

**Jefferies Singapore Limited  
Terms of Business**

Confidential

## **1. PURPOSE AND BASIS OF THESE TERMS**

- 1.1. These Terms of Business ("**Terms**") will apply to all investment and connected business (including the execution of orders for the purchase or sale of and any other dealing in Securities) which we may carry on with or for you in accordance with these Terms from time to time ("**Services**"), subject to the terms of any other agreement relating to any specific business or transaction between you and us. In the event of any inconsistency between these Terms and any other terms or any other agreement relating to any specific business or transaction between you and us, such specific terms shall apply to such specific business or transaction.
- 1.2. These Terms are legally binding and will take effect after receipt by you of the same and upon your beginning or continuing to undertake business with us and our beginning or continuing to undertake business with you will be in reliance on the foregoing basis
- 1.3. These Terms supersede any previous agreement between us relating to the subject matter of the Terms and any previous version(s) of these Terms.

## **2. DEFINITION AND CONSTRUCTION**

- 2.1. For the purposes of these Terms, the following words and phrases shall have the following meanings:
  - 2.1.1. 'affiliate(s)' of any person means a person controlling, controlled by or under common control with that person, including parent companies and subsidiaries;
  - 2.1.2. 'MAS' means the Monetary Authority of Singapore;
  - 2.1.3. 'MAS Rules' means the rules, regulations, notices, orders, guidelines, practice notes, directives circulars and any instrument or document issued by the MAS from time to time;
  - 2.1.4. 'Securities' has the meaning ascribed thereto by the SFA and, if the context so admits shall include securities collateral;
  - 2.1.5. 'SFA' means the Securities and Futures Act, Chapter 289 of Singapore (as amended from time to time);
  - 2.1.6. 'Transaction' has the meaning ascribed to it in clause 5;
  - 2.1.7. 'we', 'us' and 'our' means Jefferies Singapore Limited, its affiliates and its branches; and
  - 2.1.8. 'you' and 'your' means you, as client of Jefferies Singapore Limited.
- 2.2. References in the Terms to statutes and any other laws, rules or regulations shall be to such statutes, MAS Rules, laws, rules or regulations as modified, amended, restated or replaced from time to time.
- 2.3. References to clauses are to the clauses of the Terms. Headings are included for convenience only and shall not affect the interpretation of the Terms.
- 2.4. Any reference in any documentation between you and us to an earlier version of these Terms shall, from the date of these Terms taking effect, be read as a reference to these Terms or the relevant or corresponding part thereof unless specifically provided otherwise.

## **3. REGISTRATION STATUS**

- 3.1. Jefferies Singapore Limited has a capital markets services licence issued by the MAS under the SFA to carry on the regulated activity of "dealing in securities". Jefferies Singapore Limited is also an exempt financial adviser for the purposes of the Financial Advisers Act (Cap. 110) of Singapore. Jefferies Singapore Limited is not an authorised deposit-taking institution for the

purposes of the Banking Act (Cap. 19) of Singapore. In Australia, Jefferies Singapore Limited is exempt from the requirement to hold, and does not hold, an Australian Financial Services Licence under the Corporations Act 2001 of Australia in respect of the financial services it provides to wholesale clients.

- 3.2. We undertake to notify you of any material change to the information provided in the Terms, including a change to our address, registration status, the Services that we provide and our charges.
- 3.3. In providing the Services to you, we may deal with you as principal or as agent.
- 3.4. We may delegate the performance of any of the Services to any third person(s) as we may see fit. We may also employ such agents as we select on such terms as we consider appropriate.

#### **4. APPOINTMENT**

- 4.1. You confirm that you are an investor falling under the definition of "accredited investor", "institutional investor" or "expert investor" as defined in the SFA and as set out in Appendix 1 hereto. If not, you will not be accepted as our client for the provision of the Services.
- 4.2. You hereby consent to being treated as a "accredited investor", "institutional investor" or "expert investor" and acknowledge and confirm that we have explained both the consequences of being treated as such an investor.
- 4.3. You acknowledge and confirm that you have read and understood the risk disclosure statement set out in Appendix 2 hereto and have been given opportunities to take independent advice (if necessary).
- 4.4. If you are an accredited investor, you acknowledge and confirm that you have read and understood the effect, as set out in Appendix 3, of you being treated by us as an accredited investor.
- 4.5. You acknowledge and confirm that you have read, understood and agree to the additional disclosures and terms as may be applicable to any Transaction entered into at the specific exchange(s) or cleared by the specific clearing corporation(s) as set out in Appendix 4.

#### **5. DESCRIPTION OF SERVICES**

- 5.1. We will handle orders or dealing instructions on your behalf in relation to investments in Securities (each a "**Transaction**" and collectively the "**Transactions**") in accordance with your specific instructions from time to time. We will not advise you about the merits of a particular Transaction and we are under no obligation to satisfy ourselves that the Transaction is suitable for you.
- 5.2. All decisions on whether to invest in, hold or dispose of any asset or to enter into any agreement resulting from or effected using our broking services under the Terms are yours and we shall only enter into transactions as you instruct. We will, upon your request, provide you with product specifications and any prospectus or other offering document covering such Securities.
- 5.3. We may, on your instructions, effect Transactions on any market and take all routine or day-to-day decisions and otherwise act as we consider appropriate for the sole purpose of implementing your instructions in respect of the Transactions, provided that we shall not have any discretionary management over any of your Transactions and shall not be providing any recommendations and/or advice in respect of any Transactions and shall not in this regard be deemed to be conducting "fund management" or providing "financial advisory services" under the SFA and the FAA respectively.
- 5.4. The provision by us of the Services will be subject to the Terms, MAS Rules and any statutory, regulatory, legal or market requirements.

- 5.5. We may, if we agree and subject to Clause 14.8 hereof, distribute to you investment research prepared by us or our affiliates but we shall not provide investment advice in the form of personal recommendations and therefore, in relation to Transactions you instruct us on pursuant to these Terms, you do so in reliance solely on your own judgement and we make no assessment of the suitability of such Transactions. In this regard you should note that if we merely at our discretion explain the terms of an investment or its performance characteristics this does not of itself amount to complete information or advice on the merits of a Transaction in the investment. To the extent that we are required by the MAS Rules to assess whether a Transaction is appropriate for you, we will, for the purposes of any such appropriateness assessment, rely on the information that you have supplied to us as we may request from time to time.
- 5.6. All investment is subject to risk and the degree of risk is a matter of judgment and cannot be accurately pre-determined. We give no warranty as to the performance or profitability of your trading with us or your investments or any part thereof. To the extent that you engage in Transactions in Securities and other investments, your attention is drawn to the specific risk disclosures which are set out in Appendix 2 hereto.
- 5.7. We are authorised by you to do anything which we consider necessary or appropriate either to provide the Services (including but not limited to acting as your agent and delegating our authority as your agent to another) or to comply with any applicable laws, rules or regulations.
- 5.8. We will not be responsible for the provision of any tax or legal advice in relation to the Services.

## 6. CLIENT ASSETS

- 6.1. To the extent (if any) that we may hold your monies or assets, you hereby authorise us, in relation to any such assets which we may hold on your behalf, to hold and deal with such monies or assets in accordance with the SFA, its subsidiary legislation, the MAS Rules and these Terms. In particular, you consent to and authorise us to accept and transfer any of such monies or assets into the name of any person in or outside Singapore whom we may select (the "**Custodian**") subject to all applicable laws, to be held directly or indirectly for your account, and for which purposes you agree to, and you will, at our request, accept the re-transfer to you (or as you may direct) of all or any of the monies or assets so transferred and that you shall execute and register any document in relation to the transfers or re-transfers required for that purpose. You further acknowledge and consent to us placing the monies / assets which are denominated in a foreign currency with a Custodian outside Singapore which is licensed, registered, or authorised to act in such a capacity in the country or territory where the account is maintained. We will inform you of the key terms of the Custodian in respect of the custody of your monies and/or assets as required under applicable laws.
- 6.2. You acknowledge and agree that you shall not be entitled to any or all interest earned from the maintenance of the monies received on your account held with a Custodian or any other sum held by us for and on your behalf for any reason whatsoever, and all such interest shall belong to, accrue to and be retained by us.
- 6.3. You may revoke your authorisation by giving us written notice to us at our address as set out in clause 21.1 or otherwise notified to you in writing. Such notice will take effect upon the expiry of 14 days from the date of our actual receipt of it.
- 6.4. Notwithstanding anything in these Terms, we are entitled to while your monies or assets are held under custody to take all actions as we deem necessary or desirable to comply with all applicable provisions of the SFA.
- 6.5. For the avoidance of doubt, we shall not be bound to supervise the actions of, and shall not be in any way responsible for any loss incurred as a result of any misconduct or default on the part of such Custodian. You further acknowledge and expressly accept that we may be required, depending on

the circumstances of the country or jurisdiction involved, to engage the services of a Custodian that is not subject to the same level of regulatory supervision that it may be subject to in Singapore.

- 6.6. The deposit of any monies or assets with a Custodian is undertaken for your account and at your sole risk and peril and is subject to the laws, rules and practices applicable at the place of custody.

## **7. ACTING AS INTERMEDIARY**

- 7.1. In any dealing or other matter where you are an agent or otherwise acting on behalf of or for the benefit of any other person, then, even if you disclose that fact and/or identity of that person to us, we will (save as provided below) treat you alone as our client and therefore, as principal and not as agent for all purposes relating to such dealing or matter, and (subject to applicable laws and regulations) we shall not owe any contractual, regulatory, fiduciary or other obligations to that person. We are not willing to deal with you other than on the foregoing basis.
- 7.2. You, as agent for your principal and on your own behalf, retain full responsibility for making all investment decisions with respect to any principal.
- 7.3. You undertake and warrant (and such undertaking and warranty shall be deemed to be repeated on that date any Transaction is entered into) that if you are a party to a Transaction entered into and executed pursuant to these Terms as agent for, or on behalf of, another person, then:
  - 7.3.1. in doing so, you are expressly authorised by, or otherwise acting within the scope of the authority you have received from, your principal;
  - 7.3.2. notwithstanding clause 7.3.1 above, you will procure the performance by your principal of all obligations and liabilities arising under or by virtue of the Terms or any Transaction or other investment business carried out hereunder;
  - 7.3.3. your principal has full power, authority and legal capacity to perform all obligations contemplated by these Terms;
  - 7.3.4. when performing the transactions and activities contemplated by these Terms, your principal will comply with all relevant laws and regulations in any relevant jurisdiction;
  - 7.3.5. any information which you provide or have provided to us in respect of your or your principal's financial position, domicile or other matters is accurate and not misleading in any material respect.
- 7.4. You acknowledge that providing details of your principal will not make your principal a client of ours.

## **8. INSTRUCTIONS**

- 8.1. Any instruction is transmitted at your own risk in such manner as may be specified by us or agreed between you and us from time to time. We shall not be liable for any loss suffered on account of any instruction not being received by us (whether transmitted through an electronic system or not) or not being acted upon. For the avoidance of doubt, we may electronically acknowledge an instruction transmitted to us by you through an electronic system but are under no obligation to act in accordance with such instruction.
- 8.2. Any instruction you give us shall be in accordance with all laws, rules, regulations and disclosure requirements of any relevant jurisdiction, exchange, market or regulatory authority which apply in respect of us, you or your investments from time to time.
- 8.3. We may at our absolute discretion refuse to accept or act in accordance with any instruction, without being under any obligation to give any reason. If we decline an instruction we will take reasonable

steps to notify you promptly. Additionally, we do not guarantee that the execution of all orders shall always be possible in any or all market circumstances, and we further assume no responsibility in the execution or non-execution of such instructions and related consequences, in particular if the order is received or taken outside our trading hours.

- 8.4. You authorise us to rely and act upon, and treat as fully authorised and binding upon you, any instruction which purports to have been given and which is accepted by us in good faith as having been given by you or on your behalf, without further enquiry on our part as to the genuineness, authority or identity of the person giving or purporting to give such instruction and notwithstanding any communication you may have made or may make to us purporting to limit the persons from whom we may accept instructions, unless such limitations have been agreed in writing by us or have been expressly requested by us in writing. Notwithstanding the foregoing, we may require, and you shall provide, evidence of any such authority provided to any person acting, or purporting to act, for you or on your behalf. You will be responsible for and bound by all contracts, obligations, costs and expenses entered into or incurred by us on your behalf in consequence of or in connection with such instructions.
- 8.5. You shall promptly (and within any time limit imposed by us) give any instructions we may reasonably request from you in respect of any Services provided hereunder. If you do not do so, we may in our sole discretion take any steps at your cost which we consider appropriate for our or for your protection.
- 8.6. We may in our absolute discretion record telephone conversations with you or your agents and will normally record telephone conversations between you or your agents and our employees who act in a trading or sales capacity. Our record of telephone conversations with you or your agents shall constitute conclusive evidence and may be relied upon as evidence of all instructions, commitments, notices or requests delivered in such manner and all intellectual property and other rights in and to such records shall belong solely to us. No inference shall be drawn from the absence of any recording or records of any telephone conversation.

