

# SGX SECURITIES LENDING

## Terms and Conditions for Lending Participant and Lender

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### 1 Definition and Interpretation

1.1 In these SGX Securities Lending Terms and Conditions for Lending Participant and Lender: -

“Application”	means a written application in the form prescribed by CDP made by a Depositor to CDP requesting to participate as a Lending Participant through the SGX Securities Lending System and specifying the description and quantity of the Specified Eligible Securities as well as the account number of the Securities Account from which the Loaned Securities are to be debited or to which the Equivalent Loaned Securities are to be credited or redelivered;
“Business Day”	means a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks in Singapore, CDP and SGX-ST are open for business;
“CDP”	means The Central Depository (Pte) Limited;
“CDP Depository System”	means the system established by CDP for the holding of Securities and/or for the clearance and/or settlement of Securities transactions;
“Circulars”	means any circulars, practice guidelines, terms and conditions and all other written requirements as may be prescribed and issued from time to time by CDP, whether or not electronically through the SGX Securities Lending System, relating to the SGX Securities Lending and/or these Securities Lending Conditions and/or the transactions contemplated under these Securities Lending Conditions;
“Close of Business”	means the time at which commercial banks in Singapore (where payment is to be made) or SGX-ST or CDP as the case may be, close for business;
“Closing Price”	means, unless otherwise provided in these Securities Lending Conditions, in relation to any securities on a particular Trading Day, the last transacted price of such securities on SGX-ST at Close of Business of SGX-ST on such Trading Day, or, if such price is not available on such Trading Day, on the immediately preceding Trading Day on which such price is available, as derived from a price information service selected by CDP at its sole discretion;
“Depositor”	means an account holder(s) or a depository agent(s) (but does not include a sub-account holder(s)) of CDP;
“Effective Date”	means a day (being a Business Day) on which the Loaned Securities are delivered to CDP in accordance with these Securities Lending Conditions;
“Eligible Securities”	means such Securities as may be designated by CDP in the Circulars from time to time as being eligible for lending to CDP;
“Equivalent Loaned Securities”	means, in relation to any Loaned Securities, securities of an identical type, nominal value, description and amount to such Loaned Securities. If and to the extent that any Loaned Securities consists of Securities that are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a take-over, capitalisation issue, rights issue or event similar to any of the foregoing, the expression “Equivalent Loaned Securities” shall have the following meanings: - <ol style="list-style-type: none"><li>in the case of conversion, subdivision or consolidation, the securities into which the Loaned Securities have been converted, subdivided or consolidated, provided that, if appropriate, notice has been given in accordance with Condition 6.4 and provided further that the Lender has paid to CDP all and any sums due in respect of such conversion, subdivision or consolidation;</li><li>in the case of redemption, a sum of money equivalent to the proceeds of the redemption;</li><li>in the case of a take-over, a sum of money or securities, being the consideration or alternative consideration of which the Lender has given notice to CDP to accept in accordance with Condition 6.4;</li><li>in the case of a call on partly paid securities, the paid-up securities equivalent to the Loaned Securities provided that the Lender shall have paid CDP in respect of the Loaned Securities an amount of money equal to the sum due in respect of the call;</li></ol>

- (e) in the case of a capitalisation issue, securities equivalent to the Loaned Securities together with the securities allotted by way of bonus thereon;
- (f) in the case of a rights issue, securities equivalent to the Loaned Securities together with the securities allotted thereon, provided that the Lender has given notice to CDP in accordance with Condition 6.4 and has paid to CDP all and any sums due in respect thereof;
- (g) in the event that a payment or delivery of Income is made in respect of the Loaned Securities in the form of securities or a certificate which may at a future date be exchanged for securities, or in the event of an option to take Income in the form of securities, or a certificate which may at a future date be exchanged for securities, notice has been given to CDP in accordance with Condition 6.4, the Loaned Securities together with securities or a certificate equivalent to those allotted; and
- (h) in the case of any event similar to any of the foregoing events, securities equivalent to the Loaned Securities together with or replaced by a sum of money or securities equivalent to that received in respect of such Loaned Securities resulting from such event.

For this purpose, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate);

