

RISK DISCLOSURE STATEMENT FOR TRADING IN SECURITIES PRIOR TO YOU ATTAINING THE AGE OF 21 YEARS OF AGE

The Risk Disclosure Statement shall apply where you trade in securities and equity-linked products and where you invest in structured transactions¹ prior to you attaining the age of 21 years of age.

The objective of this statement is to explain to you the nature of trading in securities and investing in structured transactions prior to your undertaking of such transactions in securities and structured transactions. This statement may not be sufficient to explain **all** the risks of trading in securities and investing in structured transactions. You should therefore fully understand the nature of the transactions, how they actually work, the extent of their exposure to risks and the potential losses that could be incurred. You should carefully consider whether trading in securities and investing in structured transactions is suitable for you in the light of your financial resources, experience, objectives for engaging in the transactions, ability to bear risks and other relevant circumstances. **You should fully understand and be aware that it is your sole responsibility to make your own independent appraisal and investigation into the risks associated with the desired transaction or product. You should, therefore, consult with your own legal, tax, financial and other relevant professional advisers prior to entering into any particular transaction.** You must also ensure that you have sufficient knowledge, experience, sophistication and professional advice to make your own evaluation of the merits and risks of entering into such transactions.

In this statement, "company" includes OSPL.

TRADING IN SECURITIES

In considering whether to trade in securities or enter into any such transaction, you should be aware of the following:

- (a) Trading in securities can be extremely risky. You should be prepared to lose all of the funds used for trading in securities. You should not fund your security trading activities with retirement savings, emergency funds or funds set aside for purposes such as education or home ownership.
- (b) You should be cautious of claims of large profits from trading in securities. You need to be wary of advertisements or other statements that emphasise the potential for large profits in trading in securities. Trading in securities can also lead to large and immediate financial losses.
- (c) Trading in securities requires knowledge of the securities markets. Trading in securities require in-depth knowledge of the securities markets and trading techniques and strategies. In attempting to profit through trading in securities, you must compete with professional, licensed traders employed by securities companies. You should have the appropriate experience before engaging in the trading of securities.
- (d) Trading in securities requires knowledge of a company's operations. You should be familiar with a securities company's business practices, including the operation of the company's order execution systems, procedures, and should confirm that a company has adequate systems capacity to permit you to engage in securities trading activities.
- (e) Trading in securities may result in large commissions. Trading in securities may require you to trade your accounts aggressively, and pay commissions on each trade. The total daily commissions that you pay on trades may add to losses or significantly reduce earnings.
- (f) Trading in securities normally requires the use of specialized software. You must be knowledgeable in the use of this software. Otherwise, you may not be able to correctly interpret your security positions, trades may be entered or routed incorrectly, positions may not be correctly closed out, and you could be at a competitive disadvantage to more skilled traders.
- (g) Disruptions in the electronic trading systems or failure, interruption or down time of the computer hardware, communication lines, and data networks could disrupt trading and the liquidity and availability of timely execution or reporting could diminish substantially. This could result in substantial losses, especially during periods of volatility.
- (h) Securities can be very volatile and can open at dramatically different prices on the opening of each day. Similarly, regulatory authorities can halt trading in a security or securities and prices can vary dramatically at the reopening with no interim capability of trading during the halt. Holding large positions in volatile securities, especially after the end of the trading day, can result in tremendous losses.
- (i) Market and specific security volatility adds to the risk on on-line trading. High volumes of trading at the market opening or intra-day may cause delays in execution and executions at prices significantly away from the market price quoted or displayed at the time the order was entered. Market makers may execute orders manually or reduce their size guarantees during periods of volatility resulting in possible delays in order execution and losses. Program trading, institutional buying/selling, mutual fund buying/selling, and news related events also add to the volatility of the overall market and specific securities.
- (j) Companies are required to execute a market order fully and promptly without regard to price and that, while you may receive a prompt execution of a market order, the execution may be at a price significantly different from the current quoted price of that security. Limit orders will be executed only at a specified price or better than that, while you receive price protection, there is the possibility that the order will not be executed. Since market orders must be executed as promptly as possible, it may not be feasible to cancel a market order since it may have already been executed, even if a customer has not yet received a report confirming the execution. Entering a cancel order and separate replacement order may result in you being responsible for the execution of duplicate orders.
- (k) You may suffer market losses during periods of volatility in the price and volume of a particular stock when system problems result in inability to place buy or sell orders. If you trade on-line, you may experience difficulties accessing your accounts due to high Internet traffic or because of system's capacity limitations. When on-line trading has been disabled or is not available because of system limitations, you may have difficulty reaching our representatives on the telephone during periods of high volume.
- (l) If you have filled out a trading authorisation and designated someone other than yourself to trade your capital, you should be aware this opens up new risks. The trader will have discretion to trade any securities he/she deems appropriate. The trader will have no legal responsibility to report and trades or executions to you. You may not be able to monitor your capital at times on a real time basis. If the trader is unreliable or unsuccessful, you could lose all of your capital.
- (m) Security is a key requirement for your protection. You must protect your user identification and password. You must also protect against computer entry by someone other than yourself. You are responsible for all trades entered under your user identification and password.
- (n) It is very important that you reconcile your account on a daily basis. Your review should include confirmations and monthly statements. You must always know your buying power and positions held in your account. Any suspected errors should immediately be brought to the attention of OSPL. All losses are your responsibility. The sole responsibility of OSPL shall be limited to loss of funds caused solely by the fraudulent or dishonest acts of its employees.

