

Date : 11 November 2019



Smart Energy, Sustainable Future

To All Applicants

REQUEST FOR PROPOSAL (“RFP”) FOR THE 2nd FUTURES INCENTIVE SCHEME (FIS) TO PROVIDE MARKET MAKING SERVICES FOR THE PERIOD 1 FEBRUARY 2020 TO 30 JUNE 2021

1. The Energy Market Authority hereby invites applicants for the above. The successful applicant is required to provide market making services for the period from 1 February 2020 to 30 June 2021 at the RFP price specified in the Letter of Agreement.

2. The RFP consist of the following enclosed documents:

1. Part 1: Instructions to Applicants
2. Part 2: Conditions of Contract for Services
3. Part 3: Requirement Specifications
4. Part 4: Evaluation Criteria
5. Part 5: Schedule of Submission

3. All applicants shall conform to the requirements of this RFP. The closing date and time for the RFP is 28 November 2019 at 4.00 p.m. (“Closing Date and Time”). Applicants are to submit all items as stated in the Schedule of Submission, i.e. the Form of RFP, Undertaking to Safeguard Official Information, Form of Submission of Bids, List of Relevant Track Records, Schedule of Persons Empowered to Act, Information on Major Shareholders, Company Profile, Declaration of Minimum Requirements electronically to ema_policy@ema.gov.sg, no later than the Closing Date and Time.

Yours sincerely,

Jason Lee
Senior Analyst (Policy)
Policy and Planning Department
Energy Planning and Development Division
For Chief Executive
Energy Market Authority

PART 1 - INSTRUCTIONS TO APPLICANTS

1 DEFINITIONS

1.1 Throughout this RFP and any resultant Contract, unless the context otherwise requires, the following definitions shall apply:

- (a) "Authority" means the Energy Market Authority of Singapore and includes any officer authorised by the Authority to act on its behalf;
- (b) "Business Day" means a day other than a National Holiday, a Saturday or a Sunday;
- (c) "RFP" means the invitation to participate in this RFP and comprises all RFP documents forwarded to the Applicant inclusive of the Covering Letter, Instructions to Applicants, Conditions of Contract for Services, Requirement Specifications, Evaluation Criteria, Schedule of Submission and any other documents and forms enclosed;
- (d) "Person" includes a corporation or an incorporated association;
- (e) "Applicant" means a Person tendering to offer market making services;
- (f) "Selected Applicant" means the Applicant whose RFP Submission is accepted (whether in full or in part) and becomes an appointed Market Maker (MM);
- (g) "RFP Closing Date" has the meaning given to it in Clause 5 (RFP Period);
- (h) "RFP Closing Time" has the meaning given to it in Clause 5 (RFP Period);
- (i) "Offer" means the Applicant's offer in response to the RFP;
- (j) "Offer Price" means the Applicant's prices submitted in the Form of Submission of Bids;
- (k) "RFP Price" means the monthly price at which the Selected Applicant shall be paid for the performance of its obligations as specified in the Letter of Agreement, as determined by the Authority;
- (l) "Services" means the services proposed in the Applicant's Offer as being capable of meeting or exceeding the Requirement Specifications and accepted in the Letter of Acceptance which the Applicant is required to provide under the Agreement;

- (m) “Total RFP Price” means the RFP Price multiplied by seventeen (17), which is the total number of months the Selected Applicant is obligated to perform the market making obligations as set out in the Letter of Agreement, as determined by the Authority;
- (n) “Validity Period” has the meaning given to it in Clause 6 (Validity Period).

2 ELIGIBILITY

- 2.1 All persons or entities who are debarred from participating in public sector tenders are not eligible to participate in this RFP. Where an Applicant is debarred after the submission of its Offer, the Applicant shall not be considered for the award of this RFP. If an Offer is submitted without explicitly mentioning that the Applicant is currently debarred, the Authority shall treat the submission of the Offer as an express continuing declaration by the Applicant that the Applicant is in fact eligible to participate in this RFP and, if such a declaration is discovered to be false, the Authority will be entitled to, at any time, rescind any contracts entered into pursuant to such an Offer without the Authority being liable therefor in damages or compensation.
- 2.2 For avoidance of doubt, Applicants are not required to be holders of electricity licences issued by the Authority.
- 2.3 Any related entity of the Applicant must not also be an Applicant under the RFP. The Applicant and/or its related entity must not be a consortium, outsourcing and/or subcontracted partner of another Applicant under the RFP.

3 SUBMISSION OF OFFER

- 3.1 Applicants shall submit their Offers in accordance with the following mode of submission:

Information or document(s) in Offer	Mode of Submission	Closing Date and Time (Singapore Time)
<ul style="list-style-type: none"> 1. Form of RFP 2. Undertaking to Safeguard Official Information 3. Form of Submission of Bids 4. List of Relevant Track Records 5. Schedule of Persons Empowered to Act 	<p>This shall be submitted to the Authority electronically.</p>	<p>The Closing Date and Time is 28 November 2019 at 4.00 p.m.</p>

6. Information on Major Shareholders		
7. Company Profile		
8. Declaration of Minimum Requirements		

- 3.2 Offers are to be submitted electronically to **ema_policy@ema.gov.sg** no later than the Closing Date and Time.
- 3.3 The Authority reserves the right to reject Offers not submitted in accordance with the mode(s) of submission specified in these Instructions to Applicants.
- 3.4 The Offer must include:
- (a) all items fully completed as stated in Part 5 (Schedule of Submission); and
 - (b) an email address where any notice, request, waiver, consent or approval required to be sent to the Applicant in connection therewith can be directed to.

4 COMPLIANCE WITH INSTRUCTIONS

- 4.1 Offers will be accepted only if submitted according to the instructions contained and in the form(s) prescribed in this RFP. Any Offer which attempts to vary or fails to comply with any provision of this RFP is liable to be rejected.

5 RFP PERIOD

- 5.1 This RFP shall be closed on the Closing Date and Time. **“Closing Date and Time”** means the date and time specified in Clause 3 (Submission of Offer), or such later date and/or time as may be extended by the Authority (“RFP Closing Date” or “RFP Closing Time”, as the case may be). The Authority may, in its sole discretion, extend the RFP Closing Date and/or the RFP Closing Time. Offers received after the Closing Date and Time shall be disqualified.

6 VALIDITY PERIOD

- 6.1 Offers submitted shall remain valid for acceptance for the Validity Period. **“Validity Period”** means a period of sixty (60) Business Days from the Closing Date and Time, or such longer period as may separately be agreed in writing between the Applicant and the Authority.

7 WITHDRAWAL OF OFFER

- 7.1 No Offer may be withdrawn after the Closing Date and Time. Any Applicant who attempts to do so may, in addition to any remedy which the Authority may have against it, be liable to be debarred from future public sector tenders.

8 ACCEPTANCE OF OFFER

- 8.1 The Authority shall not be bound to:
- (a) accept the lowest priced or any Offer; or
 - (b) give reasons for the acceptance or rejection of the Offer or any part of the Offer.
- 8.2 The Authority reserves the right to accept all or any part of the Offer(s) of one or more Applicants.
- 8.3 The issuance by the Authority of a Letter of Acceptance accepting the Applicant's Offer or part of the Offer shall create a binding contract (to the extent accepted by the Authority) between the Authority and such Applicant. The Conditions of Contract for Services shall apply to such contract.
- 8.4 The Letter of Acceptance may be issued to the successful Applicant's email address as given in its Offer and shall be deemed effective communication of acceptance.
- 8.5 Notwithstanding the issuance of the Letter of Acceptance, the Authority may at its discretion require the Applicant to sign a formal agreement in respect of the Contract and the Applicant shall do so without unnecessary delay. In the event that the Offer is submitted by a duly authorised agent, the formal agreement is to be executed by his principal.
- 8.6 The Authority reserves the right to publish all or any part of the Offer(s), including the names of the Applicants, if it deems necessary.

9 DEMONSTRATION OF CLAIMED CAPABILITIES

- 9.1 At the request of the Authority, the Applicant shall, at its own expense, prepare the required documents to substantiate the Applicant's capabilities as described in its Offer. The Applicant shall provide such documents within three (3) Business Days of notification, unless otherwise agreed by the Authority in writing.
- 9.2 The Authority is entitled to require the Applicant to make available all necessary information to enable the Applicant to demonstrate the claims in its Offer. The Applicant shall provide such information within three (3) Business Days of notification, unless otherwise agreed by the Authority in writing.

