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I. RISK DISCLOSURE STATEMENT

This statement does not disclose all of the risks and other significant aspects of trading in capital markets products. In light of the risks, the Customer should undertake such transactions only if he/she understands the nature of securities, derivatives, and the contracts (and contractual relationship) which the Customer is entering into and the extent of the Customer's exposure to risk. The Customer should carefully consider whether trading in capital markets products is appropriate in the light of his/her experience, objectives, financial resources, and other relevant circumstances. If in any doubt, the Customer should seek professional advice. Different capital markets products involve different levels of risk and in considering whether to trade or invest in capital markets products, the Customer should be aware of the disclosures in this statement. The Customer's signing of Phillip Securities Pte Ltd ("PSPL")'s account opening form will be taken to indicate the Customer's acknowledgement that the Customer has read this Risk Disclosure Statement and understand its contents.

a) Terms and Conditions of Trading / Investing in Capital Markets Products

The Customer should read and understand the terms and conditions spelt out (and from time to time amended) in the **CONDITIONS GOVERNING PHILLIP SECURITIES ACCOUNTS and relevant INFORMATION SHEET(S)** (e.g. for Investment Account, Cash Management Account, Margin Account, Cash Plus Account, Securities Borrowing/Lending, POEMS service and Contracts for Differences), all of which are referred to and construed as part of the agreement between PSPL and Customers. **Unless specifically stated otherwise, PSPL acts as agent with the Customer in transactions for the sale or purchase of capital markets products.**

b) Joint Account

Each joint account holder is jointly and severally liable for all debts incurred in a joint account. A joint account may be operated by not more than 2 individuals.

c) Risks associated with Trading / Investing in Capital Markets Products

(i) Price fluctuation

The price and value of any investment in capital markets products and the income, if any, from them, can fluctuate and may fall against the Customer's interest. An individual security may experience downward price movements and may under some circumstances even become valueless. An inherent risk of trading/investing in capital markets products is that losses may be incurred, rather than profits made, as a result of buying and selling such products.

(ii) Suspension or Restriction of Trading

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any security because of price limits or trading halts) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions.

(iii) Warrants

A warrant is a time-limited right to subscribe for securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, favourable or unfavourable, in the price of the warrant. The prices of warrants can therefore be volatile. It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fail to exercise this right within the predetermined time-scale then the investment becomes worthless.

(iv) Securities-Based Derivatives (eg. structured warrants, options, contracts for differences)

These instruments may give the Customer a time-limited or absolute right to acquire or sell one or more types of investments which is normally exercisable against someone other than the issuer of that investment. Or they may give the Customer rights under a contract for differences (CFD) which allow for speculation on fluctuations in the value of the underlying capital markets product or asset The Customer should be aware of the volatility, credit, liquidity and market risks associated with these derivatives contracts. CFDs carry a high degree of risk as they often involve gearing or leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement, favourable or unfavourable, in the price of the instrument. The price of these derivative contracts can therefore be volatile. These derivatives contracts have a limited life, and may expire worthless if the underlying instrument does not perform as expected.

(v) Equity-linked Notes

These are OTC structured products based on underlying listed securities that offer the potential for high returns but also involve substantial risks including market, liquidity and credit risks. These investments are intended to be held to maturity and are generally for investors who expect the price of the reference security to be stable or moderately bullish in the near future. The principal investment sum and interest are not guaranteed and investors may suffer a capital loss, if the reference security price is below the strike price on determination date, as investors will receive the reference security instead of cash. In providing prices for equity-linked investments, **PSPL will enter into the transaction with the Customer as principal, unless otherwise stated**. Any transaction entered into by the Customer with PSPL could result in a loss to the Customer and a gain to PSPL.

(vi) Debt Securities

Debt Securities and Debt-linked investments offer fixed returns over a defined period and are intended to be held to maturity. These instruments carry a significant amount of risk such as credit, currency and liquidity risks. Credit risk arises from default events that may result in the inability of the issuer to pay interest or principal. Default risk is high when credit rating is non-investment grade or non-rated. In a default situation, the buyer may lose both interest and principal. Currency risk arises from holding Debt Securities that are issued in foreign currency, hence exposing the buyer to fluctuations in exchange rate. There is a high chance that if the currency moves adversely, the buyer may lose more than his original interest and principal. Liquidity risk refers to the availability of prices for buying or selling into a market. It is common for most Debt Securities to suffer from poor liquidity because they are quoted over-the-counter (OTC).