“Income”	means any interest, dividends or other distributions of any kind whatsoever with respect to any Loaned Securities;
“Lender”	means the Lending Participant whose Specified Eligible Securities (either partly or wholly) have been selected by CDP for Loan to CDP pursuant to these Securities Lending Conditions;
“Lending Participant”	means the Depositor whose Application has been approved by CDP and has not been withdrawn pursuant to Condition 12;
“Loan”	means the transaction in which the Lender delivers the Loaned Securities to CDP with a simultaneous agreement by CDP to redeliver to the Lender the Equivalent Loaned Securities on the Termination Date upon and subject to these Securities Lending Conditions;
“Loaned Securities”	means the Specified Eligible Securities selected by CDP for Loan to CDP, which are the subject of an outstanding Loan;
“Party”	means CDP or the Lender, as the case may be;
“Parties”	means both CDP and the Lender;
“Record Date”	means, with respect to any Loaned Securities and in relation to any dividends, rights, allotments or other distributions, the date as at the Close of Business (or such other time as may have been notified by such issuer) fixed by an issuer of such Loaned Securities on which holders of such Loaned Securities must be registered in order to participate in such dividends, rights, allotments or other distributions;
“Register of Specified Eligible Securities for Lending”	means such part of the Application specifying the Specified Eligible Securities available for lending to CDP as may be updated from time to time through the Update to Register of Specified Eligible Securities for Lending (Corporation/ Individual);
“Rules”	means all rules and bye-laws and directives of, and/or governing, SGX-ST and CDP as amended, modified, varied, supplemented or replaced from time to time;
“Securities”	means securities, whether debt or equity or otherwise, which are designated by CDP as eligible for deposit with CDP or for holding by CDP within the CDP Depository System;
“Securities Account”	has the same meaning as that ascribed to it in the Securities Account Conditions;
“Securities Account Conditions”	means the Terms and Conditions for operation of Securities Accounts with CDP as amended, modified, varied, supplemented or replaced from time to time;
“SGX Securities Lending”	means the Securities borrowing and lending business established by CDP enabling CDP to borrow Eligible Securities from the Lenders for onward lending to such borrower(s) as CDP may determine;

“Securities Lending Conditions”	means the SGX Securities Lending (Terms and Conditions for Lending Participant and Lender) as set out herein as the same may be amended, modified, varied from time to time, and shall include the Circulars for the time being in force;
“SGX”	means the Singapore Exchange Limited;
“SGX Securities Lending System”	means the system (whether or not, partly or wholly, electronic) established by CDP for the operating of the Loan transactions provided herein;
“SGX-ST”	means the Singapore Exchange Securities Trading Limited;
“SGX Website”	means the collection of web pages to be found at <a href="http://www.sgx.com">www.sgx.com</a> relating to and maintained by SGX;
“Singapore Dollars”	means the lawful currency of Singapore;
“Specified Eligible Securities”	means the Eligible Securities specified in the Register of Specified Eligible Securities for Lending as the same may be updated from time to time through the Update to Register of Specified Eligible Securities for Lending (Corporation/Individual);
“Termination Date”	means the day on which the Loan shall terminate pursuant to Condition 8.1 (or, if that day is not a Business Day, the Termination Date shall fall on the immediately following Business Day);
“Trading Day”	means a day on which the SGX-ST is open for trading in Securities;
“Update to Register of Specified Eligible Securities for Lending (Corporation/Individual)”	means a written notification in the form prescribed by CDP made by a Lending Participant to CDP from time to time updating the Specified Eligible Securities available for lending to CDP; and
“Value”	means, for the purpose of determining the amount payable pursuant to Condition 9.3 with respect to any Equivalent Loaned Securities calculated as of any Trading Day, the sum of money derived by multiplying the number of Equivalent Loaned Securities to be redelivered pursuant to Condition 9 with the Closing Price per unit of securities applicable to such Equivalent Loaned Securities on such Trading Day PROVIDED that in the case of Equivalent Loaned Securities that are suspended from trading on SGX-ST on such Trading Day or any part of such Trading Day, the Closing Price shall be substituted with the last transacted price of such Equivalent Loaned Securities on SGX-ST immediately preceding such suspension as derived from a price information service selected by CDP in its sole discretion (notwithstanding that such last transacted price is subsequently replaced by such other price as may from time to time be determined by SGX-ST pursuant to the Rules or otherwise).

- 1.2 Words importing the singular shall include the plural number and vice-versa and reference to the male gender shall include the female and neuter genders.
- 1.3 Headings are provided for ease of reference only and shall not affect the interpretation or construction of these Securities Lending Conditions.
- 1.4 Any reference to “Condition” in these Securities Lending Conditions is to a condition of these Securities Lending Conditions.
- 1.5 Notwithstanding the use of expressions such as “borrow”, “lend”, “redeliver” and other similar expressions, which reflect terminology for transactions of the kind provided for in these Securities Lending Conditions, title to Loaned Securities “borrowed” by CDP or “lent” to CDP in accordance with these Securities Lending Conditions will pass from the Lender to CDP and CDP, after obtaining such title, is obliged to redeliver Equivalent Loaned Securities to the Lender. Title to Equivalent Loaned Securities redelivered or deemed redelivered by CDP to the Lender will pass to the Lender upon such redelivery or deemed redelivery.
- 1.6 For the purposes of determining any prices, sums or values (including Value) prices, sums or values stated in currencies other than Singapore Dollars shall be converted into Singapore Dollars at the official rate of exchange quoted by a bank selected by CDP for the purchase of the Singapore Dollars with the currency concerned on the day of which the calculation is to be made or, if that day is not a Business Day at the official rate of exchange quoted at the Close of Business on the immediately preceding Business Day.
- 1.7 CDP may from time to time issue the Circulars which shall be binding on all Lending Participants and Lenders. These Securities Lending Conditions are to be read together with, and construed in accordance with, the Circulars. The Circulars are available for inspection by the Lending Participant/Lender at the principal office of CDP during normal business hours. The Circulars are part of these Securities Lending Conditions and shall have effect accordingly.