10 LANGUAGE

- 10.1 The Offer and all supporting data and all documentation to be supplied by the Applicant shall be written in readily comprehensible English language.

11 CONFIDENTIALITY

- 11.1 Except with the consent in writing of the Authority, the Applicant shall not disclose to any person (other than employees, servants and agents on a “need-to-know” basis for the purposes of preparing or submitting an Offer or subsequently clarifications) this RFP, or any of its provisions, or any specifications, plans, drawings, patterns, samples or information issued by the Authority.
- 11.2 The Authority may require an unsuccessful Applicant to return or destroy any specifications, plans, drawings, patterns, samples or information issued by the Authority in connection with this RFP. The Applicant shall comply with such requirement accordingly when so notified by the Authority and shall not retain any copy or part of any copy returned or destroyed.

12 OWNERSHIP OF RFP DOCUMENTS

- 12.1 All documents submitted by the Applicant in response to this RFP shall become the property of the Authority. However, intellectual property in the information contained in the Offer shall remain vested in the Applicant. This Clause is without prejudice to any provisions to the contrary in any subsequent contract between the Applicant and the Authority.

13 ALTERATION, ERASURES OR ILLEGIBILITY

- 13.1 Except for amendments to the entries made by the Applicant itself which are initialled by the Applicant, Offers bearing any other alterations or erasures and Offers in which prices are not legibly stated are liable to be rejected.

14 AUTHORITY'S CLARIFICATIONS OF THE APPLICANT'S OFFER

- 14.1 In the event that the Authority seeks clarification on any aspect of the Applicant's Offer, the Applicant shall provide full and comprehensive responses within three (3) Business Days of notification, unless otherwise agreed by the Authority in writing.

15 OFFER

- 15.1 The Applicant shall satisfy itself before providing an Offer as to the correctness and sufficiency of its Offer for the supply of the services, and all matters and things necessary for the proper execution and completion of such supply, including any duties, customs and excise, licences, transport and insurance expenses, regardless of whether such matters or things were specifically set out in this RFP.
- 15.2 The Applicant shall ensure that its Offer is complete, and that the information in its Offer is clearly visible without further action required by the Authority. In particular, the Applicant shall ensure that all information in any softcopy or spreadsheet or other document is not hidden in rows or otherwise not visible. Any part of the Offer that is not clearly visible without further action required by

the Authority may be excluded from the Offer and may not be considered in the evaluation of such Offer.

- 15.3 The Applicant shall be deemed to have been thoroughly acquainted by its own independent observations and enquiries as to all matters which can in any way influence its Offer Price.
- 15.4 The Offer Price shall be deemed to have included the performance of all services to meet the requirements as specified in the Requirement Specifications irrespective of whether such services have been specifically listed or priced in the Offer.
- 15.5 The Applicant shall notify the Authority in writing of any ambiguity, discrepancy, conflict, inconsistency or omission in or between any of the documents in this RFP and seek clarification about the same from the Authority at least seven (7) Business Days before the Closing Date and Time.
- 15.6 No oral representation shall be:
 - (a) binding on the Authority; or
 - (b) construed as modifying or varying any of the provisions of this RFP.

16 EXPENSE OF APPLICANT

- 16.1 In no case will any expense incurred by the Applicant in the preparation or submission of its Offer or subsequent clarifications be borne by the Authority.

17 GOVERNING LAW

- 17.1 All Offers submitted pursuant to this RFP and any resultant contracts shall be governed by the laws of the Republic of Singapore.
- 17.2 In the event of any dispute, controversy or claim arising out of or relating to this RFP, no party shall proceed to any form of dispute resolution unless the parties have made reasonable efforts to resolve the same through mediation in accordance with the mediation rules of the Singapore Mediation Centre.
- 17.3 In the event that mediation is unsuccessful, any dispute or difference between the parties arising out of or relating to or in connection with this RFP including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in Singapore in the English language by a sole arbitrator in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force which rules are deemed to be incorporated by reference into this Clause.

18 OWNERSHIP STATUS OF APPLICANT

- 18.1 The Applicant shall provide in its Offer (see Schedule 6 (Information on Major Shareholders) of Part 5 (Schedule of Submission)) full information on:

- (a) the name and address of any person, company or corporation which Controls the Applicant; and
- (b) the number, percentage and class of shares held by such person, company or corporation.

"Controls" means a person, company or corporation which owns, whether directly or indirectly, at least 50% of the total number of shares of the Applicant.

19 CONSORTIUM

19.1 In this RFP, "**Consortium**" means an unincorporated joint venture through the medium of a consortium or a partnership.

19.2 Should additional member(s) be added to the Consortium at any time with the approval of the Authority pursuant to Clause 19.3 below, he or they shall be deemed to be included in the expression "the Selected Applicant".

19.3 The following shall apply if an Offer is submitted by a Consortium:

- (a) each member of the Consortium shall be a business organisation duly organised, existing and registered under the laws of its country of domicile and full information as required under Clause 18.1(a) and (b) shall be included for each member of the Consortium in the Offer;
- (b) no Consortium shall include a member who has been debarred from public sector tenders;
- (c) after the submission of the Offer, any introduction of, or changes to, Consortium membership must be approved in writing by the Authority. Changes made without the Authority's written approval may render the Offer liable to be rejected;
- (d) the following documents must be submitted with the Offer:
 - (i) a certified copy of the consortium or partnership agreement, signed by all members of the Consortium, the terms of which shall include the terms set out in Clause 19 (Consortium);
 - (ii) **the Offer is to be submitted by a lead member of the Consortium ("Lead Member")**. Documentary proof must be provided that the Lead Member is authorised by all members of the Consortium to submit and sign the Offer, receive instruction, give any information, accept any contract, receive and make payments, and act for and on behalf of all the members of the Consortium. The documentary proof can be in the form of:
 - (A) relevant provision(s) in the certified copy of the consortium or partnership agreement; or

- (B) certified copies of powers of attorney from each member of the Consortium;
- (e) information must be submitted with respect to:
 - (A) the legal relationship among the members of the Consortium;
 - (B) the role and responsibility of each member of the Consortium; and
 - (C) the email address of the Consortium to which the Authority may send any notice, request, clarification or correspondence;
- (f) if the Authority issues a Letter of Acceptance to a Consortium:
 - (i) the Letter of Acceptance may be issued electronically to the email address of the Lead Member of the Consortium given in the Offer;
 - (ii) the issuance by the Authority of a Letter of Acceptance shall create a binding contract on all the members of the Consortium;
 - (iii) each member of the Consortium shall be jointly and severally responsible to the Authority for the due performance of the Contract;
 - (iv) as and when requested by the Authority, all members of the Consortium shall be required to sign a formal agreement in the appropriate form with the Authority. Until the said formal agreement is prepared and executed, the Consortium's Offer together with the Authority's Letter of Acceptance, shall constitute a contract binding on all the members of the Consortium; and
 - (v) in the event that any member of the Consortium withdraws from the Consortium or is adjudicated a bankrupt by a duly constituted judicial tribunal, or goes into liquidation in accordance with the laws of the country of incorporation, the remaining member(s) of the Consortium shall be obliged to carry out and complete the Contract.

20 CORRIGENDA TO RFP

- 20.1 The Authority reserves the right to amend any terms or conditions in, or to issue supplementary terms to the RFP at any time prior to the RFP Closing Date and Time.

21 DISCLAIMER AND LIMITATION OF LIABILITY

- 21.1 This RFP may not contain all information which Applicants may require. Applicants should therefore make their own inquiries and seek such clarifications they think necessary. The Authority shall not be liable to any Applicant for any information in this RFP which is incomplete or inaccurate.
- 21.2 The Authority shall not be liable for any loss of profit or indirect or consequential losses arising from or in connection with the Authority's failure to comply with its legal obligations in conducting this RFP, considering or evaluating any Offer or accepting any Offer.

22 REQUIREMENT SPECIFICATIONS

- 22.1 The Services offered under an Offer shall comply with the Requirement Specifications of this RFP.