(vii) *Over-the-counter (OTC) Products*
Over-the-counter (OTC) products are not listed or available on an officially recognised securities exchange, but traded directly between two parties (buyer and seller) on a principal basis, unless otherwise stated. As a result, an OTC transaction is individually negotiated between two parties and the Customer is thus exposed to credit risk of the counterparty in which they enter into bilateral agreement with. In addition, the Customer may be exposed to liquidity risk and PSPL cannot and does not warrant that there is an active trading market and the price PSPL secures for the Customer will at any time be the best price available to the Customer. In entering into an OTC transaction with the Customer, PSPL may make a profit despite the Customer incurring a loss. The Customer should consider carefully whether each OTC product is suitable in light of the Customer's investment experience, objective, financial position, risk propensity and other relevant considerations. The Customer should therefore ensure that they understand the risks associated with OTC products and transactions and seek independent advice, if necessary before making a decision to invest in any of the OTC products. Where PSPL re-sells an obligation of an Issuer or Third Party, the Customer accepts that PSPL is not obliged to settle the underlying obligation of such Issuer or Third Party and the liability of non-payment by the Issuer or Third party is to be borne by the Customer and that such a transaction shall be deemed settled upon the Customer's payment for the same.

(viii) *Exchange-Traded Funds (ETFs)*
As with other securities, the underlying which ETF tracks is susceptible to market volatility. Change of market condition will affect the price of the underlying, which constitutes the Net Asset Value of the ETF, leading to a change in price of the ETF. Foreign exchange risks could arise when the currency of the actual assets held by the ETF differs from the denomination currency of the ETF or when the trading currency of the ETF differs from the denomination currency of the ETF. ETFs are also subject to liquidity risk if active trading of the ETF is not maintained when authorised participants or designated market makers cease to perform their obligations to provide continuous quotes in the ETF with the result that investors may not be able to buy or sell an ETF on a timely manner at a fair price. Customers are strongly advised to read the prospectus of the ETFs and understand all the risks associated with the particular ETF before investing.

(ix) *Daily Leverage Certificates (DLCs)*
DLCs are for investors who are willing to accept the risk of substantial losses up to the principal investment amount, possibly within a very short time frame. The Customer should possess either a high level of knowledge or sufficient trading experience to properly evaluate and assess the product structure, associated risks (including counterparty, liquidity, leverage risks), valuation, costs and expected returns. Customers may lose their entire investment if the underlying asset falls to levels such that the cash settlement amount is calculated to be less than or equal to zero. In the event the value of a DLC reaches zero or becomes worthless, the issuer may request that the DLC be suspended and subsequently apply for them to be de-listed.

(x) *Depository Receipts (DRs)*
A DR is issued by a financial institution and represents indirect ownership of shares in a company. Investing in DRs is subject to price, market, liquidity, country and company-specific risks, similar to investing in common shares of the company. DRs may not trade as frequently as the underlying shares they represent where the latter are traded in a foreign market, which means that investors could have a hard time buying or selling at a fair price, particularly when a market is moving sharply lower.

d) Risk of Margin trading *(eg. share margin financing, contracts for differences)*
The risk of loss in financing a transaction by deposit of collateral may be significant. The Customer may sustain losses in excess of the Customer's cash and any other assets deposited as collateral with PSPL. The Customer may be called upon at short notice to make additional margin deposits or interest payments. If required margin deposit or interest payment is not made within the prescribed time, the Customer's collateral or positions may be liquidated by PSPL at a loss **without prior notification** to the Customer. The Customer should therefore carefully consider whether such a financing arrangement is suitable in light of the Customer's own financial position and investment objectives.

e) Commission, Fees, Interest and Other Charges
The Customer should obtain a clear explanation of all commissions, fees, interest and charges, including charges for the custody of the Customer's investments, and understand that these charges may affect the Customer's net profit (if any) or increase the Customer's loss. The Customer agrees that he/she will be liable for these charges (as may be amended from time to time).

f) Transactions in Other Jurisdictions
Transactions on markets in other jurisdictions, including markets formally linked to the Singapore market, may expose the Customer to additional risks. Such markets may be subjected to rules that may offer different or diminished investor protection. Before entering into such trades, the Customer should be aware of the rules relevant to the particular transactions. Our local regulatory authority may be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where the Customer's transactions have been effected.

g) Currency Risks
The potential for profit or loss from transactions in foreign currency-denominated securities (traded locally or in other jurisdictions) will be affected by fluctuations in foreign exchange rates. When the Customer transacts in or holds capital markets products denominated in foreign currency, the Customer is exposed to the risk of currency movements. Customers should be aware that changes in the relevant foreign exchange rate may adversely affect the value of investments and investment returns.