CREDIT RISKS

The company may not always be your contractual counterparty or the issuer under certain transactions. Where the company is not your contractual counterparty or the issuer, your contractual counterparty or a third party issuer (and not the company) will be liable to you under the transaction or otherwise in respect of a product purchased by you. Accordingly, in considering whether or not to enter into the transaction, you should take into account all risks associated with such counterparty or third party issuer, including the counterparty's or issuer's financial standing.

Certain transactions also involve the assumption by you of credit risks which you should ensure you are able to evaluate.

RISK DISCLOSURE STATEMENT FOR TRADING IN SECURITIES
PRIOR TO YOU ATTAINING THE AGE OF 21 YEARS OF AGE

TRADING IN FOREIGN SECURITIES

You should only invest in foreign securities if you understand your exposure to risk. You should not rely on this information as a complete explanation of the risks of investing in foreign securities. You should ask your company for copies of risk disclosure statements issued by foreign brokerage companies that it trades with on your behalf for a full understanding of the risks involved in trading securities in that foreign country.

In considering whether to trade in foreign securities or enter into any such transaction, you should be aware of the following:

- (a) All orders to buy and sell securities are made in the relevant foreign currency but the settlement amount may, at your request, be converted and paid in Singapore dollars. The currency conversion will occur after the trade has occurred. You carry the risk that the foreign exchange rate may have changed since your order was entered. The volatility of the exchange rate is a matter you should consider. The past performance of the exchange rate is not necessarily a guide to future performance. Depending on the circumstances and timing of the transaction, and relevant movements in currencies during that period, the difference between what you originally expected to pay or receive and what you actually pay or receive may be substantial. In extreme cases, currency volatility may significantly erode potential profits (or significantly increase any losses) you make from buying or selling the relevant foreign securities.
- (b) While you hold foreign securities, you are exposed to the risks of currency movements. Changes in the relevant foreign exchange rate may adversely affect the value of your investment and the investment return. Understanding how the exchange rate impacts your investment is important. The direction of the Singapore dollar will influence the value of your foreign investments. Ignoring market price movements, if the value of the Singapore dollar falls relative to the currency in which securities are denominated, then the value of your foreign securities will rise in Singapore dollar terms. Conversely, if the value of the Singapore dollar rises, then the value of your foreign securities will fall. Similarly, movements in the relevant exchange rate will impact on the Singapore dollar value of any dividends or distributions you receive.
- (c) You may suffer liquidity risk in that you will not be able to dispose of your foreign securities for a reasonable price in the market. Like all markets, this may be because there are insufficient buyers for the foreign securities, or the price buyers are prepared to pay is lower than sellers are prepared to accept. Overseas markets may have

lower trading volumes and fewer listed companies. The trading times for each day may be different to the Singapore market. Factors such as these may affect the liquidity of trading in the foreign securities.