23 SHORTLISTING APPLICANTS

- 23.1 The Authority reserves the right to shortlist Applicants in accordance with the criteria set forth in this RFP, and give those so shortlisted the opportunity to submit new or amended Offers on the basis of the Authority's revised requirements, in accordance with a common deadline.
- 23.2 Offers received based on the firm and updated requirements shall form the basis of the final RFP evaluation. The Offers received in the final round shall be complete and comprehensive, and shall over-ride all Offers previously submitted. The final Offer shall not make references to previous Offers. All Offers received in the previous rounds shall be treated as lapsed. Such final Offers shall be submitted as instructed by the Authority.

PART 2 - CONDITIONS OF CONTRACT FOR SERVICES

1 DEFINITIONS

1.1 In these Conditions of Contract, unless the context otherwise requires, the following terms shall have the following meanings:

- (a) “Act” means the Electricity Act (Cap.89A);
- (b) “Agreement” means the resulting contract between the Authority and the Applicant for the performance of obligations as a result of the Authority’s acceptance of the Applicant’s Offer which terms and conditions are contained in the following:
 - a. the Covering Letter;
 - b. the Instructions to Applicants;
 - c. these Conditions of Contract for Services;
 - d. the Requirement Specifications;
 - e. the Evaluation Criteria;
 - f. the Schedule of Submission;
 - g. the Applicant's Offer;
 - h. the Letter of Acceptance;
 - i. any correspondence exchanged between the Authority and the Applicant which is agreed to by the Authority in writing as amplifying or modifying the RFP or the Applicant’s Offer; and
 - j. any formal agreement executed between the Parties,
including all schedules and annexes to such documents as relevant.
- (c) “Change in Law” means a new Law, representing an addition to, or amendment of, existing Laws or a change in the manner in which a Law is applied or interpreted and includes any change in any Law relating to taxation;
- (d) “Effective Date” has the meaning given to it in Clause 4 (Term);
- (e) “Exchange” means the prevailing Exchange on which the electricity futures products requiring market making services under this RFP are traded on;

- (f) “Government Agency” means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, statutory board, tribunal, government minister, agency or entity and includes the Authority;
- (g) “GST” means the goods and services tax levied under the Goods and Services Tax Act (Cap. 117A);
- (h) “Insolvency Event” means the happening of any of these events with respect to a Party:
 - a. that Party enters into or takes any action to enter into an arrangement, composition or compromise with, or an assignment for the benefit of, all or any class of their respective creditors or members or a moratorium involving any of them;
 - b. that Party states that it is unable to pay from its own money its debts when they fall due for payment;
 - c. a receiver, receiver and manager, judicial manager or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in respect of any property of that Party which is used in or relevant to the performance by that Party of its obligations under this Agreement, the Transmission Code or its Electricity Licence;
 - d. an administrator, liquidator, trustee in bankruptcy or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in respect of that Party or any action is taken to appoint such person;
 - e. an application is made for the winding up or dissolution or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of that Party, except as part of a bona fide corporate reorganization of that Party;
 - f. that Party is wound up or dissolved, except as part of a bona fide corporate reorganization of that Party, unless the notice of winding up or dissolution is discharged; or
 - g. that Party is taken to be insolvent or unable to pay its debts under any applicable law.
- (i) “Letter of Acceptance” means the letter issued by the Authority accepting the Applicant’s Offer;
- (j) “Market Making” means activities related to the quotation of bid and ask prices within a specified spread during a stipulated time period on the Exchange for electricity futures trading;

- (k) "Market Making Agreement" means a contract entered into between a Selected Applicant and the Exchange, specifying the Market Making arrangements in the electricity futures market;
- (l) "Market Rules" means the rules made or modified under section 46 of the Act;
- (m) "Market Support Services Licensee" means a person who is authorised by an electricity licence to provide market support services;
- (n) "Market Support Services Licensee (MSSL)-Market Maker Agreement" or "MSSL-MM Agreement" means a contract entered into between a Selected Applicant and SP Services Ltd, outlining the terms of payment for the provision of Market Making Services by the Selected Applicant;
- (o) "National Holiday" means any day other than a Saturday or Sunday on which banks are authorised or required to be closed in Singapore;
- (p) "Non-selected Applicant" means the Applicant whose RFP Submission is not accepted;
- (q) "Parties" means the Authority and the Selected Applicant and "Party" means either one of them;
- (r) "Quarter" means each 3-month period during the Term, with the first Quarter commencing on the Effective Date;
- (s) "Replacement Applicant" means the Applicant selected by the Authority to replace the Selected Applicant in events of termination;
- (t) "Requirement Specifications" means the specifications set out in Part 3 (Requirement Specifications) of the RFP and any amendments or additions to the aforesaid as may be mutually agreed in writing between the Parties from time to time;
- (u) "S\$" means the lawful currency of Singapore;
- (v) "Services" has the same meaning given to it under Clause 1 of PART 1 - INSTRUCTIONS TO APPLICANTS;
- (w) "Term" has the meaning given to it in Clause 4 (Term);
- (x) "Termination Date" means the effective date of termination of this Agreement.

1.2 Words importing the singular only shall also include the plural and vice versa where the context requires.

- 1.3 The headings are for convenience of reference only and shall not be taken into consideration for the purpose of interpretation.
- 1.4 References to a person include any company, limited liability partnership, partnership, business trust, unincorporated association or government agency (whether or not having separate legal personality).
- 1.5 Unless a contrary intention appears, a reference in the Agreement to “including” shall not be construed restrictively but shall mean “including without prejudice to the generality of the foregoing” and “including but without limitation”.
- 1.6 Unless otherwise provided, any reference to any legislation shall be deemed a reference to such legislation as amended or revised from time to time and be deemed to include any subsidiary legislation made under such legislation.
- 1.7 In the Agreement, “month” means calendar month and “day” means calendar day.
- 1.8 For the purposes of computing time, unless the contrary intention appears, a period of days from the happening of an event or the doing of any act or thing shall be deemed to be exclusive of the day on which the event happens or the act or thing is done.

2 SCOPE OF CONTRACT

- 2.1 The Applicant shall carry out and complete the supply of all items of Services in accordance with the Agreement.

3 DELIVERY AND PERFORMANCE

- 3.1 The Applicant shall, unless otherwise specified by the Authority prior to delivery or performance, perform the Services in the manner specified in the Agreement.

4 TERM

- 4.1 The Term of the Agreement shall be in place from 1 February 2020 (“Effective Date”) to 30 June 2021, unless terminated earlier in accordance with Clause 11 (Termination).
- 4.2 Notwithstanding the above, the Authority shall have the right to modify the Term of the Agreement in consultation with the Selected Applicant.

5 ASSOCIATED MARKET MAKING OBLIGATIONS

- 5.1 Each Selected Applicant shall be required to comply with the Associated Market Making Obligations described in Table 1 below.

Table 1: Associated Market Making Obligations

Parameters	Obligations
Market Making Volume	<p><u>Quarterly Base Load Electricity Futures:</u> (i) 6 lots of 0.5MW contracts (totalling 3 MW) for each side, for each of the first 5 listed quarterly contracts; and</p> <p>(ii) 4 lots of 0.5MW contracts (totalling 2 MW) for each side, for each of the next 4 listed quarterly contracts</p> <p><u>Monthly Base Load Electricity Futures:</u> 6 lots of 0.5MW contracts (totalling 3 MW) for each side, for each of the 4 – 6 listed monthly contracts</p>
Two-way Price Making Spread	<p><u>Quarterly Base Load Electricity Futures:</u> \$1/MWh or 2%¹ of bid price whichever is lower</p> <p><u>Monthly Base Load Electricity Futures:</u> Prevailing Quarterly Base Load Electricity Futures two-way price making spread + \$1/MWh</p>
Refresh requirements	<p><u>Quarterly Base Load Electricity Futures and Monthly Base Load Electricity Futures:</u> Not less than 4 reloads</p> <p>No grace period for refreshing of quotes</p>
Cumulative Contract Duration²	<p><u>Quarterly Base Load Electricity Futures:</u></p> <p><u>Option 1 (“Option 1 of Cumulative Contract Duration”) – first Forward Capacity Market (FCM) delivery period is assumed to be from Q2 2023:</u> Feb 2020 to Mar 2021: 8 full quarters, plus the balance of the current quarter</p> <p>Apr 2021 to Jun 2021: 7 full quarters, plus the balance of the current quarter (until and including the Mar 2023 contract)</p> <p>OR</p> <p><u>Option 2 (“Option 2 of Cumulative Contract Duration”) – first FCM delivery period is assumed to be from Q3 2022:</u></p>

¹ This will be determined quarterly based on the historical bid prices. For example, for Q1 2020, this will be based on the available historical bid prices for Q4 2019.