h) Trading Facilities and Electronic Trading
PSPL's trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and computer systems, customers will be exposed to risks associated with the systems including the failure of hardware and software. The result of any system failure may be that the Customer's order is

either not executed according to instructions or is not executed at all. The Customer should also be aware that the Internet is not a completely reliable transmission medium and there may be delays in service provisions.

i) Mobile Broking

If the Customer's trading representative is, or becomes, a member of PSPL's team of mobile trading representatives, he/she will be operating from outside PSPL's office premises. The Customer's trade orders will be channelled through PSPL's proprietary online electronic broking system for execution. As with any transaction carried out over telecommunications networks, the Customer should be aware that there is the risk of possible delay in trade processing or outages. It is in the Customer's own interest not to provide a 'care-of' or 'PO Box' address as a mailing address for contract notes and statements of account to be sent to. The Customer is also advised to place trade orders only with the trading representative concerned. Complaints, if any, should be directed to PSPL.

j) Securities Borrowing and Lending

When the Customer borrows securities and/or other capital markets products from PSPL, the Customer will be required to deposit a required level of collateral. The Customer may be called upon at short notice to place additional deposits if the level of collateral is inadequate in relation to the market value of borrowed products. If the required deposit is not made within the prescribed time, PSPL may buy-back the borrowed securities and/or other capital markets products **without prior notification** to the Customer. Where PSPL exercises its discretionary right as consented to by the Customer in the "Acknowledgement and Agreement" section of the Account Application Form to borrow the Customer's securities and/or other capital markets products, the Customer temporarily loses legal ownership rights to the products lent but in place, has a right to claim equivalent products. In so far as the Customer receives manufactured dividends, the Customer may be required to treat the entire amount as income for tax purposes.

k) Non-Advisory Nature of Relationship

Unless the Customer has a specific agreement with PSPL for the provision of advisory services or fund management services, the Customer should note and accept that PSPL's relationship with the Customer in relation to the Customer's transactions in capital markets products is purely as execution-only broker / dealer or as a counterparty to the Customer. In either case, while the Customer is entitled to expect PSPL or its employees or representatives to answer the Customer's queries, the obligation in so answering is only to be honest. **Such answers should not be assumed to be backed by any prior reasonable due diligence or research or specifically suitable for reliance by the Customer** without the Customer first independently confirming that the answer is intended as specific advice to and is suitable for or to the Customer's specific financial needs and objectives or the Customer verifying the same with the Customer's independent advisers on its specific suitability for the Customer's specific financial needs and objectives. The Customer should also read and understand the contents of the Guide and Cautionary Notes for Trading Accounts and clause 6 of Part B Section 1 of the Conditions Governing Phillip Securities Accounts and ensure that the Customer understands and accepts the same as a condition to the Customer's relationship with PSPL.

l) Additional Risk Disclosure Statement for CFD Trading

Customers should undertake transactions in CFDs only if they understand the nature of the contracts that they are entering into, the risks involved and the true extent of their exposure to the risk of loss. Customers should carefully consider whether such trading is appropriate for them in the light of their experience, objectives, financial resources and other relevant circumstances. In considering whether to trade, Customers should be aware of the following, in addition to the risk factors disclosed above:

(i) Effect of 'Leverage' or 'Gearing'
The "gearing" or "leverage" in CFDs means that a small deposit can lead to large gains as well as losses. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Customer's investment and this can work against the Customer as well as for the Customer. Investing in CFDs carries a high degree of risk and Customers may sustain a total loss of the margin the Customer has deposited to establish or maintain a position. If Customers fail to comply with a request for additional funds within the time prescribed, their positions may be liquidated at a loss and Customers will be liable for any resulting deficit in their accounts.

(ii) Terms and Conditions of CFD Contracts
The Customer should read and understand the terms and conditions spelt out (and from time to time amended) in the **CONDITIONS GOVERNING PHILLIP SECURITIES ACCOUNTS and relevant INFORMATION SHEET(S)**, which are referred to and construed as part of the agreement between PSPL and Customers.

(iii) Suspension or Restriction of Trading and Pricing Relationships
Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any underlying interest) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions.