- (d) Some foreign markets are much more volatile than the Singapore market, and this can have adverse consequences for orders designated "at market". To limit this risk you should always consider putting a "limit price" on your orders. Volatility can be particularly high in markets that continue to operate outside normal trading hours in other countries.
- (e) The market price of foreign securities is affected by the same risks that affect all stock market investments. These include the present and anticipated economic environment, investor sentiment, interest rates, exchange rates and the general level of economic activity. However, it may be difficult to fully understand all of the political, economic and social factors that influence the relevant overseas market. While these factors provide benefits of diversification, they also contribute to the risk of investing overseas.

STRUCTURED TRANSACTIONS¹

Where a transaction is "structured" or made up of several instruments, you should be aware that there are risks associated with each instrument evaluated separately and risks associated with the transaction evaluated as a whole. Therefore, your assessment of the transaction should involve consideration of the individual instruments and the transaction as a whole.

Certain transactions and financial instruments, including structured warrants, equity linked notes (ELNs), equity linked instruments (ELIs), may be highly risky, and the net outcome may depend on the performance of underlying reference obligations, assets and/or certain other financial instruments or indices (the "Underlying Indicator"), whether the Underlying Indicator forms part of the security under the transaction or not. You should therefore ensure that you fully understand the risks involved in the Underlying Indicator and satisfy yourself that you are willing to accept such risks.

Structured warrants have expiry dates, and it may be difficult to liquidate them near their expiry dates. In addition, for "structured" transactions executed over-the-counter, you should be aware that, it may be difficult for you to liquidate an existing position under, assess the value of, determine a fair price for or assess your exposure to risks under such transactions. You should factor in this uncertainty in your overall consideration of the potential impact on your investment in the transaction.

I confirm that I have explained the contents of this Risk Disclosure Statement to the customer(s) on _____
(date) in _____ (language) in person/over the phone*. (delete where applicable)

Signature of Trading Representative : _____

Name of Trading Representative : _____

I/We confirm that the Trading Representative has explained the contents of this Risk Disclosure Statement to me/us on the date and in the manner stated above. I/We am/are aware that unless specifically authorised by OSPL, I/We am/are not allowed to trade in complex instruments or invest in Structured Transactions. I/We understand and agree that (a) if any of these instruments is traded, OSPL has the right to close off any or all of these positions; and (b) OSPL will not be liable to me/us for any losses suffered by me/us as a result of the forced sell or purchase.

Signature of customer : _____

Name of customer : _____

¹ Specific authorization from OSPL is required in order for You to undertake investments in such transactions.

Appropriateness Assessment Questionnaire for Young Investors Under 21 Years Old

In accordance with the SGX Practice Note 12.3.1 and 12.3.4 for trading by individuals above the age of 18 and below the age of 21 years, we are required to undertake an assessment of your financial knowledge and risk capacity in trading of securities for the purposes of opening securities trading account.

The series of questions below is aimed at assisting you as potential investor to determine your attitude towards risk, your current financial priorities and investment objectives prior to you opening a securities trading account with us. This is a compulsory document for your completion and you owe it to yourself to respond to the questions honestly.

The completion of this questionnaire and/or its submission to OCBC Securities does not constitute any financial assessment or risk profiling on the part of OCBC Securities. OCBC Securities is an execution-only broker and does not provide any form of financial advice. This questionnaire is also not a substitute for consulting your financial advisor on the merits of any particular type of investments.

Please answer all the questions by marking one of the options. Choose the option that best indicates how you feel about each question. If none of the options is exactly right for you, choose the option that is closest.

