officers, employees, committees, panels, any individual committee or panel member, agents or representatives which may prevent or hinder a Member or, through a Member, a client from entering into or closing out a Contract or Corresponding Contract or otherwise affect a Member or client. The Exchange is not liable for any action or omission of the Clearing House. The foregoing shall be without prejudice to the provisions of the Electronic User Agreement regarding liability of the Exchange and shall not exclude the Exchange's liability for death or personal injury resulting from negligence or for fraud.

A.8.1.3 Clearing Services And Arrangements

1. **Applicability of this Clause A.8.1.3.** This Clause A.8.1.3 shall apply to the clearing of transactions on or through the Clearing House and all other services and arrangements in relation thereto, provided or granted by UOBBF (or instructed or requested by the Customer to be provided or granted by UOBBF) to the Customer being, a non-clearing member of the Clearing House.
2. **Inapplicability of Clause A.6.1.** For the avoidance of doubt, where this Clause A.8.1.3 applies, Clause A.6.1 (Terms and Conditions for the Provision of Clearing Arrangements) of the Client Agreement shall generally be inapplicable to UOBBF's provision of the clearing services under this Clause A.8.1.3.
3. **Background.** UOBBF is a Clearing Member, as defined in the rules (together with the Procedures, as interpreted in accordance with the Guidance and Circulars thereunder) of the Clearing House (the "**Clearing Rules**") and is thereby permitted to submit certain transactions for clearing on or through the Clearing House in accordance with the Clearing Rules.
4. **Definitions and Interpretation of this Clause A.8.1.3.** Notwithstanding Clause A.8.1.1.2, the following capitalised expressions where used in this Clause A.8.1.3 shall have the respective meanings assigned to them in the Clearing Rules: "**Applicable Laws**", "**Margin**", "**Person**", "**Personal Data**" and "**Transaction**". Any reference to a "**Rule**" in this Clause A.8.1.3 shall be deemed to be a reference to a rule in the rules of the Clearing House. Unless otherwise expressly stated, any expression defined in this Clause A.8.1.3 shall only apply to this Clause A.8.1.3.
5. **Clearing Rules and Applicable Laws.** The clearing services to be provided by UOBBF to the Customer under this Clause A.8.1.3, each Customer-CM Transaction, and the clearing of all transactions on or through Clearing House shall be subject to the Clearing Rules and Applicable Laws. The Customer shall at all times observe and comply, and shall procure that each of its clients or customers at all times observes and complies, with the Clearing Rules and Applicable Laws, and shall also do all things necessary to facilitate the provision of such clearing services by UOBBF as UOBBF or the Clearing House may determine to be necessary, expedient or desirable in UOBBF's or the Clearing House's sole and absolute discretion for compliance with the Clearing Rules and Applicable Laws. The Customer shall also ensure that it does not, and that its clients or customers do not, by their actions or omissions, cause UOBBF to be in breach of the Clearing Rules or any Applicable Laws.
6. **Disciplinary Proceedings by Clearing House & Indemnification by Customer.** The Customer acknowledges and confirms that if it or its customers or any of their representatives would have breached the Clearing Rules in respect of any instance listed in Rule 102(j)(i), 102(j)(ii), 102(j)(iii) or 102(j)(iv) if any of them were a Clearing Member, then such Customer, client or representative or UOBBF (acting as a Clearing Member) may be subject to disciplinary proceedings by the Clearing House, in which Rule 1003(u) applies. Bearing in mind Clause A.8.1.3.5, and without prejudice to the generality of Clause 1.20 of the main body of the Client Agreement, the Customer shall at all times indemnify, keep indemnified and hold harmless UOBBF against any and all Loss (including legal costs on a full indemnity basis)

suffered or incurred by or which may be suffered or incurred by UOBBF as a result or in connection with the Customer's, or the Customer's client's or any of their representative's aforesaid breach of the Clearing Rules.

7. **Customer-CM Transactions.** The Customer acknowledges and confirms that under the Clearing Rules and/or the Standard Terms, Customer-CM Transactions will be deemed to have come into existence as between UOBBF and the Customer when certain transactions are cleared or submitted for clearing on or through the Clearing House.
8. **Standard Terms of the Clearing House.** The Standard Terms (as from time to time prescribed and published by the Clearing House) shall be deemed incorporated into every Customer-CM Transaction arising between UOBBF and the Customer. The Customer acknowledges that the Standard Terms are an Exhibit to the Clearing Rules and do not form part of the Clearing Rules. The Customer agrees that any amendments, modifications, restatements or supplements in respect of such Exhibit to the Clearing Rules (including the withdrawal of any part of the Standard Terms) shall be effective and binding on the Customer if made by the Clearing House pursuant to the Clearing Rules and/or the Standard Terms. If requested by UOBBF or the Clearing House, the Customer shall promptly enter into a written confirmation of the terms of any such amendment, modification, supplement or restatement.
9. **Customer's Books & Records.** The Customer shall distinguish in its books and records the Customer-CM Transactions from all other transactions between UOBBF and the Customer, to the extent required to enable the Customer to comply with the Clearing Rules, the Standard Terms and this Clause A.8.1.3.
10. **Equivalent Action by UOBBF.** Without limiting any rights that UOBBF may have under the Client Agreement, if the Clearing House takes any step, including but not limited to the events or actions listed under Section 3(i) of the Standard Terms, or any such event or action otherwise occurs (in each case including but not limited to any change in Applicable Laws or any action taken by any Regulatory Authority pursuant to Applicable Laws) in relation to a Contract, UOBBF, at its option and discretion, shall be entitled to take equivalent action (or, if it cannot take equivalent action, it is not advisable to do so or equivalent action would not deal with the matter in hand, other appropriate action) in good faith and in a commercially reasonable manner, in relation to the related Customer-CM Transaction or against the Customer, including but not limited to terminating, or modifying the non-economic terms of, such Customer-CM Transaction or making adjustments to any determination of amounts paid or payable under the Client Agreement.
11. **Margin, Collateral & Permitted Cover.** The Customer agrees that UOBBF may use any margin provided by the Customer under the Client Agreement to satisfy UOBBF's obligations to the Clearing House under Rule 504 or Part 11 of the rules of the Clearing House. The Customer shall not be entitled to assert any equitable or other claim to any such collateral or Permitted Cover that has been transferred to the Clearing House except as required under the SFA and the Securities and Futures (Clearing Facilities) Regulations 2013 ("**SF(CF)R**"). Where UOBBF uses margin other than that provided by the Customer under the Client Agreement to satisfy UOBBF's obligations to the Clearing House under Rule 504 in relation to a Contract where the Customer is party to the related Customer-CM Transaction, the Customer shall provide Customer-margin of the same value to UOBBF within a reasonable period. Without prejudice to the Client Agreement and Clearing Rules, the Customer acknowledges and agrees that any use, investment, transfer, holding, appropriation, set-off, enforcement or application of Permitted Cover by the Clearing House pursuant to these Clearing Rules is in accordance with Applicable Laws. To the extent permitted under Applicable Laws, the Customer shall be deemed to have irrevocably waived, any claim or right it may have against the Clearing House arising from the Clearing House's use, investment, transfer, holding, appropriation, set-off, enforcement or application of, any Permitted Cover in accordance with these Clearing Rules, including, any claim that such use, investment, transfer, holding, appropriation, set-off, enforcement or application is in breach of regulation 24 of the SF(CF)R, any trust or fiduciary obligation of the Clearing House arising pursuant to regulation 23(3) of the SF(CF)R or any breach of regulation 21 or 35 of the SFR.

12. **Events of Default and Termination.** In the event of the declaration by the Clearing House of an Event of Default with respect to UOBBF (such event being defined as an “**ICE-Declared Default**” in the Clearing Rules), whether or not any other default (howsoever defined or described) has also occurred under the Client Agreement or otherwise, the Customer shall not be entitled to exercise any remedies with respect to Customer-CM Transactions pursuant to the Client Agreement or otherwise, except as provided in the Standard Terms. Notwithstanding anything to the contrary in the Client Agreement, no Customer-CM Transaction shall be subject to any automatic early termination (even if so provided in the Client Agreement) unless otherwise expressly permitted under the Clearing Rules, the Standard Terms or the Clearing House.
13. **Post-default Portability; Termination and Valuation of Cleared Transactions.** Unless the Customer has notified UOBBF and the Clearing House in writing to the contrary, the Customer hereby consents and agrees that, in the event of an ICE-Declared Default, whether or not the Customer has specified a Default Portability Preference, the Clearing House shall be entitled (but shall not be obliged) to apply the Default Portability Rules with respect to Contracts to which UOBBF and the Customer’s Customer-CM Transactions relate. The Customer hereby appoints the Clearing House as its lawful agent and attorney-in-fact to take such actions on behalf of the Customer as the Clearing House determines necessary or appropriate in order to effect the Default Portability Rules with respect to the Customer’s Customer-CM Transactions and the Customer Margin Account.
14. **Consents to Disclosure.** The Customer hereby consents to:
- (a) the Clearing House having the right to obtain information in relation to the Customer-CM Transactions from any Market so as to enable the Clearing House to identify which Contracts and Margin or Permitted Cover between the Clearing House and UOBBF relate to such Customer-CM Transactions;
 - (b) UOBBF making any disclosures in connection with the Customer and Customer-CM Transactions as are required by the Clearing Rules or by Applicable Laws;
 - (c) disclosures to, use by and disclosures by the Clearing House of information relating to the Customer (including the Personal Data of its Data Subjects) pursuant to the Clearing Rules; and
 - (d) submissions of and other actions relating to data concerning Customer-CM Transactions by the Clearing House pursuant to the Standard Terms and/or the Clearing Rules.
15. **Confidentiality.** The Customer is hereby given notice that the Clearing House is subject to section 64(1) of the SFA (subject to the exemptions to the obligation to maintain confidentiality set out in section 64(2) of the SFA and regulation 15(1) of the SF(CF)R). Subject, at all times, to such Applicable Laws, the Clearing House may, notwithstanding Rule 106(b), make the following disclosures of confidential information subject to such terms and conditions as the Clearing House may from time to time deem appropriate:
- (a) to a Regulatory Authority or Governmental Authority where a request is formally made to the Clearing House by or on behalf of the same or pursuant to Applicable Laws or where disclosure is required under Applicable Laws or is necessary for the making of a complaint or report under Applicable Laws for an offence alleged or suspected to have been committed under Applicable Laws;
 - (b) in the case of a breach by a Clearing Member of:
 - (i) any clearing membership criteria established by the Clearing House, whether as a breach of Rule 202(a)(iv) or otherwise; or
 - (ii) in the case of a Clearing Member, such Clearing Member’s obligation to publicly disclose prices and fees associated with the clearing services it

provides or its obligation to provide customers with separate access to each specific service it provides to the public;

- (c) pursuant to an order of a competent court or other Governmental Authority or otherwise to such other Persons, at such times and in such manner as may be required by Applicable Laws;
- (d) to any member of the ICE Group, any Exchange or Clearing Organisation and any of their or the Clearing House's Representatives, committees, experts, Delivery Facilities, auditors, advisers or lawyers including (without limitation) for audit, compliance, making or taking delivery, market surveillance or disciplinary purposes for the purposes of an arbitration pursuant to Rule 117 or any proceedings in support of such an arbitration, or in relation to any possible or actual Event of Default or the termination or suspension of any clearing membership;
- (e) to any Person in the business of providing data processing or similar services for the purposes of performing computations or analysis, or of preparing reports or records, for the Clearing House;
- (f) to any Person who has provided or is considering entering into a loan, insurance policy, guarantee or other financial arrangement with the Clearing House or any of its Affiliates, provided that information identifying the positions or name of a Clearing Member or any of its accounts or the name of any of a Clearing Member's customers will not be so disclosed, except, in the case of a Clearing Member and its accounts only, as is necessary to respond to any enquiries of such a Person concerning the Clearing House's or any of its Affiliates' potential losses or exposures relating to an Event of Default (whether or not declared);
- (g) to any Insolvency Practitioner and any other Person having responsibility for any matter arising out of or connected with an Event of Default;
- (h) in the case of information relating to any Transaction or Contract (including details of the parties thereto and related Margin), to a Repository or Governmental Authority for purposes of transaction reporting;
- (i) to any Person or to the public as a result of its complaints procedure or disciplinary proceedings;
- (j) to any Person if the information comes into the public domain, other than as a result of a breach of Rule 106 by the Clearing House or its Representatives;
- (k) in the case of information concerning any Customer, to any Clearing Member with a relationship with such Customer in respect of its Customer Account;
- (l) otherwise with the specific written consent of the Person or Persons to whom the confidential information relates; or
- (m) otherwise to any Person permitted under section 64(2) of the SFA or regulation 15(1) of the SF(CF)R, in accordance with such provisions.

16. **UOBBF acting as Principal; No Recourse Against Clearing House.** The Customer hereby represents and warrants that the Client Agreement is a legally binding and enforceable agreement between the Customer and UOBBF in respect of every transaction to be cleared through the Clearing House for which UOBBF is acting for the Customer as Clearing Member. The Customer hereby confirms and acknowledges that, solely as between UOBBF and the Clearing House, UOBBF will be acting as principal and not as agent for the Customer in respect of each Contract to be cleared through the Clearing House, and except as provided under Applicable Laws, the Customer shall have no recourse, whether under contract, tort or otherwise under Applicable Laws, against the Clearing House in respect of the Contract or pursuant to the Clearing Rules.