(iv) CFD – OTC Transactions
In providing a liquid market and prices for CFD transactions, PSPL hereby notifies and the Customer hereby consents that PSPL may act as market-maker to Customers' CFD trades. Unless otherwise specified, **PSPL shall act as principal in respect of CFD transactions** with Customers.

m) Additional Risk Disclosure Statement for Discretionary Managed Accounts

Before making a decision to invest, Customers should seek to understand and evaluate the investment risks involved and any other significant aspects of vesting discretionary trading and other powers on PSPL to invest and manage a portfolio of investments for them. The Customer should read and understand the terms and conditions of the Managed Account services before making a decision to invest in discretionary managed accounts. Investing whether directly or by proxy through a fund manager may not be suitable for all members of the public. **The Customer should carefully consider whether such discretionary managed account service is suitable for the Customer, taking into consideration the Customer's investment experience, objectives, risk appetite, financial situation and any other circumstances.** Further, the Customer should be aware of and understand clearly the commissions, fees and charges that the Customer is liable to when investing in discretionary managed accounts, as these may affect the performance of and/or returns to the Customer's portfolio. **The Customer should note that by accepting the terms and conditions of the discretionary Managed Account services, the Customer is authorising PSPL as fund manager, at its discretion and subject only to such restrictions as may be agreed with PSPL, to act in the Customer's name and/or for the Customer's account and/or benefit in relation to transactions**

and investments in capital markets products. The Customer should be aware of the following, in addition to the risk factors disclosed above in this Risk Disclosure Statement:

(i) Concentration risk
The Managed Account may at any point in time be highly concentrated in its investment or be held significantly in cash. The Managed Account could be subject to significant losses if it holds a large position in a particular security that declines in value or is otherwise adversely affected, including default of the issuer. The Managed Account may also be concentrated in any particular sector or related sectors. There are risks associated with investing in gold, natural resources and related sectors such as but not limited to events occurring in nature, inflationary pressures and domestic risk.

(ii) Initial public offerings risk
Securities involved in initial public offerings have no trading history. Prices of such securities may be subject to greater price volatility than more established securities.

(iii) Account and market risk
The prices of capital markets products can and do fluctuate, and any individual product may experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profits made as a result of buying and selling capital markets products and there can be no assurance that the fund manager will achieve its investment objectives.

(iv) Emerging markets and liquidity risks
Some of the markets where investments will be made are emerging markets, and as a consequence tend to be substantially smaller, less liquid, less regulated and more volatile than major securities markets, such as those in more developed markets. The limited liquidity of capital markets products in some emerging countries could also affect the ability to acquire or dispose of the products at the price and at the time that the fund manager wishes to do so.

(v) Political, economic, legal, regulatory and social developments
Markets are influenced by the political, economic, legal, regulatory and social developments in the jurisdictions concerned, and may be uncertain and may increase the risk of investment.

(vi) Derivatives risk
Investments may include derivatives such as warrants, options and futures for the purpose of efficient account management. The risk of investing in warrants and options depends on the terms attached to them and on the volatility of the stock markets on which they are traded. As the viability of exercising warrants and/or options depends on the market prices of the securities to which they relate, it may be the case that the fund manager from time to time considers it not viable to exercise certain warrants and/or options held by it within the prescribed period, in which case any costs incurred in obtaining the warrants or options will not be recoverable.

(vii) Counterparty and broker risks
Transactions executed with counterparties and brokers are dependent on their respective due performance of their obligations. The insolvency or default of such counterparties and brokers may lead to positions being liquidated or closed out and/or may result in difficulties in recovering the Customer's monies and assets held.

(viii) Taxation
The Customer should note in particular that the proceeds from the sale of capital markets products in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the fund manager invests or may invest in the future may not be clearly established. It is therefore possible that the current interpretation of the law or understanding of practice may change, or that the law may be changed with retrospective effect.

n) Additional Risk Disclosure Statement for Extended Hours Trading

The Customer should consider the following points before engaging in extended hours trading. "Extended hours trading" means trading outside of “regular trading hours”. For trading in US markets, “regular trading hours” generally means the time between 9:30 a.m. and 4:00 p.m. US Eastern Standard Time.

(i) Risk of Lower Liquidity
Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, the Customer’s order may only be partially executed, or not at all.

(ii) Risk of Higher Volatility
Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular trading hours. As a result, the Customer’s order may only be partially executed, or not at all, or the Customer may receive an inferior price when engaging in extended hours trading than the Customer would during regular trading hours.

(iii) Risk of Changing Prices
The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, the Customer may receive an inferior price when engaging in extended hours trading than the Customer would during regular trading hours.

(iv) Risk of Unlinked Markets
Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, the Customer may receive an inferior price in one extended hours trading system than the Customer would in another extended hours trading system.