## 9. DEALING

- 9.1. Certain events (including corporate actions such as share splits or bonus issues) may cause exchanges and/or multi lateral trading facilities to cancel unexecuted orders in their order books at the time that such events take effect. Where any such cancelled orders were being worked by us on your behalf, we consider your related order(s) to also be cancelled by you and in such circumstances our sales staff will refer to you for express renewal of instructions concerning the securities of the relevant issuer.
- 9.2. You shall be responsible for instructing us to procure the exercise of any voting, conversion or subscription rights, deal with take-over or other offers or capital re-organisations or effect any other corporate actions with respect to your investments and we shall have no obligation to notify you of any such rights or actions nor shall we be obliged to take any action in respect of such rights or actions unless and until we receive timely instructions from you.
- 9.3. We shall be entitled to carry out all Transactions in accordance with the constitution, bylaws, rules, regulations, customs or practices of the relevant market, exchange and/or clearing house whether imposed on you or us. We may take all such steps as may be required or permitted by such laws, rules, regulations, customs and/or market practice ("**Applicable Rules**"). We will be entitled to take or not take any reasonable action we consider fit in order to ensure compliance with the same and all such actions so taken will be binding upon you. In the event of any conflict between these Terms and any Applicable Rules, the Applicable Rules shall prevail, provided that nothing in this clause shall affect our rights under clause 22 of these Terms.

- 9.4. In order to give effect to your dealing instructions, we may instruct a broker selected by us in our discretion. We undertake to use reasonable care and skill in the appointment and supervision of any other broker and to make available to you and take such action on your behalf as you may reasonably request in relation to any rights we have against such broker.
- 9.5. We may at our discretion and subject to MAS Rules aggregate your orders with our own orders or those of other clients of ours. We will allocate the proceeds of such orders among the participating clients in a manner which we believe to be fair and equitable and in accordance with our order allocation policy. If the combined order is not executed at the same price we may average the prices paid or received and debit or credit you with the average net price. Details of the average price will be furnished to you. Aggregation of orders in this way may on some occasions operate to your advantage, but may on other occasions operate to your disadvantage.
- 9.6. Where we are unable or consider it undesirable or inappropriate to execute your order at once or in a single transaction, we may execute it over such period as we deem appropriate and we may report to you an average price for a series of transactions so executed instead of the actual price of each transaction.
- 9.7. We may undertake a programme trade or trades comprising a single transaction or series of transactions on your behalf.

## **10. SETTLEMENT**

- 10.1. Unless we agree otherwise, you are solely responsible for the due performance of every Transaction which we enter into with or for you and you shall be responsible for any losses we incur as a result of your failure to deliver appropriate settlement instructions to us.
- 10.2. If you have not delivered the appropriate funds or securities to us on the due date for settlement, we reserve the right, as appropriate, to exercise a sell-out of the relevant Securities or acquire alternative Securities by whatever means or take such other action we determine in our absolute discretion. Where we do so, our obligation to deliver the Securities or monies to you or pay the purchase price due will cease. You shall be responsible for any losses we incur arising out of your non-performance or any actions we take as a result thereof. Where permitted to do so by any Applicable Rules, we may effect a net settlement with or for you or on your behalf.
- 10.3. Our obligation to settle any Transaction, whether we are acting as principal with or agent for you, is conditional upon the receipt by us or our agents on or before the due date for settlement of all necessary documents or funds due to be delivered by you or on your behalf including, for the avoidance of doubt, settlement instructions. If, in any Transaction we deliver Securities or monies to you or to your order at that time or subsequently and, for whatever reason, your obligations are not performed simultaneously with or prior to our obligations, you shall hold on trust for us any such Securities or money received from us until your own obligations are fully performed.
- 10.4. We will normally settle transactions on a 'delivery versus payment' basis and any money or assets received will not usually be eligible to be treated as customer's money or customer's assets subject to applicable laws and regulations. However, where a situation arises where we are holding customer's moneys or assets, the terms in Clause 6 above shall apply.

## **11. CONFIRMATIONS AND STATEMENTS OF ACCOUNT**

- 11.1. We will send to you a confirmation in respect of each Transaction within the time required by and in accordance with the MAS Rules and Applicable Rules, including where applicable, the rules of the relevant exchanges. If we have instructed an intermediate or third party broker on your behalf, the confirmation may be a copy of the confirmation sent to us by the intermediate or third party broker. Confirmations posted, electronically transmitted or otherwise sent to you at your last known address

or electronic-mail address in our records will be deemed to have been received by you. For the avoidance of doubt, any communication to you via electronic-mail or by way of any other electronic form shall not incur any additional costs on your part. In particular, you have agreed that in respect of any trades carried out on the Singapore Exchange – Securities Trading, such confirmations in relation to such trades may be issued in electronic form unless and until you instruct otherwise in writing. Such confirmations will be sent to you at the electronic-mail address or to the facsimile number as you have notified to us from time to time. Any revocation of any authorisation contained herein shall be communicated to us in writing.

- 11.2. Any confirmation or statement of account which we give you in writing will be deemed correct, conclusive and binding on you if not objected to in writing by you by the dealing day prior to settlement day for the Transaction(s), unless we notify you of an error therein within the same time period.
- 11.3. In respect of statements of account, subject to Clause 11.4 below, we will provide you with the same in accordance with MAS Rules, except that no statement of account shall be furnished to you if there is no change to any of the particulars since the date on which the last statement of account was made up to. Such statement of accounts will be sent to you at the electronic mail address or to the facsimile number as you have notified to us from time to time
- 11.4. If you are an accredited investor as defined under the SFA, by accepting these Terms of Business, you shall be deemed to have requested in writing not to receive the statement of accounts on a monthly basis from us, we will not provide such statement of account on a monthly basis until we hear from you otherwise in writing.
- 11.5. For the avoidance of doubt, in respect of statement of accounts provided to you in the electronic form, no additional cost in this respect will be incurred by you unless otherwise informed to you by us in writing.

## **12. DISCLOSURE OF INTERESTS**

- 12.1. Under the MAS Rules and other applicable legislation, interests in securities are required to be disclosed under certain circumstances. Disclosure obligations may also arise under legislation of other jurisdictions. We are not responsible for advising you or your affiliates on disclosure obligations generally or any disclosure obligation which may arise from any of your instructions or which has arisen as a result of any transaction or holding or otherwise. Such disclosure obligations are entirely your and your affiliates' responsibility at all times. We shall not be liable for any loss, cost or expense from any failure or delay by you or your affiliates to disclose in accordance with any such disclosure obligation.

## **13. SHORT SELLING REQUIREMENTS**

- 13.1. Regulatory authorities in many jurisdictions around the world have issued a series of prohibition and/or disclosure requirements relating to short selling (the "**Short-Selling Requirements**"). We are required to comply with all the Short-Selling Requirements, and, as such, we are not permitted to carry out, facilitate, or arrange any trade which breaches the Short-Selling Requirements.
- 13.2. As each jurisdiction has specific Short-Selling Requirements, which have been announced and continue to be amended and reinterpreted, all clients of ours are expected to be in compliance with such Short-Selling Requirements before placing any sell order for execution. In light of these Short-Selling Requirements, effective immediately and until further notice, in the event that we, or any of our affiliates, enter into any transaction with or for you which is subject to any of the above referenced Requirements, we shall do so on the strict understanding that you shall be deemed to have



represented to us, or, as appropriate, our affiliate, that the execution of such transaction will not result in a breach of such Short-Selling Requirements.

- 13.3. Similarly, if you enter an order in any security subject to any Short-Selling Requirements on or through any electronic trading system, application or service provided by us, or any of our affiliates, you shall be deemed to have represented to us, or, as appropriate, our affiliate, that such order:
  - 13.3.1. will not result in a breach of the Short-Selling Requirements; and
  - 13.3.2. will not cause us, or, as appropriate, our affiliate(s), to make a disclosure under the Short-Selling Requirements.
- 13.4. We accept no responsibility for your failure to comply with any of the Short-Selling Requirements applicable to you.

## 14. CONFLICTS OF INTEREST

- 14.1. In accordance with MAS Rules and our own conflicts of interest policies, we have in place arrangements to manage conflicts of interest that arise between ourselves and our clients and between our different clients. Where we do not consider that the arrangements under our conflicts of interest policies are sufficient to manage a particular conflict, we will inform you of the nature of the conflict so that you can decide how to proceed.
- 14.2. In relation to any transaction we broker, execute or arrange for or with you, we may have an interest, relationship, arrangement, or duty which is material or which gives or may give rise to a conflict of interest with your interest(s) in relation to the investment or transaction concerned or investments or assets underlying, derived from or otherwise directly or indirectly related to such investments (a "**material interest**"). We will take all necessary steps to ensure fair treatment for you in relation to any such transactions and will manage any conflict of interest in accordance with our conflicts of interest policies.
- 14.3. Your attention is drawn to the fact and you acknowledge that we are involved in providing a range of services including providing research. As such we may have a material interest or a conflict of interest in the services or transactions we carry out with or for you. We have in place internal procedures pursuant to our conflict of interest policies to ensure that our various business areas operate independently of each other and restrict access by the particular employee(s) responsible for handling your affairs to certain areas of information.
- 14.4. Accordingly:
  - 14.4.1. we will provide Services to you under these Terms on the basis of information actually known to the particular employees responsible for handling your affairs; and
  - 14.4.2. as a result of our relationship with other clients we may in some circumstances be unable to provide Services to you and we shall not be obliged to disclose the reason why or any further information relating thereto.
- 14.5. You agree that we are entitled to provide Services to you, notwithstanding that we may have a material interest in or a potential conflict of interest in relation to the transaction or investment concerned and you consent to our acting in any manner which we would consider appropriate in such cases. A material interest may include but is not limited to circumstances where we may:
  - 14.5.1. be dealing as principal for our own account by selling the investment concerned to you or buying it from you, or being a market-maker or otherwise having a holding or dealing position in the investment concerned or an associated investment;
  - 14.5.2. be providing services to another person in relation to an investment in relation to which you are entering into Transactions;

- 14.5.3. have other business relationships, including investment banking relationships, with the company, or a related entity, which is the subject of the Transaction you have instructed us to broker, execute or arrange for or with you pursuant to these Terms;
  - 14.5.4. receive payments or other benefits for giving business to a firm with or through which your order is brokered, placed or executed;
  - 14.5.5. trade (or may have traded) for our own account (or for or on behalf of other clients), have either a long or short position in the investment concerned, or other related investments, or otherwise pursue our legitimate business as a market-maker or dealer (including entering into an agreement for the underwriting of an issue of financial instruments) in connection with the investment concerned or related or other investments;
  - 14.5.6. execute hedging transactions prior to or following receipt of an order or information concerning a contemplated order or Transaction from you or from someone acting on your behalf in order to manage our risk in relation to Transactions you are entering into or contemplating, or execute Transactions in order to facilitate the dutiful execution of your order or manage our own market-maker or dealing activities, all of which may impact on the price you pay or receive in relation to such Transactions, and any profits generated by such hedging or other Transactions may be retained by us without reference to you; or
  - 14.5.7. provide investment research (as defined in clause 14.8).
- 14.6. We shall be entitled to carry out a Transaction for you or provide any Services to you notwithstanding any such material interest and shall not be under a duty to disclose to you any profit arising therefrom without further reference to you to the extent permissible under MAS Rules. However, in such cases we may also in our absolute discretion decline to carry out a Transaction with or for you or to give advice, investment research or provide research reports to you.
  - 14.7. We shall not be liable to account to you for, or (save in respect of fees or commissions charged to you) to disclose to you the amount of any profit, commission or remuneration made or received (whether from any client or by reason of any material interest or otherwise) by us by reason of any Services provided to you.
  - 14.8. Our policy is to distribute investment research material produced by us or our affiliates to our clients and to support the provision of our Services and our affiliates' trading activities ("**investment research**"). The following terms apply in relation to all investment research:
    - 14.8.1. We shall be under no obligation to you to ensure that any information given to you takes into account of any investment research save to the extent otherwise required by the applicable laws, rules and regulations.
    - 14.8.2. No investment research provided to you by us shall constitute an offer or an invitation by or on behalf of us to any person to buy or sell any investments.
    - 14.8.3. In all cases, you should conduct your own investigation, verification and analysis of any information contained in investment research provided to you by us before taking or omitting to take any action either in relation to investments or markets.
    - 14.8.4. We or our affiliates may from time to time have a long or short position in any of the investments mentioned in any investment research and may buy or sell those investments.
    - 14.8.5. We or our affiliates may from time to time provide corporate finance or other services for or solicit or seek to obtain corporate finance or other business from any entity referred to in any investment research.
    - 14.8.6. All investment research is provided subject to the terms, notices, disclosures, disclaimers and notices contained therein.

## 15. FEES AND CHARGES

- 15.1. In respect of orders we broker, execute or arrange on your behalf that are subsequently executed by or with our affiliate(s), our affiliates' fees will be calculated on a commission basis and collected from you on each relevant Transaction or on such other basis as agreed between such affiliate(s) and you or as notified by them to you from time to time.
- 15.2. You will be responsible for the payment of any commissions, brokerage fees, transfer fees, registration fees, any applicable duties and taxes, and all other liabilities, charges, costs and expenses payable in connection with transactions effected or Services provided by us on your behalf or by our affiliate(s).
- 15.3. In the event that you request and we agree to exercise discretion incidental to providing any Services to you, you acknowledge and agree that we may receive goods or services ("**Soft Dollars**") from a custodian or a third party broker in consideration of directing execution business on your behalf to such custodian or third party broker provided that (i) the Soft Dollars received by us are of demonstrable benefit to you, and (ii) the execution of any transaction(s) by a custodian or third party broker is consistent with applicable best execution requirements and any fees, commissions or charges payable to such custodian or third party broker are not in excess of customary full-service brokerage rates.
- 15.4. In the course of providing Services to you, we may also pay or share fees, commissions or other non-monetary benefits to or with any other person to the extent permitted by applicable law, rule or regulation.