17. **Payment and other Obligations of UOBBF.** The Customer agrees and acknowledges that the performance and payment obligations of UOBBF to the Customer are limited by and contingent on the actual performance or payment by the Clearing House under the related Contract and that UOBBF shall have no responsibility for the compliance by the Clearing House (or any person other than UOBBF) with its obligations, including without limitation, under any Contract or the Clearing Rules. In the event that the Clearing House defaults in or defers or varies the payment or performance of any obligation otherwise owed by it in respect of a Contract corresponding to a Customer-CM Transaction (including, without limitation, any shortfall in repayment of Permitted Cover or any recovery of less than 100% of amounts owed by the Clearing House or property provided to the Clearing House in circumstances in which Rule 912 applies), UOBBF will be entitled to make a corresponding deduction, withholding or other reduction from, or tolling or deferring of, any payment or performance otherwise owed by it under such corresponding Customer-CM Transactions or to make its performance under such Customer-CM Transactions conditional on performance by the Clearing House under the related Contract (and where any such deduction may be attributable to both Customer-CM Transactions and to Customer Account Contracts of other customers, UOBBF shall allocate such deduction among such contracts on a *pro rata* basis) provided that if such defaulted or delayed payment or performance is subsequently obtained by UOBBF from the Clearing House (in whole or in part), UOBBF shall thereupon make the corresponding payment or performance (or portion thereof) to the Customer.
18. **Reliance on Customer's Representations.** The Customer represents and warrants that the obligations of the Customer to UOBBF and the Clearing House under the terms of each Customer-CM Transaction (which shall be deemed to incorporate the Standard Terms and which shall be governed by the Client Agreement, the Clearing Rules and all Applicable Laws) shall constitute the Customer's legal, valid and binding obligations, enforceable in accordance with its terms (subject only to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles in general application (regardless of whether enforcement is sought in a proceeding in equity or at law). The sole remedy of the Customer in the case of any error shall be to request that UOBBF request the Clearing House to amend or correct any error pursuant to the Clearing Rules.
19. **Third Party Rights.** Notwithstanding Clause 1.40.1 of the main body of the Client Agreement, the Clearing House shall be entitled to rely upon and enjoy the benefit of the representations, warranties, agreements, obligations and covenants of the Customer under the Standard Terms and shall have the right to enforce such representations, warranties, agreements, obligations and covenants against the Customer under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.
20. **Dispute Resolution.** Clause 1.41 of the main body of the Client Agreement shall apply to all disputes arising in respect of any matter governed by this Clause A.8.1.3, unless otherwise expressly provided in the Standard Terms where applicable.

A.8.2 Matters relating to Eurex Deutschland and Eurex Zürich

A.8.2.1 The references to "you" below are references to the Customer. Capitalised terms used but not defined in this clause A.8.2 have the meanings assigned to them in the Exchange Rules of the Eurex Deutschland and Eurex Zürich.

A.8.2.2 The Customer is hereby given notice that when you conduct Transactions on Eurex Deutschland and Eurex Zürich using Direct Market Access, you understand and agree that you are subject to:

- (a) the Rules and Regulations which may be located at the following URL:
<http://www.eurexchange.com/exchange-en/resources/rules-regulations>; and

- (b) the Conditions for Trading at Eurex Deutschland and Eurex Zürich which may be located at the following URL: <http://www.eurexchange.com/exchange-en/resources/rules-regulations/136462/>,

and in particular, the provisions contained therein for “Pre-arranged trades” and “Cross-Trades” in the futures trading.”

A.9 SCHEDULES RELATING TO ACCESS THROUGH THIRD PARTY BROKER

A.9.1 Disclosures, Terms and Other Matters Relating to Trading Of Derivatives on Bursa Malaysia Derivatives Berhad (BURSA)

1. The capital control measures introduced by the Malaysian government apply to all non-residents. One of these measures require all ringgit profits generated from trading on all Malaysian futures exchanges to be kept in Malaysia for one year before they can be remitted overseas. However, a recent concession by the Malaysian authorities, allows non-residents to withdraw such trading profits including any excess margin deposit, provided the trading is carried out through Designated External Account (DEA) opened solely for the purpose of trading in derivatives on these Exchanges.
2. The procedures require UOBBF to open a DEA with a Malaysia bank and also with UOBBF’s Malaysian broker, to facilitate the Customer’s trading of derivatives on BURSA. The Customer’s cash deposits with UOBBF for trades on BURSA will be remitted to UOBBF’s DEA with the Malaysian bank and converted to MYR for use as margin deposit for the trades. As explained above, the Malaysian foreign exchange concession rule allows any profits and excess MYR deposit over and above that required for margin purposes to be converted to foreign currency and repatriated.
3. Any foreign exchange differences resulting from currency conversions for the inward and outward remittances will be for the Customer’s account.
4. The Customer shall be bound by any future changes in Malaysian foreign exchange rules and regulations affecting derivatives trades and customers’ cash deposits held in the DEA.

A.9.2 Terms and Conditions Applicable to LME Related Contracts

Please read the terms and conditions below for UOBBF’s entering into London Metal Exchange (“LME”) related Transactions with the Customer. (The references to “you” below are references to the Customer.)

A.9.2.1 SCOPE

1 APPLICATION

Clause A.9.2 apply to LME related contracts (“LME Contracts”) to be entered into from time to time between UOBBF as your agent broker where permitted of UOBBF as a non-LME member and otherwise on an OTC principal to principal basis as set out below.

2. SUPPLEMENTAL EFFECT OF THIS APPENDIX

Please note that the terms and conditions in this clause A.9.2 are intended to be read in conjunction with and as supplementary to the terms of the Client Agreement (collectively the “Terms”) executed by you. Your LME Contracts shall therefore be subject to the Terms and not merely clause A.9.2. 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 Client Agreement were also to include UOBBF’s entering into LME Contracts with you.

A.9.2.2 SPECIFIC TERMS FOR LME CONTRACTS

UOBBF is only agreeable to enter into LME Contracts with you, the "Customer", from time to time on the following terms:

1. RISK DISCLOSURE:

(i) Relationship Between Parties

The relationship between you and UOBBF for LME Contracts is as described in these Terms.

Neither that relationship, nor the services UOBBF may provide for any other transaction with or for you nor any other matter, will give rise to any fiduciary or equitable duties or duties as an adviser on UOBBF's part.

The relationship between you and UOBBF with respect to a concluded LME Contract (the "Transaction") is intended to be, in all cases where it is not possible or permitted of UOBBF (as between UOBBF and you) to effect as your agent with or through an LME member the Transaction as an LME registered transaction or contract, a bi-lateral principal to principal transaction and strictly on a "buyer beware" basis but with UOBBF expressly intended to be riskless principal in the transaction to you in the sense that (i) UOBBF's obligation to you with respect any concluded LME Contract is limited only to passing on to you the benefit of such rights as UOBBF may ourselves actually have to enforce under a corresponding LME Market Contract (as the expression is defined below); and (ii) UOBBF's obligation to perform on any LME Market Contract is dependent upon your performance of your obligations under the corresponding LME Contract and hence your liability to indemnify and keep UOBBF harmless against any default in your performance leading to a default of UOBBF's performance. Notwithstanding (ii) in the preceding sentence, UOBBF is entitled where UOBBF determines in good faith the same to be in UOBBF's interest to proceed with performing under a corresponding LME Market Contract notwithstanding your default under the relevant LME contract without prejudice to UOBBF's right to damages and indemnity from you. Where it is possible or permitted of UOBBF as between UOBBF and you to effect as your agent with or through an LME member the Transaction as an LME registered transaction or contract, it will be deemed so effected as between ourselves.

Where it is not possible or permitted of UOBBF as between UOBBF and you to effect as your agent with or through an LME member the Transaction as an LME registered transaction or contract, the following provisions also apply:

(ii) Conflicts Of Interest And Duty

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

As a riskless principal, UOBBF is not intended to incur any loss or damage for having effected a corresponding LME Market Contract and as such and amongst other things:

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

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

then in such event UOBBF shall have corresponding rights under the LME Contract with you.

(b) You also acknowledge that business on the LME may from time to time be suspended or restricted in the interests of, inter alia, maintaining a fair and orderly market. In such circumstances UOBBF may be unable to close out the corresponding LME Market

Contract and you acknowledge that in such event you shall correspondingly have no right to close out the LME Contract with UOBBF.

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

Without prejudice to the above, whilst UOBBF may charge you a commission (as agreed between UOBBF and you from time to time) for entering into an LME Contract with you, you acknowledge that UOBBF does so only after going into the market to secure a corresponding LME registered contract for UOBBF.

The price UOBBF concludes the LME Contract will be the same as the price of the corresponding LME registered Contract (such corresponding LME registered contract to be hereafter referred to as the "LME Market Contract").

(iii) Non-LME Member

You acknowledge that UOBBF is not a member of the London Metal Exchange and therefore that the LME Contract concluded between UOBBF and you while related and corresponding to an LME Market Contract which UOBBF concludes on a back to back basis for UOBBF's own account is not a contract which is registered with or concluded on the LME or by an LME broker/member.

You also acknowledge that as a non-LME member it is incumbent on UOBBF to conclude corresponding LME Market Contracts with an LME member and as such the holding of any underlying commodity or warrant in respect thereof will necessarily be effected through such LME member or its custodian.

You further acknowledge and agree that holding of any commodity or documents of title to commodities which you have acquired from UOBBF pursuant to an LME Contract concluded with UOBBF or intend to effect delivery with respect to will be procured by UOBBF to be held by such LME member or its custodian and in accordance with their terms for such holding. The same will apply with respect to any and all commodity delivery obligation which UOBBF is obliged to discharge under a relevant corresponding LME Market Contract which UOBBF concludes held to delivery/settlement date.

Accordingly you agree that so long as UOBBF exercises good faith:-

- (i) in the selection of such LME member or its custodian for holding of any commodity or documents of title to commodities which you have acquired from UOBBF pursuant to an LME Contract concluded with UOBBF or intend to effect delivery with respect to; and
- (ii) in agreeing respectively to such LME member and/or its sub-custodian's terms respectively for the delivery of commodities and/or for the holding of any commodity or documents of title to commodities which you have acquired from UOBBF pursuant to an LME Contract concluded with UOBBF or intend to effect delivery with respect to

as between ourselves, UOBBF is intended to have and shall have no liability whatsoever with respect to the delivery obligations under any corresponding LME Contract or for any default on the part of the LME member or its sub-custodian and you shall ensure that you will take all actions as may be required and give UOBBF such authority as may be required to ensure that UOBBF may comply with and not be default of the terms for the delivery of commodities or their respectively sub-custody.

Without prejudice to the foregoing, the terms as set out in the attached document entitled "Delivery/Custodianship – LME Contract" shall apply to UOBBF's holding or procuring the

holding of any commodity or documents of title to commodities which you have acquired from UOBFF pursuant to an LME Contract concluded with UOBFF or intend to effect delivery with respect to.

2 NON-RELIANCE

Regardless of whether UOBFF may act as between the parties as your broker agent or must act as riskless principal to you, you acknowledge and agree:

- (i) that UOBFF is not acting as your fiduciary or adviser in connection with any LME Contract entered into between you and UOBFF;
- (ii) that you are acting for your own account and will make your own independent decisions about whether (a) to enter into any proposed Transaction; and (b) whether the Transactions and/or any proposed Transaction is appropriate or proper for you based on your own judgment and upon advice from such legal, tax, regulatory, accounting and/or other advisers as you deem necessary and appropriate;
- (iii) that although UOBFF will, in its absolute discretion in good faith, provide you with information on actual and potential Transactions, it is your responsibility to ask UOBFF for any explanations that you require in order for you and/or your advisers to assess the risks attached to any such Transaction and its suitability for you;
- (iv) that information and explanations related to the terms and conditions of any Transaction shall not be considered investment advice or a recommendation to enter into any transaction;
- (v) that you have not and shall not rely on any communication (written or oral) from UOBFF as legal, tax, regulatory or accounting advice, nor (except as provided for under the next paragraph below) as investment or financial or other advice;
- (vi) that UOBFF is not giving you advice on the merits of any LME Contract or any particular aspect of it unless, in relation to a particular potential or actual Transaction, UOBFF has expressly acknowledged in writing that UOBFF is doing so; and that where such advice is given, it is subject to any agreed terms between UOBFF and you for the giving of such advice; and
- (vii) that no communication (written or oral) received from UOBFF, whether before a Transaction is entered into or before it is terminated or expires, shall be deemed to be an assurance, guarantee or opinion as to the anticipated results of any transaction.

A.9.2.3 DELIVERY/CUSTODIANSHIP – LME CONTRACT

Section A – Physical Delivery

1. SCOPE

Transactions: The terms of clause A.9.2.3 shall apply, except to the extent inconsistent with the terms of the Client Agreement apart from this document to any and all LME Contracts concluded with UOBFF under which physical delivery is intended by or required of you (each a "Transaction").