I. PERSONAL INFORMATION			
1st APPLICANT	Age	:	_____
Name : _____	NRIC / Passport No.	:	_____
2nd APPLICANT	Age	:	_____
Name : _____	NRIC / Passport No.	:	_____
1. The highest education level I attained, or the closest equivalent, is		1st Applicant	2nd Applicant
I. Did not complete Primary School.		<input type="checkbox"/>	<input type="checkbox"/>
II. Completed Secondary School.		<input type="checkbox"/>	<input type="checkbox"/>
III. Completed Junior College.		<input type="checkbox"/>	<input type="checkbox"/>
IV. Trade or Diploma qualification.		<input type="checkbox"/>	<input type="checkbox"/>
V. University degree or higher qualification.		<input type="checkbox"/>	<input type="checkbox"/>
II. PERSONAL FINANCIAL KNOWLEDGE			
2. Do you possess basic knowledge of stock trading in the market? (Eg. Trading hours / Settlement period / Force-selling / Buying-in by SGX etc.)		1st Applicant	2nd Applicant
I. No *		<input type="checkbox"/>	<input type="checkbox"/>
II. Yes		<input type="checkbox"/>	<input type="checkbox"/>
<i>* If your answer is No, then you are probably not ready to start trading. You should obtain knowledge on the basics of stock investing by visiting SGX website at www.sgx.com or attend one of our investor workshops before you proceed with submitting your application for an account with us.</i>			
3. What would you say about your level of financial knowledge?		1st Applicant	2nd Applicant
I. None		<input type="checkbox"/>	<input type="checkbox"/>
II. Very little		<input type="checkbox"/>	<input type="checkbox"/>
III. Considerable		<input type="checkbox"/>	<input type="checkbox"/>
IV. Very Knowledgeable		<input type="checkbox"/>	<input type="checkbox"/>
4. Do you have any financial knowledge on the following?		1st Applicant	2nd Applicant
I. Shares		<input type="checkbox"/>	<input type="checkbox"/>
II. Bonds		<input type="checkbox"/>	<input type="checkbox"/>
III. Unit Trusts		<input type="checkbox"/>	<input type="checkbox"/>
IV. Derivatives		<input type="checkbox"/>	<input type="checkbox"/>
V. Futures, Commodities etc		<input type="checkbox"/>	<input type="checkbox"/>
VI. Others (Please state) _____		<input type="checkbox"/>	<input type="checkbox"/>
5. From what sources have you derived your knowledge about investing?		1st Applicant	2nd Applicant
I. Textbooks & schools		<input type="checkbox"/>	<input type="checkbox"/>
II. Investment fairs, seminars & courses		<input type="checkbox"/>	<input type="checkbox"/>
III. Family members, relatives, & friends		<input type="checkbox"/>	<input type="checkbox"/>
IV. Financial news programs, magazines & news articles		<input type="checkbox"/>	<input type="checkbox"/>
V. Financial educational websites		<input type="checkbox"/>	<input type="checkbox"/>
VI. Others (Please state) _____		<input type="checkbox"/>	<input type="checkbox"/>
6. I have financial knowledge and ability of the following to help me make informed decisions.		1st Applicant	2nd Applicant
I. Fundamental Analysis		<input type="checkbox"/>	<input type="checkbox"/>
II. Technical Analysis		<input type="checkbox"/>	<input type="checkbox"/>

III.	Overview for investing in the stock markets.	<input type="checkbox"/>	<input type="checkbox"/>
IV.	Able to read and understand IPO prospectuses and annual reports.	<input type="checkbox"/>	<input type="checkbox"/>
V.	Able to interpret financial statements and ratios to select stock.	<input type="checkbox"/>	<input type="checkbox"/>
VI.	Others (Please state) _____	<input type="checkbox"/>	<input type="checkbox"/>
VII.	None of the above	<input type="checkbox"/>	<input type="checkbox"/>

