

TD Ameritrade Singapore Pte. Ltd.

This disclosure statement is provided to you in accordance with the Monetary Authority of Singapore's ("MAS") requirement for TD Ameritrade Singapore Pte. Ltd. ("TD Ameritrade Singapore") (holding a capital markets services license issued by the Monetary Authority of Singapore) to disclose to all of our clients how and where your funds are deposited and held and what this means in relation to the security and protection of your funds, and should be read in conjunction with the TD Ameritrade Singapore Customer Agreement, [Risk Warning Statement](#), and Clearing Firm Disclosure.

Where and how are my securities and options funds held?

TD Ameritrade Singapore has contracted with TD Ameritrade Clearing, Inc., to provide clearing and custodial services for securities and derivatives traded on US exchanges on behalf of TD Ameritrade Singapore for the exclusive benefit of TD Ameritrade Singapore's clients. TD Ameritrade Clearing, Inc. is a registered broker-dealer and transfer agent with the US Securities and Exchange Commission ("SEC"); is a member firm of self-regulatory organizations, including the Financial Industry Regulatory Authority ("FINRA"), and the following depository and clearing agencies: the Depository Trust and Clearing Corporation ("DTCC"), National Securities Clearing Corporation ("NSCC") and Options Clearing Corporation ("OCC"); and several US exchanges. In this connection, our client accounts (for funds, securities, and derivatives) are held for our clients' benefit on a fully disclosed segregated basis and are domiciled and maintained in the US with TD Ameritrade Clearing, Inc. As a result, our client accounts are subject to all applicable US laws, rules, regulations, and customer protection provisions associated with fully disclosed retail accounts trading and settling in the US.

In particular, the US Securities Exchange Commission Rule 15c3-3, commonly known as the "Customer Protection Rule" or "SEC Rule 15c3-3" was adopted in 1972 to ensure customer property (funds, securities, and derivatives) held in custody by a US licensed firm is adequately safeguarded. Please note that pursuant to your agreement, authorization and direction under the TD Ameritrade Singapore Customer Agreement and subject to the terms thereunder, all TD Ameritrade Singapore's client funds (including, but not limited to excess client funds not required to be used for the settlement of securities, derivatives or futures transactions or margin requirements) are held by TD Ameritrade Clearing, Inc. as our US based and licensed clearing and custodial firm in a regulatory "Special Reserve Account," established for the exclusive benefit of clients with banking institutions licensed, registered, or authorised to conduct banking business in the US as required under US law. All funds held in a Special Reserve Account are fully segregated from those of TD Ameritrade Clearing, Inc. and TD Ameritrade Singapore, but may be commingled with other TD Ameritrade Clearing, Inc. client funds. For the avoidance of doubt, the deposit of TD Ameritrade Singapore's client funds (including, but not limited to excess client funds not required to be used for the settlement of securities, derivatives or futures transactions or margin requirements) in the "Special Reserve Account" is not for the purpose of making any payment to meet any obligation of TD Ameritrade Singapore in relation to any transaction, arrangement or contract entered into by TD Ameritrade Singapore for the benefit of TD Ameritrade Singapore.

What about funds held for futures positions?

TD Ameritrade Singapore has contracted with TD Ameritrade Futures & Forex LLC ("TD Ameritrade Futures & Forex") to provide custodial services for futures and options on futures traded on US exchanges on behalf of TD Ameritrade Singapore for the exclusive benefit of TD Ameritrade Singapore's clients. TD Ameritrade Futures & Forex is a US licensed Futures Commission Merchant ("FCM") regulated by the Commodity Futures Trading Commission ("CFTC"), and registered with the self-regulatory organisation, the National Futures Association ("NFA").