2. TITLE AND QUALITY

2.1 Title Guarantee: You covenant that you will deliver or procure delivery of all commodities under all relevant Transactions with full title guarantee and in due time and so as to enable UOBFF to effect delivery of all commodities under the respective corresponding LME Market Contracts. Without limitation any transfer of a commodity pursuant to a Transaction shall be free of any right of retention, pledge, lien, other encumbrance or any other third party right including a warehouse's lien.

2.2 Representation: You represent and covenant that there is no encumbrance, nor will you create or permit to exist any encumbrance in respect of any commodity which is in UOBFF's

possession or control delivered to UOBFF or UOBFF's order by you under and for the purposes of any Transaction and intended for UOBFF to onward discharge UOBFF's obligation under a corresponding LME Market Contract. You repeat this representation as of the time of entry into any Transaction relating to any commodity.

- 2.3 **Passing of title:** Property in any Warrant-based Commodity shall pass at the time the Warrant is delivered. In any other case, unless otherwise agreed in writing, property shall pass upon delivery of the commodity. Notwithstanding the foregoing, in any Transaction under which you purchase a commodity, property in the commodity shall remain with UOBFF until UOBFF has received full payment for it.
- 2.4 **Quality:** Unless otherwise agreed, any commodity to be delivered under a Transaction shall be delivered such there UOBFF is entitled to and will be able to onward effect delivery in accordance with the requirements of applicable LME rules or regulations by reference to which such commodity is described.
- 2.5 **Statutory conditions:** When UOBFF transfers or procures a transfer of a commodity to you or to your order all statutory and implied conditions and warranties as to title, correspondence to description, quality and fitness for purpose are excluded.

3. DELIVERY

- 3.1 **Delivery:** Delivery of any Warrant-based Commodity shall be effected by transfer of Warrants. Where UOBFF holds Warrants in UOBFF's physical possession or control for you, delivery by you to UOBFF shall be effected by UOBFF authorising the relevant LME member to appropriate the requisite number and amount of Warrants. Delivery by UOBFF to you of any Warrant-based Commodity where UOBFF's LME member hold Warrants in their physical possession shall be effected by UOBFF instructing the LME member to immediately segregate the requisite number and amount of Warrants held by the LME member, after which UOBFF shall hold them and the commodity to which they relate as per the Custody terms below.
- 3.2 **SWORD deliveries:** Where Warrants are capable of being held in SWORD, transfer of Warrants shall be effected by transfer to or from the sword account of the relevant LME member's SWORD Account. If you do not have a SWORD Account, and UOBFF causes the holding of your Warrants in the LME member's Customer Account in SWORD accompanied by UOBFF's instructions to the LME member to segregate your entitlements from UOBFF's proprietary account with the LME member, UOBFF instructing the transfer of appropriate Warrants from such account of the LME member not rejected by the LME member shall constitute delivery. In any other case where your Warrants are held in SWORD, and subject to contrary written agreement between you and UOBFF, transfer to you shall be deemed to occur at 10am London time on the prompt date applicable to the Transaction.
- 3.3 **Risk:** The risk in any commodity bought by you will pass to you on delivery. Where a commodity is in your possession before the property in it has passed to you, you agree fully to preserve, or procure the full preservation of, its condition and make good any damage or deterioration that may occur, or fully compensate UOBFF for any such damage or deterioration.
- 3.4 **Delivery Costs:** Unless otherwise agreed in writing between UOBFF and you, any costs incurred by UOBFF in effecting physical delivery of any commodity (including, without limitation, costs in respect of collection, packaging, shipment, storage, warehousing or insurance) whether under or pursuant to the corresponding LME Market Contract or the Transaction shall be borne by you.
- 3.5 **Place of Delivery:** Any commodity which is required to be delivered physically by you to UOBFF will be delivered by you at your expense to such location as UOBFF may specify.
- 3.6 Where you intend to make delivery to UOBFF for onward delivery under the corresponding LME Market Contract of Warrants not already held by UOBFF or to UOBFF's order in SWORD then UOBFF will require delivery in due time for UOBFF to comply with UOBFF's

delivery obligation under the corresponding LME Market Contract, being generally 5pm on the previous business day.

Section B – Custody

- 4.1 **Commodities purchased by you:** UOBFF may, from time to time, at your request but in UOBFF's discretion, agree to hold on your behalf either ourselves or through a sub-custodian of UOBFF's choice any commodity or documents of title to commodities which you have acquired from UOBFF pursuant to an LME Contract concluded with UOBFF (each a "Transaction").

Where UOBFF effects the holding itself, such commodity or documents will be segregated from any like commodity or documents in UOBFF's ownership but otherwise will be subject to the same custody and insurance arrangements as UOBFF's own property.

Where UOBFF effect the holding through a sub-custodian of UOBFF's choice, UOBFF's duty is only to secure from UOBFF's sub-custodian an acknowledgement that such commodity or documents will be segregated from any like commodity or documents held for UOBFF's proprietary account but otherwise will be subject to the same custody and insurance arrangements as UOBFF's own property.

UOBFF shall in any event owe you no fiduciary duty in respect of any such commodity or documents and UOBFF's responsibility (i) where UOBFF effects the holding itself shall be limited to taking reasonable care to restore such commodity or documents to you upon your giving UOBFF reasonable notice and the payment to UOBFF of fees and charges for such holding of such commodity or documents of title with or through UOBFF; and (ii) where UOBFF effects the holding through a sub-custodian of UOBFF's choice shall be limited to assigning you the benefit of UOBFF's rights of action (or where the same is not assignable, the fruits of the exercise and enforcement of such rights subject to you indemnifying UOBFF for the costs of such exercise and enforcement of rights) against the sub-custodian with respect the property held and otherwise to onward request the sub-custodian to restore such commodity or documents to you upon your giving UOBFF reasonable notice and the payment to UOBFF of fees and charges for such holding of such commodity or documents of title with or through UOBFF.

UOBFF reserves the right to levy charges for this service (which shall at the minimum be equal to the charges payable by UOBFF to a sub-custodian for such holding).

UOBFF's duties with respect such holding shall be strictly limited to the duties expressly set out in this document.

- 4.2 **SWORD Warrants:** Where a Warrant is capable of being held in SWORD UOBFF shall hold or arrange with a sub-custodian of UOBFF's choice to hold, such a Warrant physically for you (or in the latter case for the benefit of a segregated customer account maintained with the sub-custodian distinctly from UOBFF's own proprietary account with them) only for temporary periods. UOBFF may give you reasonable notice (or in the latter case onward notification of the notice received by UOBFF from UOBFF's sub-custodian) to collect any such Warrants or to cause them to be lodged in SWORD in accordance with the SWORD Regulations.
- 4.3 **Collection of Warrants:** Where you have Warrants which are in UOBFF's physical possession or control and have authorised a person to collect Warrants from UOBFF, UOBFF shall not verify the identity of any person claiming to be so authorised, and UOBFF owes you no duties to operate any specific security procedures unless separately agreed in writing between you and UOBFF.
- 4.4 **Rent:** You will in due time pay rent and other charges applicable to any commodity represented by any Warrant held by UOBFF for you.
- 4.5 **Liability:** UOBFF shall have no liability for the neglect or default of any sub-custodian or with respect to any Warrant held by UOBFF for you through any sub-custodian so long as UOBFF had exercised good faith in the appointment of such sub-custodian.

UOBBF's liability to you in respect of any Warrant held directly by UOBBF for you is limited as follows: UOBBF shall have no liability for any damage, loss, expenses or liability of any nature which you may suffer as a result of any act or omission by UOBBF except to the extent of direct losses or expenses attributable to UOBBF's fraud or wilful default or negligence. In the event of such direct losses or expenses UOBBF's liability is limited to issuing an indemnity in respect of the market value of the Warrant at the time of discovery of the loss.

- 4.6 **Storage and Insurance:** If you deposit commodities, documents of title to commodities, or other tangible assets with UOBBF or to UOBBF's control as margin or otherwise, UOBBF reserves the right (but have no obligation) to insure them, to charge you and debit your account with the costs of storage and insurance either periodically or when UOBBF returns the assets to you, and to refuse withdrawal until such costs have been paid. If UOBBF collects, delivers or holds commodities or other tangible assets on your behalf, UOBBF does so at your risk.

Without prejudice to the foregoing, you shall be solely responsible for the taking out of any insurance in respect of the commodities and documents of title subject to the pursuant to the terms for holding hereunder.

5. **HOLDING YOUR WARRANTS IN SWORD**

- 5.1 **Bailment:** Where you do not have a SWORD Account UOBBF may hold Warrants on your behalf in SWORD either directly or through a sub-custodian. If UOBBF does so, UOBBF acts as bailee and owes you no fiduciary duty, and UOBBF does not undertake the responsibilities of a trustee or any other duties in relation to such Warrants not implied by the law of bailment for bare custody of such Warrants.
- 5.2 **Warrant lodgement:** You consent for the purposes of the SWORD Regulations to UOBBF lodging or causing the lodgement of Warrants through a sub-custodian with the Depository and to UOBBF's and/or UOBBF's sub-custodian's dealing with the Warrants on the terms of the SWORD Regulations. Where UOBBF has lodged or caused to be lodged through a sub-custodian a Warrant on your behalf, you represent and warrant to UOBBF that the Warrant and the commodity to which it relates are beneficially owned by you and free of encumbrances and that all requirements of the SWORD Regulations for lodgement are satisfied and authorise UOBBF in turn to make, as between UOBBF and UOBBF's sub-custodian, an identical representation and warranty. You shall accordingly indemnify and keep UOBBF harmless against any and all loss, claims and damage UOBBF may sustain referable to any breach of your representation and warranty or UOBBF's corresponding breach of representation and warranty.
- 5.3 **Warrant withdrawal:** If you wish to withdraw Warrants which UOBBF is holding for you in SWORD, you will give UOBBF reasonable notice to enable UOBBF and UOBBF's sub-custodian (where applicable) to comply with the SWORD Operating Procedures, and UOBBF shall not be responsible other than to take reasonable steps to comply with your request insofar as it is practicable.

Section C - Limitation Of Obligation

6. **RISKLESS PRINCIPAL/AGENT**

You agree that the relationship between UOBBF and you is such that UOBBF acts at all times only as a riskless principal where UOBBF is not permitted to act as your agent with respect to any LME related commodity transaction. As such and without prejudice to the acknowledged limitation of the scope of UOBBF's duties and obligations as generally stated in this clause A10.2 setting out your agreement with UOBBF, you also acknowledge and agree that:

- (i) so long as you are not in breach of your obligations, UOBBF is obliged only to either onward communicate your instructions with respect to delivery or custody or to communicate materially identical instructions to the relevant LME member and/or its custodian but without any responsibility to assure or guarantee performance on their respective parts; and

- (ii) UOBBF is not in any event be liable for any deficiency or breach in the performance of any obligation nor for the negligence or fraud of such LME member and/or its custodian.

Without prejudice to the foregoing, UOBBF's obligation to effect any further communication or dealings with the LME member and/or its custodian shall cease following UOBBF's communication of any instruction to either or both of them to effect delivery to you or your order which is not rejected by them. Thereafter you agree that all further communications and dealings with respect the commodity which is the subject of any delivery or custody shall be wholly your responsibility to follow up with the LME member and/or its custodian.

7. INTERPRETATION

In this clause A.9.2:

"SWORD" means the system for electronic transfer of entitlement to Warrants of certain descriptions regulated by the LME;

"SWORD Regulations" means the LME's regulations governing the operation of SWORD, and unless otherwise expressly defined, any term defined in the SWORD Regulations has the same meaning;

"Warrant" means a warehouse warrant issued in circumstances regulated by LME which evidences entitlement to a commodity; and

"Warrant-based Commodity" means a commodity which, under the rules of an LME, is capable of being delivered by transfer of a Warrant.

A.9.3 GLOBEX® Customer Information And Risk Disclosure Statement [CME]

The rules of the exchanges that will be participating in GLOBEX® trading require that UOBBF provides the Customer with this GLOBEX® Customer information and Risk Disclosure Statement prior to accepting Orders for the Account. If the Customer has any questions, please contact UOBBF.

GLOBEX is a world-wide automated order entry and matching system for futures and options. It is not a regulated futures exchange. Participating U.S. and foreign exchanges will list their contracts for trading on the system. Each exchange that lists futures and options for trading through GLOBEX will have sole control to determine the hours that the instruments may be traded and the rules that will apply to such trading, subject to review by the relevant regulatory authority. Before trading through GLOBEX, the Customer should understand that certain features of GLOBEX make trading through the system different than pit trading and that such differences may affect order entry. The following paragraphs highlight some of these features. For further explanation, the Customer should confer with UOBBF.

(The references to "you" below are references to the Customer.)

ORDERS MATCHED ELECTRONICALLY

Orders entered through GLOBEX will not be executed on the floor of an exchange in trading pit. Such orders will be electronically matched.

