

BASIC TERMS OF SHARE MARGIN FACILITY **EFFECTIVE FROM 1 JANUARY 2019**

1. Marginable Securities

1.1 Securities quoted on the Singapore Exchange Ltd ("SGX") as per our attached Marginable Securities List marked **Category SA, A, B, C, D & E**.

1.2 Securities from Foreign Exchanges may be marginable, subject to the following SGX rules and our prior approval:

1.2.1 The Securities must be quoted on the main board of a recognised stock exchange.

1.2.2 The Securities must be issued by a company with shareholders' funds equivalent to no less than S\$300 million.

2. Market Valuation & Counter Limit for SGX Marginable Securities:

| Counter Type | Market Valuation | Counter Limit Per Client |
|--------------|------------------|--------------------------|
| Category SA | 100% | S\$6,500,000 |
| Category A | 100% | S\$5,000,000 |
| Category B | 100% | S\$2,000,000 |
| Category C | 100% | S\$ 600,000 |
| Category D | 100% | S\$ 200,000 |
| Category E | 70% | S\$ 70,000 |

Company may vary the market valuation ratios & counter limits for non-SGX securities. Please refer to the respective marginable shares lists for details.

3. Guide to Granting of Facility for Initial SGX Trades

| Counter Type | Collateral Type | Collateral Value | Multiplier Factor | Maximum Facility Limit | Security Cover |
|------------------------------|-----------------|--------------------------|-------------------|--------------------------|----------------|
| All Marginable Shares | Cash Securities | S\$100,000 S\$100,000 | 3.5x 2.5x | S\$350,000 S\$250,000 | 140% |
| Category E & Single Security | Cash Securities | S\$100,000 S\$100,000 | 2x 1x | S\$200,000 S\$100,000 | 200% |

Client would need to maintain the margin with security cover at 140%.

Where a margin account consists of a single security of category C, D or E shares and its value *equals or is above 75% of the total marginable shares value*, client is required to provide a *security cover of 200%*. Margin call will be made when the security cover falls **below 183%**. However, this requirement is not applicable to clients if the outstanding loan is below S\$150,000.

4. Terms of Financing

| Financing Schemes | Category A & B Shares (Product Type: A) | All Marginable Shares (Product Type: B1) | All Marginable Shares (Product Type: B) |
|--|--|--|---|
| Interest on Debit Balance | SGD: UOB Prime USD: USD prime + 1.25% HKD: HKD Prime + 2% | SGD: UOB Prime + 1% USD: USD Prime + 1.25% HKD: HKD Prime + 2% | SGD: UOB Prime + 1% USD: USD Prime + 1.25% HKD: HKD Prime + 2% |
| Remarks | SGD UOB Prime @5.00%, USD Prime @5.50%, HKD Prime @5.125% Rates are subjected to periodic adjustments | | |
| Interest Free Day(s) | SGX: 3 Calendar Days Non-SGX: 0 Calendar Day | SGX: 0 Calendar Day Non-SGX: 0 Calendar Day | SGX: 10 Calendar Days Non-SGX: 0 Calendar Day |
| Interest on Credit Balance | Bank's prevailing rate for Trust A/c Balance | Bank's prevailing rate for Trust A/c Balance | Bank's prevailing rate for Trust A/c Balance |
| Computation of Available Finance | Based on cover of 140% | Based on cover of 140% | Based on cover of 140% |
| Margin Call/ Top-up Deadline | Below 140% - 2 Market Days Below 130% - Immediate | Below 140% - 2 Market Days Below 130% - Immediate | Below 140% - 2 Market Days Below 130% - Immediate |
| Remarks | Margin Call & Top-up Deadline for Single Security Accounts (Refer to 4.4) Below 183% - 2 Market Days Below 167% - Immediate | | |
| SGX Trades Brokerage Payable | <u>Offline</u> Up to \$50K - 0.5% More than \$50K - 0.4% More than \$100K -0.25% Minimum \$40 <u>Online</u> 0.275% Minimum \$25 | <u>Offline</u> Up to \$50K - 0.5% More than \$50K - 0.4% More than \$100K -0.25% Minimum \$40 <u>Online</u> 0.275% Minimum \$25 | <u>Offline</u> Up to \$50K - 0.5% More than \$50K - 0.4% Minimum \$40 <u>Online</u> 0.4% Minimum \$25 |
| Brokerage Payable for Other Markets | Charges applicable to 'UOBKH Securities Trading Account' shall apply. | | |

4.1 A minimum initial cash deposit of S\$10,000 or marginable securities with a market value of S\$15,000 for a share margin facility of S\$30,000.

4.2 Interest-free scheme applies to SGX trades only and is applicable to accounts with trading limits of at least S\$50,000.

4.3 Contra is not allowed in the margin trading account.

4.4 Trade contracts must be settled in one of the approved financing currencies, i.e. SGD, USD or HKD. Any deviation in settlement currency, trade contracts shall be auto-settled in SGD on trade due date.

4.5 No new purchase is allowed when a margin call is made on the account.

4.6 Topping-up upon a margin call may be by any one or combination of the following:

4.5.1 Depositing cash.

4.6.1 Depositing marginable securities.

4.6.2 Selling sufficient securities in the account.

5. Withdrawal of Securities/Cash

5.1 Securities and cash in excess of the security cover of 150% may be withdrawn.

5.2 Dividends may be withdrawn provided the security cover of 140% is maintained after the withdrawal.

5.3 Fees and charges applicable to Telegraphic Transfer of funds shall apply.

6. Other Charges

6.1 Charges by our Custodian Department

CDP fees are auto-debited into client's margin account.

Custodian bank fees are applicable for margin clients who maintain an account with our Custodian Department.

Dividend payments are auto-credited into client's margin account and are subject to handling charges levied by our Custodian Department.

6.2 All fees and charges are exclusive of prevailing GST and subject to changes.

We reserve our rights to vary the commissions, fees and charges at any time.

The above basic terms of our Margin Trading Facility is subject to change at our absolute discretion. All other terms & conditions governing our Margin Trading Facility are contained in our standard Margin Loan Documents available upon request.