In accordance with the US Commodity Exchange Act and CFTC regulations, TD Ameritrade Futures & Forex is required to treat our client's funds and other property received to margin, guarantee or secure futures or options on futures trades as client property, and hold them separately to and segregated from TD Ameritrade Futures & Forex's own funds. This is accomplished by depositing customer funds 'segregated' accounts established for the exclusive benefit of clients with banking institutions licensed, registered, or authorised to conduct banking business in the US as required under US law. All funds held in a segregated account are fully segregated from those of TD Ameritrade Futures & Forex and TD Ameritrade Singapore, may be commingled with other TD Ameritrade Futures & Forex client funds, and are isolated from any creditor claims as a result of the insolvency of TD Ameritrade Futures & Forex or TD Ameritrade Singapore. TD Ameritrade Singapore client Futures accounts are not insured nor are they covered by the US Securities Investor Protection Corporation ("SIPC") rules.

As futures are not protected under SIPC, only those funds required to meet your current position maintenance levels are held by TD Ameritrade Futures & Forex. On a daily basis, excess funds are swept back to TD Ameritrade Clearing, Inc. to be held in the Special Reserve Account as described above to ensure the highest level of protection is afforded to your funds at all times.

Are my funds safe?

Your funds, deposited and held in TD Ameritrade Clearing, Inc.'s Special Reserve Account, are fully segregated from that of TD Ameritrade Clearing, Inc., TD Ameritrade Futures & Forex, or TD Ameritrade Singapore and, are not available for TD Ameritrade Clearing, Inc.'s, TD Ameritrade Futures & Forex's, or TD Ameritrade Singapore's proprietary use and isolated from any creditor claims as a result of insolvency. Likewise, TD Ameritrade Futures & Forex is required to hold our client's futures-related funds on a fully segregated basis, separate from that of TD Ameritrade Futures & Forex, TD Ameritrade Clearing, Inc. and TD Ameritrade Singapore, and isolated from any creditor claims as a result of the insolvency of TD Ameritrade Futures & Forex, TD Ameritrade Clearing, Inc., or TD Ameritrade Singapore. In addition to being held in one of the most highly regulated securities and derivatives markets in the world, your account held with TD Ameritrade Clearing, Inc. is also afforded these additional levels of protection:

1. TD Ameritrade Clearing, Inc. is a member of the Securities Investor Protection Corporation, which protects securities customers of its members (including you), excluding futures and options on futures, up to a limit of US \$500,000, including a US \$250,000 limit on claims for cash (against brokerage insolvency). Please note that this does not protect against loss in market value of the securities. An explanatory brochure is available on request at www.sipc.org; and



2. TD Ameritrade Clearing, Inc. maintains an additional insurance policy through a group of London underwriters (with Lloyd's of London Syndicates as lead underwriter) to supplement the SIPC protection, which becomes available to TD Ameritrade Singapore's clients in the event that the SIPC limits are exhausted. TD Ameritrade Clearing, Inc. provides you US \$149.5 million worth of protection for securities and US \$2 million of protection for cash through supplemental coverage provided by London insurers. In the event of a brokerage insolvency, you may receive amounts due from the trustee in bankruptcy and then SIPC. Supplemental coverage is paid out after the trustee and SIPC payouts and under such coverage each client is limited to a combined return of US \$152 million from a trustee, SIPC, and London insurers. The supplemental coverage has an aggregate limit of US \$500 million over all customers. This policy provides coverage following brokerage insolvency and does not protect against loss in market value of the securities.

What can be done with my funds?

Your funds will be used in accordance with the terms of the TD Ameritrade Singapore Customer Agreement as agreed by you, including our clearing and custodial firms, TD Ameritrade Clearing, Inc. and TD Ameritrade Futures & Forex, using your funds in compliance with US laws for the clearing, settlement, margin, and maintenance requirements of the US exchange traded products in which you trade.

What is the difference between Singapore and US regulation regarding protection of my funds?

The below table provides a simple comparison of the protection afforded to your funds if they were held in Singapore (which they are not) versus being deposited with TD Ameritrade Clearing, Inc. in the US (which they are).