## **2 Selection of the Specified Eligible Securities for Loan**

- 2.1 These Securities Lending Conditions shall not be construed as granting the Lending Participant the right to make a Loan, but merely sets forth the terms and conditions under which a Loan, if required by CDP, shall be transacted.
- 2.2 As and when CDP requires any relevant Eligible Securities for Loan to CDP, CDP will check the Specified Eligible Securities standing to the credit of the Securities Accounts of all Lending Participants in order to locate the required Specified Eligible Securities. Lending Participants having positions in the required Specified Eligible Securities will be considered for the Loan.

2.3 Selection of Specified Eligible Securities for Loan among the Lending Participants with the required Specified Eligible Securities standing to the credit of their respective Securities Accounts will be strictly at the absolute discretion of CDP (in particular, where there are more than one Lending Participant who has such Specified Eligible Securities standing to the credit of its Securities Account) and such selection shall be done without any prior reference or notification to the Lending Participant. CDP reserves the right to refuse to select any Specified Eligible Securities from any such Lending Participant for any reason whatsoever. CDP shall not be required to disclose the reasons underlying such refusal and shall not be liable for any consequences of such refusal.

2.4 The procedures described in Conditions 2.2 and 2.3 above shall apply to the Specified Eligible Securities immediately upon approval of an Application by CDP and such procedures shall continue to apply until the effective date of withdrawal of such Application by the Lending Participant in accordance with Condition 12.

### **3 The Loaned Securities**

3.1 Upon selection of the Specified Eligible Securities for Loan in accordance with Condition 2, the Lender shall lend the Loaned Securities to CDP and CDP shall borrow the Loaned Securities from the Lender, by book-entry transfer in the CDP Depository System and in accordance with these Securities Lending Conditions and subject further to the following terms:-

(a) CDP shall not be required to take any action under these Securities Lending Conditions where to do so would be inconsistent with the requirements of any applicable law, regulation, judicial order or request of a regulatory authority having jurisdiction over CDP;

(b) All Loans will be transacted only if adequate Specified Eligible Securities are available; and

(c) For so long as the Loan shall remain outstanding, the Lender shall not close and shall ensure no closure of, the Securities Account stated in the Application.

3.2 The Lender hereby expressly agrees that the Loaned Securities shall be transacted subject to these Securities Lending Conditions without any prior reference to, notification to or consultation with the Lender.

3.3 Each Loan of the Loaned Securities shall commence on its Effective Date and continue until terminated in accordance with Condition 8.

3.4 CDP will notify the Lender of each Loan transacted with the Lender in accordance with Condition 17 not later than the first Business Day following the Effective Date of the Loan.

### **4 Delivery of Loaned Securities**

4.1 Delivery of the Loaned Securities shall take place by book-entry transfer in the CDP Depository System whereby the Loaned Securities shall be debited from the Securities Account as specified in the Application. The Lender expressly authorises CDP to make such debit.

4.2 The Loaned Securities shall be deemed to have been delivered by the Lender to CDP upon the debit of such Loaned Securities from the Securities Account as specified in the Application.

### **5 Delivery, Rights, Title and Interest**

5.1 The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all rights, title and interest in

(a) any Loaned Securities borrowed pursuant to Condition 3 and delivered pursuant to Condition 4;

(b) any Equivalent Loaned Securities redelivered pursuant to Condition 9,

shall pass from one Party to the other Party subject to these Securities Lending Conditions, on delivery or redelivery of the same in accordance with these Securities Lending Conditions free from all liens, charges and encumbrances. In the case of Loaned Securities or Equivalent Loaned Securities title to which is registered in the CDP Depository System or such computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of the CDP Depository System or such computer based system as in force from time to time. The Party acquiring such rights, title and interest shall have no obligation to return or redeliver any of the assets so acquired except that, in so far as any Loaned Securities are borrowed, CDP shall be obliged, subject to these Securities Lending Conditions, to redeliver Equivalent Loaned Securities.

5.2 In respect of Income being paid in relation to any Loaned Securities, CDP shall provide to the Lender any endorsements or assignments as shall be customary and appropriate to effect the delivery of money or property equivalent to the type and amount of such Income to the Lender, irrespective of whether CDP received the same in respect of any Loaned Securities.