² The cumulative contract duration of the Quarterly Base Load Electricity Futures was designed such that the last futures contracts listed by market makers (i.e. Mar 2023 contract in Option 1 or Jun 2022 contract in Option 2) will expire before start of the Forward Capacity Market (FCM). The first FCM delivery period is assumed to be from Q2 2023 under Option 1, and from Q3 2022 under Option 2.

Parameters	Obligations
	<p>Feb 2020 to Jun 2020: 8 full quarters, plus the balance of the current quarter</p> <p>Jul 2020 to Sep 2020: 7 full quarters, plus the balance of the current quarter (until and including the Jun 2022 contract)</p> <p>Oct 2020 to Dec 2020: 6 full quarters, plus the balance of the current quarter (until and including the Jun 2022 contract)</p> <p>Jan 2021 to Mar 2021: 5 full quarters, plus the balance of the current quarter (until and including the Jun 2022 contract)</p> <p>Apr 2021 to Jun 2021: 4 full quarters, plus the balance of the current quarter (until and including the Jun 2022 contract)</p> <p><u>Monthly Base Load Electricity Futures (applicable to both Option 1 and Option 2):</u> 4 – 6 consecutive contract months starting with the current contract month. A new quarter (3 months) will be listed upon expiry of the nearest quarter³.</p>
<p>Market Making Coverage</p>	<p>The Market Making Coverage – the period within the Market Making Window where the Selected Applicant meet all its market making obligations – will be not less than 80.0% of the cumulative time of all Market Making Windows in a month (calculated separately for Quarterly Base Load Electricity Futures and Monthly Base Load Electricity Futures). For avoidance of doubt, fulfilment of the Market Making Coverage is based on the threshold for each individual product, not averaged together.</p> <p>Selected Applicants will respond to a Request-for-Quote⁴ (RFQ) on a best effort basis for the Quarterly Base Load Electricity Futures and Monthly Base Load Electricity Futures (as the case may be⁵), based on the prevailing Market Making Volume requirement during the Market Making Window when they are not quoting. The RFQ will have a Maximum Two-Way Price Making Spread of no more than 1.5 times the prevailing Maximum Two-Way Price Making Spread.</p>

³ The number of contracts varies depending on the month, based on quarters ending on the last day of March, June, September and December. For example, MMs are required to put up 6 contracts in April 2020 (April to September 2020) but 5 contracts in May 2020 (May to September 2019).

⁴ The RFQ will be conducted between the Exchange and the Selected Applicant. Applicants may wish to contact the Exchange for more details.

⁵ For the avoidance of doubt, the response to off-screen RFQ (bid and/or ask, as the case may be) does not count towards the Market Making Coverage requirement.

Parameters	Obligations
Market Making Window	The Market Making Window for each Singapore Business Day will be ½ hour, as may be directed by the Exchange (currently set at 4.30pm-5.00pm).
Contract Size	Not larger than 0.5 MW over ½ hour per day (i.e. for each of the 48 half-hourly periods in a day) at the Uniform Singapore Energy Price (USEP) over the contract length
Contract Length	<u>Quarterly Base Load Electricity Futures:</u> No longer than quarterly contracts with near term (prompt) quarter contract ⁶ <u>Monthly Base Load Electricity Futures:</u> No longer than monthly contracts with near term (prompt) month contract
Safeguards⁷	Safeguards to ensure orderly trading, e.g. position, daily, price, volume and concentration limits. Phased net market making position limit shall be Clearing member's position limit for each Selected Applicant.
Compliance	Submission of compliance report to the Authority on a quarterly basis, and whenever reasonably requested by the Authority.

6 COMPLIANCE REPORT

- 6.1 The Selected Applicant will be required to submit a compliance report to the Authority on a quarterly basis no later than seven (7) Business Days after the end of the relevant Quarter, and whenever reasonably requested by the Authority.
- 6.2 The Authority shall provide a sample format of the compliance report to Selected Applicants upon issuance of the Letter of Acceptance. The report shall include, but is not limited to, net market making positions, estimated trading-related revenue and/or losses, and other trading data where relevant.

7 PAYMENT

- 7.1 Payment to the Selected Applicant will be based on the RFP Price (as determined by the Authority based on the highest marginal bid among the Selected Applicants) indicated in the Letter of Acceptance for the performance of obligations under this Agreement, including but not limited to the fulfilment of the Associated Market Making Obligations.

⁶ Trading of near term (prompt) quarter contract refers to the availability of the nearest quarter contract for trading within the quarter itself. For example, a trader should be able to trade an electricity futures contract Q1 2020 (with maturity date 31 March 2020) within that quarter (e.g. on 2 March 2020).

⁷ Applicants may wish to contact the Exchange for more information.

- 7.2 Should the Selected Applicant fail to fulfil any of the Associated Market Making Obligations within the month, there will not be payment made to the Selected Applicant for that month.
- 7.3 Payment to the Selected Applicant will be made based on the RFP Price and the terms of Payment shall be in accordance with the Market Support Services Licensee (MSSL)- Market Maker (MM) Agreement.
- 7.4 The Authority shall not be required to pay for expenses or cost of whatever nature other than those expressly set out in the Agreement or otherwise expressly agreed to in writing by the Authority.
- 7.5 All payments under this Agreement shall be made in Singapore dollars.
- 7.6 The RFP Price is exclusive of any GST, taxes and any other similar taxes imposed by Inland Revenue Authority of Singapore (IRAS) or any relevant taxing authority on the transactions contemplated by this Agreement. The Selected Applicant shall issue such tax invoices as may be required under the relevant GST legislation and the MSSL will pay the Selected Applicant the corresponding GST amount, in addition to the RFP Price, in accordance with the terms of the MSSL-MM Agreement.
- 7.7 Unless expressly provided otherwise in this Agreement, the RFP Price shall be fixed throughout the Term and not be adjusted for any reason whatsoever notwithstanding the occurrence of any Change in Law or Force Majeure or under this Agreement.

8 COMPLIANCE WITH LAW

- 8.1 The Selected Applicant shall, at its own costs, obtain and maintain all licences, permits, certifications and regulatory authorisations without any restriction or qualification whatsoever so as to enable the Selected Applicant to fulfil all its obligations under the Agreement.
- 8.2 The Selected Applicant shall, in performing its obligations under the Agreement, comply with all applicable laws and shall keep the Authority indemnified against all penalties and liabilities of every kind for the breach of any such laws.

9 MINIMUM REQUIREMENTS

- 9.1 The Selected Applicant shall meet the Exchange's minimum requirements as per Clause 3.1 (Minimum Requirements) in Part 3 (Requirement Specifications) prior to the Effective Date of the 2nd FIS.
- 9.2 Upon issuance of the Letter of Acceptance, the Selected Applicant shall submit the relevant documents within seven (7) Business Days to demonstrate that the Selected Applicant has fulfilled the abovementioned Clause 9.1, unless otherwise agreed by the Authority in writing. The Authority reserves the right to

request for additional documents from the Selected Applicant as supporting evidence.

- 9.3 The Authority reserves the right to terminate the Agreement by written notice if the Selected Applicant fails to meet the minimum requirements prior to the Effective Date of the 2nd FIS. In this case, the Selected Applicant shall be required to pay an exit fee of 100% of the Total RFP Price to the MSSL as per Clause 11.3 (Termination).

10 FORCE MAJEURE AND EXCUSING EVENTS

- 10.1 The Selected Applicant shall be excused from performance and will not be construed to be in default or breach of this Agreement for so long as, and to the extent that, the failure to perform the obligation is due to events which are beyond its reasonable control ("Force Majeure Event" as set out in this clause and Market Making Agreement or "Excusing Event" as set out in the Market Making Agreement or "Event of Force Majeure" as set out in the MSSL-MM Agreement).
- 10.2 For purposes of the Agreement, "Force Majeure Event" shall include acts of God, acts of civil or military authority, civil disturbance, wars, strikes, fires and other catastrophes.
- 10.3 The Selected Applicant shall, however, continue to perform all of its obligations under this Agreement which are not affected by Force Majeure or Excusing Event in accordance with this Agreement.
- 10.4 The Selected Applicant shall use all reasonable endeavours to:
- (a) Mitigate or alleviate the effects of the Force Majeure or Excusing Event on its ability to perform its obligations under this Agreement; and
 - (b) Ensure resumption of normal performance of this Agreement after the cessation of any Force Majeure as promptly as possible and otherwise perform its obligations in accordance with this Agreement.
- 10.5 If the effect of any Force Majeure Event continues for a period exceeding ten (10) Business Days, the Authority may at any time thereafter give notice to the Selected Applicant to terminate the Agreement with immediate effect without being liable to the Selected Applicant in damages or compensation.