(v) Risk of News Announcements
Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading hours. In extended hours trading, these

announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

(vi) Risk of Wider Spreads
The spread refers to the difference in price between what the Customer can buy a security for and what the Customer can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

o) Additional Risk Disclosure Statement for Payment Token Derivatives ("PTDs")

Trading in PTDs such as cryptocurrency funds or ETFs, cryptocurrency CFDs or debentures that reference payment tokens carries a high level of risk. The Customer may risk losing all the Customer's capital or more. The Customer must therefore be fully aware of the following risks associated with both derivatives and payment tokens/cryptocurrencies and carefully assess whether an investment in PTDs or cryptocurrencies is suitable for the Customer's investment objectives and risk appetite:

(i) Cryptocurrencies are not legal tender and are not issued by any government nor backed by any asset or issuer. Cryptocurrencies are currently not subject to any regulatory requirements or supervisory oversight by the Monetary Authority of Singapore (MAS). Hence the safeguards afforded under MAS' regulatory framework may not apply to consumers dealing with unregulated products;

(ii) Cryptocurrencies have little or no intrinsic value, making them hard to value and are extremely volatile. Being highly speculative, investing in them entails high risk as prices are prone to sudden sharp swings as a result of unanticipated events or changes in market sentiments primarily due to the lack of price transparency;

(iii) Liquidity may also become limited and price gaps may occur in such circumstances;

(iv) Cryptocurrency exchanges, where cryptocurrencies are bought and traded, may be susceptible to cyber security breaches. In the event of a cyberattack and theft of cryptocurrencies, it may result in drastic, adverse price movements.

II. RISK WARNING STATEMENT FOR OVERSEAS-LISTED INVESTMENT PRODUCTS

RISK WARNING An overseas-listed investment product* is subject to the laws and regulations of the jurisdiction it is listed in. Before you trade in an overseas-listed investment product or authorise someone else to trade for you, you should be aware of:

- The level of investor protection and safeguards that you are afforded in the relevant foreign jurisdiction as the overseas-listed investment product would operate under a different regulatory regime.
- The differences between the legal systems in the foreign jurisdiction and Singapore that may affect your ability to recover your funds.
- The tax implications, currency risks, and additional transaction costs that you may have to incur.
- The counterparty and correspondent broker risks that you are exposed to.
- The political, economic and social developments that influence the overseas markets you are investing in. These and other risks may affect the value of your investment. You should not invest in the product if you do not understand or are not comfortable with such risks.

**An "overseas-listed investment product" in this statement refers to a capital markets product that is approved in-principle for listing and quotation only on, or listed for quotation or quoted only on, one or more overseas exchanges.*

1. This statement is provided to the Customer, in accordance with paragraph 29D of the MAS Notice on the Sale of Investment Products [SFA04-N12].

2. This statement does not disclose all the risks and other significant aspects of trading in an overseas-listed investment product. You should undertake such transactions only if you understand and are comfortable with the extent of your exposure to the risks.

3. You should carefully consider whether such trading is suitable for you in light of your experience, objectives, risk appetite, financial resources and other relevant circumstances. In considering whether to trade or to authorise someone else to trade for you, you should be aware of the following:

<u>Differences in Regulatory Regimes</u>

(a) Overseas markets may be subject to different regulations, and may operate differently from approved exchanges in Singapore. For example, there may be different rules providing for the safekeeping of securities and monies held by custodian banks or depositories. This may affect the level of safeguards in place to ensure proper segregation and safekeeping of your investment products or monies held overseas. There is also the risk of your investment products or monies not being protected if the custodian has credit problems or fails. Overseas markets may also have different periods for clearing and settling transactions. These may affect the information available to you regarding transaction prices and the time you have to settle your trade on such overseas markets.

(b) Overseas markets may be subject to rules which may offer different investor protection as compared to Singapore. Before you start to trade, you should be fully aware of the types of redress available to you in Singapore and other relevant jurisdictions, if any.

(c) Overseas-listed investment products may not be subject to the same disclosure standards that apply to investment products listed for quotation or quoted on an approved exchange in Singapore. Where disclosure is made, differences in accounting, auditing and financial reporting standards may also affect the quality and comparability of information provided. It may also be more difficult to locate up-to-date information, and the information published may only be available in a foreign language.

<u>Differences in legal systems</u>

(d) In some countries, legal concepts which are practiced in mature legal systems may not be in place or may have yet to be tested in courts. This would make it more difficult to predict with a degree of certainty the outcome of judicial proceedings or even the quantum of damages which may be awarded following a successful claim.
(e) The Monetary Authority of Singapore will be unable to compel the enforcement of the rules of the regulatory authorities or markets in other jurisdictions where your transactions will be effected.
(f) The laws of some jurisdictions may prohibit or restrict the repatriation of funds from such jurisdictions including capital, divestment proceeds, profits, dividends and interest arising from investment in such countries. Therefore, there is no guarantee that the funds you have invested and the funds arising from your investment will be capable of being remitted.
(g) Some jurisdictions may also restrict the amount or type of investment products that foreign investors may trade. This can affect the liquidity and prices of the overseas-listed investment products that you invest in.