Risk Factor: Possible System Failure

GLOBEX has been designed to provide an efficient and dependable system for entering and matching orders. It includes backup facilities that will enable the system to continue operations through certain types of system failure. However, as with any automated system, it is possible that service could be interrupted by a system failure. In that event, depending on the type of failure, it may not be possible, for some period of time, to enter new orders, execute existing orders or to cancel orders that were previously entered.

Risk Factor: Limitation of Liability

Each participating exchange has adopted provisions that limit the liability of the exchange, the GLOBEX Joint Venture, L.P., and others. These provisions limit the amount of damages that you can collect, if any. The text of these provisions is set forth at the end of this Statement.

TRADING SESSIONS

Participating exchanges may have trading sessions in addition to their GLOBEX Trading Session. For U.S. exchanges which do not have Night Trading Hours (“NTH”), the Trading Day shall consist of two trading sessions beginning with the Electronic Trading Hours (“ETH” or “GLOBEX”) Session and ending with the Regular Trading Hours (“RTH”) Session. If a U.S. exchange has Night Trading Hours, the Trading Day will consist of three Trading Sessions beginning with the Night Trading Hours Session followed by the Electronic Trading Hours Session and ending with the Regular Trading Hours Session.

The settlement prices shall be determined based on the close of the RTH Session. You should be aware that not all contracts that are listed during RTH will be listed for trading through GLOBEX. Also, not necessarily all options months and strike prices that are listed during RTH will be listed for trading through GLOBEX. For further information on the trading sessions and contracts offered by participating exchanges, you should confer with your brokerage firm.

SINGLE PRICE OPENING

GLOBEX will calculate an opening price by finding an equilibrium based on all bids and offers entered into the system prior to the opening. Orders entered prior to the open may or may not be executed on the open.

Risk Factor: For a brief period prior to the open, orders entered into the system for execution at the opening may not be cancelled.

ORDER TYPES

The GLOBEX system will not accept orders (such as market orders) that do not specify a limit price. A customer may, however, obtain the effect of a market order by specifying a limit price that betters the current market price. Such a “price or better” order will be filled against standing orders in the system, at the price of the standing orders, until the customer’s order is filled or his limit price is reached.

The GLOBEX system will not accept contingency orders including MIT and STOP orders. Unless otherwise prohibited by exchange rules, a firm may accept contingency orders from customers. In such cases, the orders will be handled manually by a terminal operator entering a limit order (or series of limit orders) when the contingent event occurs. For example, in the case of a stop order, once the stop has been elected the terminal operator would enter a limit order (or series of limit orders) until the order is completely filled.

Risk Factor: There is no guarantee that a “price or better” order will be filled, particularly if a previously entered “price of better” order was filled against the standing orders. Further, if the customer fails to specify a limit on a contingent order there is not guarantee that the order will be filled at a price comparable to the contingency price.

ORDER PRIORITY

GLOBEX will match orders based first on price and second on time of entry, with orders at the same price being matched so that the order received first at the host computer is matched first.

Risk Factor: In the event of a GLOBEX host computer failure, all orders that were previously entered into the system will lose their time priority. Each firm will be responsible to re-enter the orders, at which time matching will be based on price and the time that the orders were re-entered to the host.

ORDER PRESUMPTIONS

Unless the customer and broker agree otherwise, it will be presumed that all orders other than limit orders are being entered for the NTH and/or RTH Sessions rather than the ETH Session.

A limit order that does not contain a Trading Session designation will be cancelled if not filled during the Session in which it was received or, if it was received between Trading Sessions, during the next Session. A limit order may specify one of the following Trading Session designations:

- (a) NTH only - the order will be cancelled if not filled during that Night Trading Session.
- (b) ETH only - the order will be cancelled if not filled during that GLOBEX Trading Sessions.

- (c) RTH only - the order will be cancelled if not filled during that RTH Session.
- (d) Cancel after RTH - if the order is received during Electronic Trading Hours, it is available for execution during that GLOBEX Session and the immediately following RTH Session. If the order is received after the close of a GLOBEX Session, the order is available for execution during the next RTH Session. In either case, the order is cancelled if not filled by the end of the RTH Session.

An Open or Good-Till-Cancelled (“GTC”) limit order will, in the absence of a specific designation limiting its scope, remain in force during NTH, ETH and RTH Sessions until executed or cancelled. An open limit order may be restricted by including one of the following designations:

- (a) NTH/Open - the order will remain in force during Night Sessions only until executed or cancelled.
- (b) ETH/Open - the order will remain in force during GLOBEX Sessions only until executed or cancelled.
- (c) RTH/Open - the order will remain in force during RTH Sessions only until executed or cancelled.

CONTROLLING LAW

Trade execution for all contracts listed by U.S. exchanges will be conducted in the United States, and the rights and liabilities growing out of such execution are subject to U.S. law. Trade execution of instruments listed on GLOBEX by non-U.S. exchanges is subject to the law of the country of the listing exchange.

EXCHANGE RULES

You should be aware that trading an exchange’s contracts through GLOBEX is subject to the rules and regulations of that exchange, including the following provision adopted by each U.S. participating exchange:

LIMITATION OF LIABILITY-EXCEPT AS PROVIDED IN THE “GLOBEX CONTROL CENTER LIMITATION OF LIABILITY” PROVISION, AND EXCEPT IN INSTANCES WHERE THERE HAS BEEN A FINDING OF WILLFUL OR WANTON MISCONDUCT, IN WHICH CASE THE PARTY FOUND TO HAVE ENGAGED IN SUCH CONDUCT CANNOT AVAIL ITSELF OF THE PROTECTIONS IN THIS PROVISION, NEITHER THE EXCHANGE INCLUDING ITS SUBSIDIARIES, AFFILIATES AND PARTNERSHIPS OF WHICH IT IS A PARTNER, ITS ASSOCIATED CLEARING ENTITY, J.V. MANAGEMENT, INC., GLOBEX JOINT VENTURE L.P., GLOBEX CORPORATION, REUTERS (EXCEPT AS OTHERWISE PROVIDED BY ANY AGREEMENT WITH REUTERS), MEMBERS, CLEARING MEMBERS, OTHER PERSONS ACTING AS AGENTS IN CAUSING ORDERS OF OTHERS TO BE ENTERED INTO THE GLOBEX SYSTEM, NOR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS OR EMPLOYEES SHALL BE LIABLE TO ANY PERSON, INCLUDING A CUSTOMER, FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES), ARISING FROM (i) ANY FAILURE OR MALFUNCTION, INCLUDING ANY INABILITY TO ENTER OR CANCEL ORDERS, OF THE GLOBEX SYSTEM OR ANY EXCHANGE OR GLOBEX JOINT VENTURE, L.P. SERVICES OR FACILITIES USED TO SUPPORT THE GLOBEX SYSTEM, OR (ii) ANY FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY OR TERMINATION, OR ANY OTHER CAUSE, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF THE GLOBEX SYSTEM, OR ANY EXCHANGE OR GLOBEX JOINT VENTURE, L.P. SERVICES OR FACILITIES USED TO SUPPORT THE GLOBEX SYSTEM. THE FOREGOING SHALL APPLY REGARDLESS OF WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE. THE FOREGOING SHALL NOT LIMIT THE LIABILITY OF ANY MEMBER, CLEARING MEMBER, OTHER PERSON ACTING AS AGENT IN CAUSING ORDERS OF OTHERS TO BE ENTERED INTO THE GLOBEX SYSTEM OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS OR EMPLOYEES FOR ANY ACT, INCIDENT, OR OCCURRENCE WITHIN THEIR CONTROL.

THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS PROVIDED BY THE EXCHANGE (INCLUDING ITS SUBSIDIARIES, AFFILIATES AND PARTNERSHIPS OF WHICH IT IS A PARTNER), ITS ASSOCIATED CLEARING ENTITY, J.V. MANAGEMENT, INC., GLOBEX JOINT VENTURE, L.P., GLOBEX CORPORATION OR REUTERS, RELATING TO THE GLOBEX SYSTEM OR ANY EXCHANGE OR GLOBEX JOINT VENTURE, L.P. SERVICES OR FACILITIES USED TO SUPPORT THE GLOBEX SYSTEM, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR USE.

ANY DISPUTE ARISING OUT OF THE USE OF THE GLOBEX SYSTEM OR EXCHANGE OR GLOBEX JOINT VENTURE, L.P. SERVICES OR FACILITIES USED TO SUPPORT THE GLOBEX SYSTEM IN WHICH THE EXCHANGE (INCLUDING ITS SUBSIDIARIES, AFFILIATES AND PARTNERSHIPS OF WHICH IT IS A PARTNER), ITS ASSOCIATED CLEARING ENTITY, J.V. MANAGEMENT, INC., GLOBEX JOINT VENTURE, L.P., GLOBEX CORPORATION OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS OR EMPLOYEES IS A PARTY SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS. ANY ACTIONS, SUITS OR PROCEEDINGS AGAINST ANY OF THE ABOVE MUST BE BROUGHT WITHIN TWO YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED, AND ANY PARTY BRINGING SUCH ACTION AGAINST THE CHICAGO BOARD OF TRADE, CHICAGO MERCANTILE EXCHANGE (INCLUDING THEIR SUBSIDIARIES, AFFILIATES AND PARTNERSHIPS OF WHICH THEY ARE PARTNERS), ASSOCIATED CLEARING ENTITIES, J.V. MANAGEMENT, INC., GLOBEX JOINT VENTURE, L.P., GLOBEX CORPORATION OR REUTERS CONSENTS TO JURISDICTION IN THE U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS AND THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, AND WAIVES ANY OBJECTION TO VENUE. THIS PROVISION SHALL IN NO WAY CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORISE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY EXCHANGE RULES AND REGULATIONS.

NOTWITHSTANDING ANY OF THE FOREGOING PROVISIONS, THIS PROVISION SHALL IN NO WAY LIMIT THE APPLICABILITY OF ANY PROVISION OF THE COMMODITY EXCHANGE ACT OR THE CFTS'S REGULATIONS.

GLOBEX CONTROL CENTER-LIMITATION OF LIABILITY.- The GLOBEX Joint Venture, L.P. ("Joint Venture") shall provide employees in the GLOBEX Control Center ("GCC") to perform certain services for members and clearing members with respect to GLOBEX. Such employees may not always be available to assist members and clearing members. The Joint Venture shall be liable when such employees negligently: (1) cancel or fail to cancel orders resting in the GLOBEX system; (2) deactivate a GLOBEX terminal, in which case only those orders that were resting in the system at the time of deactivation may be the basis for an allowable claim; (3) fail to deactivate a GLOBEX terminal pursuant to a clearing member's instructions, in which case those orders that were entered or matched after the instruction was received by the GCC, but before the GCC has had a reasonable period of time to act upon such instruction, shall not form the basis for an allowable claim; and (4) issue passwords to unauthorised persons in violation of a clearing member's instructions.

The liability of the Joint Venture for the above shall be limited as follows:

- \$10,000 for any single claim; and
- \$100,000 for all claims arising out of the negligent actions or failures to act of all GCC employees on any single day.

A single claim shall mean a loss resulting from all actions to act as described above that were performed negligently by all GCC employees with respect to a single order entered through GLOBEX, or multiple orders entered through GLOBEX for a single customer. Such claim may be brought by the member or clearing member who (or whose customer) was damaged.

If the number of allowed claims arising out of the negligent actions or failures to act of all GCC employees on a single day cannot be fully satisfied because of the above limitations, all such claims shall be limited to a pro rata share of the maximum per day amount.

A claim against the Joint Venture for the negligent actions or failures to act enumerated above of the GCC employees shall only be allowed if such claim is brought pursuant to and in accordance with this provision.

(The remainder of the provision, which has been omitted, addresses the procedure for arbitrating a claim pursuant to the provision.)

A.10 SCHEDULES RELATING TO INDIRECT CLEARING ON THE EUROPEAN EXCHANGES

A.10.1 Direct Client Disclosure Document¹ on Indirect Clearing on the European Exchanges

Introduction

Throughout this document, references to "we", "our" and "us" are references to the clearing broker's client, UOBBF, which provides indirect clearing services (the **Direct Client**). References to "you" and "your" are references to the client of the Direct Client (the **Indirect Client**).

What is the purpose of this document?

To enable us to comply with our obligations as a Direct Client under the Indirect Clearing RTS², which require that, where we are providing indirect clearing services to you that involve us clearing derivatives through a clearing broker on an EU central counterparty (CCP)³, we must:

- offer you a choice of a basic omnibus indirect client account and a gross omnibus indirect client account (as discussed under "*The types of accounts available*" in Part One B below);
- disclose to you the details of the different levels of segregation;
- publicly disclose the general terms and conditions under which we provide services to you (as disclosed under Schedule A.10.2 of the Client Agreement (Terms of Business relating to Indirect Clearing on the European Exchanges)); and
- describe the risk associated with each type of account.

In respect of the treatment of margin and collateral at CCP level, you should refer to the CCP disclosures that the CCPs are required to prepare.

Organisation of this document

This document is set out as follows:

- Part One A provides some background to indirect clearing.
- Part One B gives information about the differences between the basic omnibus indirect client account and the gross omnibus indirect client account, explains how this impacts on the clearing of your derivatives and sets out some of the other factors that might affect the level of protection you receive in respect of assets⁴ provided to us as margin.
- Part One C sets out some of the main insolvency considerations.
- Part Two provides an overview of the different levels of segregation that the clearing brokers offer, together with an explanation of the main implications of each.