11 TERMINATION

- 11.1 The Selected Applicant shall have the option to terminate the Agreement upon at least twenty (20) Business Days' written notice to the Authority and to the MSSL. In the event that the Selected Applicant opts to terminate the Agreement, the Selected Applicant shall pay an exit fee of 100% of the Total RFP Price to the MSSL.

- 11.2 The Authority reserves the right to terminate the Agreement by written notice after two months of non-performance (which may be consecutive or otherwise) by the Selected Applicant in a six month rolling period, where non-performance refers to the Selected Applicant failing to fulfil all or part of the Associated Market Making Obligations within the month. In this case, the Selected Applicant shall be required to pay an exit fee of 100% of the Total RFP Price to the MSSSL.
- 11.3 The Authority reserves the right to terminate the Agreement by written notice if the Selected Applicant fails to meet the minimum requirements as per Clause 3.1 (Minimum Requirements) in Part 3 (Requirement Specifications) prior to the Effective Date of the 2nd FIS. In this case, the Selected Applicant shall be required to pay an exit fee of 100% of the Total RFP Price to the MSSSL.
- 11.4 If any of the following events occur, the Authority shall be entitled to terminate the Agreement with immediate effect by written notice to the Selected Applicant, and the Selected Applicant shall have no claim against the Authority for any damages or compensation whatsoever and shall be required to pay an exit fee of 100% of the Total RFP Price to the MSSSL:
- (a) the Selected Applicant becomes insolvent;
 - (b) where the Selected Applicant is a partnership, the Selected Applicant is dissolved or has a bankruptcy order made against it;
 - (c) legal proceedings alleging insolvency are brought against the Selected Applicant; or
 - (d) the Selected Applicant enters into any composition or arrangements with creditors.
- 11.5 In the event of termination by the Authority or the Selected Applicant under Clauses 11.1, 11.2 or 11.3 stated above, as the case may be, the Selected Applicant may, in addition to paying to exit fee, be debarred from any further or future bids or RFP for the FIS at the discretion of the Authority.

12 SUBCONTRACT, TRANSFER AND ASSIGNMENT

- 12.1 The Selected Applicant shall not subcontract, transfer or assign its obligations in whole or in any part of the Agreement, without prior written approval from the Authority.
- 12.2 The Selected Applicant shall remain personally liable and responsible to the Authority for all losses, expenses, costs (including legal costs), damages, liabilities, or claims, arising from any act, default, negligence and omission in breach of the Agreement by any subcontractor, its employees, servants and agents. The liability and responsibility extend to such act, default, negligence and omission by the subcontractor's duly appointed representative, successor and permitted assignee, and the subcontractor's subcontractor, and their employees, servants and agents.

13 REPLACEMENT

- 13.1 In events of termination as per Clause 11 (Termination) the Authority reserves the right to request for a Replacement Applicant amongst the non-selected Applicants if it deems necessary. The Replacement Applicant will be subject to the same terms and conditions and Associated Market Making Obligations as stated in this RFP and will comply with the Agreement. For avoidance of doubt, the Replacement Applicant will receive the same RFP Price as determined by the Authority.

14 OTHER CONTRACTS

- 14.1 The Selected Applicant is required to submit a signed Market Making Agreement with the Exchange by a deadline stipulated by the Authority in the Letter of Acceptance. The Selected Applicant shall notify the Authority once the above mentioned agreement is duly signed and submit a copy of the signed agreement to the Authority. Prior to the RFP Closing Date, Applicants may request for a draft copy of the Market Making Agreement from the Exchange.
- 14.2 The Selected Applicant is required to submit a signed MSSL-MM Agreement by a deadline stipulated by the Authority in the Letter of Acceptance. The Selected Applicant shall notify the Authority once the above mentioned agreement is duly signed and submit a copy of the signed agreement to the Authority. Prior to the RFP Closing Date, Applicants may request for a draft copy of the MSSL-MM Agreement from the Authority.

15 NOTICES

- 15.1 All notices to be issued under the Agreement shall be sent by electronic mail to the Applicant's electronic mail address set out in the Offer.
- 15.2 Either Party may change its electronic mail address referred to above by giving the other Party prior written notice of the change.

16 AMENDMENTS

- 16.1 Except as herein provided, no amendment of this Agreement shall be effective unless approved by the Authority and thereafter, made in writing and signed by the Parties.

17 SEVERABILITY

- 17.1 In the event any provision in the Agreement is determined to be illegal, invalid or unenforceable, in whole or in part, such provision or part of it shall, to the extent it is illegal, invalid or unenforceable, be deemed not to form part of the Agreement and the legality, validity and enforceability of the remainder of the Agreement shall not be affected.

18 DISPUTE RESOLUTION

18.1 A dispute means a dispute, controversy or claim under, arising out of or relating to this Agreement, or the breach, termination or invalidity thereof and includes a dispute relating to this Agreement's formation ("Dispute").

18.2 When any Dispute arises between the Parties, either Party may give written notice to the other Party that a Dispute exists ("Dispute Notice").

18.3 Within five (5) Business Days of receipt of the Dispute Notice, the Parties shall each nominate a person ("Representative") who has express authority to either settle the Dispute or to initiate proceedings for resolving the Dispute in accordance with this Clause 18.

18.4 Representatives to Meet

(a) Within ten (10) Business Days of receipt of the Dispute Notice, the Representatives shall meet and attempt to resolve the Dispute. Any resolution of the Dispute shall be reduced to writing signed by both Representatives, and will not be binding until so reduced to writing and signed by both Parties.

(b) If the Representatives are unable to resolve the Dispute within ten (10) Business Days of their first meeting (or such other time as agreed by the Parties), either Party may refer the Dispute to arbitration, upon which Clause 18.5 will apply.

18.5 Arbitration

(a) Any Dispute not resolved in accordance with Clause 18.4 shall be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Clause. The tribunal shall consist of a single arbitrator to be appointed by the President of the SIAC Court of Arbitration. The language of the arbitration shall be English. In the event that recourse to the courts shall be necessary for the purpose of determining any question of law required to be determined for arbitration, the Parties hereby submit to the exclusive jurisdiction of the courts of Singapore, agree not to commence any suit, action or proceeding relating thereto except in such courts, and waive, to the fullest extent permitted by Law, the right to move to dismiss or transfer any action brought in such courts on the basis of any objection to personal jurisdiction or venue.

(b) Nothing in Clause 18.5(a) shall prevent any Party from having recourse to a court of competent jurisdiction for the sole purpose of seeking a preliminary injunction or such other provisional judicial relief as it considers necessary to avoid irreparable damage.

18.6 Pending resolution of any Dispute arising under this Agreement, the Parties shall continue to perform their respective obligations under this Agreement, including any obligation that may be the subject matter of the Dispute.

19 GOVERNING LAW AND SUBMISSION TO JURISDICTION

19.1 This Agreement shall be governed by and construed in accordance with the laws of the Republic of Singapore.

19.2 Subject to Clause 18 (Dispute Resolution), each Party agrees that:

- (a) Any action or proceeding relating to this Agreement shall be brought in any court of competent jurisdiction in Singapore, and for that purpose that it hereby irrevocably and unconditionally submits to the jurisdiction of such Singapore court;
- (b) It hereby irrevocably waives any right to, and will not, oppose any such Singapore action or proceeding on any jurisdictional basis, including forum non conveniens; and
- (c) Not to oppose the enforcement against it in any other jurisdiction of any judgement or order duly obtained from a Singapore court as contemplated by this Clause 19.

