

**StoneX<sup>®</sup>**

**COUNTERPARTY TERMS OF SECURITIES DEALING**

**STONEX FINANCIAL PTE. LTD**

## 1. General

- 1.1. These securities terms of dealing ("**Securities Terms**") set out the terms and conditions under which non-retail counterparties, whom we treat as accredited investors, expert investors or institutional investors for the purposes of the Securities and Futures Act 2001 of Singapore ("**SFA**"), may deal in securities with or through StoneX Financial Pte. Ltd. ("**SFP**", "**we**" or "**us**"). By entering into any securities transactions with or through us under these Securities Terms, you confirm that you are a non-retail counterparty as aforesaid and you further acknowledge and agree to these Securities Terms.
- 1.2. You must read these Securities Terms to understand how we trade in relation to your requests, orders, instructions, other expressions of intention to trade, and any other communications between you and us (collectively, "**Trade Requests**").
- 1.3. These Securities Terms are not intended to override any legal and regulatory requirements in the jurisdictions that we operate. In the event of any conflict with such requirements, the conflicting terms shall be modified to the extent necessary to be compliant with the prevailing legal and regulatory requirements.
- 1.4. These Securities Terms also disclose certain potential areas of competition between your and our interests that may arise as a result of our dealing in securities with you, so that you may take these into consideration when trading with us.
- 1.5. These Securities Terms contains the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings, oral or written, with respect to such matters. Unless otherwise expressly agreed by us in writing, these Securities Terms shall supersede and override any and all other terms and conditions transmitted to us by you or on your behalf in respect of your dealing in securities with or through us under these Securities Terms.

## 2. Trading as Principal

- 2.1. We conduct our securities dealing business with our counterparties such as yourself solely as principal on an arm's length basis and we do not serve as your agent, fiduciary, financial advisor, or in any other similar capacity on your behalf, or undertake any of the duties that an entity acting in such capacity would ordinarily perform, unless expressly agreed between you and us.
- 2.2. In certain exceptional circumstances, we may choose to relay your Trade Requests for execution on an organised market directly without our being a counterparty to the trade with you. This may occur, for example, when relevant laws, or relevant rules of the organised market, require such execution on or through the organised market. In such circumstances, the payments, deliveries, fees and charges will be between you and (not us but) the relevant trading member of the organised market or your counterparty on the organised market as the case may be. Notwithstanding the foregoing, you confirm that we may recover and retain any applicable fees and charges due to us through separate arrangements with such trading member or counterparty.
- 2.3. Statements from us whether made through our personnel, our electronic platform or system, or otherwise, should not be construed as recommendations, or financial or investment advice. If we provide trade ideas, market commentary, our own views, or other research or market information, such information will be provided for information purposes only. Accordingly, you should independently evaluate the appropriateness and suitability of any transaction that you are considering based on your own objectives and your own unique facts and circumstances, and make an independent assessment on the transaction's merits, before entering into any transaction with us.

- 2.4. You should expect us to have an economic incentive when we trade with you as principal, including that we may seek opportunities on the market to earn a return for ourselves when we execute your Trade Requests. We may make profits or incur losses solely for our account in connection with our trades, and may apply a spread or mark-up or other fee when executing transactions (please also refer to paragraph 5 below for fee disclosures).
- 2.5. Subject to applicable laws and regulations, for the purposes of (a) risk mitigation, (b) liquidity sourcing, (c) pre-hedging or pre-positioning the potential exposure which we may be subject to from our transactions with you or other counterparties like you, or (d) facilitating transactions with you or other counterparties like you or others, among other things, we may trade as principal prior to or alongside your transaction or potential transaction without further notice or disclosure to you (including when we are involved in the underwriting, purchase, and/or settlement of securities), any of which may impact the pricing of our potential transactions. We may take into account such sources of liquidity as we deem appropriate in engaging in such pre-hedging or pre-positioning activities, which may affect market prices or the level of liquidity available to execute your Trade Requests.
- 2.6. Our risk management activities and positions are undertaken solely for the purpose of managing and offsetting the risks residing within our business, and this may involve us establishing principal positions in various instruments that are the same or correlated, or different or opposite, from yours. None of the foregoing activities or positions are intended to constitute our expression of a view on your individual Trade Requests or transactions.
- 2.7. You acknowledge and accept that when we enter into a transaction with you, we may from time to time in our sole and absolute discretion and without prior notice to you enter into one or more such other transactions with our liquidity providers or other counterparties (“**Other Transactions**”) in order to duly perform our payment or delivery obligations to you under your transaction. You further acknowledge that we would not otherwise have entered into any such Other Transaction but for your transaction. Accordingly, where such liquidity provider or other counterparty fails to or is unable to duly perform its obligations to us under any or all of the Other Transactions or cancels or terminates any or all of the Other Transactions, with the result that we would be delayed or unable to duly fulfil any or all our payment or delivery obligations to you under your transaction, we may, at our sole and absolute discretion, delay the performance of our payment or delivery obligations to you under your transaction, or we may cancel or terminate your transaction, without any liability to you.

