Understanding Broker Custody Accounts

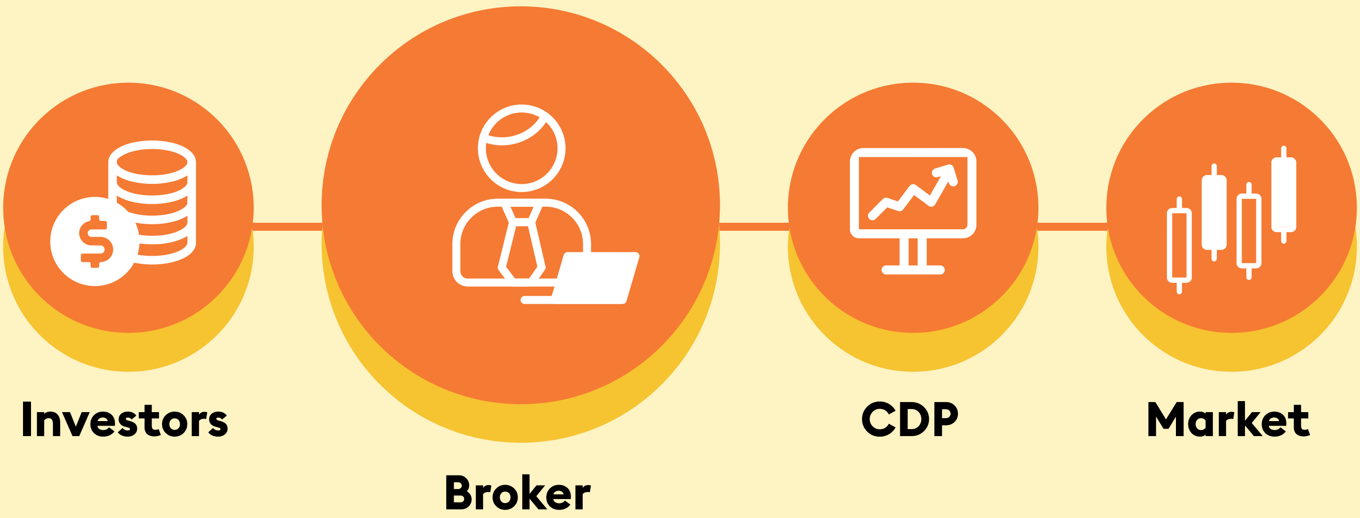
How they work, key considerations and what you need to know

What is a broker custody account?

It is an account where the broker holds your securities on your behalf, **under your broker's name.** However, you **remain the true owner of shares and retain all economic benefits** such as dividends.

How does a broker custody account work?

Under the CDP sub-account framework, **instructions are processed through your broker.**

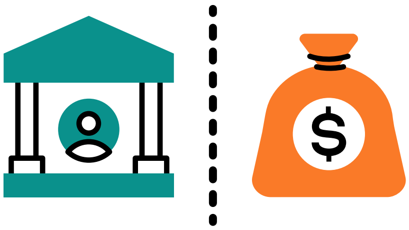


Your securities never actually leave CDP. But the broker acts as an intermediary between you and CDP.

How is a broker custody account different from my CDP account?

CDP account	Broker custody account
Shares held **in your own name**	Shares are held **by the broker on your behalf**
Vote and exercise shareholder rights without an intermediary (broker)	Broker handles voting and corporate actions
Trades are done **through your broker**, while holdings are viewed via CDP	**You and your broker can manage your portfolio**, trades and updates through the broker's platform
You can only trade **Singapore-listed securities**	You can trade / hold **overseas securities** (e.g. capital markets in the US, HK, China, etc.) apart from Singapore-listed securities
Dividends are credited **directly to your bank account** by CDP	Dividends are credited **to your custody account**, and may be consolidated with other holdings and reflected within your portfolio

Broker custody accounts are designed with strong safeguards.



Monetary Authority of Singapore (MAS) regulations require brokers to **segregate clients' assets from their own.**

In the event of broker insolvency, **your assets are protected.**

Singapore-listed securities in broker custody accounts are **recorded in the CDP register.**

Broker custody accounts also offer value-added services.

Integrated portfolio tracking
View, trade and manage all your holdings in one place

Research insights
Access market updates and analysis

Everything is consolidated on your investment brokerage platform, **making it simple to manage your investments.**

If my shares are held in a broker custody account, can I still vote at AGMs / EGMs? Will I receive notices to inform me of issuer's corporate actions?

Yes. **You can still participate in shareholder voting**, as the beneficial owner of your shares held in a broker custody account.

You can also attend and vote at AGMs and EGMs, and participate in corporate actions (e.g. rights issues), as you are the beneficial owner of the shares.

Company communications such as AGM / EGM notices **will be handled by your broker.**

You should **take note of your broker's deadlines** for submitting voting or subscription instructions.

Who handles corporate action entitlements for my shares held in a broker custody account?

Your broker will handle corporate action entitlements. These will be processed and reflected in your account, typically within a few business days after the issuer's payment or crediting date.

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