<u>Different costs involved</u>
(h) There may be tax implications of investing in an overseas-listed investment product. For example, sale proceeds or the receipt of any dividends and other income may be subject to tax levies, duties or charges in the foreign country, in Singapore, or in both countries.
(i) Your investment return on foreign currency-denominated investment products will be affected by exchange rate fluctuations where there is a need to convert from the currency of denomination of the investment products to another currency, or may be affected by exchange controls.
(j) You may have to pay additional costs such as fees and broker's commissions for transactions in overseas exchanges. In some jurisdictions, you may also have to pay a premium to trade certain listed investment products. Therefore, before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

<u>Counterparty and correspondent broker risks</u>
(k) Transactions on overseas exchanges or overseas markets are generally effected by your Singapore broker through the use of foreign brokers who have trading and/or clearing rights on those exchanges. All transactions that are executed upon your instructions with such counterparties and correspondent brokers are dependent on their respective due performance of their obligations. The insolvency or default of such counterparties and correspondent brokers may lead to positions being liquidated or closed out without your consent and/or may result in difficulties in recovering your monies and assets held overseas.

<u>Political, Economic and Social Developments</u>
(l) Overseas markets are influenced by the political, economic and social developments in the foreign jurisdiction, which may be uncertain and may increase the risk of investing in overseas-listed investment products.

4. The Customer's signing of PSPL's account opening form will be taken to indicate the Customer's acknowledgement that the Customer has received and read this Risk Warning Statement and understand its contents.

III. DISCLOSURE STATEMENTS PURSUANT TO REGULATIONS 18A AND 27A OF SECURITIES & FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS

DISCLOSURE STATEMENT FOR REGULATION 18A

This document sets out disclosures PSPL is obliged to give you as the Customer, to comply with Regulation 18A of the Securities and Futures (Licensing and Conduct of Business) Regulations – the "Regulations" and relates to PSPL's obligation under Regulation 17 of the Regulations to maintain a trust account – the "Trust Account" – in which PSPL deposits the Customer's money received by PSPL from or for the Customer for PSPL's services as the holder of a capital markets services licence – the "Services". For avoidance of doubt, such money will not include money the Customer directly or indirectly transfers to PSPL by way of title transfer; provided that in no case where the Customer is a retail customer will the Customer be obliged to provide any money to PSPL as margin for the Customer's obligations by way of title transfer to PSPL except where such money relates to lending of the Customer's securities in compliance by PSPL with Regulations 45(1) (3) and (4) of the Regulations. This document does not cover all risks relating to these Services and the Customer should consider all agreements between the Customer and PSPL and any other disclosure material that PSPL has provided to the Customer.

1. How PSPL holds the Customer's money
The Customer's money will be held on the Customer's behalf in accordance with Regulation 17 of the Regulations in the Trust Account. Unless otherwise notified to the Customer, the custodian of the Trust Account will be a third party eligible to be the custodian pursuant to Regulation 17.

2. When PSPL may withdraw the Customer's money
Where PSPL provides any Services, PSPL may pursuant either to its entitlement:
(a) under but subject to Regulation 19 of the Regulations or
(b) pursuant to the provisions of Regulation 21 of the Regulations
withdraw the Customer's money for any purpose permitted under Regulation 19 and/or 21 (as applicable) of the Regulations.

3. Withdrawals from Trust Account and onward depositing money with third parties
As provided in Regulations 19 and 21 of the Regulations, PSPL may withdraw the Customer's money from the Trust Account and apply such money as permitted or not prohibited by the said provisions of the Regulations including onward deposit the money with third parties acting on PSPL's behalf (Third Parties, which expression shall also include the custodian of the Trust Account), being any of an approved clearing house, a recognized clearing house, a member of a clearing facility or a member of a recognized market for any of the purposes specified in Regulation 19 of the Regulations. Nothing in the preceding however permits PSPL withdrawing of the Customer's money where the Customer is a retail customer and apply the money towards satisfaction of PSPL's own obligations or liabilities. Unless PSPL agrees otherwise, PSPL is not liable for any acts or omissions of Third Parties.

