

## PHILLIP SECURITIES PTE LTD SHARE FINANCING ACCOUNT

Share Financing Account allows you to leverage on your purchases using cash or shares as collaterals.

### 1. Financing Quantum:

- **70%** for **A** Shares
- **50%** for **B** Shares
- **No Financing** for **C** Shares

Please refer to share list for A and B grading. Shares not mentioned in list A or B are considered C grading.

### 2. Margin Cover Requirement

$$\text{i) } MR = \frac{\text{Ledger}}{\text{Collateral}} < 100\%$$

### Margin Calls:

If Margin Requirement is

- ii) **100% ≤ MR < 110%:** Client is required to satisfy all margin calls within **5** market days including the date of notice by reducing the Margin requirement to 100%
- iii) **MR ≥ 110%:** Client is required to satisfy all Force-selling calls on the same day before 3:00 pm by bringing down the Margin Requirement down to 100%

### 3. Share Deposition

All securities transacted through this Margin Account will be cleared through the Phillip Nominees Account.

Therefore, all Share purchases and subsequent sales must be conducted through this account.

### 4. Trading

Trading is available through Internet, Telebroker, WAP and Trading Representatives.

### 5. Excess Funds

Idle funds residing in this account will be automatically deposited in an interest bearing account. However, interest will only be paid on the dollar in excess of stipulated limit. Interest income will only be credited if monthly accumulated interest income is > \$1.

Interest payable on SGD cash deposits will be based on the following tier rates:

Deposit Amount	Interest
<= S\$50,000	Nil
> S\$50,000	0.10% p.a.

Interest payable on the foreign currency cash deposits will be based on the following rates:

Deposit Amount	Interest
> US\$50,000	0.15% p.a.
> HK\$50,000	0.10% p.a.

All interest rates are subject to change without prior notice.

### 6. Multi-currency Facility (US\$/HK\$) – Optional

Account holders should ensure they have sufficient funds in the foreign currencies ledger to avoid incurring interest on debit balances. Rates on debit balances are as follows:

Currency	Interest on Debit Balance
HKD	9.25%
USD	7.00%

### 7. Settlement

Account Holders have an option to choose a Multiple currency facility. Currency deposits offered are USD, HKD and SGD. Settlement will be in traded currency unless otherwise stated.

For non-multiple currency account holders, settlement will be in SGD unless otherwise stated.

### 8. Monthly Statement

A detailed monthly transaction statement will be mailed by the first week of every month.

### 8. Withdrawal

Sale proceeds and contra gains will be credited into the margin account. The amount that may be withdrawn is based on the "Available Cash." Withdrawals in excess of CR Balances will nevertheless still be considered as a loan.

### 9. Fund Deposition

Any payment for outstanding purchases must be received on or by Due date (T+3)

### 10. Payment Modes:

#### Cheque:

Cheque should be crossed and made payable to "Phillip Financial Pte Ltd." Please state your trading account number and name on the back of the cheque and have it mailed to your respective Trading Representative.

Alternatively, cheque can be presented at our Head Office's cashier counter.

#### EPS (Electronic Payment for Shares):

One bank account can only be linked to only one trading account. Payment should be made latest by 9:00pm on the contract due date.

#### Telegraphic Transfer:

Please state your trading account number and name along with the telegraphic transfer.

**Bank:** Standard Chartered Bank  
**Receiver:** Phillip Financial Pte Ltd  
**A/C No:** 01-014-1748-9  
 Or  
**Bank:** DBS Bank  
**Receiver:** Phillip Financial Pte Ltd  
**A/C No:** 048-900-420-7

#### Cash

Cash payments can be performed at our Head Office's cashier counter.