5.3 In the case of Income in the form of dividends, CDP shall deliver to the Lender the relevant tax certificates or vouchers relating to such dividends, duly endorsed in favour of the Lender. In the event that CDP shall be unable to deliver such tax certificates or vouchers, CDP shall pay to the Lender the gross amount of such dividends without deduction of any tax deducted from or imputed to such dividends.

### **6 Distributions and Corporate Actions**

6.1 Where Income is paid in relation to any Loaned Securities on or by reference to a Record Date, CDP shall after the date of the payment of such Income pay and deliver a sum of money or property equivalent to the type and amount of such Income that the Lender would have been entitled to receive had such Securities not been loaned to CDP and had been retained by Lender on the Record Date unless a

different sum is agreed between the Parties. In the case of Income in the form of dividends, CDP shall deliver to the Lender the relevant tax certificates or vouchers relating to such dividends, duly endorsed in favour of the Lender. In the event that CDP shall be unable to deliver such tax certificates or vouchers, CDP shall pay to the Lender the gross amount of such dividends without deduction of any tax deducted from or imputed to such dividends.

6.2 Where Income in the form of securities is paid in relation to any Loaned Securities, such securities shall be added to such Loaned Securities upon their receipt by CDP (and shall constitute Loaned Securities and be part of the relevant Loan) and will not be delivered to the Lender until the Termination Date for the relevant Loan. If such Income in the form of Securities is not received by CDP by the Termination Date of the relevant Loan, then delivery to the Lender shall take place upon receipt by CDP of such Income.

6.3 Where any voting rights fall to be exercised in relation to any Loaned Securities, CDP shall have NO obligation to arrange for voting rights of that kind to be exercised in accordance with the instructions of the Lender in relation to the Securities borrowed by CDP, unless otherwise agreed between the Parties.

6.4 Where, in respect of any Loaned Securities, any rights relating to conversion, sub-division, consolidation, redemption, rights arising under a take-over offer, rights to receive securities or a certificate which may at a future date be exchanged for securities or other rights, including those requiring election by the holder for the time being of such Loaned Securities, become exercisable prior to the redelivery of Equivalent Loaned Securities, then the Lender may, within five (5) Business Days before the latest time and date for the exercise of the right or option give written notice to CDP that, on redelivery of Equivalent Loaned Securities, it wishes to receive Equivalent Loaned Securities in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice and CDP shall, subject to its receiving such administrative charge as may be imposed by it, exercise the right accordingly.

## **7. Lending Fee And Related Charges**

7.1 In respect of each Loan, CDP shall pay to the Lender, in the manner prescribed in Condition 7.2, a lending fee (the "Lending Fee") as more particularly described in the Circulars. CDP may from time to time as it may in its absolute discretion deem necessary change the Lending Fee without further notice to the Lender.

7.2 In respect of each Loan, the Lending Fee shall accrue daily during the period commencing on and inclusive of the Effective Date and terminating on and exclusive of the Trading Day upon which Equivalent Loaned Securities are redelivered to the Lender, or where CDP decides to pay the Lender in lieu of redelivery obligation in accordance with Condition 9.3, terminating on and exclusive of the Business Day upon which payment pursuant to Condition 9.3 is made to the Lender.

7.3 In respect of each Loan, the Lender shall pay to CDP, in the manner prescribed in the Circulars from time to time, the related charges as more particularly prescribed in the Circulars from time to time. CDP shall be entitled to deduct from the Lending Fee by way of set-off any amount of such additional charges as may be more particularly prescribed in the Circulars from time to time due from the Lender. Notwithstanding any other provisions of these Conditions, any change to the matters described in this Condition 7.3 shall take effect from the date such change is prescribed in the Circulars.

## **8. Termination**

8.1 The Loan granted hereunder will terminate: -

- (a) automatically upon redelivery of the Equivalent Loaned Securities by CDP to the Lender; or
- (b) if termination is requested by the Lender, on such number of days specified in the Circulars following the receipt by CDP of the notice of termination served by the Lender on CDP on any Business Day PROVIDED that the Loaned Securities which are the subject of the Loan are not suspended from trading on the SGX-ST on the Termination Date,

whichever date shall be earlier.

8.2 Where the Lender purports to sell, transfer or otherwise dispose of any Securities which are the subject of a Loan through his Securities Account specified in the Application, any action taken by the Lender purporting to sell, transfer or otherwise dispose of any such Loaned Securities in accordance with the Securities Account Conditions shall be deemed to be a notice of termination of the Loan in respect of such Securities by the Lender and the Termination Date shall in such event be deemed to be the settlement date or effective date of such sale, transfer or other disposal. Save as herein provided, CDP shall not be obliged to take notice of any action of the Lender purportedly to sell, transfer or otherwise dispose of any Securities which are the subject of a Loan other than as provided herein and CDP shall not be liable for any consequences thereof.