7.	I have attended investment seminars or courses organized by	<u>1st</u> Applicant	<u>2nd</u> Applicant
I.	Singapore Exchange	<input type="checkbox"/>	<input type="checkbox"/>
II.	MoneySENSE	<input type="checkbox"/>	<input type="checkbox"/>
III.	Financial Institution (Please state) _____	<input type="checkbox"/>	<input type="checkbox"/>
IV.	Others (Please state) _____	<input type="checkbox"/>	<input type="checkbox"/>

PERSONAL ASSET VALUE

8.	How important is current income / savings to you in the near term? Do you depend on income from your investments for living expenses?	<u>1st</u> Applicant	<u>2nd</u> Applicant
I.	Critical	<input type="checkbox"/>	<input type="checkbox"/>
II.	Needed to a large degree	<input type="checkbox"/>	<input type="checkbox"/>
III.	Needed to a minor extent	<input type="checkbox"/>	<input type="checkbox"/>
IV.	Not important	<input type="checkbox"/>	<input type="checkbox"/>

PERSONAL ATTITUDE TOWARD RISK

9.	Compared to others, how do you rate your willingness to take financial risks?	<u>1st</u> Applicant	<u>2nd</u> Applicant
I.	Extremely low risk taker	<input type="checkbox"/>	<input type="checkbox"/>
II.	Low risk taker	<input type="checkbox"/>	<input type="checkbox"/>
III.	Average risk taker	<input type="checkbox"/>	<input type="checkbox"/>
IV.	High risk taker	<input type="checkbox"/>	<input type="checkbox"/>
10.	If there is a general market correction after you made your intended investment, how much unrealized loss would you be able to tolerate?	<u>1st</u> Applicant	<u>2nd</u> Applicant
I.	I cannot tolerate any volatility in the value of my investments including a loss of all my funds used for trading in securities.	<input type="checkbox"/>	<input type="checkbox"/>
II.	Between 5 – 15%	<input type="checkbox"/>	<input type="checkbox"/>
III.	Between 16 – 35%	<input type="checkbox"/>	<input type="checkbox"/>
IV.	Between 36 – 50%	<input type="checkbox"/>	<input type="checkbox"/>
V.	More than 50%	<input type="checkbox"/>	<input type="checkbox"/>

PERSONAL INVESTMENT OBJECTIVES

11.	My investment objective for this account is	<u>1st</u> Applicant	<u>2nd</u> Applicant
I.	Conservative - I wish to achieve returns of up to 2% above bank deposit rates with lower than average risk and fluctuation in value. Long –term and secure income stream.	<input type="checkbox"/>	<input type="checkbox"/>
II.	Moderately Aggressive - I wish to achieve returns of 3 – 10% above bank deposit rates and willingness to accept occasional periods of high volatility. Fully accepts that investment returns will vary substantially from year to year and that there is a high chance of capital loss in any one year. May engage in speculative trading from time to time.	<input type="checkbox"/>	<input type="checkbox"/>
III.	Aggressive - I wish to achieve returns of more than 10% above bank deposit rates over the short term (under 12 months) with a tolerance for a correspondingly and significantly higher degree of volatility and risk of loss. Appreciates that there is a high chance of capital loss in individual transactions. Willing to take substantial risks. Keen on contra transactions. Appetite for investing in speculative shares.	<input type="checkbox"/>	<input type="checkbox"/>

12.	Opening of a trading account does not require you to place any form of deposit with us. However, OCBC Securities requires you to place a minimum initial cash deposit of \$1,000, prior to your first trade. Your deposit will be returned to your trust account when you have reached 21 years old. I acknowledge that opening of trading account does not require me to place any form of initial deposit whatsoever. The initial deposit is only required when I wish to commence trading.	<u>1st</u> Applicant	<u>2nd</u> Applicant
		<input type="checkbox"/>	<input type="checkbox"/>

	1 st Applicant's Signature / Date	_____	2 nd Applicant's Signature / Date

FOR OFFICIAL USE ONLY (CS DEPARTMENT)

Approved / Rejected								OTC / SV / Date				Reviewed by / Date				Remarks			
1	2	3	8	9	10	11	12												