20 LOSSES

20.1 The Selected Applicant shall indemnify and keep indemnified the Authority against any and all Losses sustained, incurred, paid by or suffered by the Authority arising out of or in connection with any act or omission on the part of the Selected Applicant unless the Selected Applicant can show that:

- (a) It is not due to the Selected Applicant's breach, failure or delay in the performance of the Agreement; and
- (b) It is not due to the negligent, unlawful or wrongful action or omission, fraud, bad faith, willful misconduct or breach of any duty of the Selected Applicant.

20.2 If any claim is commenced against the Authority that may give rise to a claim against the Selected Applicant under Clause 20.1 as stated above, notice thereof shall be given to the Selected Applicant as soon as practicable.

20.3 Upon receipt of such notice, if required by the Authority, the Selected Applicant shall immediately take control of the defence and investigation of such claim and shall employ and engage attorneys reasonably acceptable to the Authority to handle and defend the same, at the Selected Applicant's sole cost and expense.

20.4 In the event the Selected Applicant takes control of the defence and investigation of the claim, the Authority shall co-operate, at the cost of the

Selected Applicant, in all reasonable respects with the Selected Applicant and its attorneys in the investigation, trial and defence of such claim and any appeal arising therefrom; provided, however, that this will not limit the Authority's right to participate, at the Selected Applicant's cost and expense, through their attorneys or otherwise, in such investigation, trial and defence of such claim and any appeal arising therefrom. No settlement of a claim that involves a remedy other than the payment of money by the Selected Applicant shall be entered into without the consent of the Authority.

- 20.5 Notwithstanding anything to the contrary in the Agreement, the Authority shall, at all times, have the right to defend the claim in such manner as it may deem appropriate, at the sole cost and expense of the Selected Applicant. If required by the Authority, the Selected Applicant shall immediately relinquish control of the defence and investigation of such claim.

21 CONFIDENTIALITY OBLIGATIONS

- 21.1 Except with the written consent of the Authority or as otherwise permitted under Clause 22 (Exceptions to Confidentiality Obligations), each Party shall keep confidential:

- (a) All terms and conditions of this Agreement (including the RFP Price); and
- (b) All information relating to the assets, business and affairs of the other Party (which may be disclosed either directly or indirectly, whether in writing, verbally or otherwise, and whether prior to, on or after the date of this Agreement) that either: (a) is designated as confidential by the other Party at the time of disclosure; or (b) would reasonably be understood, given the nature of the information or the circumstances surrounding its disclosure, to be confidential,

(collectively, "Confidential Information").

- 21.2 Neither Party shall use any such Confidential Information for any purpose other than strictly for the purposes of fulfilling its obligations under this Agreement.
- 21.3 The Selected Applicant shall take all reasonable precautions in dealing with Confidential Information so as to prevent any unauthorised person from having such access to such Confidential Information. The Selected Applicant shall procure that all its employees to whom Confidential Information is to be made available sign an undertaking to safeguard official information in the form set out in Schedule 2 (Undertaking to Safeguard Official Information) of Part 5 (Schedule of Submission) of the Agreement, if they have not already done so.
- 21.4 The Selected Applicant shall not publish or release, nor shall it allow or suffer the publication or release of, any news item, article, publication, advertisement, prepared speech or any other information or material pertaining to any part of the obligations to be performed under the Agreement in any media without the prior written consent of the Authority.

21.5 No later than thirty (20) Business Days from the termination or expiry of the Agreement, the Selected Applicant shall:

- (a) return all Confidential Information received from the Authority for the purpose of the Agreement and all documents and copies thereof produced in the course of performing its obligations under the Agreement;
- (b) securely destroy and erase all softcopies of Confidential Information that exist in email, hard disk, removable storage media and other storage media or facility whatsoever; and
- (c) upon completion of the obligations under Clauses 21.5(a) and (b), provide a written confirmation that it has complied with Clauses 21.5(a) and (b).

21.6 The Selected Applicant shall immediately notify the Authority where the Selected Applicant becomes aware of any breach of this Clause 21 by its employees, servants, agents and subcontractors and cooperate with the Authority to limit the extent and impact of such breach.

22 EXCEPTIONS TO CONFIDENTIALITY OBLIGATIONS

22.1 The obligation of confidentiality under Clause 21 (Confidentiality Obligations) shall not apply to:

- (a) Disclosure by a Party to the Authority, its directors, officers, employees, agents, financiers or professional or other advisers;
- (b) Disclosure in confidence by a Party to its directors, officers, employees, agents, financiers or professional or other advisers on a “need to know” basis where the recipient, in the reasonable opinion of the disclosing Party requires access to the information for a purpose reasonably necessary for the conduct or performance of this Agreement;
- (c) Information which is independently developed by the relevant Party or acquired from a third party with the right to disclose the same free of confidentiality;
- (d) Disclosure of information to the extent required by Law, any stock exchange regulation or any binding judgment, order or requirement of any court or other competent authority and provided that the disclosing Party shall have first informed the other Party with respect to its intention to disclose such information and shall have taken into account the reasonable comments of the other Party; and
- (e) Information which had come into the public domain (otherwise than as a result of a breach of Clause 21 (Confidentiality Obligations)).

23 OWNERSHIP OF INTELLECTUAL PROPERTY RIGHTS

23.1 In the Agreement:

“Background IP” means IP in or in connection with the Services which is created prior to or independently of the Agreement.

“Foreground IP” means IP (including future IP) which results from or is generated pursuant to or for the purpose of the Agreement.

23.2 Nothing in the Agreement shall affect any person’s right to own or licence Background IP.

23.3 The Authority agrees that all rights, title to or interest in, all Foreground IP created by the Selected Applicant shall vest in the Selected Applicant.

23.4 The Selected Applicant shall obtain for and grant to the Authority, free of any additional charge, a worldwide, perpetual, non-exclusive licence, to use all Background IP owned by or licensed to the Selected Applicant, its subcontractor or supplier to the extent necessary for the Authority to use the Foreground IP generated by the Applicant. For the avoidance of doubt, the Authority will not require any Background IP to be licensed to the Authority if the Authority will be able to use the Foreground IP without infringing any Background IP.

23.5 For the avoidance of doubt, any IP in any results, report, data or information generated or produced by the Authority or another person on behalf of the Authority as a result of this Agreement shall be owned by the Authority.

23.6 If any licence granted or obtained for Background IP under Clause 23.4 is registrable under any IP registration system in Singapore, the Selected Applicant shall:

(a) register the licence under the IP registration system in Singapore; and

(b) deliver copies of documentary proof of such licence registration to the Authority as soon as possible.

24 SURVIVING OBLIGATIONS

24.1 Clauses 18, 19, 20, 21, 22, 23, 24 and 26 in these Conditions of Contract for Services, shall survive termination or expiry of this Agreement for any reason.

24.2 Notwithstanding termination of this Agreement for any reason, each Party shall remain liable in respect of all obligations and liabilities owed to the other Party that were incurred or arose under this Agreement prior to the Termination Date regardless of the date on which any claim relating thereto may be made, subject only to any applicable provisions of the Limitation Act (Cap. 163).

25 GIFTS, INDUCEMENTS AND REWARDS

25.1 The Authority shall be entitled to immediately terminate or rescind the Agreement and recover from the Selected Applicant the amount of any loss resulting from such termination or rescission if:

(a) any Selected Applicant Representative has offered or given or agreed to give to any person any gift or consideration of any kind as an inducement or reward for:

- a. doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or performance of the Agreement; or
- b. showing favour or disfavour to any person in relation to any contract with the Authority; or

(b) any Selected Applicant has engaged in any activity or conduct that has resulted or will result in a violation of any Anti-Corruption Laws.

25.2 In this Clause 25:

“Anti-Corruption Laws” means:

(a) Chapter IX of the Penal Code (Cap. 224);

(b) the Prevention of Corruption Act (Cap. 241); and

(c) any other applicable law including any foreign law which:

- a. prohibits the conferring of any gift, payment or other benefit on any person or any officer, employee, agent or adviser of such person; or
- b. is broadly equivalent to the laws set out in paragraphs (a) or (b) or which has as its objective the prevention of corruption.

“Selected Applicant Representative” means any of the following:

(a) the Selected Applicant;

(b) any person employed by the Selected Applicant; or

(c) any person acting on behalf of the Selected Applicant (whether with or without the knowledge of the Selected Applicant).