4. Money generally held on pooled basis and key consequences
The Customer's money will, unless PSPL is obliged pursuant to the Regulations to specify or agree with the Customer otherwise, be held in an omnibus or pooled account basis by PSPL or an approved Third Party. For avoidance of doubt, if the Customer is a retail customer, money provided to PSPL in relation to the Customer's OTC derivatives contracts with PSPL may only be pooled with the money of PSPL's other retail customers provided to PSPL for their respective OTC derivatives contracts. Where the Customer's money is held in such omnibus accounts, they may be pooled with money belonging to other customers or customers/clients of the Third Party. Therefore, there is a risk that:
(a) the Customer's money could be withdrawn to meet other clients' obligations; and/or
(b) the Customer may share in any shortfall and may not therefore receive the Customer's full entitlement of money.
In some jurisdictions, national law may not recognize or give effect to PSPL's attempts to separately identify the Customer's money from PSPL's money or those belonging to the Third Party. In such a case:
(i) the Customer's money could be used to meet the Third Party's general obligations on its insolvency;
(ii) the Customer's money could be used to meet PSPL's general obligations on insolvency;
(iii) the Third Party could challenge the Customer's rights to any money; and/or
(iv) the Customer may share in any shortfall and may not therefore receive the Customer's full entitlement of money.

5. Money held outside Singapore
Where PSPL holds the Customer's money outside Singapore:
(a) different legal and regulatory requirements may apply from those applying in Singapore; and
(b) the Customer's rights to the money may differ from those the Customer would have in Singapore.

6. Protecting the Customer's money
PSPL will, if possible, direct such approved Third Parties who hold the Customer's money to identify them separately from their own money and those belonging to PSPL (by differently titled accounts or other measures that achieve the same level of protection). If the money is held in a jurisdiction where PSPL is prevented from registering money in the name of a nominee or in the Customer's name, PSPL may register or record or cause any relevant Third Party to register or record the Customer's money in PSPL's own name or if PSPL is prevented from doing so, in the name of a Third Party, provided in either case that PSPL is permitted to do so under the Regulations read with relevant provisions of the Securities and Futures Act.

7. Security interests, liens and right of set-off
Where PSPL holds the Customer's money, PSPL will generally have rights of set-off, a general lien and other security interests over them, both as set out in the relevant agreement between the Customer and PSPL and under general law. PSPL's rights of lien and other general security interests are also specifically recognized under the Regulations. A Third Party, including a depository or any foreign custodian of such money, who holds the Customer's money may also have a security interest or lien over, or right of set-off in relation to such money. Where not already disclosed above, PSPL will tell the Customer where money is held in a jurisdiction where by law they are subject to security interests or rights of set off enabling a third party to dispose of them or recover debts that are not related to the Customer.

DISCLOSURE STATEMENT FOR REGULATION 27A

This document sets out disclosures PSPL is obliged to give you as the Customer, to comply with Regulation 27A of the Securities and Futures (Licensing and Conduct of Business) Regulations - the "Regulations" and relates to our obligation under Regulation 27 of the Regulations to maintain a custody account - the "Custody Account" - in which PSPL deposits the Customer's assets received by PSPL from or for the Customer for PSPL's services as the holder of a capital markets services licence – the "Services". This document does not cover all risks relating to these Services and the Customer should consider all agreements (including in particular the Agreement) between the Customer and PSPL and any other disclosure material that PSPL has provided to the Customer.

1. How PSPL holds the Customer's assets
The Customer's assets will be held on the Customer's behalf in accordance with Regulation 27 of the Regulations in the Custody Account. Unless otherwise notified to the Customer, the custodian of the Custody Account will be PSPL or a third party eligible to be the custodian pursuant to Regulation 27.

2. When PSPL may withdraw the Customer's assets
Where PSPL provides any Services, PSPL may pursuant either to PSPL's entitlement:
(a) under but subject to Regulation 30 of the Regulations or
(b) pursuant to the provisions of Regulation 35 of the Regulations
withdraw the Customer's assets for any purpose permitted under Regulation 30 and/or 35 (as applicable) of the Regulations.

3. Withdrawals from Custody Account and onward depositing assets with third parties
As provided in Regulations 27 and 30 of the Regulations, PSPL may withdraw the Customer's assets from, hold the Customer's assets from the Custody Account and deposit the assets with third parties acting on PSPL's behalf (Third Parties, which expression shall also include the custodian of the Custodian Account), being any of an approved clearing house, a recognised clearing house, a member of a clearing facility or a member of an organised market for any of the purposes specified in Regulation 30 of the Regulations. Unless PSPL agrees otherwise, PSPL is not liable for any acts or omissions of Third Parties.