## 16. PAYMENTS

- 16.1. You agree to pay any amounts due to us by you as they become due regardless of any rights of equity, counterclaim or set-off which you may have against us and free and clear of, and without withholding or deduction for, any taxes of whatsoever nature, unless the same is required by any applicable laws, rules or regulations binding on you. In that event, unless otherwise agreed, you will pay such additional amounts as will result in the net amounts receivable by us (after taking account of such withholding or deduction) being equal to such amounts as would have been received by us had no such taxes been required to be withheld or deducted.
- 16.2. If on any date amounts which would otherwise be payable in the same currency both by us to you and by you to us, then we may aggregate the amounts so payable on such date and only the difference between the two aggregate amounts will be paid by the party owing the larger aggregate amount.
- 16.3. You authorise us to debit any of your accounts, whether held by us, the Custodian, a third party or our affiliate(s), to pay any amounts due to us pursuant to these Terms or any Transaction effected hereunder, including any of our fees.
- 16.4. If you fail to pay any amount when due and payable to us, we reserve the right to charge you interest on any such amount until the date payment is received by us at the effective cost to us of borrowing the due amount in the relevant money markets as determined in our absolute discretion. Interest will accrue on a daily basis and will be due and payable as a separate debt.
- 16.5. We may deduct or withhold all forms of tax from any payment if obliged to do so under applicable laws or rules binding on us. In accounting for tax or making deductions or withholdings of tax, we may estimate the amounts concerned. Any excess of such estimated amount over the final confirmed liability shall be credited or sent to you as soon as practicable after the determination of the final liability.

- 16.6. Except as otherwise required or determined by applicable law or market custom, you shall be solely responsible for all notices, filings, tax returns and reports on any transactions which must be made by you to any relevant authority, whether governmental or otherwise, and for the payment of all taxes (including without limitation any transfer, withholding or value added taxes), imports, levies or duties due from you on any income, dividends, principal or interest, or any other liability or payment arising out of or in connection with a transaction.
- 16.7. If we receive or recover any amount in respect of an obligation of yours in a currency other than that in which such amount was payable, whether pursuant to a judgment of any court or otherwise, you shall indemnify us and hold us harmless from and against any cost (including costs of conversion) and loss suffered by us as a result of receiving such amount in a currency other than the currency in which it was due.

## **17. LIABILITY AND INDEMNITY**

- 17.1. We shall not be liable for any default of any counterparty, bank, custodian, sub-custodian or other entity which holds money, investments, property, assets or other documents of title on your behalf or with or through whom Transactions on your behalf are conducted.
- 17.2. We will not be liable for any or all losses suffered by you in connection with the Services howsoever arising whether under contract, tort or otherwise unless such loss directly arises from our gross negligence, wilful default or fraud.
- 17.3. You shall on demand indemnify and keep us, and our affiliates for each of our and their directors, officers, partners, employees and agents, and each of their respective heirs, successors and assigns (our "**Officers**") against any cost, taxes, expense, damage, loss or liability whatsoever which may be suffered or incurred by us or any of our Officers as a result of any Transaction, action or step taken by us under these Terms (including the costs of enforcing the same) unless, and then only to the extent that, such cost, expense, damage, loss or liability is finally judicially determined to be fraudulent, in wilful default or grossly negligent on our part or on the part of any of our Officers.
- 17.4. Neither we nor any of our Officers shall be liable for any loss arising from any act or omission of any agent or third party who performs Services pursuant to these Terms except to the extent that such loss is caused by wilful default, fraud or gross negligence in the selection of such agents or third parties on the part of us or our Officers.
- 17.5. In no event shall we or any of our Officers be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for indirect, consequential or special damages, howsoever arising, whether or not advice of the possibility of such loss or damages was provided.

## **18. CLIENT'S WARRANTIES**

You hereby represent and warrant (which representations and warranties shall be deemed to be repeated by you on each date on which a Transaction is entered into under these Terms) that:

- 18.1. you have full power and authority to enter into these Terms, each Transaction and any other documentation relating thereto, and to perform your obligations thereunder and each Transaction;
- 18.2. you are an investor falling under the definition of "accredited investor", "institutional investor" or "expert investor" as defined in the SFA and as set out in Appendix 1 hereto, and you further undertake to inform us immediately and without delay once you no longer fall within such definition;
- 18.3. you will be liable to us or our affiliates (as applicable) in respect of all obligations and liabilities arising from Transactions effected on your instructions;

- 18.4. entering into these Terms or any Transaction contemplated hereunder will not violate or conflict with any law applicable to you, any provision or any constitutional documents or any charge, trust deed, contract or other instrument or any contractual restrictions applicable to, binding on or affecting you or any of your assets or oblige you to create any lien, security interest or encumbrance;
- 18.5. all governmental, regulatory and other consents that are required to have been obtained by you in relation to these Terms or any Transaction contemplated hereunder have been obtained and are in full force and effect and all conditions of any such consents have been complied with;
- 18.6. you will comply with all laws, rules, regulations and disclosure requirements of any relevant jurisdiction, exchange, market or regulatory authority which apply in respect of us, you or your investments from time to time;
- 18.7. you will promptly give (or procure to be given) to us such information and assistance as we may reasonably require to enable us to assist or achieve compliance with any of the obligations of these Terms, any Applicable Rules, rules of any exchanges or clearing corporations that we may transact with or on your behalf and the MAS Rules (including, without limitation, the MAS' Notice to Capital Markets Licensees and Exempt Persons on Prevention of Money Laundering and Countering the Financing of Terrorism [MAS Notice SFA04-N02]) in relation to the Services;
- 18.8. all investments to which these Terms apply are and will be so long as these Terms are in force, free from any impediment which would prevent any related transactions between you and us and are beneficially owned by you or the person or ultimate beneficiary on whose behalf you are acting directly or indirectly; and
- 18.9. you, or any individual placing orders with us on your behalf, are not in possession of or have access to any price sensitive or inside information or relevant information which would or may affect your ability to lawfully abide by these Terms or the MAS Rules or enter into any Transaction with us.

## 19. ASSIGNMENT AND AMENDMENT

- 19.1. The obligations under these Terms bind, and the rights will be enforceable by, the parties to these Terms and their respective successors, permitted assigns and personal representatives.
- 19.2. Subject to clause 16.3 below, neither you nor us may novate or assign any of your or our respective rights and/or obligations under these Terms, any corresponding transaction or any contract without the prior written consent of the other.
- 19.3. You hereby give your consent to us causing, at any time, all or any part of our rights and/or obligations under these Terms to be transferred to any of our affiliates (each a "**Transferee**") by delivering to you a substitution notice. Such transfer shall be without prejudice to then outstanding rights between you and us. Upon delivery of a substitution notice to you:
  - 19.3.1. your rights and obligations under these Terms will remain the same but you will be bound to the Transferee in place of us; and
  - 19.3.2. we will be released from our obligations to you in so far as these are assumed by the Transferee under this clause.
- 19.4. To the extent required by, or consequential to, any such transfer you agree to enter into further documentation and/or particular terms as we or any Transferee may reasonably require solely in order to make or facilitate the action envisaged in clause 19.3 above and to enter into such new arrangement with you concerning the Services under these Terms.
- 19.5. We will notify you of any material changes to our Terms by posting updated versions of the applicable documents on our website at [www.jefferies.com](http://www.jefferies.com).

19.6. Any amendment to these Terms shall take effect on such date as we shall specify (being not less than 10 days after the notification of the change(s) unless it is impracticable for us to do so). If you trade or continue to trade with us after the amendments to these Terms take effect, you will be deemed to have agreed to such amendments. We will trade or continue to trade with you in reliance of your agreement as such.

## **20. COMPLAINTS**

If you have a complaint about us, you should raise it in the first instance with your usual Jefferies contact. If you are not satisfied with the response of your usual Jefferies contact (or if you prefer not to raise the matter with such person) you may communicate with our Compliance Officer directly in connection with your grievance or complaint.

## **21. NOTICES, INSTRUCTIONS AND OTHER COMMUNICATIONS**

21.1. All correspondence, notices, certificates and statements of account ("**Notices**") may be provided to you by whatever means unless otherwise required by the MAS Rules. Any Notices will be sent or transmitted to you in accordance with your communication details and will be deemed to have been received (whether or not actually received) where we can demonstrate having sent or transmitted them.

21.2. All Notices will, in the absence of manifest error, be deemed correct, conclusive and binding on you if not objected to in writing by you within three days of receipt.

## **22. EVENTS OF DEFAULT**

22.1. If:

22.1.1. you fail to make any payment or to deliver any Securities due to us, our affiliates or agents used by us in providing the Services to you or to perform any other obligation owed to us or any representation or warranty you make to us proves false or misleading either under these Terms or under any other agreement between you and us or our affiliates; or

22.1.2. you become unable to pay your debts as they fall due or become insolvent or bankrupt or become the subject of any insolvency, bankruptcy or administration proceedings (under any applicable rules);

22.1.3. a distress, attachment, execution or other legal process is levied, enforced or sued out on or against your assets and is not discharged or stayed within 14 days;

22.1.4. if any event occurs or circumstances arise which may in our reasonable opinion amount to a material adverse change in or a considerable risk to your financial position, in particular if you suspend payments or announces your intention to suspend payments, or any similar action is taken;

22.1.5. any other indebtedness of yours is or is declared to be or is capable of being rendered due and payable before its normal maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due or, as a result of any actual or potential default, event of default or the like (however described), any facility relating to any such indebtedness is or is declared to be or is capable of being cancelled or terminated before its normal expiry date or any person otherwise entitled to use any such facility is not so entitled; or

22.1.6. a winding-up resolution is passed or a winding-up or administration order is made in respect of you or a receiver, liquidator, administrator or similar official is appointed in respect of you or any of your property (under any applicable rules);

- 22.2. Upon the occurrence of any event set out in Clause 22.1, there shall be deemed an event of default, and we shall be entitled, without prior notice to you, to take any or all of the following actions:
- 22.2.1. set-off or realise or sell any or all of the investments or monies and other property which we are holding or are entitled to receive on your behalf as we wish and in the order we deem fit, without having to give prior notice, on any exchange or market or by way of private contract, up to the amount of our claim in any indemnified sum, principal, interest, fees and all other incidental expenses and to apply the proceeds in or towards satisfaction of any obligation or liability you may have to us (including any contingent or prospective liability). We shall be entitled to act as the counterparty and purchase the investments and other property, whether on any stock exchange or market or by private contract, on the same terms as would apply to any other purchaser;
  - 22.2.2. terminate our agreement to provide the Services and treat any or all outstanding Transactions between you and us or our affiliated companies as having been cancelled or terminated; and/or
  - 22.2.3. set off any obligation we owe to you against any obligation or liability you may have to us (including any contingent or prospective liability); and/or
  - 22.2.4. instruct the close out, replacement or reversal of any Transaction, enter into any other Transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at our sole discretion, we consider necessary or appropriate to cover, reduce or minimize our or affiliates' loss or liability under or in respect of any contracts, positions or commitments.
- 22.3. Without prejudice and in addition to any right of set-off or other similar right which we may be entitled to exercise whether by law or otherwise over any of your investments, monies or other property, your investments, monies and other property shall be subject to a general lien in our favour, insofar as there remain monies, claims, indebtedness, obligations and/or liabilities (regardless of their due date or currency) (whether actual or contingent, liquidated or otherwise) outstanding from you to us or our affiliates until all liabilities, including contingent liabilities, shall have been fully discharged and satisfied.
- 22.4. Without prejudice to the rights set out above, we shall also be entitled to apply any present, contingent and future investments, monies or other property and claims of yours or owing to you in or towards satisfaction of all or any of the monies, claims, indebtedness, obligations and/or liabilities (regardless of their due date or currency) whether actual or contingent, liquidated or otherwise which may now or at any time in the future be due owing or incurred by you to us or our affiliates until all liabilities, including contingent liabilities shall have been fully discharged and satisfied.

## **23. TERMINATION**

- 23.1. Without prejudice to anything contained in clause 22, these Terms may be terminated by either you or us at any time upon either party giving to the other written notice of termination (to take effect immediately upon receipt or as otherwise specified in the notice or by applicable law).
- 23.2. Termination of these Terms pursuant to clause 23.1 shall be:
- 23.2.1. without prejudice to the completion of any Transaction or Transactions already initiated and any Transaction or all Transactions outstanding at the time of termination will be settled and delivery made;
  - 23.2.2. without prejudice to and shall not affect any accrued rights, existing commitments or any contractual provision intended to survive termination; and
  - 23.2.3. without penalty or other additional payment save that you will pay: (i) our outstanding fees and charges; (ii) any expenses incurred by us in the provision of the Services or under the

Terms payable by you; (iii) any additional expenses incurred by us in terminating; and (iv) any losses necessarily realised in settling or concluding outstanding obligations.

## 24. RIGHTS OF THIRD PARTIES

No person who is not a party to these Terms (other than any of our affiliates) may enforce any of the provisions or rely on any exclusion or limitation of liability contained herein.

## 25. CONFIDENTIALITY

25.1. We shall be under no duty to disclose to you any information in making any decision or taking any action in connection with the provision of the Services, or to take into account any information or other matters which come to our notice or the notice of any of our Officers:

25.1.1. where this would, or we reasonably believe that it would, be a breach of any duty of fidelity or confidence to any other person; or

25.1.2. which comes to the notice of one of our Officers, but does not come to the actual notice of the account executive or other individual providing you with the Service in question.