# INFORMATION SHEET

## SHARE FINANCING ACCOUNT

*Yet Another Choice To  
Finance Your Shares.*

### **PHILLIP FINANCIAL PTE LTD**

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## 11. Schedule of Charges

Type of Service	Charges	Remarks
Financing Rate	7% per annum	
Quarterly Maintenance Charge	\$15.00 per quarter (Quarterly trading activity is accessed at Mar, Jun, Sep, and Dec month end)	
<b>Phillip Securities – Schedule of Charges</b>		
Foreign Share Custody Charges	\$2.14 per counter per month (inclusive of GST) (subject to max \$160.50 per quarter)	
Dividend Charges	<S\$100 - \$1.07 (inclusive of GST) >S\$100 - 1% of Net Dividend (Max S\$53.50, inclusive of GST)  GST is on dividend charges and is applicable for Singaporean and Singapore PR.	
<b>Corporate Actions</b>		
Cash offer, Capital Distribution, Redemption of Loan Stock/ Bonds, Scripless Conversion	\$10.70 (inclusive of GST) (For scripless conversion, there is an additional charge by CDP of \$20.70)	
Rights Issue	S\$5.35 handling fee + S\$5.35 cashier's order per SGX counter (inclusive of GST)	
<b>CDP Charges</b>		
Share Transfer Charges	\$10.70 (inclusive of GST) transfer fee per counter charged by CDP Additional \$10.00 handling charges per counter for transfer out of Phillip.	
Sub to Sub Transfer Charges	\$10.70 (inclusive of GST) per counter per 1000 shares charged by CDP (subject to max S\$107)	

## EXAMPLE OF HOW SHARE FINANCING WORKS

Loan Amount = Ledger (DR Balance)

Collateral = Market Value or Cap Value whichever is lower x Financing Factor.

Maximum Available to Purchase (see table)

= Collateral x Multiplier

Collateral Type	A Shares (Multiplier =3.333)	B Shares (Multiplier =2)	C Shares (Multiplier =1)
Cash \$10,000	\$33,333	\$20,000	\$10,000
A Shares \$10,000	\$23,333	\$14,000	\$7,000
B Shares \$10,000	\$16,666	\$10,000	\$5,000
C Shares \$10,000	NA	NA	NA

\* calculation is based on individual share category only  
Ledger

$$i) \quad MR = \frac{\text{Ledger}}{\text{Collateral}} < 100\%$$

ii) **Top Up Formula:**  
Deposit Cheque:  
*Borrowing – Collateral*  
**Sell Shares**  
"A" Shares: top up Amount / 0.3  
"B" Shares: top up Amount / 0.5

**Example:**

If client deposits \$10,000 and \$10,000 "A" Shares, and buys S\$20,000 worth of "B" shares. Assuming market price remains stable,

**Deposits**

Cash = \$10,000  
"A" Shares = \$10,000

**New Purchases**

"B" Shares = \$20,000

**Price Factor:**

A Shares: 0.70

B Shares: 0.50

**MR** = Ledger / Collateral

$$\frac{[-10,000 + 20,000] \text{ (CR) (DR)}}{[10,000 \times 0.7 + 20,000 \times 0.5] \text{ (A Share) (B Share)}}$$

$$= 10,000 / 17,000 \\ = 59\% \text{ (Ratio is within limits)}$$

## IMPORTANT NOTICE:

- For multi currency accounts, there will be no automatic conversion of currency. Clients are required to provide instructions.
- Cash payments in any other currency except Singapore Dollars are not accepted.
- Phillip Financial Pte Ltd reserves the right to revise the published rates and charges from time to time.
- To avoid any miscommunication, kindly contact your respective Trading Representative when in doubt.
- Account closure with credit balance of S\$1.00 or below, an administrative charge of up to S\$1.07 (inclusive of GST) will be levied.

## WHAT DO YOU NEED TO OPEN AN ACCOUNT:

The following documents/information are required to open an account.

- 1 Photocopy of NRIC (for citizens and permanent residents); or
- 1 Photocopy of Passport (for non-Singaporeans) & Malaysian IC for Malaysians.
- Work and Re-entry Permit (for foreigners working in Singapore).
- Personal Bank Account Number. (For official credit references only)
- CPF Investment Account Number (if applicable).
- CDP/GSA Account Number (if applicable).
- Initial Deposit of at least \$1,000

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