## **9. Redelivery of Equivalent Loaned Securities**

9.1 Subject to Condition 9.3, immediately upon termination of the Loan in accordance with Condition 8, CDP shall procure the redelivery of, or redeliver, the Equivalent Loaned Securities to the Lender in accordance with this Condition 9 on the Termination Date. For the avoidance of doubt, any reference herein or in any other communication between the Parties to an obligation to redeliver or account for or act in relation to Loaned Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to the Equivalent Loaned Securities.

9.2 Redelivery of the Equivalent Loaned Securities shall take place by book-entry transfer in the CDP Depository System whereby the Equivalent Loaned Securities shall be credited into the Securities Account specified by the Lender in the Application. The Lender hereby expressly authorises CDP to make such credit. The Equivalent Loaned Securities shall be deemed to have been redelivered by CDP upon such credit of the Equivalent Loaned Securities into the Securities Account specified by the Lender in the Application.

9.3 Notwithstanding Conditions 9.1, CDP reserves the right, in lieu of the redelivery obligation of the Equivalent Loaned Securities, to pay to the Lender an amount equivalent to the Value of the Equivalent Loaned Securities determined as of the Trading Day on which the Equivalent Loaned Securities are required to be redelivered by CDP under Condition 9.1.

9.4 The Lender hereby expressly agrees that upon the redelivery of the Equivalent Loaned Securities to the Lender in accordance with Conditions 9.1 and 9.2, or in lieu thereof, upon the payment of the amount calculated in accordance with Condition 9.3 to the Lender, the Lender shall have no further claims against CDP regarding the Loaned Securities or the Equivalent Loaned Securities.

#### **10. Taxes**

The Lender hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by these Securities Lending Conditions, and shall indemnify and keep indemnified CDP against any liability arising as a result of the Lender's failure to do so.

#### **11. Lending Participant's/Lender's Warranties**

The Lending Participant/Lender hereby warrants and undertakes to CDP on a continuing basis to the intent that such warranties shall survive the completion and/or termination of the transaction contemplated herein that, where acting as a lender:-

11.1 it has all necessary licences and approvals, and is duly authorised and empowered to perform its duties and obligations under these Securities Lending Conditions and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;

11.2 it is not restricted under the terms of its constitution or in any other manner from lending the Loaned Securities in accordance with these Securities Lending Conditions or from otherwise performing its obligations hereunder;

11.3 it is absolutely entitled to pass full legal and beneficial ownership of all Loaned Securities provided by it hereunder to CDP free from all liens, charges and encumbrances;

11.4 it is acting as principal in respect of these Securities Lending Conditions; and

11.5 for so long as the Loan shall remain outstanding, it shall not close, or it shall ensure no closure, of the Securities Accounts stated in the Application.

#### **12. Withdrawal by the Lending Participant**

The Lending Participant may, at any time after the Application has been approved by CDP, withdraw the Application by giving CDP prior written notice. The length of such written notice and the date that such withdrawal shall become effective shall be specified in the Circulars.

#### **13. Lender's Further Assurance**

The Lender shall, upon request by CDP at any time or times, promptly execute and sign all such transfers, assignments, powers of attorney, further assurances or other documents and do all such other acts and things as CDP may require or request to perfect or preserve the rights and interests of CDP under or pursuant to these Securities Lending Conditions or for the exercise by CDP of all or any of the powers, authorities and discretion conferred on it by these Securities Lending Conditions.

#### **14. Price Data**

CDP shall not be liable in any manner whatsoever for any losses, damages, costs or expenses arising out of or related to any error by, or any inaccuracy of any price received from the SGX Website, or any pricing source or any other source of information that CDP uses in the ordinary course of business. CDP shall have no duty to inquire into the appropriateness or relative change of any price nor shall CDP be required to determine volatility factors with respect to any price.

#### **15. Confidentiality**

CDP warrants to the Lender that information which reveals or relates to, or which would permit the determination of the securities positions through the SGX Securities Lending System of, or Loan transactions by, the Lender (including any future or planned securities positions or Loan transactions), or the type and amount of any Loaned Securities, will only be used by CDP or SGX Group in connection with the operation of the SGX Securities Lending System or this SGX Securities Lending or the provision of other commercial services to the Lender, as the case may be. Notwithstanding the foregoing, CDP may, where it is bound by the law of any territory or country or pursuant to any requirement of any regulatory body in Singapore or elsewhere, disclose any information or produce any document in its possession or control. Without prejudice to the generality of the foregoing, CDP will be entitled to disclose information or to produce any document in its possession or control if required to do so by the Monetary Authority of Singapore or any other regulatory authority. If CDP discloses information concerning Lender to any such regulatory body, CDP will inform Lender unless CDP may not or has been requested not to do so. For the purpose of this Condition, SGX Group means Singapore Exchange Limited, as the case may be, its subsidiaries, any holding company of Singapore Exchange Limited and any subsidiary of such holding company from time to time. The words "subsidiary" and "holding company" shall have the meaning given to them by Sections 5, 5A and 5B of the Companies Act, Chapter 50 of Singapore. Reference to the Group shall mean any or all of the Group, in whole or in part.