4. Assets generally held on pooled basis and key consequences
The Customer's assets will, unless PSPL specifies or agrees with the Customer otherwise, be held in an omnibus or pooled account basis by a Third Party. Where the Customer's assets are held in such omnibus accounts, they may be pooled with assets belonging to PSPL's other customers or customers/clients of the Third Party. Therefore, there is a risk that:
(a) the Customer's assets could be withdrawn to meet other clients' obligations; and/or
(b) the Customer may share in any shortfall and may not therefore receive full entitlement of assets.
In some jurisdictions, national law may not recognise or give effect to PSPL's attempts to separately identify the Customer's assets from PSPL's own assets or those belonging to the Third Party. In such a case:

(i) the Customer's assets could be used to meet the Third Party's general obligations on its insolvency;
(ii) the Customer's assets could be used to meet PSPL's general obligations on insolvency;
(iii) the Third Party could challenge the Customer's rights to any assets; and/or
(iv) the Customer may share in any shortfall and may not therefore receive full entitlement of assets.

5. Assets held outside Singapore
Where PSPL holds the Customer's assets outside Singapore:
(a) different legal and regulatory requirements may apply from those applying in Singapore; and
(b) the Customer's rights to the assets may differ from those the Customer would have in Singapore.

6. Protecting the Customer's assets
PSPL will, where possible, direct such Third Parties who hold the Customer's assets to identify them separately from their own assets and those belonging to PSPL (by differently titled accounts or other measures that achieve the same level of protection). If the assets are held in a jurisdiction where PSPL is prevented from registering assets in the name of a nominee or in the Customer's name, PSPL may register or record the Customer's assets in the name of a Third Party or where PSPL is prevented from doing so, in PSPL's own name, provided in either case that PSPL is permitted to do so under the Regulations read with relevant provisions of the Securities and Futures Act.

7. Security interests, liens and right of set-off
Where PSPL holds the Customer's assets, PSPL will generally have rights of set-off, a general lien and other security interests over them, both as set out in the relevant agreement between the Customer and PSPL and under general law. PSPL's rights of lien and other general security interests are also specifically recognised under the Regulations. A Third Party, including a depository who holds the Customer's assets may also have a security interest or lien over, or right of set-off in relation to such assets. Where not already disclosed above, PSPL will tell the Customer where the Customer's assets are held in a jurisdiction where by law they are subject to security interests or rights of set off enabling a third party to dispose of them or recover debts that are not related to the Customer.

DISCLOSURE STATEMENT FOR INDIVIDUAL SEGREGATED ACCOUNT

PSPL will generally hold the Customer's money and assets separately from PSPL's own money and assets, but on a pooled basis with respect to money and assets of other of PSPL's customers and therefore there is a risk that the Customer's money and/or assets may be used to satisfy the obligations of other PSPL retail customers referable to their respective OTC derivatives transactions with PSPL or in the event of a total shortfall in money and/or assets collectively in the pool, all such of PSPL's customers will be limited to a pro-rated share of the actual money and/or assets in the pool – generally "fellow-customer risk". The Customer should read the specific disclosures pursuant to Regulations 18A and 27A respectively on the key consequences and risks of the Customer's money and/or assets being held on a customer pooled basis for more and specific information. However, the Customer's money/assets for OTC derivatives transactions/contracts with PSPL will be held within Singapore. Singapore laws and regulations operate to ensure that they will not be available to be used to satisfy any of PSPL's own obligations in the event of PSPL's insolvency.

1. Regulations 16(5) And 26(5) of the Securities and Futures (Licensing and Conduct of Business) Regulations oblige PSPL to provide the Customer with the option of having added protection against fellow-customer risk for the Customer's money and assets respectively. The aforementioned option allows for the Customer's money and/or assets provided to PSPL in relation to the Customer's OTC derivatives transactions with PSPL to be "ring-fenced" from the money and/or assets belonging to PSPL's other customers.

2. By signing on PSPL's Account Application Form, the Customer will be deemed to have indicated to PSPL the Customer's choice of not having such Individual Segregated Account unless the Customer has expressly informed PSPL otherwise.

3. Consequences and Costs For Individual Segregated Account
Where the Customer has expressly requested to have the aforementioned option of an Individual Segregated Account, then for the money and/or assets chosen, the Customer's OTC derivatives account with PSPL will be designated as a relevant Customer Individual Segregated Account(s). The following applies to such account(s):
(a) the Customer's money and assets held in such account(s) will not be pooled or commingled with PSPL's other retail customers' positions;
(b) the Customer's money and/or assets will be recorded by PSPL separately from PSPL's other customers. Such money and/or assets will not be available for the default of any person other than the Customer himself/herself;
(i) opting for an Individual Segregated Account will also mean additional administrative costs will be payable by the Customer; and
(ii) the Customer may contact a representative from PSPL should the Customer decide to opt for the Individual Segregated Account or have any related queries.