Important⁵

This document does not constitute legal or any other form of advice and must not be relied on as such. This document provides a high-level analysis of several complex and/or new areas of law, whose effect will vary depending on the specific facts of any particular case, some of which have not been tested in the courts. It does not provide all the information you may need to make your decision on which account type or level of segregation is suitable for you. It is your responsibility to review and conduct your own due diligence on the relevant rules, legal documentation and any other information provided to you on each of our account offerings and those of the various clearing brokers and CCPs through which we clear derivatives for you. You may wish to appoint your own professional advisors to assist you with this.

We 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 this document. Such losses or damages include (a) any loss of profit or revenue, damage to reputation or loss of any contract or other business opportunity or goodwill and (b) any indirect loss or consequential loss. No responsibility or liability is accepted for any differences of interpretation of legislative provisions and related guidance on which it is based. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation.

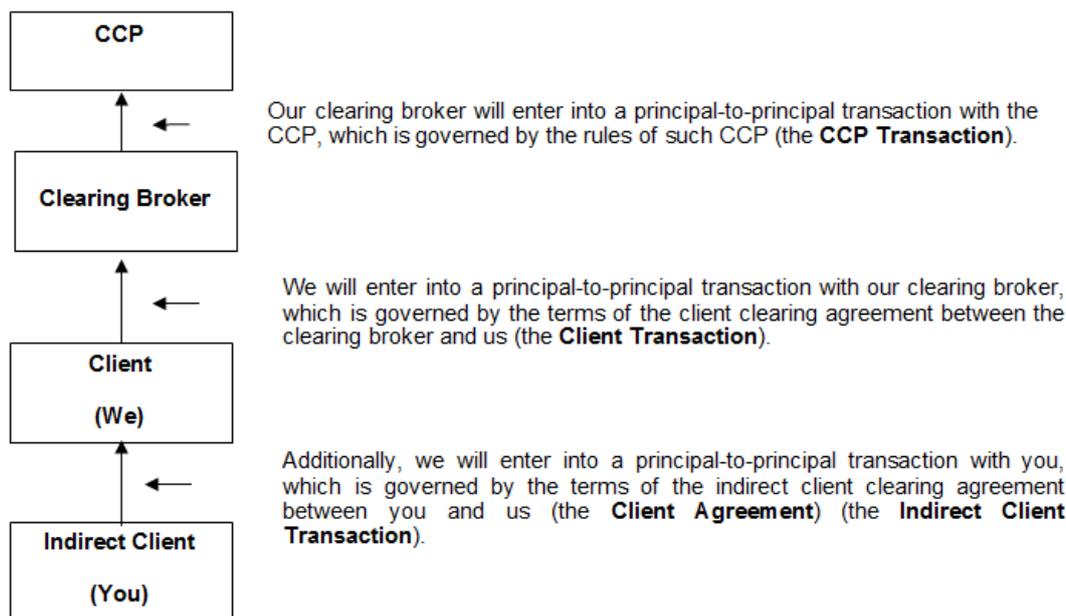
Please note that this disclosure has been prepared on the basis of Singapore law save as otherwise stated. However, issues under other laws may be relevant to your due diligence. For example, the law governing the CCP rules or related agreements; the law governing the client clearing arrangement between the clearing broker and us; the law governing the client clearing arrangement between you and us; where relevant, the law governing any insolvency proceedings to which we may be subject in any jurisdiction other than Singapore; the law of the jurisdiction of the CCP, the law of the jurisdiction of incorporation of the clearing broker; and the law of the location of any assets.

Part One A: A brief background to indirect clearing

The market distinguishes two main types of clearing models: the "agency" model and the "principal-to-principal" model. Most of the CCPs which our clearing brokers use adopt the "principal-to-principal" model, and this document assumes all transactions are cleared according to this model.⁶

The "principal-to-principal" clearing model

When clearing transactions for you through a clearing broker, we usually enter into two separate transactions. Additionally, our clearing broker will enter into a third transaction directly with the CCP.



The terms of each Client Transaction are equivalent to those of the related CCP Transaction, except that (i) each Client Transaction will be governed by a client clearing agreement between our clearing broker and us⁷ and (ii) our clearing broker will take the opposite position in the CCP Transaction to the position it has under the related Client Transaction. Similarly, the terms of each Indirect Client Transaction are equivalent to those of the related Client Transaction, except that (i) each Indirect Client Transaction will be governed by an indirect client clearing agreement between you and us⁸ (the **Client Agreement**), and (ii) we will take the opposite position in the Client Transaction to the position we have under the related Indirect Client Transaction.

Between our clearing broker and us, a Client Transaction will arise without the need for any further action by either our clearing broker or us, as soon as the CCP Transaction arises between our clearing broker and the CCP. Similarly, an Indirect Client Transaction will arise without the need for any further action by either you or us, as soon as the Client Transaction arises between our clearing broker and us. Once all three of those transactions referred to above have been entered into, your transaction is considered to be "cleared".

As the principal to the CCP, our clearing broker is required to provide assets to the CCP as margin for the CCP Transactions that relate to you and to ensure the CCP has as much margin as it requires at any time. We will therefore ask you for margin and where you provide it in a form, which we cannot transfer to the clearing broker, we may convert it into another form. If you have provided us with assets as margin, you may face what we call "transit risk" - this is the risk that, if we were to default prior to providing such assets

to the clearing broker, or our clearing broker were to default prior to providing such assets to the CCP, the assets that should have been recorded in your account at the CCP will not have been and will not benefit from the protections described below under *"What happens if we are declared to be in default by a clearing broker?"*. Transit risk may be mitigated where we hold margin in the form of monies or assets as customer collateral (see *"What is the impact if we treat margin you transfer to us as customer collateral in accordance with the Customer Money and Asset Rules?"* below).

If we have no direct relationship ourselves with a clearing broker who is a member of the relevant CCP and if you have opted for a Basic Omnibus Indirect Client Account, we may enter into a principal-to-principal transaction with an affiliate who is a Direct Client of a relevant clearing broker in a long chain arrangement under the Indirect Clearing RTS (a **Long Chain Arrangement**). Under a Long Chain Arrangement, both the affiliate Direct Client and we would be subject to the relevant requirements for Direct Clients in the Indirect Clearing RTS. Consequently, any references in this document to a "Direct Client" should be read as including us in the capacity of a client of an affiliate Direct Client under a Long Chain Arrangement.⁹

Please see Part One B for an explanation of how this is relevant to your choice of account types.

What if you want to transfer your Indirect Client Transactions to another Direct Client?

There may be circumstances where you wish to transfer some or all of your Indirect Client Transactions to another Direct Client or another clearing broker on a business as usual basis (i.e. in the absence of us having been declared in default by a clearing broker). We are not obliged to facilitate this under the Indirect Clearing RTS but we may be willing to do so subject to our ability to transfer the Client Transactions to which they relate and the margin provided to the clearing broker in connection with them (which will depend on the relevant arrangements with the clearing broker and the CCP) and any conditions set out in our Client Agreement, if applicable. You will also need to find a Direct Client or clearing broker that is willing to accept such Indirect Client Transactions and/ or the related Client Transactions and assets.

It may be easier to transfer Indirect Client Transactions and Client Transactions that are recorded in a Gross Omnibus Indirect Client Account than those recorded in a Basic Omnibus Indirect Client Account, (both types of account being described in more detail in Part One B) for the same reasons as set out below under *"Will the Client Transactions and assets relating to you be automatically ported to a back-up entity?"*

What happens if we are declared to be in default by a clearing broker? ¹⁰

If we are declared to be in default by a clearing broker, there are two possibilities with respect to the Client Transactions and assets related to you:

- with respect to Gross Omnibus Indirect Client Accounts, the clearing broker may, at your request, attempt to "transfer" (**port**) to another clearing broker (a **back-up clearing broker**) or another Direct Client (a **back-up Direct Client** and together with the back-up clearing broker, a **back-up entity**), such Client Transactions and assets; or
- if porting cannot be achieved with respect to Gross Omnibus Indirect Client Accounts and in all circumstances with respect to Basic Omnibus Indirect Client Accounts, the clearing broker will terminate the Client Transactions that relate to you (see *"What happens if porting is not achieved"* below).

The porting process will differ depending on the clearing broker (and whether or not it can rely on the Indirect Clearing RTS) but it is likely to involve a close-out (with us) and a re-

establishment (with the back-up entity) of the Client Transactions, or a transfer of the open Client Transactions and related assets from us to the back-up entity.

However, if we are subject to insolvency proceedings in Singapore, the porting process may not be enforceable as a matter of Singapore insolvency law. Please refer to "*Porting – prohibition*" in Part One C below for further information.

Will the Client Transactions and assets relating to you be automatically ported to a back-up entity?

No. Even if porting were effective, there would still be a number of conditions, which would need to be satisfied before the Client Transactions and assets that relate to you can be ported to a back-up entity. These conditions will be set by the clearing broker and will include obtaining your consent. In all cases, you will need to have a back-up entity that has agreed to accept the Client Transactions. You may wish to appoint a back-up entity when you initially establish your clearing arrangements; but the back-up entity is unlikely to be able to confirm that it is willing to accept the Client Transactions until the default occurs. The back-up entity may also have conditions that they require you to meet. You may also be able to agree with the clearing broker that it may choose a back-up entity on your behalf. If you have not appointed a back-up entity prior to our default, or agreed with the clearing broker that it may appoint one on your behalf, then this may mean that porting is less likely to occur.

If porting is achieved, your Indirect Client Transactions with us will be terminated in accordance with our Client Agreement. We would expect your back-up entity to put in place new indirect client transactions/ client transactions between itself and you.

The type of account and level of segregation you choose will have an impact on the ability to port Client Transactions and assets to a back-up entity upon our default.

If you choose a Basic Omnibus Indirect Client Account (described in more detail in Part One B), there is no requirement under the Indirect Clearing RTS for us to put in place contractual arrangements in order to achieve porting; accordingly porting will not ordinarily be available.¹¹

If you choose a Gross Omnibus Indirect Client Account (described in more detail in Part One B), you can appoint a back-up entity with respect to just your Client Transactions (i.e. independently of our other clients in the same Gross Omnibus Indirect Client Account).

What happens if porting is not achieved?

Each clearing broker is permitted to specify a period of time after which, if it has not been able to achieve porting, it will be permitted to actively manage its risks in relation to the Client Transactions. This period of time will vary across clearing brokers. If you want to port your Client Transactions (where possible), you will need to notify the clearing broker and show that you can satisfy the other conditions within this period.

Otherwise, the clearing broker will terminate the Client Transactions and perform a close-out calculation in respect of them in accordance with the client clearing agreement. If there is an amount owed by the clearing broker in respect of the Client Transactions, the clearing broker will attempt to pay such amount directly to you if you have chosen a Gross Omnibus Indirect Client Account. If the clearing broker does not succeed in this attempt or if you have chosen a Basic Omnibus Indirect Client Account, the clearing broker will pay it to us for your account and the account of our other clients.

However, if we become subject to insolvency proceedings in Singapore, the payment of any amount by the clearing broker in respect the terminated Client Transactions either directly to you, or to us (or our liquidator) for your account, is likely to be contrary to

Singapore insolvency law. Accordingly, any such payment may be subject to challenge. Please refer to "*Porting – prohibition*" in Part One C below for further information.

If the clearing broker terminates the Client Transactions, then the Indirect Client Transactions between you and us are also likely to be terminated. The termination calculations in respect of those Indirect Client Transactions will be performed in accordance with the Client Agreement and such calculations will likely mirror those performed by the clearing broker in respect of the Client Transactions. If you are due a payment from us as a result of the close-out calculations in respect of our Indirect Client Transactions, the amount due from us to you may be reduced by any amount that you receive (or are deemed to receive) directly from the clearing broker. However, if we become subject to insolvency proceedings in Singapore, any such reduction in the amount due to you from us is likely to be contrary to Singapore insolvency law. Accordingly, any such reduction may be subject to challenge by our insolvency representative. Please refer to Part One C (*What are the main issues which arise under Singapore insolvency law in respect of indirect clearing?*) below for further information.

Please see Part One C (*What are the main issues which arise under Singapore insolvency law in respect of indirect clearing?*) for further discussion of the issues which arise under Singapore insolvency law in respect of indirect clearing

Part One B: Your choice of account type and the factors to consider

The types of accounts available

Reference to accounts means the accounts in the books and records of each clearing broker. The clearing broker uses these accounts to record the Client Transactions that we enter into in connection with the clearing of your related Indirect Client Transactions and the assets that we provide to the clearing broker in respect of such Client Transactions.

There are two basic types of indirect client accounts available – Basic Omnibus Indirect Client Accounts and Gross Omnibus Indirect Client Accounts. Some of the CCPs then offer different levels of segregation within some of those account types as described in Part Two of this document.