#### **16. Consequential Loss**

Each of the Parties agrees that it will not seek any recovery or remedy for any breach of these Securities Lending Conditions other than those expressly provided for by these Securities Lending Conditions. Without limiting the generality of the foregoing neither Party may claim any sum by way of consequential loss or damage in the event of a failure by the other Party to perform any of its obligations under these Securities Lending Conditions.

## 17. Notices

- 17.1 Notwithstanding that certain provisions of these Securities Lending Conditions may require written notices, CDP is authorised but not required to act on oral notices reasonably believed by it to be notices of a person acting on behalf of Lending Participant/Lender or on notices received by facsimile, or on electronic notices received over any electronic system whereby the receiver is able to verify by code or otherwise with reasonable certainty the identity of the sender of such communications (including electronic notices through the SGX Securities Lending System). In such event, if subsequent written notices differ in any respect from oral, faxed notices or electronic notices, CDP shall not be held liable in any manner whatsoever for acting upon such oral, faxed or electronic notices. Failure to confirm in writing shall not affect the authority of any acts taken or omitted by CDP pursuant to oral, faxed or electronic notices. CDP reserves the right to record telephone conversations with Lending Participant/Lender and to refer to such recordings in the event of any dispute. Notices shall be effective from the time they are actually received by CDP by telephone, facsimile machine, or any other means designated by CDP.

CDP may rely on such notices and shall not be liable in any manner whatsoever for any losses, damages, costs or expenses arising out of or related to (i) the failure of notices to be signed, the signing or giving of written or oral notices by any person not authorised to sign or give such notices or the forgery or wrongful alteration of notices or any other written instrument or (ii) the inaccuracy, incompleteness, or falsity of data transmitted by computer tape or terminal or other computer facilities, unless CDP shall have had actual knowledge that such notices, instrument or data were not for the account or benefit of Lending Participant/Lender or such notices, instrument or data were signed, given or transmitted by a person other than a person authorized to act on behalf of Lending Participant/Lender.

CDP shall not be required to comply with, or be deemed to have any notice or knowledge of, any notice or instructions sent by any client of the Lending Participant/Lender unless such notice or instructions are delivered to CDP by the Lending Participant/Lender, and CDP shall not be liable in any manner whatsoever for any losses, damages, costs or expenses arising out of its compliance or failure to comply with any notice or instructions delivered to it directly by any client of the Lending Participant/Lender.

- 17.2 Insofar as the Lending Participant/Lender is given specified access and use of the SGX Securities Lending System by way of having on-line electronic services or such other services as may be prescribed by CDP, the Lending Participant/Lender hereby acknowledges and agrees that it has requested to be given specified access and use of the SGX Securities Lending System. Notwithstanding Condition 17.1, the Lending Participant/Lender acknowledges that all notices/instructions/confirmations in an electronic form generated by the SGX Securities Lending System shall be irrevocable and binding on the Lending Participant/Lender upon electronic transmission through the SGX Securities Lending System and CDP shall be entitled (but not obliged) to effect, perform or process such electronic notices/instructions/confirmations without the Lending Participants/Lenders further consent and without any further reference or notice to the Lending Participant/Lender. For the avoidance of doubt, CDP shall be under no obligation to give effect to any notices/instructions of the Lending Participant/Lender and shall be entitled, at its sole and absolute discretion and without assigning any reason, to refuse to accept any notices/instructions of the Lending Participant/Lender or to only execute part of the notices/instructions. CDP shall not be liable for any losses, damages, costs or expenses suffered by the Lending Participant/Lender as a result of any such refusal or any partial execution of the notices/instructions.
- 17.3 Except as provided in Condition 17.1, every notice or communication under these Securities Lending Conditions shall be in writing and may be served by personal delivery or by prepaid letter, fax or electronic notice generated by the SGX Securities Lending System, or (in the case of service on the Lending Participant/Lender) by electronic mail or by public advertisement:-
- in the case of CDP, at the address or facsimile number and marked for the attention of the person (if any) from time to time designated by CDP for the purpose of these Securities Lending Conditions as stated in the Circulars; and
  - in the case of the Lending Participant/Lender, at the address, facsimile number or electronic mail as stated in the Application, or as found in the records of CDP, whether or not maintained for the purpose of these Securities Lending Conditions, or if notice is served by public advertisement, by an advertisement in an English-language newspaper having general circulation in Singapore

Subject to the above, any notice or communication to either Party shall be deemed to have been received by that Party, in the case of an electronic notice generated by the SGX Securities Lending System or by electronic mail, at the time of the transmission (provided that if the date of transmission is not a Business Day it shall be deemed to have been received at the opening of business on the next Business Day) of the electronic notice through the SGX Securities Lending System or the electronic mail, in the case of a fax, at the time of dispatch (provided that if the date of dispatch is not a Business Day it shall be deemed to have been received at the opening of business on the next such Business Day) and in the case of a letter, when delivered personally or one (1) Business Day after it has been put into the post.