	Segregated Funds	Funds protected against insolvency	SDIC SGD \$50,000 maximum*	SEC Rule 15c3-3 Customer Protection Rule	SIPC Insurance (up to a limit of US \$500,000 including a US \$250,000 limit on claims for cash)	TD Ameritrade Clearing, Inc. Insurance (limited combined return of US \$152 million)
Singapore	Yes	Yes	Yes	No	No	No
United States	Yes	Yes	No	Yes	Yes	Yes

* SDIC only insures bank deposits in the event of the failure of the bank (not the broker) up to SGD \$50,000 per account (not per customer).

Under the current arrangements we have in place with TD Ameritrade Clearing, Inc. as a member of SIPC, our client accounts (including yours) are protected against the loss of cash and securities (excluding futures and options on futures) up to a limit of US \$500,000, including a US \$250,000 limit for cash. TD Ameritrade Clearing, Inc. also provides you with additional insurance, as described above.

In comparison, under Singapore law the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") and its subsidiary legislation, including the Securities and Finance (Licensing and Conduct of Business) Regulations, would otherwise, with your consent, be maintained by TD Ameritrade Singapore with a custodian outside Singapore which is licensed, registered, or authorised to conduct banking business in the US and also restricts withdrawal of your money and assets to limited situations, including for the purpose of meeting your obligation arising from dealing in securities and trading in futures contracts. **Please note that if you agree to place funds with us, in view of our current arrangements, these Singapore-specific requirements and protections would not apply.**

What will happen to my funds in the event of default, resolution, or insolvency of TD Ameritrade Singapore or their clearing and custodial firms?

Your securities funds are held in TD Ameritrade Clearing, Inc.'s fully segregated Special Reserve Account and/or TD Ameritrade Futures & Forex segregated account, which are isolated from any creditor claims as a result of default, resolution, or insolvency of TD Ameritrade Clearing, Inc., TD Ameritrade Futures & Forex, or TD Ameritrade Singapore. In the event of insolvency, you will be contacted under the supervision and direction of appropriate regulatory authorities such as the SEC, FINRA, SIPC, CFTC, NFA, and MAS to either:

1. arrange for a transfer of your funds and positions to another US broker/clearing and custodial firm; or
2. arrange for liquidation of all of your positions and transfer of funds back to you.

Are Singapore's asset protection laws still applicable?

By opening an account with and trading through us, in so far as your funds are held in the US, please note that **you will not obtain the protection provided under Singapore's asset protection laws**, including those available under the SFA and its subsidiary legislation, including the Securities and Finance (Licensing and Conduct of Business) Regulations. As your funds are held with our US clearing and custodial firms in their Special Reserve Account or segregated account in the US, **only US cash and asset protection laws apply.**

What are the implications of depositing money with an overseas clearing and custodial firm?

As highlighted in our [Risk Warning Statement](#), the depositing of your money with an execution, clearing, and/or custodial firm outside Singapore may expose you to additional risks as such firms in the US may be subject to a different regulatory regime and may operate differently from similar firms in Singapore. The level of safeguards in place to ensure proper segregation and safekeeping of your moneys held with such firms in the US would differ from those under Singapore law. Differences in legal systems also mean that this may affect your ability to recover your funds in certain scenarios and that the MAS will be unable to compel the enforcement of the rules of the regulatory authorities in the US. As reliance will be placed on the due performance of such execution, clearing, and/or custodial firms in the US, notwithstanding the protections outlined above, their insolvency or default may result in difficulties in recovering your moneys held overseas. You should consider whether you are comfortable with the potential risks arising from depositing moneys with an overseas execution, clearing, and/or custodial firm. Please note that this disclosure statement does not disclose all possible risks that may accompany the opening of an account and trading through us or in relation to the placing of your funds with our execution, clearing, and custodial firms in the US, and you should ensure that you are aware of, accept, and agree to all such risks before opening an account with us.

More questions?

If you have any additional questions or would like more information, please do not hesitate to contact us by:

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Please log in to your account and ensure all account information is accurate.

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