### **3. Trade Requests & Trades**

- 3.1. Subject to applicable laws and regulations, our receipt of a Trade Request at a specified price does not create a contract that commits us to enter into or otherwise execute such Trade Request in any particular manner or quantity at any specified price.
- 3.2. We may in our sole discretion accept or reject any Trade Request to enter into a transaction, whether in whole or in part, for any reason. We are not obliged to disclose to you any reasons for any non-execution of your Trade Request or why we accepted or rejected your Trade Request. In particular, the fact that the market may have reached a price or level at which your Trade Request may be executed, does not mean that we hold or have acquired or will be in a position to hold or acquire the inventory or sufficient inventory to enter into a transaction with you in relation to your Trade Request, or that a tradeable market is available at such price or level.
- 3.3. In determining whether and at what price, to accept all or any part of your Trade Requests, or generally to enter into a transaction with you pursuant to your Trade Requests, we would use our professional judgment to assess if certain market criteria or pre-trade factors have been met, including, among others, available inventory, liquidity, prevailing market prices or market condition, anticipated loss or gain based on our analysis of the market and our trading experience with (including Trade Requests received from) you and/or others, credit and product terms, and

credit limits, position limits or other limits. These factors may change from time to time without notice to you and may differ from those applied to our other counterparties, and our application, assessment, and judgment thereof may take into account these factors to different weightages on a transaction-by-transaction basis. We may also use electronic tools such as algorithms, order routers and data from other trading venues and liquidity sources in order to determine what the appropriate bids and offers that are reasonably available under the circumstances would be.

- 3.4. Subject to applicable laws and regulations, after we receive a Trade Request, we may use such information, and other information available to us, to engage in trading, market making, and risk management activities, including pre-hedging and pre-positioning. Transactions entered into as part of these activities could be entered into at different prices from the price we execute your transaction. Such transactions may be processed ahead of, or at the same time as, or on an aggregated basis with, your Trade Request, in accordance with any applicable laws and regulations. These activities may affect market prices or liquidity for the financial products or instruments you are buying or selling, which may result in profit or loss to us.
- 3.5. Subject to any applicable laws and regulations or any express agreement otherwise, we will not generally disclose to you our activities when we handle our own transactions or transactions in relation to Trade Requests we receive from others. Such transactions may similarly also be processed ahead of, or at the same time as, your Trade Request, in accordance with any applicable laws and regulations. We are not obligated to disclose to you any such activities including where they impact our ability to enter into a particular Trade Request you have submitted to us.
- 3.6. All transactions are entered into hereunder in reliance on the fact that all transactions and confirmations and these Securities Terms form a single agreement between you and us, and the parties would not otherwise enter into any transactions.

#### **4. Communications**

- 4.1. You shall route all Trade Requests and other communications only through such communication methods and channels that are approved by us. You acknowledge and agree to (and you shall procure the acknowledgment and agreement of your personnel to) our recording of such communications between you and your personnel, and us and our personnel. If we agree to the use of electronic messaging (e.g. email, chats, instant messages etc.) for communications of or relating to Trade Requests, any Trade Request sent via these channels is only considered to be received by us only when an authorised SFP representative verifies the order or trade request details to you by phone or otherwise affirmatively acknowledges receipt of the Trade Request. We do not accept Trade Requests or other communications sent via any communication method or channel that has not been approved by us.
- 4.2. The need to verify orders made via electronic messaging by telephone may result in a Trade Request either not being filled or being filled at a much later time than when it was first received via electronic messaging platforms. During the period between the electronic transmission of the Trade Request, and the point which it is verified or acknowledged, you will be exposed to the risk that the Trade Request may not be filled or may be filled on less favourable terms because market conditions have changed in the interim.
- 4.3. If instructions or communications are given or made by e-mail, telephone, or any other electronic means, you accept the risks inherent in those modes of communication including but not limited to the risk of miscommunication, forgery, impersonation or fraud. We may rely and act on any instruction or communication which we in good faith believe to have been given by you or on your behalf. If inconsistent, overlapping or unclear Trade Requests are given, we may at our discretion act on all, some or none of the foregoing.

- 4.4. A Trade Request submitted via electronic messaging is an indication of interest subject to our review and acceptance. We will assess and consider whether to accept any Trade Request and enter into a transaction with you as described in clause 3.3 above.
- 4.5. If we agree to enter into a transaction with you pursuant to our receipt of your Trade Request, we will communicate our agreement and acceptance to you via email, telephone or other electronic means as we may agree with you, upon which such transaction shall be deemed entered into between you and us and binding on you and us. Until and unless we have agreed and accepted your Trade Request as aforesaid, no transaction shall have been, or be deemed to have been, entered into.
- 4.6. Written confirmation of each transaction will be provided to you as soon as practicable after execution. Each confirmation will be conclusive and binding on you if no written objection thereto is received by us within the time limit stated in the confirmation, or, if no time limit is stated, within 1 business day (any day other than a Saturday or Sunday on which we are open for business in Singapore) from the date of the confirmation.

## **5. Prices, Fees & Charges**

- 5.1. Unless otherwise agreed or stated by us, any firm or indicative price quote by us to you is an "all-in" price, and we are not obligated to disclose the amount of revenue or other benefits that are included in the "all-in" price.
- 5.2. Our prices quoted to you in respect of any and all transactions may embed or include a mark-up or other fee when executing transactions with you. You acknowledge and accept the foregoing, and further agree that any other applicable fees and charges of relevant third parties (such as brokers, custodians, organised markets, trading facilities, clearing facilities and depositories) as may be agreed between you and us, in respect of a given transaction, shall be borne by you.
- 5.3. Our prices quoted to you in respect of any and all transactions may take into account such factors as we determine at our sole discretion. Such factors would include the requirements of any applicable law or regulation, and may include without limitation: the particular transaction terms (for example, the size or volume of a trade, method of settlement, currency, deliverability, etc.); the aggregate notional amount traded with a counterparty over a period of time; a counterparty's previous trading behaviour (including whether a counterparty is more likely to buy or sell); the conventions and other considerations in respect of the relevant platform or venue (such as minimum price increment, on-the-wire time, parameters for accepting or rejecting orders or trade requests, available order or trade types, underlying technology or latency, fees and other economic considerations, such as historic experience with the platform or venue), market liquidity, funding and capital impact; inventory; our assessment of the credit, market, or other risks we may be exposed to; expenses (such as transaction processing costs and execution venue fees) and any unique services provided to a counterparty by us. Accordingly, our quoted prices may differ for each counterparty, and may differ in respect of different transactions for the same counterparty, depending on the method or venue used for transaction execution, and as permitted by the relevant laws and regulations.
- 5.4. If we execute a trade with you through liquidity sourced from another counterparty, we shall be entitled to retain any and all gains and profits from our dealings with that other counterparty without any obligation to disclose, or account for, the same to you. We may also benefit from reduced transaction costs when executing through certain internal and external trading venues. If we have an investment in, or other relationship with, an external venue, we may receive other benefits as a result of that investment or relationship. We are not obligated to disclose to you any of the foregoing compensation, fees, reduced transaction costs, or other benefits which we may receive when dealing in securities as aforesaid.

## **6. Custody**

- 6.1. You acknowledge and agree that all moneys and assets which you transfer or deliver to us in respect of your transactions hereunder shall be transferred or delivered to us for our own account and benefit as your counterparty in respect of your transactions and will not held by us in custody for your account or benefit.

## **7. Default**

- 7.1. Each of the following will constitute an “Event of Default” on your part:

- (a) you fail to make any payment or to make or take delivery of any property, in each case, when due under these Securities Terms or the terms of your transaction, or to observe or perform any other provision of these Securities Terms or your transactions;
- (b) you disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of these Securities Terms or the terms of your transactions;
- (c) any representation, warranty or covenant made or given or deemed made or given by you under these Securities Terms and your transactions proves to have been incorrect or misleading in any material respect as at the time it was made or given or deemed made or given;
- (d) you transfer all or substantially all your assets to another entity, or you are otherwise consolidated, amalgamated or merged with or into another entity or undergo a similar process, with the effect that the resultant, surviving or transferee entity does not assume all your obligations under these Securities Terms and your transactions, or these Securities Terms or and the terms of your transaction do not apply to the obligations of the resultant, surviving or transferee entity to the same extent as it applied to your obligations;
- (e) you (i) are dissolved or if your capacity or existence is dependent upon a record in a formal register, the registration is removed or ends, or any procedure is commenced seeking or proposing your dissolution, removal from such a register or the ending of such a registration; (ii) become insolvent or unable to pay your debts or fail or admit in writing your inability generally to pay your debts as they become due; (iii) make a general assignment, arrangement or composition with or for the benefit of your creditors; (iv) institute or have instituted against you, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition or other process is presented for your winding up or liquidation; (v) have a resolution passed for your winding up, judicial management or liquidation; (vi) seek or become subject to the appointment of a judicial manager, provisional liquidator, liquidator, receiver, trustee, custodian or other similar official for you or all or substantially all of your assets; (vii) have a secured party take possession of all or substantially all of your assets or have a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of your assets; (viii) cause or are subject to any event with respect to you which, under the applicable laws of any jurisdiction, has an analogous effect to any of the foregoing events; or (viii) take any action in furtherance of, or indicating your consent to, approval of, or acquiescence in, any of the foregoing;
- (f) we consider it necessary or desirable for compliance with any applicable law by us or by you or for our protection (including to prevent a violation or continued violation of any applicable law or good standard of market practice) or any action is taken by you or event occurs in respect of you which we consider might have a material adverse effect upon your ability to perform any of your obligations under these Securities Terms or your transactions;
- (g) any event of default (however described) occurs in relation to you under any other agreement between us and/or our affiliates and you;

- (h) any other event specified to be an Event of Default for these purposes elsewhere in these Securities Terms or the terms of your transactions occurs; and
  - (i) where you are a partnership, any of the events referred to above in this clause 7.1 occurs in respect of one or more of your partners.
- 7.2. If an Event of Default occurs in respect of you, we shall be entitled, at our sole discretion and without notice to you,
- (a) to cancel, close out, terminate, replace or reverse any Trade Requests and/or transactions or pending transactions (or portions thereof), enter into any other transaction or take, or refrain from taking, such other action pursuant to any agreement, at such time or times and in such manner as, in our sole discretion, we consider necessary, desirable or expedient to protect us (and/or our affiliates);
  - (b) to sell any or all of the securities or other property of yours for the time being in our possession or control or which we are obliged to deliver to you and to apply the proceeds of such sale in or towards satisfaction of any obligation or liability you may have to us, including any liability arising under clause 7.2(a) and clause 7.2(c);
  - (c) to buy in securities, against any and all of your outstanding obligations to make delivery of such securities under your transactions with us, and to recover from you any and all losses, costs and expenses arising therefrom, including through the application of the proceeds described in clause 7.2(b);
  - (d) to set off any of our liabilities or outstanding obligations to you against any of your outstanding obligations, including any liability arising under clause 7.2(a) and clause 7.2(c), and to direct any third party acting for us in connection with the provision of the services under these Securities Terms, to satisfy any of your outstanding obligations using any money or assets otherwise payable or deliverable to you;
  - (e) to terminate these Securities Terms.

## **8. Payments**

- 8.1. Each payment to be made by a party in respect of a transaction shall be made by that party in the currency, and no later than the payment date, so specified in the confirmation for that transaction. Unless otherwise agreed, all payments to be made between the parties in the same currency and on the same day shall be netted, so that each party's obligation to make payment will be automatically satisfied and discharged and if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise be payable by the other party, the party by which the larger aggregate amount would have been payable shall pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.
- 8.2. Payments to be made to a party shall be made to such bank account of that party as that party may notify to the other party in writing.
- 8.3. Save as otherwise provided in clause 8.1, all payments to be made by a party to the other shall be made without any deduction or withholding for or on account of any tax.

## **9. Deliveries**

- 9.1. All deliveries in respect of securities to be made by a party in respect of a transaction shall be made by that party no later than the delivery date so specified in the confirmation for that transaction.
- 9.2. Deliveries to be made to a party shall be made to that party in such manner as may be agreed.
- 9.3. Deliveries of securities received by a party to a transaction from the other party or from a third party on that other party's behalf shall constitute transfer of full ownership of such securities and all right, title and interest in and to any such securities shall vest in the receiving party free and clear of any liens, claims, charges or encumbrances or any other interest the other party or third party may have.

## **10. Information Handling and Data Privacy**

- 10.1. To manage conflicts of interest, we have policies and procedures that are designed to safeguard confidential information of counterparties and trading partners. We maintain systems and controls, such as information barriers, to prevent improper sharing or disclosure of confidential information. These information barriers, depending on context, include physical segregation, policies and procedures, and system access controls.
- 10.2. We may use information from transactions (other than the identities of the trading partners), to execute trades, source liquidity or execute risk-mitigating transactions. We may share information internally to better identify sales or trading opportunities for you, or to provide, manage or market our services and products to you. Information relating to executed transactions (other than order information) may be disclosed on an aggregated or anonymised basis internally and to third parties.
- 10.3. We may, where required under applicable law and in accordance with our obligations as a regulated entity, produce information as legally requested by our regulators or other law enforcement agencies, or any court of competent jurisdiction. We may also be required to report certain transaction data under the laws applicable to us as a regulated entity.

## **11. Representations, Warranties & Undertakings**

- 11.1. You represent, warrant and undertake to us on each date on which you enter into a transaction with us that (absent an express written agreement between you and us to the contrary for that transaction):
  - (a) you are duly organised and validly existing under the laws of the jurisdiction of your organisation or incorporation and, if relevant under such laws, in good standing;
  - (b) you have the power to enter into, deliver and perform, these Securities Terms, and each transaction and confirmation hereunder, and you have taken all necessary action to authorise such entry, delivery and performance;
  - (c) you are an "institutional investor", "accredited investor", or "expert investor" as defined in the Securities and Futures Act 2001 of Singapore, and you shall notify us forthwith if you cease to be such "institutional investor", "accredited investor" or "expert investor" as aforesaid for any reason;
  - (d) all governmental and other consents that are required to have been obtained by you with respect to these Securities Terms, and the transactions and confirmations hereunder, have been obtained and are in full force and effect and all conditions of any such consents have been complied with;



- (e) these Securities Terms and the transactions and confirmations hereunder shall be legal, valid, binding and enforceable against you in accordance with all their terms, and shall not be in breach of any law or regulations of any jurisdiction applicable to the transaction or to which you may be subject;
- (f) you are acting solely for your own account, have made your own independent decision to enter into the transaction and as to whether that transaction is appropriate or proper for you based upon your own judgment and upon advice from such advisors as you have deemed necessary. You are not relying on any communication (written or oral) of us as investment advice or as a recommendation to enter into that transaction, it being understood that information and explanations related to the terms and conditions of a transaction shall not be considered investment advice or a recommendation to enter into that transaction. No communication (written or oral) received from us will be deemed to be an assurance or guarantee as to the expected results of that transaction;
- (g) you are capable of assessing the merits of and understanding (on your own behalf or through independent professional advice), and you understand and accept, the terms, conditions and risks of, that transaction. You are also capable of assuming, and assume, the risks of that transaction; and
- (h) we are not acting as a fiduciary for or an advisor to you in respect of that transaction.

## **12. Indemnity**

- 12.1. Save for our gross negligence, fraud or wilful default, you hereby undertake to us to keep us and our directors, officers, employees, agents (in this clause each an "**Indemnified Party**") fully and effectively indemnified from and against all losses, liabilities, costs, charges and expenses suffered or incurred by the Indemnified Party due to any breach by you of these Securities Terms (including any representations, warranties and undertakings contained in or made or deemed to be made by you under these Securities Terms). You agree to reimburse each Indemnified Party for any legal or other expenses reasonably incurred by it in connection with investigating or defending any claim by you.

## **13. No Liability for Third Parties**

- 13.1. Transactions may be executed on, and cleared and settled through, such brokers, custodians, organised markets, trading facilities, clearing facilities, depositories or other third parties, as may be agreed or as we may determine to be necessary, desirable or expedient. We shall have no liability or responsibility to you for any delayed or non-performance or other default of any such third party.

## **14. Governing Law and Dispute Resolution**

- 14.1. These Securities Terms are made, interpreted and governed under the laws of the Republic of Singapore. You agree to submit to the exclusive jurisdiction of the courts of Singapore, save that nothing herein shall prevent or prejudice our rights to file any claims against you before any other court, and you hereby waive your rights to file an objection against the dispute resolution venue chosen by us.