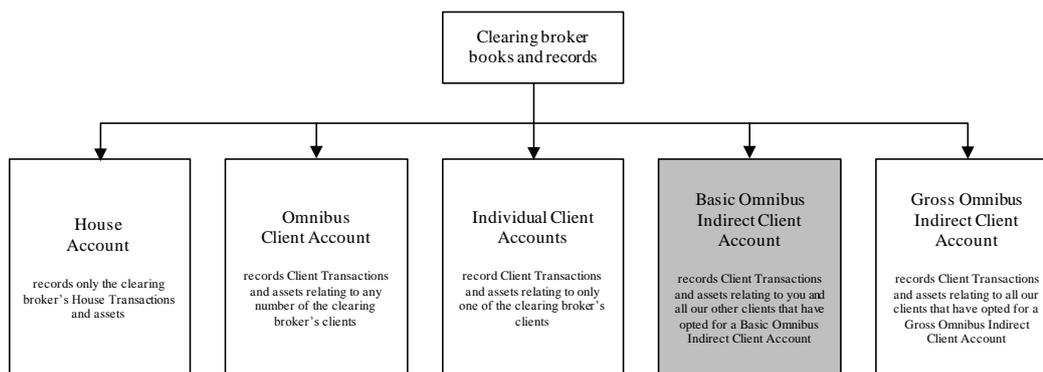
As noted, we refer you to the CCP disclosures which the CCPs are required to prepare and which set out the treatment of margin and collateral at CCP level. We have also included below a general overview of the most common segregation approaches taken by CCPs, but note that for any particular CCP, there is no substitute for that CCP's own disclosure.

Basic Omnibus Indirect Client Account¹²

Under this account type, at the level of the clearing broker, the Client Transactions (including the corresponding assets in the clearing broker's accounts) relating to you are segregated from:

- any transactions the clearing broker has cleared for its own account (the clearing broker's **House Transactions**) and any of their assets;
- any Client Transactions (including corresponding assets in the clearing broker's accounts) relating to us or the account of one of the clearing broker's other Direct Clients (regardless of whether they/we have opted for an individual client account or omnibus client account);
- any Client Transactions (including corresponding assets in the clearing broker's accounts) relating to any clients of the clearing broker's other clients that have also opted for a Basic Omnibus Indirect Client Account and which are recorded in a different Basic Omnibus Indirect Client Account; and
- any Client Transactions (including corresponding assets in the clearing broker's accounts) relating to any of our clients or any clients of the clearing broker's other clients that have opted for a Gross Omnibus Indirect Client Account.

However, the Client Transactions (including corresponding assets in the clearing broker's accounts) that relate to you will be commingled with the Client Transactions (including corresponding assets in the clearing broker's accounts) relating to any of our other clients that have also opted for a Basic Omnibus Indirect Client Account and which are recorded in the same Basic Omnibus Indirect Client Account.



Can Client Transactions and related collateral be netted with the clearing broker's House Transactions and assets?	No
Can Client Transactions and related assets be netted with those relating to us or the clearing broker's other Direct Clients?	No
Can Client Transactions and related collateral be netted with those relating to our clients?	Yes (provided our other clients' Client Transactions and assets are recorded in the same Basic Omnibus Indirect Client Account)
Can Client Transactions and related collateral be netted with those relating to the clearing broker's other Indirect Clients?	No

The clearing broker will agree not to net the Client Transactions relating to you with its House Transactions or any Client Transactions not recorded in the same Basic Omnibus Indirect Client Account, nor use the assets relating to such Client Transactions with respect to any House Transaction or Client Transaction recorded in any other account.

However, both we and the clearing broker may net the Client Transactions that are recorded in the same Basic Omnibus Indirect Client Account. The assets provided in relation to the Client Transaction credited to that Basic Omnibus Indirect Client Account can be used in relation to any Client Transaction credited to that Basic Omnibus Indirect Client Account.

Please see Part Two for an overview of the risks in relation to a Basic Omnibus Indirect Client Account and for details of the different levels of segregation that may be available at different CCPs.

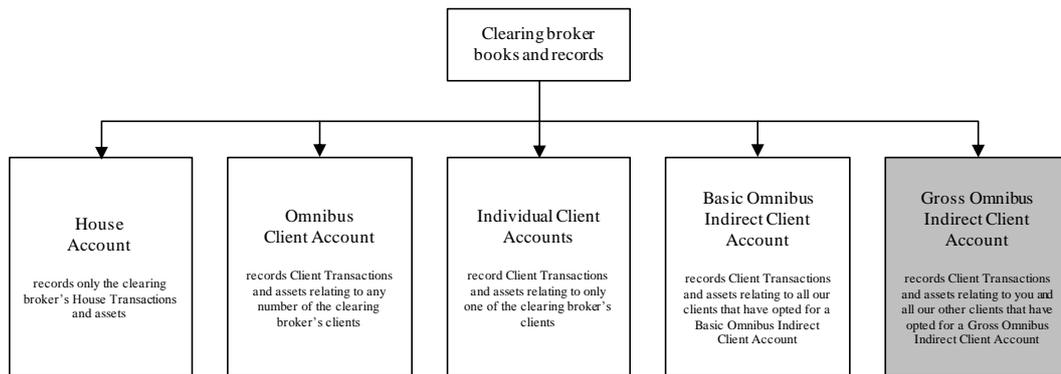
Gross Omnibus Indirect Client Account¹³

Under this account type, at the level of the clearing broker, the Client Transactions (including the corresponding assets in the clearing broker's accounts) relating to you are segregated from:

- any House Transactions and any of their assets;
- any Client Transactions (including corresponding assets in the clearing broker's accounts) relating to us or the account of one of the clearing broker's other Direct Clients (regardless of whether they/we have opted for an individual client account or omnibus client account);

- any Client Transactions (including corresponding assets in the clearing broker's accounts) relating to any of our clients or clients of the clearing broker's other clients that have opted for a Basic Omnibus Indirect Client Account; and
- any Client Transactions (including corresponding assets in the clearing broker's accounts) relating to any clients of the clearing broker's other clients that have also opted for a Gross Omnibus Indirect Client Account and which are recorded in a different Gross Omnibus Indirect Client Account.

However, the Client Transactions (including corresponding assets in the clearing broker's accounts) that relate to you will be commingled with the Client Transactions (including corresponding assets in the clearing broker's accounts) relating to any of our other clients that have also opted for a Gross Omnibus Indirect Client Account and which are recorded in the same Gross Omnibus Indirect Client Account.



Can Client Transactions and related collateral be netted with the clearing broker's House Transactions and assets?	No
Can Client Transactions and related assets be netted with those relating to us or the clearing broker's other Direct Clients?	No
Can Client Transactions and related collateral be netted with those relating to our clients?	The Client Transactions relating to you will not be netted with the Client Transactions relating to any of our other clients. However, the collateral relating to you may be used to cover Client Transactions of our other clients to the extent it is recorded in the same Gross Omnibus Indirect Client Account. ¹⁴
Can Client Transactions and related collateral be netted with those relating to the clearing broker's other Indirect Clients?	No

The clearing broker will agree not to net Client Transactions relating to you with its House Transactions, the Client Transactions relating to us or the clearing broker's other Direct Clients, the Client Transactions of the clearing broker's other Direct Clients' clients or any Client Transactions relating to our other clients (regardless of whether they are recorded in the same Gross Omnibus Indirect Client Account).

The clearing broker will also agree not to use the assets relating to Client Transactions relating to you with respect to any House Transaction or Client Transaction recorded in any other account. However, both we and the clearing broker may use the assets provided in relation to the Client Transactions relating to you in relation to any Client Transaction relating to our other clients that have also opted for a Gross Omnibus Indirect Client Account which are credited to the same Gross Omnibus Indirect Client Account.

Please see Part Two for an overview of the risks in relation to a Gross Omnibus Indirect Client Account and for details of the different levels of segregation that may be available at different clearing brokers.

Affiliates

Except for Long Chain Arrangements, we treat our affiliates in the same way as clients when complying with the Indirect Clearing RTS. This means that affiliates also have a choice between types of account. An affiliate may be part of the same account as other clients.

Other factors that may impact on the level of protection you receive in respect of assets that you provide to us as margin for Indirect Client Transactions

There are a number of factors that, together, determine the level of protection you will receive in respect of assets that you provide to us as margin for Indirect Client Transactions:

- whether you choose a Basic Omnibus Indirect Client Account or a Gross Omnibus Indirect Client Account (as discussed under "*The types of accounts available*" above);
- in each case, whether such assets are transferred by way of title transfer or security interest;
- whether or not monies or assets that you transfer to us is treated as customer collateral in accordance with the Customer Money and Asset Rules¹⁵;
- whether we call any excess margin from you or you pay excess margin to us;
- whether you will get back the same type of asset as you provided as margin; and
- the bankruptcy and other laws that govern the clearing broker, us and the CCP.

The remainder of this Part One B sets out further details for each of these variables and their implications under Singapore Law.

Will you provide cash or non-cash collateral as margin for the Client Transactions?

As noted under "*The "principal-to-principal" clearing model*" in Part One A, as a Direct Client of the clearing broker, we are required to transfer assets to the clearing broker in respect of the Client Transactions related to your Indirect Client Transactions. Clearing brokers only accept certain types of liquid cash and non-cash assets as margin.

As is market practice, we will decide what types of assets to accept from you as margin for your Indirect Client Transactions. What we will accept from you as margin for the Indirect Client Transactions will not necessarily be the same type of assets that the clearing brokers will accept from us for the Client Transactions, in which case we may, at our option, provide you with a collateral transformation service, under which we transform the assets you provide to those which we can pass onto the clearing broker.

Do you provide assets to us on a title transfer or a security interest basis?

As is market practice, if applicable, we will decide the basis on which we are willing to accept assets from you.

Title Transfer

If applicable, where the Client Agreement provides for the transfer of assets by way of title transfer, when you transfer assets (**Transferred Assets**) to us, we become the *full owner* of such assets and you lose all proprietary interest in such assets. We will record in our books and records that we have received such Transferred Assets from you with respect to the applicable Indirect Client Transaction. We will be obliged to deliver to you equivalent assets to such Transferred Assets (**Equivalent Assets**), if applicable.

We may either transfer such Transferred Assets on to the clearing broker with respect to the Client Transaction related to the Indirect Client Transaction, or we may transfer other assets to the clearing broker with respect to such Client Transaction.

You take credit risk on us in respect of our obligation to deliver Equivalent Assets to you. This means that if we were to become subject to insolvency proceedings in Singapore, you would have no right of recourse to the clearing broker or to any assets that we had transferred to the clearing broker; and you would instead have an unsecured debt claim against our estate in an amount equal to the value of the assets; such unsecured claim would rank *pari passu* with the claims of all our other general creditors. Please refer to Part One C (*What are the main issues which arise under Singapore insolvency law in respect of indirect clearing?*) below for further information.

Security Interest

If applicable, where the Client Agreement provides for the transfer of assets by way of security interest, when you transfer assets to us, you *retain* full beneficial ownership of such assets. Such assets are transferred to us on the basis that the assets still belong to you, but you have granted us a security interest with respect to such assets.

We may enforce that security interest if you default in your obligations to us. Only at the point of such enforcement would title in such assets or their liquidation value transfer to us. We will record in our books and records that we have received such assets from you with respect to the applicable Indirect Client Transaction.

See Part One C "*Close-out Netting*" for the implications of Statutory Insolvency Set-Off (as defined therein) on collateral provided by way of security interest.

What is the impact if we treat margin you transfer to us as customer collateral in accordance with the Customer Money and Asset Rules?

Under the laws of this jurisdiction, the Customer Money and Asset Rules may, in certain circumstances, preserve some level of segregation. The answer to this question is not intended to be a comprehensive explanation of the protections afforded by the customer monies and assets regime in Singapore. It seeks only to explain how the customer monies and assets regime may operate with the Indirect Clearing RTS; you may wish to seek legal advice in this regard.

Monies and assets which we receive as margin on account of a customer (i.e. you) may be required to be treated by us as monies and assets received on account of a customer under the Customer Money and Asset Rules (such monies and assets, "**customer collateral**").

Where we hold customer collateral, we will follow the Customer Money and Asset Rules in respect of such customer collateral. In this case, the Customer Money and Asset Rules

apply in the same way to monies and assets you provide to us as margin for Indirect Client Transactions as they apply to monies and assets we treat as customer collateral in relation to other types of business. We note that in certain circumstances, we may be permitted to transfer customer collateral held as margin to a clearing broker or otherwise deal with customer collateral in respect of certain purposes.

See "*Customer Money and Asset Rules*" in Part One C "*Close-out Netting*" for further details.

How will any excess margin we call from you be treated?¹⁶

Excess margin is any amount of assets we require from you or you provide to us in respect of an Indirect Client Transaction that is over and above the amount of assets the clearing broker requires from us in respect of the related Client Transaction.

Under the Indirect Clearing RTS, excess margin should be treated in accordance with the terms of the Client Agreement. Depending on those terms, you may take credit risk on us in respect of it.

Will you get back the same type of asset as you originally provided to us as margin for an Indirect Client Transaction?

In a "business-as-usual" situation, whether we will deliver the same type of asset to you that you originally provided to us will be governed by the Client Agreement.