26 WAIVER

26.1 In no event shall any delay, failure or omission on the part of either of the Parties in enforcing any right, power, privilege, claim or remedy (**“Remedy”**), which is conferred under the Agreement or at law or in equity, or arises from any breach by the other Party, (a) be deemed to be or be construed as a waiver or variation thereof, or of any other such Remedy, in respect of the particular circumstances

in question, or (b) operate so as to bar the enforcement or exercise thereof, or of any other such Remedy in any other instances at any time or times thereafter.

- 26.2 No waiver of any breach of the Agreement shall be deemed to be a waiver of any other or of any subsequent breach.
- 26.3 Any waiver granted under the Agreement must be in writing and may be given subject to conditions. Such waiver under the Agreement shall be effective only in the instance and for the purpose for which it is given.

27 ORDER OF PRECEDENCE

- 27.1 In the event and to the extent only of any conflict between any provisions of the Agreement, the conflict shall be resolved, subject to Clause 27.2, in accordance with the following order of precedence:
- (a) these Conditions of Contract;
 - (b) the Requirement Specifications;
 - (c) the Letter of Acceptance;
 - (d) any formal agreement executed between the Parties;
 - (e) the Selected Applicant's Offer (as amplified or modified by any correspondence exchanged between the Authority and the Selected Applicant which has been agreed to by the Authority in writing as amplifying or modifying the Selected Applicant's Offer).
- 27.2 Where the Selected Applicant's Offer (as amplified or modified by any correspondence exchanged between the Authority and the Selected Applicant which has been agreed to by the Authority in writing as amplifying or modifying the Selected Applicant's Offer) contains provisions which are more favourable to the Authority in relation to the rest of the Agreement, such provisions of the Selected Applicant's Offer shall prevail. The Authority shall in its absolute and sole discretion determine whether any provision is more favourable to it in relation to the Agreement.
- 27.3 For the avoidance of doubt, this Clause shall form an integral part of the Conditions of Contract referred to in Clause 27.1(a).

The rest of this page is intentionally left in blank.

PART 3 – REQUIREMENT SPECIFICATIONS

RFP FOR MARKET MAKING SERVICES FOR THE 2ND FUTURES INCENTIVE SCHEME (2ND FIS)

1 BACKGROUND

- 1.1 The Authority, in partnership with the Singapore Exchange (SGX) and the electricity industry, launched the electricity futures market (the “EFM”) in April 2015. The EFM complements both the existing wholesale and retail electricity markets by providing a platform for efficient trading to manage volatility and mitigate risks. A liquid futures market also provides a robust price discovery process for future supply of electricity, while enabling efficient transfer of risk between participants. In addition, the EFM enabled the entry of independent electricity retailers and facilitated new business models. This benefitted consumers by putting downward pressure on prices and facilitated the development of new retail products.
- 1.2 As the EFM was a key enabler in developing vibrant electricity wholesale and retail markets, EMA launched the Futures Incentive Scheme (“FIS”) in August 2018 to invest in and develop our nascent electricity futures market. The FIS comprise two different phases. The first phase (“1st FIS”) would end on 31 January 2020.
- 1.3 To ensure the sustainable development of the electricity futures market, the Authority is issuing an RFP for the second phase of the FIS (“2nd FIS”). The 2nd FIS will run from 1 February 2020 to 30 June 2021.

2 SCOPE OF WORKS AND DELIVERABLES

- 2.1 **Associated Market Making Obligations.** Each Selected Applicant shall be required to comply with the Market Making Volume and its Associated Market Making Obligations described in Clause 5 (Associated Market Making Obligations) in Part 2 (Conditions of Contract for Services) of the Agreement. Each Selected Applicant shall also be required to submit a compliance report as described in Clause 6 (Compliance Report) in Part 2 (Conditions of Contract for Services) of the Agreement. This shall constitute fulfilment of the Services under the Agreement.
- 2.2 **Tenure of the 2nd FIS.** The tenure of the 2nd FIS for market making services shall be in place from 1 February 2020 (“Effective Date”) to 30 June 2021, subject to Clause 11 (Termination) in Part 2 (Conditions of Contract for Services) of the Agreement.

Notwithstanding the above, the Authority shall have the right to modify the tenure of the 2nd FIS and Associated Market Making Obligations in consultation with the Selected Applicant.

- 2.3 **Uniform Price Auction.** The RFP will be done via a uniform price auction where the awarded price will be based on the highest marginal bid (“RFP Price”) among the Selected Applicant(s). The Authority reserves the right to determine the number of Applicants to be selected taking into account the bids by the respective Applicants.
- 2.4 **Payment.** All payment to the Selected Applicants shall be payable as per stated in the Market Support Services Licensee (MSSL)-Market Maker (MM) Agreement.

3 MINIMUM REQUIREMENTS

- 3.1 Each Selected Applicant will be required to meet the Exchange’s minimum requirements prior to the Effective Date of the 2nd FIS. These requirements are listed in the Market Making Agreement (Applicants can request for a copy of the Market Making Agreement from the Exchange as per Clause 14.1 (Other Contracts) in Part 2 (Conditions of Contract for Services)) and such requirements are reproduced below for reference:
- a) Must either (i) have at least 2 years of continuous experience in electricity futures trading/market making either locally or in overseas markets or (ii) provide evidence prior to the commencement of market making that it will have the required personnel (in-house or outsourced) to perform market making in the electricity futures market adequately, as well as to manage the overall risk monitoring and controls;
 - b) Must maintain a minimum base capital of \$1 million and must have at least \$4 million of “liquid” capital to meet the required margin requirements and potential trading losses;
 - c) Must have opened a futures trading account with one of the Exchange’s clearing members and be given access to a futures trading platform prior to the commencement of market making.
- 3.2 Each Applicant is required to submit a declaration as per Schedule 8 (Declaration of Minimum Requirements) of Part 5 (Schedule of Submission) of the Agreement that it will meet the Exchange’s minimum requirements prior to the Effective Date of the 2nd FIS. At the request of the Authority, as per Clause 9 in Part 1 (Instructions to Applicants), the Applicant is required to submit the required documents as supporting evidence within three (3) Business Days of notification, unless otherwise agreed by the Authority in writing.
- 3.3 The Authority reserves the right to terminate the Agreement if the Selected Applicant fails to meet the minimum requirements prior to the commencement of the 2nd FIS. In this case, the Selected Applicant shall be required to pay an exit fee of 100% of the Total RFP Price to the MSSL as per Clause 11.3 (Termination) in Part 2 (Conditions for Contract for Services).

4 SUBMISSION GUIDELINES

- 4.1 Each Applicant shall submit a total of ten bids expressed in S\$ per month to 2 decimal places (“Offer Price”) for the two options of cumulative contract duration (refer to Table 1 in Part 2 (Conditions of Contract) on “Cumulative Contract Duration”), for each of the potential number of Selected Applicants. Table 2 shows the format for submission of bids by each Applicant, as per Schedule 3 (Form of Submission of Bids) of Part 5 (Schedule of Submission) of the Agreement.

TABLE 2: FORM OF SUBMISSION OF BIDS

Number of Selected Applicants	Option 1 of Cumulative Contract Duration:	Option 2 of Cumulative Contract Duration:
	Offer Price in S\$ per month to 2 decimal places (S\$) ¹	
3		
4		
5		
6		
7		

Note: ¹excluding Goods and Services Tax (GST)

- 4.2 Each Applicant shall also submit relevant documents which show that it has had at least 2 years of continuous experience in electricity futures trading and/or market making either locally or in overseas market. If the Applicant does not possess such experience, it can provide evidence that it will have the required personnel (in-house or outsourced) to perform market making in the electricity futures market adequately, as well as to manage the overall risk monitoring and controls, prior to the Effective Date of the 2nd FIS. Any additional documents which are relevant to the track record of the Applicant should also be submitted.
- 4.3 Each Applicant shall also summarise its track record and submit it in the format according to Table 3 below, as per Schedule 4 (List of Relevant Track Records) of Part 5 (Schedule of Submission) of the Agreement.

TABLE 3: LIST OF RELEVANT TRACK RECORDS

Description of Traded Product (i.e. commodity type) and Role Played	Name of Exchange and Country Listed in	Average Annual Volume Traded (please state units)	Period of Trading (please state dates)		Total Value of Trades (S\$)
			From	To	

4.4 The Applicant is also required to submit all other documents which are in Part 5 (Schedule of Submission) enclosed in this RFP. There shall be no costs imposed on the Authority for the submission of documents.