- 17.4 The Lending Participant/Lender hereby undertakes to indemnify CDP fully and completely and to hold CDP harmless against all claims, demands, actions and proceedings, loss, damage, costs and expenses (including legal costs) and all other liabilities of whatsoever nature or description howsoever and by whomsoever suffered, incurred, sustained or paid arising out of, or anything done or omitted to be done (whether intentionally or otherwise) pursuant to or in connection with, CDP agreeing to accept and accepting requests from the Lending Participant/Lender by fax.

## 18. Amendments

CDP reserves the right to vary or amend these Securities Lending Conditions and/or to introduce such further terms and conditions from time to time as it may in its absolute discretion deem necessary and desirable. Unless otherwise provided in these Securities Lending Conditions, such variation or amendment and/or introduction of such further terms and conditions shall become effective on such date as specified in the notice of variation or amendment and/or introduction of such further terms and conditions given by CDP to the Lending Participant/Lender. The Lender shall be deemed to have consented to any variation or amendment and/or introduction of further terms and conditions by continuing with the Loan after such variation or amendment and/or introduction of such further terms and conditions takes effect. The Securities Lending Conditions in force from time to time shall be available for inspection by a Lending Participant/Lender at the principal office of CDP during normal business hours.

## 19. Severability

If any provision of these Securities Lending Conditions is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Securities Lending Conditions and the remaining provisions of the Securities Lending Conditions shall remain in full force and effect. The Securities Lending Conditions shall, however, thereafter be amended so as to achieve as far as possible, without illegality, the intention of the Parties with respect to that severed provision.

## 20. Survival

All releases, limitations of liability and indemnifications provided in these Securities Lending Conditions shall survive the termination of any Loan.

## 21. Exclusion of Liability and Consequential Loss

21.1 Neither CDP nor any of its directors, officers, employees or agents shall apart from any wilful act, wilful omission, negligence or fraud, be liable for any loss or damages that may be suffered, incurred or sustained by the Lending Participant/Lender as a result of any computer or machinery breakdown or malfunction, or as a result of the closure, malfunction, breakdown, repair, servicing, mechanical or other defect of any computer terminal, communication lines or equipment howsoever caused.

21.2 None of CDP nor any of its directors, officers, employees or agents shall be liable for loss or damage arising out of or relating to:-

- (a) any loss, destruction or misdelivery of any Loaned Securities or Equivalent Loaned Securities; or
- (b) any action taken or omitted or purported to be taken or omitted by any of them in good faith under or in connection with these Securities Lending Conditions; or
- (c) delay in performing or inability to perform the obligations under these Securities Lending Conditions by any laws, regulations or rules of any jurisdiction or any circumstances outside their control; or
- (d) any forgery of the Lending Participant/Lender's signature, instructions or requests,

unless the same results from an act of negligence or fraud on the part of CDP in which event, CDP's liability shall not exceed the market value of any Loaned Securities or Equivalent Loaned Securities to which the loss or damage relates, at the time of discovery of such negligence or fraud. Notwithstanding the foregoing, in no event shall CDP be liable to the Lending Participant/Lender for indirect, special or consequential damages even if advised of the possibility of such damages.

21.3 CDP may, in relation to the performance of its duties for the Lending Participants/Lenders in accordance with those Securities Lending Conditions, act or refrain from taking action on the advice or opinion of, or any certificate or information obtained from, any lawyer, valuer, accountant, banker, broker, securities company or other expert and shall not be responsible or liable (in the absence of negligence or fraud on the part of CDP) for any loss or liability occasioned by so acting or refraining from acting.

21.4 CDP has no obligation to investigate, nor make representation with respect to, nor for the validity of the Loaned Securities and CDP shall, upon notice to such Lender, debit from such Securities Account an amount of Securities of the same issue upon discovery that the Loaned Securities so received are forged, fraudulent or invalid (or are not freely transferable and deliverable without encumbrance in any such market).

In the absence of negligence or fraud on the part of CDP, CDP shall have no liability for losses incurred by any Lender as a result of the receipt or acceptance by the Lender of fraudulent, forged or invalid Loaned Securities (or Loaned Securities which are otherwise not freely transferable or deliverable without encumbrance in any relevant market) for credit into the Securities Account specified in the Application.

21.5 Each of the Parties agrees that it will not seek any recovery or remedy for any breach of these Securities Lending Conditions other than those expressly provided for by these Securities Lending Conditions or the making good of its direct cost of replacing any Securities which the other Party fails to deliver to it in a timely fashion and in accordance with these Securities Lending Conditions. Without limiting the generality of the foregoing neither Party may claim any sum by way of consequential loss or damage in the event of a failure by the other Party to perform any of its obligations under these Securities Lending Conditions.

21.6 No term of these Securities Lending Conditions confers a benefit on any person who is not a Party to these Securities Lending Conditions. Any person who is not a Party to these Securities Lending Conditions has no rights under the Contracts (Rights of Third Parties) Act 2001 to enforce any term of these Securities Lending Conditions.

## 22. Force Majeure

22.1 CDP may suspend operations of the SGX Securities Lending System and/or services if, for whatever reason, CDP's records, the SGX Securities Lending System or CDP's services are not available or access to such records, the SGX Securities Lending System or services is hindered.

22.2 None of CDP nor any of its directors, officers, employees or agents shall be liable for any losses or damages that may be suffered, incurred or sustained by the Lending Participant/Lender, and shall not be responsible for failure to comply or delay in complying with any duty or obligation under or pursuant to these Securities Lending Conditions arising as a direct or indirect result of any reason, cause or contingency beyond its reasonable control, including (without limitation) natural disasters, act of God, industrial action, computer breakdown or sabotage, currency restrictions, war or terrorism.

22.3 All costs and expenses, including legal costs on a solicitor and client basis incurred by CDP in connection with the enforcement of any of its rights hereunder or to resolve any dispute relating to the Loaned Securities or Equivalent Loaned Securities shall be payable by the Lending Participant/Lender on a full indemnity basis.

**23. Specific Performance**

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver or redeliver Loaned Securities or Equivalent Loaned Securities but without prejudice to any other rights it may have.

**24. Assignment**

The Lending Participant/Lender may not assign or transfer any of its rights or obligations under these Securities Lending Conditions.

**25. Non-Waiver**

No failure or delay by either Party (whether by course of conduct or otherwise) to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

**26. Governing Law and Jurisdiction**

26.1 These Securities Lending Conditions shall be governed by and shall be construed in accordance with the laws of the Republic of Singapore and the Lending Participant/Lender hereby irrevocably submit to the non-exclusive jurisdiction of the courts of the Republic of Singapore in all matters connected with these Securities Lending Conditions and that accordingly, any legal action or proceedings arising out of or in connection with these Securities Lending Conditions (the "Proceedings") may be brought in those courts provided that submission to the jurisdiction of the courts of the Republic of Singapore shall not be construed as derogating from CDP's right to commence Proceedings in the courts of any other country.

26.2 The Lending Participant/Lender irrevocably waives any objection which it may at any time have to the laying of the venue of any Proceedings in any court referred to in this Condition 26 and any claim that any such Proceedings have been brought in an inconvenient forum.

26.3 The Lending Participant/Lender irrevocably and generally consents in respect of any Proceedings anywhere to the giving of any relief or the issue of any process in connection with those Proceedings including, without limitation, the making, enforcement or execution against any assets whatsoever (irrespective of their use or intended use) of any order or judgements which may be made or given in those Proceedings.

26.4 The Lending Participant/Lender irrevocably agrees that, should CDP take any Proceedings anywhere (whether for an injunction, damages or otherwise), no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) from those Proceedings, from attachment (whether in aid of execution, before judgement or otherwise) of its assets or from execution of judgements shall be claimed by it or on its behalf or with respect of its assets, any such immunity being irrevocably waived. The Lending Participant/Lender irrevocably agrees that it and its assets are, and shall be, subject to such Proceedings, attachment or execution in respect of its obligations under these Securities Lending Conditions.

**27. Single Agreement**

Each Party acknowledges that, it has entered into these Securities Lending Conditions and will enter into each Loan in consideration of and in reliance upon the fact that, all Loans constitute a single business and contractual relationship and are made in consideration of each other. Accordingly, each Party agrees:-

- (a) to perform all of its obligations in respect of each Loan; and
- (b) that payments, deliveries and other transfers made by either of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan.

**28. Conclusiveness of Certificate Given By CDP**

A statement or certificate in writing signed by a duly authorised officer for the time being of CDP and certifying the amount due at any time in respect of any moneys owing and payable by one Party to the other Party and/or any liabilities incurred by one Party and payable by the other Party and/or any moneys due and payable by one Party to the other Party under or by virtue of these Securities Lending Conditions shall (in the absence of any manifest error) be final and conclusive of the matters so certified and be binding on the Parties.

**29. Joint and Several Liability**

Where the Securities Account of the Lending Participant/Lender is in joint names, the Lending Participant/Lender agrees that the Securities Lending Conditions shall be binding on each joint holder of that Securities Account jointly and severally and CDP shall only be obliged to take instructions in accordance with the mandate for the time being applicable to the operation of such Securities Account as found in the records of CDP.