In the event of our default, if you are due a payment, you may not receive back the same type of asset that you originally provided to us. This is because the clearing broker is likely to have a wide discretion to liquidate and value assets and make payments in various forms. Further, the clearing broker may not know what form of asset you originally provided to us as margin for the Indirect Client Transaction and to the extent applicable, we may have converted your asset into another form. This risk is present regardless of what type of client account you select.

Please see Part One C for further discussion of the issues which arise under Singapore insolvency law in respect of indirect clearing.

Part One C: What are the main issues which arise under Singapore insolvency law in respect of indirect clearing?

General insolvency risks

If we become subject to insolvency proceedings in Singapore, you may not receive all of your assets back or retain the benefit of your positions and there are likely to be time delays and costs (e.g. funding costs and legal fees) connected with recovering those assets. These risks arise in relation to both Basic Omnibus Indirect Client Accounts and Gross Omnibus Indirect Client Accounts because:

- you will not have any rights directly against the CCP; except for clearing broker-specific porting solutions described earlier and the comments below under "*Margin rights*", you will not have any rights directly against the clearing broker; and you will only have contractual claims against us (i.e. rather than being able to recover particular monies or assets as owner);
- the insolvency proceedings which we can be subject to in Singapore is winding up (including provisional winding up), receivership or schemes of arrangement. It is possible for us, where we are a company, to be subject to judicial management; and
- any stage of a cleared transaction (e.g. Indirect Client Transactions, Client Transactions and porting) may be challenged by our insolvency representative if, broadly speaking, it was not on arm's length terms. If successful, the court has broad powers to unwind or vary all of those stages.

Please also note that:

- insolvency law may override the terms of contractual agreements, so you should consider the legal framework as well as the terms of disclosures and legal agreements; and
- a large part of your protection comes from CCP arrangements and the legal regimes surrounding them. Therefore, you should understand these in order to evaluate the level of protection that you have on our default. It is important that you review the relevant disclosures by the relevant clearing broker and the CCP in this respect.

Insolvency of clearing brokers, CCPs and others

Except as set out in this section "*Insolvency of clearing brokers, CCPs and others*", this disclosure deals only with our insolvency. You may also not receive all of your monies or assets back or retain the benefit of your positions if other parties in the clearing structure default – e.g. the clearing broker, the CCP, a custodian or a settlement agent.

In relation to a clearing broker or CCP insolvency, broadly speaking, our (and therefore your) rights will depend on the law of the country in which the clearing broker or the CCP is incorporated and the specific protections that the clearing broker or the CCP has put in place. You should review the relevant disclosures carefully in this respect and take legal advice to fully understand the risks in these scenarios. In addition, please note the following:

- we expect that an insolvency official will be appointed to manage the clearing broker or the CCP. Our rights against the clearing broker or the CCP will depend on the relevant insolvency law and/or that official;

- it may be difficult or impossible to port Client Transactions and/ or CCP Transactions and related margin, so it would be reasonable to expect that they will be terminated at the level of the clearing broker and/ or the CCP. The steps, timing, level of control and risks relating to that process will depend on the clearing broker and/ or the CCP, the applicable rules or agreements and the relevant insolvency law. However, it is likely that there will be material delay and uncertainty around when and how much monies or assets we will receive back from the clearing broker or the CCP. It is likely that we will receive back only a percentage of monies or assets available depending on the overall assets and liabilities of the clearing broker or the CCP;
- it is unlikely that you will have a direct claim against the clearing broker or the CCP because of the principal-to-principal model described in Part One A;
- as Indirect Client Transactions will terminate at the same time as the matching Client Transactions unless our clearing agreement with the clearing broker provides otherwise, this will result in a net sum owing between you and us. However, your claims against us are limited recourse so that you will only receive amounts from us in relation to Indirect Client Transactions if we receive equivalent amounts from the clearing broker or the CCP in relation to relevant Client Transactions, after deduction of the applicable fees and charges payable (if any);
- if recovery of margin in these scenarios is important, then you should explore whether any clearing brokers offer "bankruptcy remote" or "physical segregation" structures. It is beyond the scope of this disclosure to analyse such options but your due diligence on them should include an analysis of matters such as whether other creditors of the type described in "*Preferential creditors*" below will have priority claims to margin; whether margin or positions on one account could be applied against margin or positions on another account (notwithstanding the client clearing agreement); the likely time needed to recover margin; whether the margin will be recovered as assets or cash equivalent; and any likely challenges to the legal effectiveness of the structure (especially as a result of the clearing broker's insolvency).

Margin rights

If you provide assets to us by way of security interest then you should have a legal right to recover the balance of those assets (after settling your obligations to us) ahead of other creditors. However, please note that, depending on the exact set up of our security arrangements, it may be that some preferential creditors will still have a prior claim to your assets (please see "*Preferential creditors*" below).

If you have retained the assets (e.g. in a custody account over which you have given us a security interest) then you will have the best chance of recovering them. If you have transferred the assets to us by way of security (e.g. by giving us a mortgage over the assets) then you bear the risk if there is a shortfall in any of the monies or assets that we are holding. Generally speaking, your risk of loss will be highest in relation to non-customer collateral; lower in relation to securities held by us in an omnibus account; and lower still if securities are segregated in our books and records and at custody level identifying you as the client.

The actual result will be highly fact specific and will depend on, amongst other things, the exact terms of our legal arrangements; how we have operated accounts; and claims that other intermediaries (e.g. custodians and settlement systems) have to the assets. To the extent that the Customer Money and Asset Rules apply, we would expect protection under those rules to be effective in our insolvency (please see "*What is the impact if we treat margin you transfer to us as customer collateral in accordance with the Customer Money and Asset Rules?*" in Part One B and "*Close-out Netting*" in Part One C).

We do not expect the above position to change materially if you have a Basic Omnibus Indirect Client Account or Gross Omnibus Indirect Client Account.

Close-out Netting

If we default and the clearing broker cannot port the Client Transactions and collateral (e.g. because a back-up entity cannot be found), then we would expect the clearing broker to terminate and net our Client Transactions and apply related assets. You and we would want this to work differently from normal bilateral close-out netting that would apply to all positions and assets between the clearing broker and us – we discuss this below.

If we become subject to an insolvency proceeding in Singapore, set-off pursuant to Section 88(1) of the Bankruptcy Act (Cap. 20) of Singapore ("**Statutory Insolvency Set-Off**") would apply so that mutual credits, mutual debts or other mutual dealings between the clearing broker and us (or between you and us), the debts and liabilities to which each party is or may become subject as a result of such mutual credits, debts or dealings shall be set-off against each other and only the balance shall be a debt provable in bankruptcy.

Statutory Insolvency Set-Off occurs automatically on the date of the winding-up order and it is not possible for parties to contract out of Statutory Insolvency Set-Off. Obligations owing between the clearing broker and us, and between you and us, are likely in each case to be mutual and therefore, subject to Statutory Insolvency Set-Off with the likely effect of the following:

Clearing broker and us

subject to the application of Customer Money and Asset Rules in respect of customer collateral (if any),

- aggregating all amounts owing between the clearing broker and us in respect of (a) positions and (b) collateral which has been provided on a title-transfer basis, (including positions entered into by us on the account of our customers (i.e. Client Transactions) and related collateral, regardless of the account in which they are recorded);
- in respect of collateral provided by us to the clearing broker on a security-interest basis, Statutory Insolvency Set-Off would not apply as we would retain a proprietary interest in such collateral and Statutory Insolvency Set-Off only applies to monetary obligations;
- on the basis that all Client Transactions are cleared on a "principal-to-principal" model, any collateral we provide to the clearing broker on a security-interest basis and which is returned by the clearing broker to our insolvency representative, would belong to us absolutely. Accordingly, such collateral would fall into our insolvency estate, and such collateral would be liquidated by our insolvency representative and the proceeds distributed, along with our other assets, to our creditors in accordance with the rules of distribution under Singapore insolvency law.

You and us

subject to the application of Customer Money and Asset Rules in respect of customer collateral (if any),

- aggregating all amounts owing between you and us in respect of (a) positions and (b) collateral which has been provided on a title-transfer basis, (including all Indirect Client Transactions and related collateral, regardless of the account in which they are recorded);

- in respect of collateral provided by you to us on a security-interest basis, Statutory Insolvency Set-Off would not apply as you would retain a proprietary interest in such collateral and Statutory Insolvency Set-Off only applies to monetary obligations,

in each case, regardless of the terms of the relevant clearing documentation.

Customer Money and Asset Rules

If the Customer Money and Asset Rules apply, as customer collateral does not include contractual rights arising from transactions entered into by us for the account of our customers,

- the contractual rights in respect of the Client Transaction (as between the clearing broker and us) and the Indirect Client Transactions (as between you and us) would be taken into account as part of Statutory Insolvency Set-Off; and
- any customer collateral either (a) provided at the Client Transaction level by us to the clearing broker in accordance with your instructions and the Customer Money and Asset Rules; or (b) provided at the Indirect Client Transaction level by you to us in accordance with your instructions and the Customer Money and Asset Rules,

would be subject to the trust arrangement under the Customer Money and Asset Rules and would not form part of our insolvency estate. Customer collateral would be returned to you subject to fellow customer risk in respect of other clients recorded in the same account.

In respect of the Indirect Client Transactions, although the resulting termination amount should represent our net exposure to each other, it will make porting difficult or impossible.

Please also note more generally that your freedom to close out Indirect Client Transactions is more limited under the Client Agreement than in other arrangements that you may be used to.

Porting – prohibition

As mentioned above, a clearing broker only owes us (not you) obligations in relation to Client Transactions and related assets.

As a result, if these positions and assets are "transferred" or "ported" to a back-up entity, there is a risk that such "transfer" or "porting" would be subject to challenge under Singapore insolvency law. This is because the Client Transactions and related collateral would constitute our assets (or, as the case may be, our liabilities) which would have been "taken away" from us on or around the time of our insolvency or otherwise as a result of us becoming subject to insolvency proceedings. If the Singapore insolvency representative were to successfully challenge any such transfer, the Singapore courts would be likely to order that such transfer be reversed.

Preferential creditors

Singapore insolvency law gives certain types of claims of unsecured creditors priority over certain types of claims of secured creditors. This means that some unsecured creditors may have a claim on client account assets ahead of you. Claims that have priority are likely to include, amongst others: (i) claims of the Singapore liquidator in respect of his/her costs and expenses of the liquidation; (ii) wages and salary (whether or not earned wholly or in part by way of commission) owing to employees, and (iii) taxes owing to the Singapore government.

Mismatch of CCP/Client Transactions and assets

It could be that our net assets in relation to Client Transactions do not match our net obligations to each other in relation to the matching Indirect Client Transactions. This can slow down or make porting impossible operationally or legally.

For example, it may occur at clearing broker level as a result of Fellow Client Risk (see the explanation of this term in Part Two of this document) in a Gross Omnibus Indirect Client Account, with the result that there are insufficient assets available for porting to satisfy our obligations to you in relation to the Indirect Client Transactions.

Alternatively, it could be that all of your Indirect Client Transactions with us are netted automatically as a result of Singapore insolvency law (please see above under "*Close-out Netting*").

Resolution Powers

We may become subject to the resolution powers of the Monetary Authority of Singapore (the "**MAS**"). Although a full analysis of the impact of such resolution powers on the indirect clearing arrangements is outside the scope of this disclosure, if we do become subject to the resolution powers of the MAS, your ability to dispose of your positions and assets in respect of Indirect Client Transactions may be restricted, and our liabilities to you in respect of Indirect Client Transactions and related assets may be transferred to a third party (in whole or in part). A full analysis of the resolution powers is outside the scope of this disclosure; you may wish to seek legal advice on this issue.

Part Two: Clearing broker indirect client account structures¹⁷

As noted in Part One B, each clearing broker is required under the Indirect Clearing RTS to offer at least the choice of a Basic Omnibus Indirect Client Account or a Gross Omnibus Indirect Client Account. This Part Two contains an overview of the levels of segregation of each account type, together with an overview of the main protections afforded by and the main legal implications of each.

The descriptions given in this Part Two are very high level and consider the minimum requirements for indirect client account types under the Indirect Clearing RTS and the respective levels of segregation. However, the particular characteristics of the accounts will affect the exact levels of protection they offer and the legal implications so you must review the information provided by the clearing brokers to fully understand the risks of the specific account we maintain in relation to you at each clearing broker. You may also need to seek professional advice to understand the differences in detail. However, we hope that the questions raised and factors described in both parts of this document will help you to know which questions to ask and to understand the impact of the answers you receive.

The descriptions have been prepared on the basis of the minimum requirements in the Indirect Clearing RTS.

The Annex seeks to compare the main account types and levels of segregation against the following risks:

Risks used to compare each account type and level of segregation	Explanation of risk
Transit Risk	Whether you are exposed to us at any point in the process of providing or receiving margin in respect of Indirect Client Transactions.
Fellow Client Risk	Whether assets provided to the clearing broker or CCP in respect of Client Transactions related to you could be used to cover losses in Client Transactions relating to another client.
Liquidation Risk	Whether, if the Client Transactions and assets relating to them were to be ported, there is a risk that any non-cash assets would be liquidated into cash. If this were to happen, the value given to such assets by the clearing broker may differ from what you perceive to be the full value of the assets.
Haircut Risk	Whether the value of the assets that relate to Client Transactions might be reduced or not increase by as much as you expect because the clearing broker applied a haircut that did not properly reflect the value of the asset.