5 AWARD OF RFP

5.1 The Authority intends to select three to seven Applicants to be awarded the RFP to provide market making services under the 2nd FIS.

5.2 The Authority will evaluate all Offers and select the number of Applicants and the cumulative contract duration to be imposed on the Selected Applicants.

6 ENQUIRY

6.1 Enquiries or requests for any additional information shall be sent in writing no later than five (5) Business Days prior to the RFP Closing Date to ema_policy@ema.gov.sg.

Where the Authority is of the opinion that any response to any enquiry or request made by an Applicant is likely to be of interest to the other Applicants, the Authority may disclose such enquiry or request and the response thereto to the other Applicants (without however disclosing the name of the Applicant who has made such enquiry or request).

PART 4 – EVALUATION CRITERIA

1 EVALUATION CRITERIA

1.1 The Authority will take into account factors which include, but are not limited to, the following:

- (a) Price competitiveness of the Applicants' respective bid,
- (b) Relevance and duration of track record, and:
- (c) Impact on the overall diversity of Selected Applicants.

The rest of this page is intentionally left in blank.

PART 5 - SCHEDULE OF SUBMISSION

Schedule 1	Form of RFP
Schedule 2	Undertaking to Safeguard Official Information
Schedule 3	Form of Submission of Bids
Schedule 4	List of Relevant Track Records
Schedule 5	Schedule of Persons Empowered to Act
Schedule 6	Information on Major Shareholders
Schedule 7	Company Profile
Schedule 8	Declaration of Minimum Requirements

SCHEDULE 1 - FORM OF RFP

To: Name(s) of Applicant(s):⁸

Energy Market Authority
991G Alexandra Road #01-29
Singapore 119975

Address:

REQUEST FOR PROPOSAL (RFP) FOR THE 2nd FUTURES INCENTIVE SCHEME (FIS) TO PROVIDE MARKET MAKING SERVICES FOR THE PERIOD 1 FEBRUARY 2020 TO 30 JUNE 2021

1 We offer and undertake on your acceptance of this Offer to supply services as specified in the Requirements Specifications in accordance with the Instructions to Applicant in your Request for Proposal (RFP) and the terms and conditions as agreed upon between you and us.

2 Our Offer is fully consistent with and does not contradict or derogate from anything in your RFP. We may include in our Offer alternative offer(s) which comply with your RFP.

3 Where required by you, we shall execute a formal agreement in the appropriate form incorporating the terms and conditions as agreed upon between you and us. Until the said formal agreement is executed, this Offer together with your written acceptance, shall constitute a binding agreement between us.

4 Our offer is valid for the Validity Period as specified in the RFP and for any such extension of the period as may be agreed in writing by the Applicant at the request of the Authority.

5 Our prices for the services to be supplied by us are stated in Schedule 3 (Form of Submission of Bids) attached to our Offer.

6 We further undertake to give you any further information which you may require.

7 We warrant, represent and declare that we have the power to enter into, perform and deliver, and have taken all necessary action to authorise our entry into, performance and delivery of, the binding agreement upon your written acceptance of our Offer.

⁸ If the Offer is submitted by a consortium, each member of the consortium shall be named. The Lead Member of the consortium shall submit the Offer on behalf of the consortium members. Documentary proof must be provided that the Lead Member is authorised by all members of the consortium to submit, sign the Offer, receive instructions, give any information, accept any contract, receive and make payment and act for and on behalf of all the members of the consortium. Each member of the consortium shall be listed. For example, the Name(s) of Applicant(s) field should read "[Name of Lead Member], acting in its own name and in the name and for and on behalf of [Name(s) of other Consortium Member(s)]".

8 We undertake to ensure that our subcontractors are not debarred from participating in Government tenders.

Dated this _____ day of _____, 20_____

Applicant's
Company or Business Registration No⁹: Applicant's official
stamp:

Authorised Signature

Name:

Designation:

⁹The Lead Member's registration number, official stamp and authorised signature must be provided.

SCHEDULE 2 - UNDERTAKING TO SAFEGUARD OFFICIAL INFORMATION

REQUEST FOR PROPOSAL (RFP) FOR THE 2nd FUTURES INCENTIVE SCHEME (FIS) TO PROVIDE MARKET MAKING SERVICES FOR THE PERIOD 1 FEBRUARY 2020 TO 30 JUNE 2021

To: Energy Market Authority

My attention has been drawn to the Official Secrets Act (Chapter 213, Revised Edition 2012) and in particular to section 5 thereof which relates to the safeguarding of official information.

2 I understand and agree that all official information acquired by me in the course of my work and consultancy with any government department, statutory board or government-owned company is strictly confidential in nature, and undertake not to publish or communicate such information to any unauthorised person in any form at any time, without the official sanction of the Chief Executive Officer of the statutory board.

3 I shall ensure that any other person who is authorised by me to have access to any official information shall similarly sign an undertaking to safeguard official information.

4 I undertake to return any document received from the Government of Singapore, any other copies made or reproduced from such document or part thereof whenever required by the Government.

5 I further understand and agree that any breach or neglect of this undertaking may render me liable to prosecution under the Official Secrets Act or civil proceedings.

..... (Signature) (Full name in BLOCKS and NRIC)
..... (Designation) (Name of Company)
..... (Date)	

SCHEDULE 3 - FORM OF SUBMISSION OF BIDS

Number of Selected Applicants	Option 1 of Cumulative Contract Duration:	Option 2 of Cumulative Contract Duration:
	Offer Price in S\$ per month to 2 decimal places (S\$) ¹	
3		
4		
5		
6		
7		

Note: ¹excluding Goods and Services Tax (GST)

Signature of Applicant
& Company Stamp:

Name in full: _____

SCHEDULE 4 - LIST OF RELEVANT TRACK RECORDS

Description of Traded Product (i.e. commodity type) and Role Played	Name of Exchange and Country Listed in	Average Annual Volume Traded (please state units)	Period of Trading (please state dates)		Total Value of Trades (\$\$)
			From	To	

I declare that the information given above is correct and complete. (Please use separate sheet if space is insufficient).

SCHEDULE 5 - SCHEDULE OF PERSONS EMPOWERED TO ACT

The following persons are empowered to sign contract documents and act on the firm's/company's behalf for this project:

Name	NRIC No.	Email Address	Position Held

I declare that the information given above is correct and complete. (Please use separate sheet if space is insufficient).

SCHEDULE 6 - INFORMATION ON MAJOR SHAREHOLDERS

Person, Company or Corporation which owns, whether directly or indirectly, at least 50% of the total number of shares in the Applicant.		Details of shares held by such person, company or corporation		
Name	Address	Number of Shares	% of Shares	Class of Shares

I declare that the information given above is correct and complete. (Please use separate sheet if space is insufficient.)

SCHEDULE 7 – COMPANY PROFILE

1. Full Name:

Registered Address:

Name of Contact Person:

Telephone Number:

E-mail Address:

2. GST Registration No (If any):

3. Description of Company:

4. Brief History (to include any recent relevant events):

5. Associated Company (Parent/Subsidiaries):

6. Organization Chart of Company:

7. Other relevant information about the Company:

SCHEDULE 8 – DECLARATION OF MINIMUM REQUIREMENTS

We declare that we will meet the following minimum requirements prior to the Effective Date of the 2nd Futures Incentive Scheme. At the request of the Authority, we will provide the required documents to the Authority as supporting evidence within three (3) Business Days of notification, unless otherwise agreed by the Authority in writing.

(a) Either (i) have at least 2 years of continuous experience in electricity futures trading/market making either locally or in overseas markets or (ii) provide evidence prior to the commencement of market making regarding qualified personnel (in-house or outsourced) to perform market making in the electricity futures market competently, as well as to manage the overall risk monitoring and controls;

(b) Maintain a minimum base capital of \$1 million and at least \$4 million of “liquid” capital to meet the required margin requirements and potential trading losses;

(c) Open a futures trading account with one of the Exchange’s clearing members and will secure access to a futures trading platform prior to the commencement of market making.

We further understand and agree that any breach or neglect of this declaration may render our Offer to be rejected by the Authority.

..... (Signature) (Full name in BLOCKS and NRIC)
..... (Designation) (Name of Company)
..... (Date)	