25.2. We and you will at all times keep confidential and shall not disclose to a third party any information of a confidential nature acquired in connection with the Terms or the Services, except for information which either of us is bound to disclose under compulsion of law or by request of regulatory agencies or to our respective professional advisers or, in our case, where disclosure to a third party such as an intermediary or clearing house is necessary in order to facilitate the proper performance of the Services.

25.3. In cases where you are not the ultimate beneficiary or where you are not the person(s) ultimately responsible for originating the order or instruction (together "**Ultimate Owners**") in relation to a Transaction to be executed with or through us, you agree and/or undertake:

25.3.1. to provide, or to have arrangements with the Ultimate Owners for them to provide, directly to us, or the MAS ("**Regulators**") information relating to the Ultimate Owners as required under the MAS Rules or as the Regulators may request, including without limitation, the name, identification number, date of birth / incorporation, address, nationality / place of incorporation, occupation and contact details of the Ultimate Owners, notwithstanding any rights to confidentiality or secrecy, whether in law or otherwise of you and/or the Ultimate Owners and/or any intermediary parties between you and the Ultimate Owners, within the time specified by us or the Regulators; and

25.3.2. your obligations under this clause 25.3 shall survive and continue to be effective and binding on you notwithstanding the closing of your account(s) and/or termination of your relationship with us.

## 26. PERSONAL DATA

26.1. You may have provided and may, from time to time, provide to us personal data concerning you or your directors, officers, employees, authorised signatories, partners, shareholders, beneficial owners, other persons who may give instructions on your behalf or benefit commercially or economically or bear the commercial or income risk of Transactions under or pursuant to your investments or these Terms. The term "personal data" shall have the meaning ascribed to it under the Personal Data Protection Act 2012 of Singapore (the "**PDPA**").

26.2. You acknowledge that failure to supply all of the data requested by us may result in our being unable to provide you with the Services.



26.3. When disclosing such personal data to us, you represent, warrant and undertake that:

26.3.1. for any personal data of individuals that you are or will be disclosing to us, you would have prior to disclosing such personal data to us obtained the appropriate consent from the individuals whose personal data are being disclosed to:

- (i) permit you to disclose the individuals' personal data to us for the Purposes (as defined under clause 26.4. below);
- (ii) permit us (in Singapore or elsewhere) to collect, retain, use, disclose and/or process the individuals' personal data for the Purposes; and/or
- (iii) notify you if we at any time receive notice from any such individuals that such individual has withdrawn his consent to the collection, use or disclosure by us of personal data about him for any Purpose;

26.3.2. any personal data that you are or will be disclosing to us is accurate and complete. Further, you shall give us notice in writing as soon as reasonably practicable should you become aware that such personal data has been updated and/or changed after such disclosure;

26.3.3. you shall give us notice in writing as soon as reasonably practicable should you become aware that any individual mentioned above has withdrawn such consent as set out under clause 26.3.1. above). Without prejudice to our rights under law and/or the agreements between you and us, upon the receipt by us of the said notification or, in the event that we at any time receive notice from any such individuals that such individual has withdrawn his consent to the collection, use or disclosure by us of personal data about him for any Purpose, we shall have the right to discontinue or not provide any of the Services under these Terms; and

26.3.4. you shall otherwise assist us to comply with the PDPA and all subsidiary legislation related thereto.

26.4. You hereby expressly consent to and authorise us and our directors, officers, employees, contractors and/or agents (whether third parties or otherwise) collecting, using, disclosing and/or processing any and all of your information and/or data including, but not limited to, personal data for any one or more of the following purposes (collectively, the "**Purposes**"):

26.4.1. carrying out your instructions, processing any application for account opening, Services, products provided or to be provided to you, communicating with you or responding to any enquiry from you or from your agent;

26.4.2. new or existing client verification procedures, on-going account administration and marketing our products to you;

26.4.3. transfer of such data to any place outside Singapore for the purposes of the maintenance of your account(s) and/or the execution of any Transaction(s);

26.4.4. reviewing and approving your application(s) for account(s), Services or products provided or to be provided to you, the conduct of initial and anticipatory credit checks and assessments, relevant checks and reviewing on-going creditworthiness of you or any other person;

26.4.5. the recovery of any and all amounts or fulfilling or enforcing your obligations to us (of whatsoever nature and howsoever arising whether present or future, actual or contingent, as primary obligor or as guarantor or surety), including, but not limited to, the collection of amounts outstanding from you or any other person;

26.4.6. comparison with any other personal data (howsoever collected) for the purposes of:

- (i) credit checking; and
- (ii) data verification;

26.4.7. any purpose relating to or in connection with compliance with any Applicable Rules in Singapore or elsewhere, including, but not limited to, those designed to combat financial crime, countering the financing of terrorism, anti-bribery, anti-money laundering or know-your-customer or any requirements relating to disclosures to be made to the MAS, or any regulator, government or government body or other exchange or clearing house in or outside Singapore at which any of the Transactions are executed or cleared or for risk management or monitoring procedures or practices;

26.4.8. administering and/or managing your relationship and/or account(s) with us;

26.4.9. providing you with our Services and/or products, whether in or outside Singapore, including, but not limited to, the purposes of providing or operating the said Services and/or products and for investigation of any discrepancies, errors or claims;

26.4.10. dealing in or carrying out any acts, deeds, matters or things relating to your account(s), the Services and/or products which may be provided to you pursuant to these Terms or any other agreement or contract which you have entered or will be entering into with us (including, but not limited to, the making, printing, mailing, storage, microfilming and/or filing of correspondence, statements, invoices, confirmations, advices, information, data, reports, notices, labels, mailers or any other documents on which your information may appear, which may or could possibly involve the use or disclosure of certain personal data to bring about or attempt delivery of the same as well as on the external cover of envelopes/mail packages or otherwise);

26.4.11. preventing, detecting and investigating fraud, misconduct, any unlawful action or omission, whether relating to your application(s) or any other matter relating to your account(s), Services or products provided or to be provided to you, and whether or not there is any suspicion of the aforementioned;

26.4.12. managing or administering our infrastructure and business operations, and complying with policies and procedures that may be required by Applicable Rules or that may have been put in place by us, including those relating to auditing, finance and accounting, billing and collections, information technology systems, data and website hosting, training, testing, business continuity, and records, document and print management;

26.4.13. if consented by you in the application form(s), account opening document(s) and/or other methods of consent notification, to provide for the dispatch of marketing/promotional information relating to financial or investment services or products offered by us or any of our respective business partners and/or related companies which we think may be of benefit or interest to you via your consented method(s) of communication; and/or

26.4.14. any other reasonable purpose relating to or in connection with the business or dealings of ourselves and our affiliates as we may deem appropriate from time to time.

26.5. You authorise us, without further notice to or consent from you, and for the Purposes, to disclose and/or process any information and/or data including, for the avoidance of doubt, personal data or information on your account or business with us, as we shall in our discretion consider appropriate to any or all of the following:

26.5.1. any of our affiliates and their respective directors, officers and employees;

- 26.5.2. any actual or proposed assignee of any of our rights and obligations or those of any of our affiliates, or participant or sub-participant in or transferee of any of the rights of such person in relation to you;
- 26.5.3. any agent, delegate, nominee, contractor, third party service provider of administrative, legal, telecommunications, computer, financial intermediary, payment, execution, clearing or other services or facilities in connection with the opening or operation of your account or marketing of facilities related to your account, other provider of services or facilities to any person to whom data is passed, registrar or centralised depository for any Transaction or other person who participates in the provision of services and/or products to you;
- 26.5.4. any of the MAS, or any regulator, government or government body or other exchange or clearing house in or outside Singapore at which any of the Transactions are executed or cleared or court of law;
- 26.5.5. any person when required to do so pursuant to a subpoena or other court process issued out of any applicable jurisdiction;
- 26.5.6. any financial institution with whom you have or propose to have dealings;
- 26.5.7. any third party printer, storage or archival service provider (including but not limited to any provider of microfilm service or any electronic storage, archival or recording facility);
- 26.5.8. the police or any public officer conducting an investigation in connection with any offence;
- 26.5.9. any issuer of securities and/or such other investments, financial instruments or products of which you or the individuals to whom the Personal Data relate to are a beneficial owner of such securities and/or such other investments, financial instruments or products as contemplated under these Terms;
- 26.5.10. any credit bureau and/or its or its compliance committee and for such credit bureau and/or its compliance committee to disclose the personal data to third party or parties, including but not limited to its member banks or financial institutions;
- 26.5.11. any credit reference agency, rating agency, business partner, insurer or insurance broker, direct or indirect provider of credit protection, bank or financial institution, and, in the event of default, to debt collection agencies;
- 26.5.12. to our auditors and advisers including, but not limited to, its legal, regulatory, tax, financial and/or accounting advisers;
- 26.5.13. any person or entity participating in the merger/acquisition or proposed merger/acquisition of us, any of us or any of our respective holding companies with/by another company;
- 26.5.14. any of our successors-in-title or prospective successors-in-title;
- 26.5.15. any person to the extent required for us to defend our respective lawful interests, specifically for the purposes of defending or asserting our respective rights and interests against you or a third party insofar as such proceedings relate to their respective relationships with you;
- 26.5.16. any person when otherwise required to do so in accordance with Applicable Rules in Singapore or elsewhere, where applicable, or
- 26.5.17. to such other person that we may reasonably deem appropriate from time to time,

whether located in or outside Singapore and such third parties may likewise collect, use, disclose and/or process such information and/or data for one or more of the above Purposes, provided always that we shall not divulge information relating to any Transaction(s) held by us unless the requirements of Regulation 47(2) of the Securities and Futures (Licensing and Conduct of Business) Regulations are met.

- 26.6. You further authorise us to make such enquiries and carry out such credit checks and assessment on you and to obtain from any third party any and all information regarding you or your relationship or account(s) with such third party as we may in our sole and absolute discretion deem fit and undertake to execute and deliver such documents as we may require for the purposes of such enquiries, credit checks and assessment and the obtaining of such information, including but not limited to a letter of authorisation in such form as we may require.
- 26.7. To the extent that applicable laws, rules and regulations (including, but not limited to, Singapore data protection laws and regulations and any and all laws, regulations, rules, orders, directives, notices, guidelines, good practices and standards which may be applicable to us and/or our businesses in respect of the prevention of money laundering and/or the countering of financing of terrorism) or MAS Rules allow, you have the right to access and/or correct your personal data. You acknowledge that some personal data may be exempt from such access and/or correction rights. Any such request for access to and/or correction of your personal data should be in writing and addressed to us at our address for the time being in force. We may charge an administrative fee for the processing of any request to access personal data.
- 26.8. You consent to us transferring any personal data to any party to whom we are authorised to disclose the same to under this clause notwithstanding that such party's principal place of business is outside of your country of domicile or incorporation, as the case may be, or that such data following disclosure shall be collected, held, processed or used by such party in whole or part outside of your country of domicile or incorporation or the transfer is otherwise made to a person outside Singapore.
- 26.9. For the avoidance of doubt, in the event that Singapore personal data protection laws or Applicable Laws permit an organisation such as us to collect, use or disclose personal data without consent, such permission as may be granted shall continue to apply.
- 26.10. You agree that where your written consent or permission is required by law, regulation or otherwise for any such collection, use, disclosure and/or processing of personal data by us, the signing or electronic agreement or acceptance via application form(s), account opening document(s), consent form(s) and/or other methods of consent notification, as well as in any other manner permitted by law or regulation shall constitute and be deemed to be sufficient written consent or permission for such collection, use, disclosure and/or processing of personal data.
- 26.11. Our rights under this clause shall be in addition to and without prejudice to our other rights and powers available pursuant to any other statutory provision and in law or regulation and nothing herein is to be construed as limiting any of these other rights and powers.
- 26.12. Where personal data is transferred to any of our affiliates outside of Singapore, Jefferies Singapore Limited will ensure that suitable binding corporate rules are put in place to ensure that such entities provide a standard of protection to personal data so transferred that is comparable to the protection under the PDPA.
- 26.13. Where personal data is transferred to other third parties outside of Singapore, Jefferies Singapore Limited will ensure that suitable contracts between Jefferies Singapore Limited and the third parties are put in place to ensure that such third parties provide a standard of protection to personal data so transferred that is comparable to the protection under the PDPA.

26.14. Through the above-said binding corporate rules or contracts, such affiliates or third parties will be legally compelled to comply with the personal data protection principles and obligations. Specifically, these obligations are:

26.14.1. to collect, use and disclose personal data only pursuant to the purpose that the personal data was collected for;

26.14.2. to take reasonable efforts to ensure that the personal data is accurate and complete;

26.14.3. to take reasonable security measures to protect the personal data from unauthorized access, collection, use, disclosure, modification, copying and other similar risks;

26.14.4. to only retain the personal data if there is a business or legal purpose to do so, or to destroy or anonymize any personal data that is no longer needed;

26.14.5. to maintain a set of policies and procedures on personal data protection; and

26.14.6. to provide individuals with access and correction rights in relation to their personal data.

26.15. If you do not wish for us to collect, retain, use or disclose your personal data for any of the above Purposes, to the extent applicable under Singapore personal data protection laws and regulations, you may withdraw your consent at any time by written notice to Jefferies Singapore Limited, however, depending on the circumstances and the nature/extent of your withdrawal, your withdrawal of consent may result in our inability to open or maintain account(s) for you or to provide you with Services and products and hence, may result in the termination of your relationship and/or account(s) with us or result in other consequences of a legal nature which may arise by virtue of your legal relationship with us.

## **27. FORCE MAJEURE**

Whilst we will endeavour to comply with our obligations in a timely manner, we will incur no liability whatsoever for any partial or non-performance of our obligations by reason of any cause beyond our reasonable control including but not limited to any communications, systems or computer failure, market default, suspension, failure or closure, or the imposition or change (including a change of interpretation) of any law or governmental or regulatory requirement and we shall not be held liable for any loss you may incur as a result thereof.

## **28. MISCELLANEOUS**

28.1. You acknowledge and agree that in conducting business with us pursuant to the Terms, you do not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person other than as expressly set out in the Terms.

28.2. Nothing in these Terms (or any of the arrangements contemplated by them) shall be deemed to create a partnership between you and us.

28.3. No failure to exercise or delay in exercising any right or remedy under the Terms shall constitute a waiver thereof and no single or partial exercise of any right or remedy under the Terms shall preclude or restrict any further exercise of such right or remedy. The rights and remedies contained in the Terms are cumulative and not exclusive of any rights and remedies provided by law.

28.4. If any provision in these Terms shall in whole or in part be held by any Court of competent jurisdiction to any extent to be illegal or unenforceable under any enactment or rule of law that provision or part shall to that extent be deemed not to form part of the Terms and the enforceability of the remainder of the Terms shall not be affected thereby.

28.5. You undertake to notify us as soon as possible in the event of any material change to your name or address.

## **29. GOVERNING LAW**

29.1. The Terms and any dispute or claim arising out of or in connection with the Terms shall be governed by and construed in accordance with the laws of Singapore. The parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Singapore for the purpose of hearing and determining any dispute arising out of or in any way relating to these Terms or their formation and for the purpose of enforcement of any judgment against the assets of the parties.

29.2. Where you do not have a permanent place of business in Singapore, you agree to appoint and keep appointed an agent in Singapore for the service of process and to notify us of the identity of such agent forthwith.

## APPENDIX 1

### DEFINITION OF VARIOUS INVESTORS

An "accredited investor" refers to

- (i) an individual:
  - (A) whose net personal assets exceed in value S\$2 million (or its equivalent in a foreign currency) or such other amount as MAS may prescribe in place of the first amount; and
  - (B) whose income in the preceding 12 months is not less than S\$300,000 (or its equivalent in foreign currency) or such other amount as MAS may prescribe in place of the first amount;
- (ii) a corporation with net assets exceeding \$10 million in value (or its equivalent in a foreign currency) or such other amount as MAS may prescribe, in place of the first amount, as determined by:
  - (A) the most recent audited balance-sheet of the corporation; or
  - (B) where the corporation is not required to prepare audited accounts regularly, a balance-sheet of the corporation certified by the corporation as giving a true and fair view of the state of affairs of the corporations as of the date of the balance-sheet, which date shall be within the preceding 12 months;
- (iii) the trustee of such trust as MAS may prescribe, when acting in that capacity;
- (iv) an entity (other than a corporation) with net assets exceeding \$10 million in value (or its equivalent in a foreign currency);
- (v) a partnership (other than a limited liability partnership within the meaning of the Limited Liability Partnerships Act 2005 (Act 5 of 2005)) in which each partner is an accredited investor;
- (vi) a corporation, the sole business of which is to hold investments and the entire share capital of which is owned by one or more persons, each of whom is an accredited investor; or
- (vii) such other person as MAS may prescribe.

An "institutional investor" means:

- (i) the Government;
- (ii) a statutory board as may be prescribed by regulations made under section 341 of the SFA;
- (iii) an entity that is wholly and beneficially owned, whether directly or indirectly, by a central government of a country and whose principal activity is —
  - (A) to manage its own funds;
  - (B) to manage the funds of the central government of that country (which may include the reserves of that central government and any pension or provident fund of that country); or
  - (C) to manage the funds (which may include the reserves of that central government and any pension or provident fund of that country) of another entity that is wholly and beneficially owned, whether directly or indirectly, by the central government of that country;
- (iv) any entity —

(A) that is wholly and beneficially owned, whether directly or indirectly, by the central government of a country; and

(B) whose funds are managed by an entity mentioned in sub-paragraph (iii);

- (v) a central bank in a jurisdiction other than Singapore;
- (vi) a central government in a country other than Singapore;
- (vii) an agency (of a central government in a country other than Singapore) that is incorporated or established in a country other than Singapore;
- (viii) a multilateral agency, international organisation or supranational agency as may be prescribed by regulations made under section 341 of the SFA;
- (ix) a bank that is licensed under the Banking Act (Cap. 19);
- (x) a merchant bank that is approved as a financial institution under section 28 of the Monetary Authority of Singapore Act (Cap. 186);
- (xi) a finance company that is licensed under the Finance Companies Act (Cap. 108);
- (xii) a company or co-operative society that is licensed under the Insurance Act (Cap. 142) to carry on insurance business in Singapore;
- (xiii) a company licensed under the Trust Companies Act (Cap. 336);
- (xiv) a holder of a capital markets services licence;
- (xv) an approved exchange;
- (xvi) a recognised market operator;
- (xvii) an approved clearing house;
- (xviii) a recognised clearing house;
- (xix) a licensed trade repository;
- (xx) a licensed foreign trade repository;
- (xxi) an approved holding company;
- (xxii) a Depository as defined in section 81SF of the SFA;
- (xxiii) an entity or a trust formed or incorporated in a jurisdiction other than Singapore, which is regulated for the carrying on of any financial activity in that jurisdiction by a public authority of that jurisdiction that exercises a function that corresponds to a regulatory function of the MAS under the SFA, the Banking Act (Cap. 19), the Finance Companies Act (Cap. 108), the Monetary Authority of Singapore Act (Cap. 186), the Insurance Act (Cap. 142), the Trust Companies Act (Cap. 336) or such other Act as may be prescribed by regulations made under section 341 of the SFA;
- (xxiv) a pension fund, or collective investment scheme, whether constituted in Singapore or elsewhere;
- (xxv) a person (other than an individual) who carries on the business of dealing in bonds with accredited investors or expert investors;
- (xxvi) the trustee of such trust as the MAS may prescribe, when acting in that capacity; or



(xxvii) such other person as the MAS may prescribe.

An "expert investor" means —

- (i) a person whose business involves the acquisition and disposal, or the holding, of capital markets products, whether as principal or agent;
- (ii) the trustee of such trust as the MAS may prescribe, when acting in that capacity; or
- (iii) such other person as the MAS may prescribe.

## **APPENDIX 2**

### **RISK WARNINGS AND FURTHER DISCLOSURES**

Clients should note that there are significant risks inherent in investing in certain financial instruments and in certain markets. Investment in derivatives, futures, options and warrants may expose clients to risks which are different to those investors might expect when they invest in equities. Similarly, investment in shares issued by issuers in emerging markets (by which we mean those that have an underdeveloped infrastructure or which are less economically or politically stable as markets in developed countries) involves risks not typically associated with equities investment in well developed markets. Investment in any of the foregoing kinds of financial instruments is generally inappropriate for investors who do not understand and are not able to bear the risks involved. Among such risks, is the risk of losing the entire value of an investment or (in the case of certain derivative and other transactions) the risk of being exposed to liability over and above the initial investment. We set out below some specific risks and considerations for investors in relation to financial instruments of the type referred to above.

This information is not intended to constitute a comprehensive statement of all the risks to which investors might be exposed and there may be others that exist now or which may arise in the future. 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 risk. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

#### **Risk of securities trading**

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 profits made as a result of buying and selling securities.

#### **Risk of client assets received or held outside Singapore**

Client assets received or held outside Singapore are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Act and the rules made thereunder. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Singapore.

#### **Deposited cash and property**

You should familiarise yourself with the protections given to money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm 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.

#### **Risk of margin trading**

The risk of loss in financing a transaction by deposit of collateral is significant. You may sustain losses in excess of your 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. You 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, your collateral may be liquidated without your consent. Moreover, you will remain liable for any resulting deficit in your account and interest charged on your account. You should therefore carefully consider whether such a financing arrangement is suitable in light of your own financial position and investment objectives.

### **Commission and other charges**

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

### **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 regulation 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 regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

### **Currency risks**

The profit or loss in transactions in foreign currency-denominated 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.

### **Trading facilities**

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 system provider, the market, the clearing house and/or participant firms. Such limits may vary: you should ask the firm with which you deal for details in this respect.

### **Electronic trading**

Trading on an electronic trading system may differ 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 is not executed at all.

### **Off-exchange transactions**

In some jurisdictions firms are permitted to effect off-exchange transactions. The firm with which you deal 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 subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with applicable rules and attendant risks.

### **Emerging Markets**

Investors should be aware that there may be potential risks posed by volatile political, legal and commercial conditions in emerging markets which may affect the value of or result in the loss of investments. The quality and reliability of official data published by governments and their agencies in emerging markets might not be equivalent to that available in developed markets. In addition, the absence of developed securities markets as well as potentially underdeveloped banking and telecommunications systems in such countries may give rise to greater custody, settlement, clearing and registration risks. Foreign investment in issuers in emerging markets may be restricted - sometimes such restrictions may not be published and investors may not be readily made aware of them. In such circumstances, there may be

restrictions on repatriation of capital or an investment may have to be scaled down to comply with local foreign ownership restrictions.

## Options

There are many different types of options with different characteristics subject to the following conditions.

*Buying options:* Buying options involves less risk than selling options because, if the price of the underlying asset moves against you, investors can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if investors buy a call option on a futures contract and investors later exercise the option, they will acquire the future. This will expose investors to the risks described under in relation to futures and contingent liability investment transactions.

*Writing options:* If investors write an option, the risk involved is considerably greater than buying options. Investors may be liable for margin to maintain their position and a loss may be sustained well in excess of the premium received. By writing an option, investors accept a legal obligation to purchase or sell the underlying asset if the option is exercised against them however far the market price has moved away from the exercise price. If you already own the underlying asset which you have contracted to sell (when the options will be known as "covered call options") the risk is reduced. If you do not own the underlying asset ("uncovered call options") the risk can 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.

*Traditional options:* Certain London Stock Exchange member firms under special exchange rules write a particular type of option called a "traditional option". These may involve greater risk than other options. Two-way prices are not usually quoted and there is no exchange market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk.

Certain options markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time they purchase it. In this situation you may subsequently be called upon to pay margin on the option up to the level of your premium. If you fail to do so as required, your position may be closed or liquidated in the same way as a futures position.

## APPENDIX 3

### EXPLANATION OF EFFECT OF BEING TREATED AS AN ACCREDITED INVESTOR

*The following sets out the effect under the consent provisions of you being treated by Jefferies Singapore Limited as an accredited investor. Where we deal with you as an accredited investor, we would be exempt from complying with certain requirements under the Financial Advisers Act, Chapter 110 of Singapore (the “FAA”) and certain regulations, notices and guidelines issued thereunder, as well as certain requirements under the SFA and certain regulations and notices issued thereunder.*

*Please note that the regulatory requirements that we are exempted from when dealing with you as an accredited investor may be amended and updated from time to time due to regulatory changes or otherwise. Whilst we have set out the consent provisions under the Securities and Futures (Licensing and Conduct of Business) Regulations, some of these provisions may not be in force yet and may only come into force vis-à-vis us at a later date.*

*Under the SFA and the regulations and notices issued thereunder:*

- 1. Compensation from fidelity fund under Section 186(1) of the SFA.** The fidelity fund is established by an approved exchange (such as and including Singapore Exchange Securities Trading Limited, Singapore Exchange Derivatives Trading Limited, ICE Futures Singapore Pte. Ltd. and Asia Pacific Exchange Pte. Ltd.). Section 186(1) of the SFA provides for a fidelity fund to be held and applied for the purposes of compensating persons who suffer pecuniary loss because of certain defaults. Compensation may be made where there is a defalcation committed by a member of the approved exchange or its agent in the course of, or in connection with, a dealing in capital markets products done on the approved exchange or through a trading linkage of the approved exchange with an overseas exchange, where the defalcation is committed in relation to any money or other property which (after the establishment of the fidelity fund) was entrusted to or received by, *inter alia*, that member or by any of its agents for or on behalf of any other person or as trustee.

*When we deal with you as an accredited investor, you would not be entitled to be compensated from the fidelity fund, even if you have suffered pecuniary loss in the manner contemplated under Section 186(1) of the SFA. You are therefore not protected by the requirements of Section 186(1) of the SFA.*

- 2. Prospectus Exemptions under Sections 275 and 305 of the SFA.** Under Part XIII of the SFA, all offers of securities and securities-based derivatives contracts, and units of collective investment schemes are required to be made in or accompanied by a prospectus in respect of the offer that is lodged and registered with the MAS and which complies with the prescribed content requirements, unless exempted. The SFA further provides for criminal liability for false and misleading statements contained in the prospectus, omissions to state any information required to be included in the prospectus or omissions to state new circumstances that have arisen since the prospectus was lodged with the MAS which would have been required to be included in the prospectus if it had arisen before the prospectus was lodged with the MAS. In addition, certain persons, including the person making the offer, the issuer, the issue manager and the underwriter (the “Persons”) may be liable to compensate any person who suffers loss or damage as a result of the false or misleading statement in

or omission from the prospectus, even if such persons were not involved in the making of the false or misleading statement or the omission.

Sections 275 and 305 of the SFA are exemptions from the prospectus registration requirement under the SFA, and exempt the offeror from registering a prospectus when the offer of securities and securities-based derivatives contracts, and units of collective investment schemes is made to relevant persons. Relevant persons include accredited investors. In addition, secondary sales made to institutional investors and relevant persons, which include accredited investors, remain exempt from the prospectus registration requirement provided that certain requirements are met.

**Subsequent Sales:** Subsequent sales of securities, securities-based derivatives contracts and collective investment schemes are subject to restrictions under Section 276(1) and 276(2) or, as the case may be, Sections 305A(1)(b) such that subsequent sales to relevant persons (including accredited investors) will continue to be exempt from prospectus requirements.

Where securities, securities-based derivatives contracts and collective investment schemes are subscribed or purchased under Section 275 or 305 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor (the “**Corporation**”); or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor (the “**Trust**”),

*inter alia*, securities of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities, securities-based derivatives contracts and collective investment schemes pursuant to an offer made under Section 275 or 305 of the SFA except, *inter alia*, to an institutional investor or to a relevant person.

If you opt to be treated as an accredited investor, the above restrictions will not apply and you will not be prohibited from being a transferee of the securities of the Corporation or interests in the Trust in the circumstances specified.

***When we deal with you as an accredited investor, the issuer and/or offeror is exempt from the prospectus requirements under Part XIII of the SFA pursuant to the exemptions under Sections 275 and 305 of the SFA. As a result of this, the issuer and/or offeror is not under any statutory obligation to ensure that all offers of the relevant products to you are made in or accompanied by a prospectus that is lodged and registered with the MAS and which complies with the prescribed content requirements. Consequently, the issuer and/or offeror is not subject to the statutory prospectus liability under the SFA and you would not be able to seek compensation from the Persons under the civil liability regime for prospectuses even if you suffer loss or damage as a result of any false or misleading statement in or omissions in the offering document. Subsequent sales of securities, securities-based derivative contracts and collective investment schemes first sold under inter alia Section 275 and 305 can also be made to you, as well as transfers of securities of Corporations and interests in Trusts. You are therefore not protected by the prospectus registration requirements of the SFA.***

3. **Restrictions on Advertisements under Sections 251 and 300 of the SFA.** Sections 251 and 300 of the SFA prohibit any advertisement or publication referring to an offer or intended offer of securities

and securities-based derivatives contracts, and units of collective investment schemes from being made, except in certain circumstances. In this regard, where a preliminary document has been lodged with the MAS, certain communications may be made. These include the dissemination of, and presentation of oral or written material on matters contained in, the preliminary document which has been lodged with the MAS to institutional investors and relevant persons under Sections 251(3), 251(4)(a), 300(2A) and 300(2B)(a) of the SFA. Relevant persons include accredited investors.

*When we deal with you as an accredited investor, you may receive communications relating to a preliminary document which has been lodged with the MAS. You are therefore not protected by the requirements of Sections 251 and 300 of the SFA.*

**4. Part III of the Securities and Futures (Licensing and Conduct of Business) Regulations (“SFR”).**

Part III of the SFR stipulates the requirements imposed on us in relation to the treatment of customers’ moneys and assets. While we remain under the statutory obligation to deposit all moneys and assets received on your account in a trust account or custody account maintained in accordance with Regulations 17 and 27 of the SFR (respectively) or any other account into which you direct the moneys or assets be deposited, as an accredited investor, the enhanced safeguards in relation to the moneys that we receive from or on your account (in particular in relation to over-the-counter (“OTC”) derivatives transactions) will not apply.

We may also deposit moneys received on your account, including moneys received in respect of OTC derivatives contracts, with an approved clearing house, a recognised clearing house, a member of an organised market or a member of a clearing facility for the purposes of facilitating transactions on those clearing facilities or organised markets (as the case may be) on your behalf or for any other purposes as the rules that such clearing facilities or organised markets may specify (as the case may be).

We are also exempt from the following statutory obligations: (i) the disclosure requirements pertaining to the manner in which your moneys and assets are held (whether locally or in a foreign jurisdiction), as specified under Regulations 18A and 27A of the SFR (respectively); (ii) the prohibition against transferring title in your moneys or assets to us or any other person except in certain prescribed circumstances relating to the borrowing or lending of your specified products, and using your moneys or assets to meet our own obligations under Regulation 20A and 34A, and 35 of the SFR (respectively); (iii) the obligation to inform you that we may use your assets for a sum not exceeding the amount owed by you to us, disclose the risks of such use to you and obtain your consent before using your assets, including mortgaging, charging, pledging or hypothecating your assets under Regulation 34 of the SFR.

We have summarised the requirements below.

<b>Holder of capital markets services licence (“CMSL”) that is a member of an approved clearing house or</b>	<b>Retail customer</b>	<b>Accredited investor</b>

<b>recognised clearing house</b>		
<b>Money received for OTC derivatives contract</b>	Deposit into a trust account	<ul style="list-style-type: none"> <li>• Deposit into a trust account; or</li> <li>• Deposit into account directed by accredited investor</li> </ul>
<b>Money received for capital markets product that is not an OTC derivatives contract</b>	<ul style="list-style-type: none"> <li>• Deposit into a trust account maintained in accordance with Regulation 17 of the SFR (requires the trust account to be maintained with a certain specified institution which is assessed as suitable); or</li> <li>• Deposit into account directed by retail customer to which retail customer has legal and beneficial title and maintained with licensed banks, merchant banks or finance companies or banks established and regulated as banks outside Singapore</li> </ul>	<ul style="list-style-type: none"> <li>• Deposit into a trust account maintained in accordance with Regulation 17 of the SFR (requires the trust account to be maintained with a certain specified institution which is assessed as suitable); or</li> <li>• Deposit into account directed by accredited investor</li> </ul>
<b>Moneys must not be commingled or deposited in the same trust account</b>	<ul style="list-style-type: none"> <li>• Exception for money received in respect of OTC derivatives contracts, where moneys received on account of retail customers can be commingled or deposited in same trust account</li> <li>• Exception for money received on account of retail customers in respect of any capital markets products other than OTC derivatives contracts, where such moneys received on account of retail investors can be commingled or deposited in same trust account as money received on account of non-retail customers</li> </ul>	<ul style="list-style-type: none"> <li>• Exception for money received on account of non-retail customers, which can be commingled or deposited in the same trust account as money received on account of retail customers in respect of any capital markets products other than OTC derivatives contracts</li> </ul>



<b>CMSL holder that is not a member of an approved clearing house or recognised clearing house</b>	<b>Retail customer</b>	<b>Accredited investor</b>
<b>Money received on account of customer</b>	<ul style="list-style-type: none"> <li>• Deposit into a trust account maintained in accordance with Regulation 17 of the SFR (requires the trust account to be maintained with a certain specified institution which is assessed as suitable); or</li> <li>• Deposit into account directed by retail customer to which retail customer has legal and beneficial title and maintained with licensed banks, merchant banks or finance companies or banks established and regulated as banks outside Singapore</li> </ul>	<ul style="list-style-type: none"> <li>• Deposit into a trust account maintained in accordance with Regulation 17 of the SFR (requires the trust account to be maintained with a certain specified institution which is assessed as suitable); or</li> <li>• Deposit into account directed by accredited investor</li> </ul>

<b>All CMSL holders</b>	<b>Retail customer</b>	<b>Accredited investor</b>
<b>Money received in foreign currency, subject to written consent of customer</b>	<ul style="list-style-type: none"> <li>• Deposit moneys (other than moneys received from or on account of retail customer in respect of OTC derivatives contracts entered into between the CMSL holder and retail customer) into a trust account with custodian outside Singapore which is licensed to conduct banking business</li> </ul>	<ul style="list-style-type: none"> <li>• Deposit all moneys (including moneys received in respect of OTC derivatives contracts) into a trust account with custodian outside Singapore which is licensed to conduct banking business</li> </ul>
<b>Disclosure requirement</b>	<ul style="list-style-type: none"> <li>• CMSL holder to make</li> </ul>	<ul style="list-style-type: none"> <li>• No such requirement</li> </ul>

	<p>certain disclosures (such as whether the moneys/assets will be commingled with other customers and the risks of commingling, consequences if the institution which maintains the trust/custody account becomes insolvent) in writing prior to depositing moneys/assets in trust/custody account</p>	
<p><b>Depositing moneys with <i>inter alia</i> approved or recognised clearing house or member of organised market or clearing facility</b></p>	<ul style="list-style-type: none"> <li>• Permitted only for moneys received for <b><i>non-OTC derivatives contracts</i></b> for certain purposes, e.g. facilitating the continued holding of a position on behalf of the customer, clearing or settlement of capital markets products on the clearing facility</li> </ul>	<ul style="list-style-type: none"> <li>• Permitted only for moneys received for certain purposes, e.g. facilitating the continued holding of a position on behalf of the customer, clearing or settlement of capital markets products on the clearing facility</li> </ul>
<p><b>Prohibition on transferring title of moneys/assets received from customer to CMSL holder or any other person</b></p>	<ul style="list-style-type: none"> <li>• Prohibited unless transferred in connection with: <ul style="list-style-type: none"> <li>○ in the case of moneys, the lending of the retail customer's specified products; and</li> <li>○ in the case of assets, the borrowing or lending of specified products,</li> </ul> in accordance with Regulation 45 of the SFR </li> </ul>	<ul style="list-style-type: none"> <li>• No such requirement</li> </ul>
<p><b>Withdrawals from trust account/custody account to make payment/transfer the moneys/assets to any other</b></p>	<ul style="list-style-type: none"> <li>• Not permitted where the withdrawal is from a retail customer's trust account for the purpose of</li> </ul>	<ul style="list-style-type: none"> <li>• No such prohibition</li> </ul>

<p><b>person or account in accordance with the written direction of the customer</b></p>	<p>making a payment, and not permitted to transfer retail customer’s assets, to meet any obligation of the CMSL holder in relation to any transaction entered into by the CMSL holder for the benefit of the holder</p>	
<p><b>Customer Assets</b></p>	<ul style="list-style-type: none"> <li>• Deposit into a custody account maintained in accordance with Regulation 27 of the SFR (requires the custody account to be maintained with certain specified institutions only); or</li> <li>• Deposit into account directed by retail customer to which retail customer has legal and beneficial title and maintained with, inter alia, licensed banks, merchant banks or finance companies or banks established and regulated as banks outside Singapore</li> </ul>	<ul style="list-style-type: none"> <li>• Deposit into a custody account maintained in accordance with Regulation 27 of the SFR (requires the custody account to be maintained with certain specified institutions only); or</li> <li>• Deposit into account directed by accredited investor</li> </ul>
<p><b>Mortgage of customer’s assets – CMSL holder may mortgage, charge, pledge or hypothecate customer’s assets for a sum not exceeding the amount owed by the customer to the holder</b></p>	<ul style="list-style-type: none"> <li>• Prior to doing so, CMSL holder must inform the retail customer of this right, explain the risks and obtain written consent of the retail customer</li> </ul>	<ul style="list-style-type: none"> <li>• No equivalent requirement to inform, explain risks or obtain written consent of accredited investor</li> </ul>

*When we deal with you as an accredited investor, we are exempt from treating you as a “retail investor” in relation to certain requirements stipulated under Part III of the SFR pertaining to the treatment of a retail customer’s moneys and assets. You are therefore not protected by those requirements under Part III of the SFR.*

5. **Regulation 47BA of the SFR.** Regulation 47BA of the SFR provides that a CMSL holder must not deal with a retail customer as an agent when dealing in capital markets products that are over-the-counter derivatives contracts and/or spot foreign exchange contracts for the purposes of leveraged foreign exchange trading.

*When we deal with you as an accredited investor, we are exempt from treating you as a “retail investor” and may therefore deal with you as an agent in relation to over-the-counter derivatives contracts and/or spot foreign exchange contracts for the purposes of leveraged foreign exchange trading.*

6. **Regulation 47E of the SFR.** Regulation 47E(1) and (2) of the SFR provide for certain risk disclosure requirements that a CMSL holder that deals in capital markets products and provides fund management services respectively must comply with in relation to trading in futures contracts, spot foreign exchange contracts for the purposes of leveraged foreign exchange trading, and foreign exchange over-the-counter derivatives contracts for retail customers that are not related corporations of the CMSL holder.

A CMSL holder that deals in capital markets products must not open a trading account for a retail customer who is not its related corporation for the purpose of entering into transactions of sale and purchase of the abovementioned capital markets products unless it has furnished the customer with a written risk disclosure document disclosing the material risks of the specified capital markets products in a prescribed form (Form 13), and receives an acknowledgement signed and dated by the customer that he has received and understood the nature and contents of the Form 13.

A CMSL holder that provides fund management services shall not solicit or enter into an agreement with a prospective retail customer who is not its related corporation for the purpose of managing or guiding the retail customer’s trading account for the purposes of futures contracts, spot foreign exchange contracts for the purposes of leveraged foreign exchange trading, and foreign exchange over-the-counter derivatives contracts by means of a systematic programme that recommends specific transactions unless it has delivered the prospective retail customer with a written risk disclosure document in a prescribed form (Form 14), and received an acknowledgement signed and dated by the prospective retail customer that he has received and understood the nature and contents of the Form 14.

Regulation 47E also specifies that copies of Forms 13 and 14 are kept in Singapore.

*When we deal with you as an accredited investor, we are not under any statutory obligation to provide you with the risk disclosures in the manner contemplated under Regulation 47E of the SFR. You are therefore not protected by the risk disclosure requirements under Regulation 47E of the SFR.*

7. **Section 99H(1)(c) of the SFA read with Regulations 3A(5)(c), (d), (e) and (7) of the SFR.** Section 99H(1)(c) of the SFA read with Regulations 3A(5)(c), (d) and (e) of the SFR provide that where a principal wishes to appoint an individual as a provisional representative or temporary representative in respect of any SFA regulated activity, the principal is required to lodge with the MAS an undertaking to ensure that (i) the provisional representative or temporary representative is accompanied at all times by an authorised person when meeting any client or member of the public in the course of carrying on business in any SFA regulated activity, (ii) the provisional representative or temporary representative sends concurrently to an authorised person all electronic mail that he

sends to any client or member of the public in the course of carrying on business in any SFA regulated activity and (iii) the provisional representative or temporary representative does not communicate by telephone with any client or member of the public in the course of carrying on business in any SFA regulated activity, other than by telephone conference in the presence of an authorised person. An “authorised person” for these purposes refers to an appointed representative or a director of the principal, an officer of the principal whose primary function is to ensure that the carrying on of business in the SFA regulated activity in question complies with the applicable laws and requirements of the MAS or an officer of the principal appointed to supervise the representative in carrying on of business in the SFA regulated activity.

*When we deal with you as an accredited investor, we are not under any statutory obligation to restrict the interactions with you that may be undertaken by our provisional representatives or temporary representatives in the course of carrying on business in any SFA regulated activity in the manner set out in Regulations 3A(5)(c), (d) and (e) of the SFR. You are therefore not protected by the requirements of Section 99H(1)(c) of the SFA read with Regulations 3A(5)(c), (d) and (e) of the SFR.*

- 8. Regulation 7 of the SFR.** Regulation 7 of the SFR provides that a CMSL holder for dealing in capital markets products that are specified products (other than a member of an approved exchange (such as Singapore Exchange Securities Trading Limited) is required to lodge with the MAS a deposit of S\$100,000 for the duration of its licence, where the deposit shall be applied by the MAS for the purpose of compensating any person (other than an accredited investor, expert investor or institutional investor) who suffers pecuniary loss as a result of any defalcation committed by the CMSL holder or any of its agents in relation to any money or other property which, in the course of or in connection with its business in dealing in capital markets products that are specified products was (i) entrusted to or received by the CMSL holder or agent for or on behalf of any other person or (ii) entrusted to or received by the CMSL holder as trustee (whether or not with any other person) of that money or property, or the agent as trustee of, or on behalf of the trustee of, that money or property.

*When we deal with you as an accredited investor, you would not be able to claim compensation in relation to the deposit we, as a CMSL holder for capital markets products that are specified products, have lodged with the MAS, even if you have suffered pecuniary loss in the manner contemplated in Regulation 7 of the SFR. You are therefore not protected by the requirements of Regulation 7 of the SFR.*

- 9. Regulation 33 of the SFR.** Regulation 33(2) of the SFR provides that a CMSL holder shall not lend or arrange for a custodian to lend the specified products of the customer unless it has explained the risks involved to the customer (Regulation 33(2)(a)) and obtained the customer’s written consent to do so (Regulation 33(2)(b)). The requirement to explain the risks involved to the customer does not apply where the customer is an accredited investor, expert investor or institutional investor. However, regardless of whether the customer is a retail investor or an accredited investor, the CMSL holder shall nevertheless enter into an agreement with the customer to set out the terms and conditions for such lending, or as the case may be, enter into an agreement with the custodian setting out the terms and conditions for the lending and disclose these terms and conditions to the customer.

*When we deal with you as an accredited investor, we are not under any statutory obligation to explain the risks involved to you prior to us lending or arranging for a custodian to lend your specified products. You are therefore not protected by the requirements of Regulation 33(2)(a) of the SFR.*

- 10. Regulation 40 of the SFR.** Regulation 40(1) of the SFR provides that a CMSL holder is required to furnish to each customer on a monthly basis a statement of account containing certain particulars prescribed under Regulation 40(2) of the SFR. In addition, Regulation 40(3) of the SFR provides that a CMSL holder is required to furnish to each customer, at the end of every quarter of a calendar year, a statement of account containing, where applicable, the assets, derivatives contracts of the customer and spot foreign exchange contracts for the purposes of leveraged foreign exchange trading of the customer that are outstanding and have not been liquidated and cash balances (if any) of the customer at the end of that quarter.

*When we deal with you as an accredited investor and provided we have made available to you (on a real-time basis) the prescribed particulars in the form of electronic records stored on an electronic facility and you have consented to those particulars being made available in this manner or you have requested in writing not to receive the statement of account, we are not under any statutory obligation to furnish a monthly or quarterly statement of account to you. You are therefore not protected by the requirements of Regulations 40(1) and (3) of the SFR.*

- 11. Regulation 45 of the SFR.** Regulation 45 of the SFR provides that borrowing and lending of specified products by a CMSL holder (i) must be recorded in a prior written agreement between the CMSL holder and the lender or borrower or their duly authorised agent where such agreement includes certain prescribed details; and (ii) must be collateralised. In particular, the CMSL holder is required to ensure that the collateral provided must, throughout the period that the specified products are borrowed or lent, have a value of not less than 100% of the market value of the specified products borrowed or lent. Regulation 45 of the SFR further sets out the acceptable forms of collateral for these purposes.

*When we deal with you as an accredited investor, we are not under any statutory obligation to provide collateral to you under Regulation 45 of the SFR when we borrow specified products from you. Where we provide assets to you as collateral for the borrowing, the agreement shall specify whether the specified products borrowed and the assets provided comprising specified products (if any) are marked to market and if so, the procedures for calculating the margin. However (unlike for retail investors), the agreement does not have to include the requirement to mark-to-market on every business day the specified products that are borrowed nor the minimum collateral comprising specified products nor procedures for calculating the margins.*

- 12. Regulation 47A(1) of the SFR.** Regulation 47A(1) of the SFR provides that disclosures of certain interests in respect of underwriting agreements have to be made. In particular, a CMSL holder must, in certain circumstances, disclose its interests in specified products when offering to sell specified products otherwise than in the ordinary course of trading on an approved exchange or recognised market operator or recommending specified products, where the CMSL holder has entered into an underwriting agreement in respect of such specified products. Copies of any written offer, written recommendation or written statement sent by the CMSL holder must be kept for a period of 5 years after the day of the written offer, recommendation or statement is made.

*When we deal with you as an accredited investor, we are not under any statutory obligation to provide you with disclosures of our interest in specified products in the manner contemplated under Regulation 47A of the SFR. You are therefore not protected by the requirements under Regulation 47A of the SFR.*

- 13. Regulation 47DA of the SFR.** Regulation 47DA(1) and (2) of the SFR provide for certain general risk disclosure requirements that a CMSL holder dealing in specified capital markets products must comply with. For this purpose, “specified capital markets products” means capital markets products other than futures contracts, spot foreign exchange contracts for the purposes of leveraged foreign exchange trading and foreign exchange over-the-counter derivatives contracts. In particular, the CMSL holder must not open a trading account for a customer for the purpose of entering into transactions of sale and purchase of any specified capital markets products unless it has furnished the customer with a written risk disclosure document disclosing the material risks of the specified capital markets products, and receives an acknowledgement signed and dated by the customer that he has received and understood the nature and contents of the risk disclosure document. Further, the CMSL holder must not enter any transaction of sale or purchase of any specified capital markets products unless it has informed the customer whether it is acting in that transaction as a principal or agent and/or its intention to do so.

*When we deal with you as an accredited investor, we are not under any statutory obligation to provide you with the risk disclosures, and the capacity in which we act, in the manner contemplated under Regulation 47DA of the SFR. You are therefore not protected by the requirements under Regulation 47DA of the SFR.*

*Under the FAA and the regulations, notices and guidelines issued thereunder:*

- 14. Section 23F(1)(c) of the FAA read with Regulations 4A(4)(c), (d), (e) and (6) of the Financial Advisers Regulations (“FAR”).** Section 23F(1)(c) of the FAA read with Regulation 4A(4)(c), (d) and (e) of the FAR provides that where a principal wishes to appoint an individual as a provisional representative in respect of any financial advisory service, a principal is required to lodge with the MAS an undertaking to ensure that (i) the provisional representative is accompanied at all times by an authorised person when meeting any client or member of the public in the course of providing any financial advisory service, (ii) the provisional representative sends concurrently to an authorised person all electronic mail that he sends to any client or member of the public in the course of providing any financial advisory service and (iii) the provisional representative does not communicate by telephone with any client or member of the public when providing any financial advisory service, other than by telephone conference in the presence of an authorised person. An “authorised person” for these purposes refers to an appointed representative or a director of the principal, an officer of the principal whose primary function is to ensure that the provision of financial advisory service in question complies with the applicable laws and requirements of the MAS or an officer of the principal appointed to supervise the representative in providing the financial advisory service.

*When we deal with you as an “accredited investor”, we are not under any statutory obligation to restrict the interactions with clients or members of public that may be undertaken by our provisional representatives in the course of providing any financial advisory service in the manner set out in Regulations 4A(4)(c), (d) and (e) of the FAR. You are therefore not protected by the requirements of Section 23F(1)(c) of the FAA read with Regulations 4A(4)(c), (d) and (e) of the FAR.*

- 15. Regulation 28 of the FAR.** Regulation 28 of the FAR exempts certain exempt financial advisers from having to comply with requirements set out in sections 26 to 29 and 36 of the FAA. Briefly, these requirements are as follows. Section 26 of the FAA imposes an obligation on a financial adviser not to make any false or misleading statement or to employ any device, scheme or artifice to defraud. Section 27 of the FAA requires a financial adviser to have a reasonable basis for any recommendation on an investment product that is made to a client. Section 28 of the FAA provides that the MAS may by regulations determine the manner in which a financial adviser may receive or deal with client’s money or property or prohibit a financial adviser from receiving or dealing with client’s money or property in specified circumstances or in relation to specified activities. Section 29 imposes an obligation on a financial adviser to furnish information about any matter related to its business to the MAS if required by MAS for the discharge of its functions under the FAA. Section 36 of the FAA provides for certain disclosure of interest requirements when a financial adviser sends a circular or other written communication in which a recommendation is made in respect of specified products (i.e. securities, specified securities-based derivatives contracts or units in a collective investment scheme).

*When we deal with you as an accredited investor, in the course of us providing advice or analyses on bonds, we will not be required to comply with the requirements set out in sections 26 to 29 and 36 of the FAA. You are therefore not protected by these requirements.*

- 16. Regulation 32C of the FAR.** Regulation 32C of the FAR exempts a foreign research house from having to hold a financial adviser’s licence in respect of advising others by issuing or promulgating any research analyses or research reports concerning any investment product to any investor under an arrangement between the foreign research house and a financial adviser in Singapore, subject to certain conditions. These include a condition that where the research analysis or research report is issued or promulgated to a person who is not an accredited investor, expert investor or institutional investor, the analysis or report must contain a statement to the effect that the financial adviser in Singapore accepts legal responsibility for the contents of the analysis or report without any disclaimer limiting or otherwise curtailing such responsibility.

*When we deal with you as an accredited investor, we need not expressly accept legal responsibility for the contents of any research analysis or research report issued or promulgated to you pursuant to an arrangement between us and a foreign research house. We are also not limited by the requirement to not include a disclaimer limiting or otherwise curtailing such legal responsibility. You are therefore not protected by these requirements under Regulation 32C of the FAR.*

- 17. Section 25 of the FAA, MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03] and MAS Practice Note on the Disclosure of Remuneration by Financial Advisers [Practice Note No. FAA-PN01].** Section 25 of the FAA imposes an



obligation on a financial adviser to disclose to its clients and prospective clients all material information relating to any designated investment product recommended by the financial adviser, and provides that MAS may prescribe the form and manner in which the information shall be disclosed. “**Material information**” includes the terms and conditions of the designated investment product and the benefits and risks that may arise from the designated investment product.

The MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03] sets out the standards to be maintained by a financial adviser and its representatives with respect to the information they disclose to clients. The Notice also sets out the general principles that apply to all disclosures by a financial adviser to its clients and the specific requirements as to the form and manner of disclosure that the financial adviser has to comply with in relation to, among others, section 25 of the FAA. This is supplemented by the MAS Practice Note on the Disclosure of Remuneration by Financial Advisers, which provides guidance on the requirements imposed on a financial adviser in relation to disclosing the remuneration that it receives or will receive for making any recommendations in respect of an investment product, or executing a purchase or sale contract relating to a designated investment product on their clients’ behalf.

*As a result of our exemption from compliance with these requirements when we deal with you as an accredited investor, we are not under any statutory obligation to provide you with all material information on any designated investment product in the prescribed form and manner, e.g. the benefits and risks of the designated investment product and the illustration of past and future performance of the designated investment product. You are therefore not protected by the disclosure requirements in section 25 of the FAA and MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03] and the MAS Practice Note on the Disclosure of Remuneration by Financial Advisers [Practice Note No. FAA-PN01].*

- 18. Section 27 of the FAA and MAS Notice on Recommendations on Investment Products [Notice No. FAA-N16].** Section 27 of the FAA requires a financial adviser to have a reasonable basis for any recommendation on an investment product that is made to a client. The financial adviser is required to give consideration to the investment objectives, financial situation and particular needs of the client, and to conduct investigation on the investment product that is the subject matter of the recommendation, as is reasonable in all the circumstances. Failure to do so could, if certain conditions are satisfied, give the client a statutory cause of action to file a civil claim against the financial adviser for investment losses suffered by the client. The conditions are that the client suffers loss or damage as a result of doing a particular act (or refraining from doing a particular act) in reliance on the recommendation, where it is reasonable (having regard to the recommendation and all other circumstances) for the client to have done so in reliance on the recommendation.

The MAS Notice on Recommendations on Investment Products [Notice No. FAA-N16] sets out requirements which apply to a financial adviser when it makes recommendations on investment products to its clients. In particular, the Notice sets out: (i) the type of information the financial adviser needs to gather from its client as part of the “know your client” process; (ii) the manner in which the financial adviser should conduct its analysis of the client’s financial needs and how it should present its investment recommendations; and (iii) documentation and record keeping requirements relating to this process. In this connection, a financial adviser is required to ensure that, before it makes any recommendation on an investment product which is neither listed nor quoted on an organised market, it has been informed by the product manufacturer of the investment product as to whether the investment product is a “Specified Investment Product” (“**SIP**”). The financial adviser is required to keep proper records of such information and accordingly convey this information to a client who intends to transact in the investment product. SIPs include collective investment schemes

and structured notes. If an investment product is an unlisted or unquoted SIP, prior to making a recommendation on such investment product, a financial adviser is required to conduct an assessment of the client's knowledge and experience in unlisted and unquoted SIPs ("**Customer Knowledge Assessment**"), taking into account information on the client's educational qualifications, investment experience and work experience, where the client is a natural person. The financial adviser is required to comply with various procedures ("**Procedures**") depending on whether the client has the requisite knowledge and experience in the unlisted or unquoted SIP, including the provision of financial advice and/or obtaining senior management approvals.

*As a result of our exemption from compliance with these requirements when we deal with you as an accredited investor, we are not under any statutory obligation to ensure that we have regard to the information possessed by us concerning your investment objectives, financial situation and particular needs and have given consideration to and conducted investigation of the subject matter of any recommendation, and that the recommendation is based on such consideration and investigation. We are also not statutorily required to conduct a Customer Knowledge Assessment to determine your investment experience and knowledge (which we would otherwise have been required to conduct if you are a natural person), nor are we required to comply with the Procedures. Further, you will not be able to rely on section 27 of the FAA in any claim against us for losses that may be suffered in respect of any investment that we may have recommended to you. You are therefore not protected by the requirements of section 27 of the FAA and MAS Notice on Recommendations on Investment Products [Notice No. FAA-N16].*

- 19. Section 36 of the FAA.** Section 36 of the FAA provides that when sending a circular or other written communication in which a recommendation is made in respect of specified products (i.e. securities, specified securities-based derivatives contracts or units in a collective investment scheme), a financial adviser is required to include a concise statement, in equally legible type, of the nature of any interest in, or any interest in the acquisition or disposal of, those specified products that it or any associated or connected person has at the date on which the circular or other communication is sent. Such circular or written communication must be retained by the financial adviser for five years.

*As a result of our exemption from compliance with section 36 of the FAA when we deal with you as an accredited investor, we are not under any statutory obligation to include such a statement of interest in specified products in any written recommendation or document that we may send to you. You are therefore not protected by the requirements of section 36 of the FAA if no disclosure is made of any interest that we or any associated or connected person may have in the specified products that we may recommend in such document.*

- 20. Sections 38 and 39 of the FAA, and MAS Notice on Requirements for the Remuneration Framework for Representatives and Supervisors ("**Balanced Scorecard Framework**") and Independent Sales Audit Unit [Notice No. FAA-N20] ("**BSC Notice**") and MAS Guidelines on the Remuneration Framework for Representatives and Supervisors ("**Balanced Scorecard Framework**"), Reference Checks and Pre-Transaction Checks [Guideline No. FAA-G14] ("**BSC Guidelines**").** Section 38 of the FAA provides that a financial adviser must establish and maintain a remuneration framework that contains terms consistent with the requirements prescribed by MAS for the purpose of (a) reviewing and assessing the performance of its representatives and supervisors; and (b) determining the remuneration of its representatives and supervisors. The financial adviser must review and assess the performance, and determine and pay the remuneration, of its representatives and supervisors in accordance with such remuneration framework.

Section 39 of the FAA provides that a financial adviser must have an independent sales audit unit that reports to the board of directors and chief executive officer of the financial adviser or such unit determined by the board of directors or chief executive officer which is independent from all units of the financial adviser which provide financial advisory services. Such independent sales audit unit is required to audit the quality of the financial advisory services provided by the representatives of the financial adviser and to carry out the functions and duties prescribed by MAS, in the prescribed manner.

The BSC Notice sets out the requirements in relation to the design and operation of the balanced scorecard framework which a financial adviser is required to put in place in their remuneration structures for their representatives and supervisors, and the independent sales audit unit. The BSC Guidelines provide general guidance on some of the requirements of the BSC Notice, such as the post-transaction checks and classification of infractions by the independent sales audit unit. In addition, the BSC Guidelines set out the measures to be applied to all existing and newly recruited representatives who have been assigned a balanced scorecard grade of “E” and all supervisors who have been assigned a balanced scorecard grade of “Unsatisfactory” under the balanced scorecard framework, as well as obtaining and sharing of information on the representatives’ and supervisors’ balanced scorecard grades during reference checks. The BSC Guidelines also set out the MAS’ expectation for a financial adviser to conduct pre-transaction checks to minimise the impact of the balanced scorecard framework on its representatives and supervisors.

*As a result of our exemption from compliance with these requirements when we deal with you (if you are a natural person) as an accredited investor, we are not under any statutory obligation to either (a) establish or maintain such a remuneration framework, or to review and assess the performance, and determine and pay the remuneration, of our representatives and supervisors in accordance with such a remuneration framework, or (b) to have an independent sales audit unit to audit the quality of the financial advisory services provided by our representatives. You are therefore not protected by the requirements of sections 38 and 39 of the FAA, the BSC Notice and the BSC Guidelines.*

- 21. Regulation 18B of the FAR.** Regulation 18B of the FAR provides that before selling or marketing certain new products, a financial adviser is required to carry out a due diligence exercise to ascertain whether such new product is suitable for the targeted client. The due diligence exercise must include an assessment of several areas, including (i) an assessment of the type of targeted client the new product is suitable for and whether the new product matches the client base of the financial adviser; (ii) the key risks that a targeted client who invests in the new product potentially faces; and (iii) the processes in place for a representative of the financial adviser to determine whether the new product is suitable for the targeted client, taking into consideration the nature, key risks and features of the new product. The financial adviser is prohibited from selling or marketing any new product to any targeted client unless every member of its senior management has, on the basis of the result of the due diligence exercise, personally satisfied himself that the new product is suitable for the targeted client and personally approved the sale or marketing of the new product to the targeted client. “Targeted client” excludes accredited investors.

*As a result of our exemption from compliance with Regulation 18B of the FAR when we deal with you as an accredited investor, we are not under any statutory obligation to carry out a due diligence exercise to ascertain whether any new product we wish to sell or market to you is suitable for you. You are therefore not protected by the requirements of Regulation 18B of the FAR.*

## APPENDIX 4

### DISCLOSURES, TERMS AND OTHER MATTERS RELATING TO TRADING ON SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") AND CLEARING ON CENTRAL DEPOSITORY (PTE) LIMITED ("CDP")

"[T]he Customer" below refers to you.

#### **1. Liability of CDP**

This statement is provided to the Customer as required by the Rules of the CDP.

The Customer acknowledges that it has been notified of Rule 1.1.1 to 1.1.4 of the Clearing Rules of CDP (as reproduced below) and that the same is acceptable to the Customer.

#### **Reproduction of Rule 1.1.1 to 1.1.4 of the Clearing Rules of CDP**

*1.1.1 These Clearing Rules apply to all dealings in securities and Exchange Trades, and all trades in Futures Contracts which are cleared through CDP. The Clearing Rules operate as a binding contract between CDP and each Clearing Member, and between a Clearing Member and any other Clearing Member.*

*1.1.2 These Clearing Rules shall come into effect on the Effective Date.*

*1.1.3 Except where CDP otherwise expressly agrees with or expressly commits itself to any party, the benefit of any performance by CDP of its obligations under these Clearing Rules and/or Clearing Directives is restricted only to Clearing Members. CDP shall have no liability to any other party (including Trading Members). In particular, CDP shall have no liability to any party affected or aggrieved by any alleged action or omission of CDP or any of the directors, officers or employees of CDP.*

*1.1.4 All Clearing Members are to note the foregoing and ensure that they are taking on membership, and/or carrying on business, as Clearing Members, and that they transact and will transact by reference to CDP or upon information or action referable to CDP, 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 transaction unless such person has been notified of the foregoing provisions and has satisfied itself that the same is acceptable and accepts the same.*

#### **2. Position limits**

A member company is required by Rule 18.5 (Position Limits) of the Rules of SGX-ST (as reproduced below) to inform its client of the applicable position limits and that the member company will not accept any order from the client if the member company has reason to believe that the client, acting alone or in concert with others, has exceeded or is attempting to exceed such position limits.

The Customer acknowledges that it has been made aware of the position limits currently set out in Rule 18.5 as reproduced below. The Customer agrees to comply with such requirements as well as any other position or other limits as may be imposed by us.

#### **Reproduction of Rule 18.5.1, 18.5.2, 18.5.4 and 18.5.7**

##### **18.5.1 Members Prohibited from Opening Transactions that would Violate Individual Position Limits**

*Except with the prior written approval of SGX-ST in each instance, no Trading Member shall, for any account in which it has an interest or for the account of any customer, effect an opening*

*transaction in an Option of any Class dealt on SGX-ST if that Trading Member has reason to believe that as a result of such transaction the Trading Member or its customer would, acting alone or in concert with others directly or indirectly, hold or control or be obligated in respect of an aggregate position (whether short or long) in excess of the individual position limits set out as follows:*

- (1) 2,000 Options on the same side of the market where the issued capital of the issuer of the underlying securities is less than 400 million shares. The aggregate position limit for both sides of the market shall accordingly be 4,000 Options.*
- (2) 3,000 Options on the same side of the market where the issued capital of the issuer of the underlying securities is between 400 million and 600 million shares (both numbers inclusive). The aggregate position limit for both sides of the market shall accordingly be 6,000 Options.*
- (3) 4,000 Options on the same side of the market where the issued capital of the issuer of the underlying securities is more than 600 million shares. The aggregate position limit for both sides of the market shall accordingly be 8,000 Options.*

#### **18.5.2 Market Position Limits**

*Notwithstanding Rule 18.5.1 the total number of outstanding Options on both sides of the market of any underlying security shall not exceed 15% of the issued capital of the issuer of the underlying security. This limit shall be known as the market position limit.*

#### **18.5.3 Position Limits Subject to Change**

*SGX-ST may from time to time vary the individual position and market position limits in Rules 18.5.1 and 18.5.2 respectively by a circular issued to all Trading Members, such new position limits to take effect on such date specified therein. Such new position limits shall not, unless otherwise stated, affect existing Options positions.*

#### **18.5.4 Definition of "Control"**

- (1) For purposes of aggregation of Option positions under Rule 18.5.1, control may be presumed by SGX-ST:*
  - (a) when a person has the power or ability to make investment decisions for an Options trading account; or*
  - (b) when a person has the power or ability to influence directly or indirectly the investment decisions of any person who makes investment decisions for an Options trading account. A person who has such power or ability shall be presumed to control such account unless and until the presumption is rebutted by evidence and a determination to the contrary has been made by SGX-ST.*
- (2) Control will be presumed in the following circumstances:*
  - (a) among all parties to a joint account who have authority to act on behalf of the Options trading account;*
  - (b) when a person holds an ownership interest of 10% or more in a Corporation (ownership interest of less than 10% will not preclude aggregation);*
  - (c) when Option trading accounts have common directors or management; or*
  - (d) where a person or entity has the authority to execute transactions in an Options trading account.*

### **3, Exchange Options Transactions**

A member company is required by Rule 18.7.3 of SGX-ST to obtain from its client a written undertaking upon the approval of the client's options trading account.

Upon the approval of the Customer's options trading account with us, the Customer undertakes, agrees and acknowledges that:

- (a) all options transactions shall be subject to the Rules and Directives of SGX-ST and all Applicable Rules and MAS Rules;
- (b) the Customer will not violate, either alone or in concert with others, the individual position limits established pursuant the Rules and Directives of SGX-ST;
- (c) the Customer has received (1) an explanatory booklet (together with all updates thereto) containing information to investors on the trading of Options; and (2) a risk disclosure statement for the time being prescribed by the Options Clearing Company (Pte) Limited, and the Customer has read and understood the contents thereof and is aware of the special risks involved in the trading of options as outlined therein;
- (d) if at any time the Customer should exceed the individual position limits prescribed by SGX-ST, his outstanding options positions in excess of the individual position limit shall be liable to be closed out and any losses, charges and expenses arising from the closing of his options positions shall be charged to his account; and
- (e) the Customer shall at all times promptly furnish, maintain and top-up such deposits and margins as shall be required by us from time to time in respect of the short positions in its options trading account.

**Jefferies Singapore Limited**

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