Risks used to compare each account type and level of segregation	Explanation of risk
Valuation Mutualisation Risk	Whether the value of the assets that relate to Client Transactions could be reduced or not increase by as much as you expect because the assets posted in relation to other clients' Client Transactions have decreased in value.
Clearing Broker Insolvency Risk	Whether you are exposed to the insolvency or other failure of the clearing broker.

Typical account characteristics at the clearing broker level

	Basic Omnibus Indirect Client Account	Gross Omnibus Indirect Client Account
Who will the Client Transactions recorded in the account relate to?	Basic Omnibus Indirect Client Accounts record both assets and Client Transactions that relate to you (where you have opted for a Basic Omnibus Indirect Client Account) and the assets and Client Transactions that relate to our other clients that have also opted for a Basic Omnibus Indirect Client Account.	Gross Omnibus Indirect Client Accounts record both assets and Client Transactions that relate to you (where you have opted for a Gross Omnibus Indirect Client Account) and the assets and Client Transactions that relate to our other clients that have also opted for a Gross Omnibus Indirect Client Account.
Which losses can assets recorded in the account be used for?	Assets that are provided to the clearing broker as margin for a Client Transaction recorded in a Basic Omnibus Indirect Client Account may be used to cover any losses in that account, whether such losses relate your Client Transactions or Client Transactions relating to one of our other clients within that Basic Omnibus Indirect Client Account.	Assets that are provided to the clearing broker as margin for a Client Transaction recorded in a Gross Omnibus Indirect Client Account may be used to cover any losses in that account, whether such losses relate your Client Transactions or Client Transactions relating to one of our other clients within that Gross Omnibus Indirect Client Account. ¹⁸
Will the clearing broker know which Client Transactions and types of assets relate to you?	The clearing broker may not know which Client Transactions and assets recorded in a Basic Omnibus Indirect Client Account relate to you.	Yes, but prior to our default it may not know your identity.
Will the clearing broker record the assets provided by	The clearing broker may identify in its records the type of asset provided as margin for the Basic Omnibus Indirect Client Account but will not be able to identify	The clearing broker may identify in its records the type of asset provided as margin for the Gross Omnibus Indirect Client Account but is unlikely to be able to identify

	Basic Omnibus Indirect Client Account	Gross Omnibus Indirect Client Account
value only or will it identify the type of asset provided?	which type of assets relate to any client's Client Transactions within that Basic Omnibus Indirect Client Account.	anything other than the value of assets provided in respect of any of our client's Client Transactions within that Gross Omnibus Indirect Client Account.

	Basic Omnibus Indirect Client Account	Gross Omnibus Indirect Client Account
Will the Client Transactions recorded in the account be netted?	It is likely that the Client Transactions recorded in the account will be netted. This means that Client Transactions that relate to you may be netted with Client Transactions that relate to our other clients whose Client Transactions are recorded in the same Basic Omnibus Indirect Client Account.	Client Transactions relating to you are likely to be netted with other Client Transactions relating to you. However, Client Transactions relating to you should not be netted with Client Transactions relating to any of our other clients recorded in the same Gross Omnibus Indirect Client Account.
Will the margin be calculated on a gross or net basis?	The margin will be calculated on a net basis.	The margin will be calculated on a gross basis.
Will you have to enter into any documentation or operational arrangements directly with the clearing broker?	You may have to enter into legal documentation to which the clearing broker is party. It is unlikely that you will have to set up any operational arrangements with the clearing broker directly.	You may have to enter into legal documentation to which the clearing broker is party. It is possible but unlikely that you will have to set up some operational arrangements with the clearing broker directly.
Transit Risk	Yes	Yes
Fellow Client Risk	Yes	Yes ¹⁹
Liquidation Risk	Yes	Yes (unless the clearing broker is able to port the assets recorded in the account or is able to transfer the assets to you without needing to liquidate some or all of them first).
Haircut Risk	Yes	Yes
Valuation Mutualisation Risk	Yes	Yes
Clearing Broker Insolvency Risk	Yes	Yes

	Basic Omnibus Indirect Client Account	Gross Omnibus Indirect Client Account
How likely it is that porting will be achieved if we default?	Unlikely ²⁰	Unlikely

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- ¹ The Guidance Notes included in this annotated version of the Direct Client Disclosure Document are for general information only and do not constitute legal advice. If in doubt, users of the Disclosure Document should seek legal advice. The explanations included in the document are high level summaries and analyses of several complex and/or new areas of law and regulation and arrangements put in place by a series of CCPs, many of which are not yet finalised or fully explained in the public domain. In particular, the document has been prepared on the basis of Singapore law and it should be noted that issues under other laws may be relevant: for example, the law governing the CCP rules or related agreements; the law governing the client clearing arrangement between the clearing broker and us; the law governing the client clearing arrangement between you and us; the law governing any insolvency proceedings to which we may be subject in any jurisdiction other than Singapore; the law of the jurisdiction of the CCP, the law of the jurisdiction of incorporation of the clearing broker; and the law of the location of any collateral.
- ² Commission Delegated Regulation (EU) No. 2017/2154 supplementing Regulation (EU) No 600/2014 with regard to regulatory technical standards on indirect clearing arrangements, and Commission Delegated Regulation (EU) No. 2017/2155 amending Commission Delegated Regulation (EU) No 149/2013 with regard to regulatory technical standards on indirect clearing arrangements.
- ³ ESMA confirms in paragraphs 9, 10 and 92 of the May 2016 Final Report on the Indirect Clearing RTS that (indirect) clearing on recognised non-EU CCPs is out of scope of the Indirect Clearing RTS requirements. This disclosure is designed for clearing on EU CCPs only.
- ⁴ References to "assets" in this document refers to cash and non-cash collateral that may be provided as margin.
- ⁵ See Endnote 1 above.
- ⁶ The document assumes that all CCPs that will be used by the Direct Client's clearing broker operate a principal to principal rather than an agency model. It would need to be supplemented and each section of the document revisited if any of the CCPs were to operate on an agency basis.
- ⁷ The document assumes there is a contractual relationship in place between the clearing broker and the Direct Client which sets out certain arrangements that are referred to throughout the document. This contractual relationship is described as a "client clearing agreement".
- ⁸ The document assumes there is a contractual relationship in place between the Direct Client and the Indirect Client which sets out certain arrangements that are referred to throughout the document. This contractual relationship is described as a "Client Agreement".
- ⁹ This description is based on Articles 6(2)(b) and 6(4) of the Indirect Clearing RTS.
- ¹⁰ This description is based on Articles 4 (5) to (7) of the Indirect Clearing RTS.
- ¹¹ This paragraphs refers to porting not being available "ordinarily". This is because porting may be envisaged under local insolvency law for all relevant accounts, including Basic Omnibus Indirect Client Accounts.
- ¹² This description is based on Article 4(2)(a) of the Indirect Clearing RTS.
- ¹³ This description is based on Article 4(2)(b) of the Indirect Clearing RTS.
- ¹⁴ The current description of the netting sets is based on the FIA interpretation of Article 4(2)(b) of the Indirect Clearing RTS as set out in more detail in the FIA's working document on indirect clearing arrangements for exchange-traded derivatives (ETD) under draft MiFIR RTS on indirect clearing arrangements (the **FIA Working Document**). As set out in more detail on page 9 of the FIA Working Document, it is proposed for "client in another account" to be added at the end of Article 4(2)(b).
- ¹⁵ Customer Money and Asset Rules means Division 2 of Part V of the Securities and Futures Act (Cap.289) of Singapore and Part III of the Securities and Futures (Licensing and Conduct of Business) Regulations of Singapore.
- ¹⁶ This section refers to excess margin as described in Recital 5 of the Indirect Clearing RTS.
- ¹⁷ In preparing the overview of typical indirect client account characteristics, we have based our analysis on the minimum requirements as set out in the Indirect Clearing RTS. Therefore, we have assumed that clients would be offered the choice between a net-margined Basic Omnibus Indirect Client Account and a Gross Omnibus Indirect Client Account. Please note that it would nevertheless be permitted to offer clients additional types of account structures and segregation models, including ISAs, as long as they provide at least the level of segregation prescribed in the Indirect Clearing RTS (see Article 5(1) of the Indirect Clearing RTS and paragraphs 33 and 34 of ESMA's November 2015 Consultation Paper on the Indirect Clearing RTS, and paragraph 35 of ESMA's May 2016 Final Report on the Indirect Clearing RTS).
- ¹⁸ This assessment is based on the FIA interpretation of Article 4(2)(b) of the Indirect Clearing RTS as summarised in the FIA Working Document.

¹⁹ This assessment is based on the FIA interpretation of Article 4(2)(b) of the Indirect Clearing RTS as summarised in the FIA Working Document.

²⁰ See Endnote 11 above.

A.10.2 Terms Of Business Relating To Indirect Clearing On The European Exchanges

NOTE: This Terms of Business is relevant to Customers where UOBBF provides clearing services, through a general clearing member, in relation to one (1) or more clearing counterparty clearing house ("**CCP**") established in the EU.

1. Scope and Definitions

- 1.1 This Terms of Business is incorporated into, and forms part of, the Client Agreement with effect from 3 January 2018.
- 1.2 UOBBF may, at its discretion, provide clearing services to the Customer relating to a CCP established in the European Union ("**EU**") through a general clearing member of the relevant CCP. Unless otherwise agreed with UOBBF or permitted under Applicable Laws, the Customer warrants that the indirect clearing arrangements shall be limited to indirect clearing chains each comprised of a CCP, a general clearing member of the CCP, UOBBF and the Customer.
- 1.3 References in this Terms of Business to the EU shall be construed to include the UK to the extent that, following withdrawal of the UK from the EU, the UK continues to apply substantially the same rules relating to the provision of indirect clearing services as the EU rules which became applicable on 3 January 2018.

2. Indirect Clearing Services

- 2.1 Notwithstanding anything in the Agreement or any prior agreement between UOBBF and the Customer, in relation to transactions ("**EU Indirect Clearing Transactions**") which UOBBF clears on a CCP established in the EU by entering into a related transaction with a clearing member of that CCP (the "**CM/Firm IC Transactions**"), the Customer acknowledges and agrees in favour of that clearing member as follows:
 - (a) the Customer acknowledges that the clearing member is not a party to this agreement;
 - (b) in relation to EU Indirect Clearing Transactions which relate to CM/Firm IC Transactions held through a gross omnibus segregated account, the Customer acknowledges that in the event of a default of UOBBF and subject to the satisfaction of certain conditions, the clearing member may:
 - (i) transfer the transaction(s) it has with UOBBF which are related to those EU Indirect Clearing Transactions to a replacement clearing firm ("**porting**"); or
 - (ii) close-out and/or otherwise liquidate related transactions which the clearing member has entered into with UOBBF and liquidate associated margin (without reference to the Customer), and return any balance to the Customer directly (a "**leapfrog**"); or
 - (iii) if porting or leapfrog is not successful, return the balance owed to UOBBF (if any) for the account of the Customer;
 - (c) the Customer acknowledges that the clearing member will set its own requirements which will need to be satisfied in order for the clearing member to be able to facilitate porting or leapfrog and whether the clearing member

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- will port or leapfrog is to be determined in its sole discretion. The clearing member's conditions to porting will include:
- (i) notice and other required information having been given to clearing member prior to any cut-off time established by the clearing member;
 - (ii) the arrangement being in compliance with Applicable Laws and legally effective;
 - (iii) the clearing member being able to transact with the replacement clearing firm in accordance with its own internal requirements; and
 - (iv) the clearing member being indemnified and held harmless by the Customer to its satisfaction;
- (d) in relation to EU Indirect Clearing Transactions which relate to CM/Firm IC Transactions held through a basic omnibus segregated account, the Customer acknowledges that:
- (i) in the event of a default of UOBBF, the clearing member may (without reference to the Customer) take steps to close-out and/or otherwise liquidate transactions related to EU Indirect Clearing Transactions which the clearing member has entered into with UOBBF alongside other transactions of other clients in the same basic omnibus segregated account, and liquidate and apply margin associated with the account to the extent it has been provided to it;
 - (ii) in such circumstances the clearing member will return the balance owed to UOBBF (if any) for the account of the Customer; and
 - (iii) the clearing member shall do so in a timeframe it determines and in accordance with its own processes and procedures; and
- (e) the Customer acknowledges and agrees that the clearing member is liable to UOBBF only and that the clearing member shall have no liability whatsoever to the Customer or any other person including, without limitation, for carrying out the procedures referred to in paragraphs (b), (c) and (d) above.

3. Governing Law

Notwithstanding anything to the contrary in the Agreement and this Terms of Business, this Terms of Business shall be governed by Singapore law, is for the benefit of the clearing member and it is agreed that the clearing member may enforce the terms of this Terms of Business in accordance with the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore).