

ACKNOWLEDGEMENT OF PERSONAL RESPONSIBILITY FOR AND LIMITS OF EXECUTION-RELATED ADVICE ON LISTED EXCLUDED INVESTMENT PRODUCTS

This notice is provided to you, amongst others, in accordance with Regulation 33A(2) of the Financial Advisers Regulations.

PSPL whether directly or through its authorised representatives may, **for no extra fee or charge**, recommend or suggest to you the buying or selling of specific exchange-listed as well as approved in principle to be exchange-listed products **BUT, as with generally circulating advice and recommendations, still leaving only you with the ultimate risk and responsibility to determine the actual suitability for you of any and every such recommendation and suggestion**. Such recommendations or suggestions are referred to under Regulation 33A of the Financial Advisers Regulations as "execution-related advice" ("ERA") as they are provided free of charge but related to the trading that you do.

Previously the giving of any ERA would have required PSPL to ensure the suitability of the ERA specifically for you in accordance with the provisions of section 27 Financial Advisers Act (read in conjunction with FAA-G08 guidelines issued by the MAS). **This is no longer the case**. Regulation 33A(2) of the Financial Advisers Regulations through its schedule now provides for a list of "Listed Excluded Investment Products" which are assumed generally well understood by retail investors and ERA with respect such excluded investment products may be and is now exempt from the provisions of section 27 FAA. As a general summary, this list includes effectively all listed securities and securities approved for listing on a securities exchange available to the retail public to trade in. **As such, the law now assumes and PSPL also so assumes that any and all customers of PSPL are able to and will make their respective and own decisions both on whether any excluded investment product is or is not suitable for them to deal in; as well as on whether any ERA in respect of an excluded investment product is or is not suitable for them to rely on to deal in the recommended excluded investment product.**

However, while ERA for any and every excluded investment product is exempt from any suitability obligation on the part of either PSPL or its representatives under the FAA, Regulation 33A of the Financial Advisers Regulations does require that **the provision of any ERA with respect any listed excluded investment product must be accompanied by the rationale for such ERA. You are therefore hereby notified and warned:**

- (i) **that any and every ERA that you may receive with respect to any listed excluded investment product does not take into account your investment objectives, financial situation and particular needs, and**
- (ii) **it is solely your responsibility to ensure the suitability of the product recommended for you to buy or sell (as the case may be).**

You should also take specific note (and if you miss having it, you should ask for) the specific rationale that the relevant representative gives as the reason(s) for giving the ERA to you so that you may understand (even if you do not agree with) the reason for the ERA having been given. PSPL only authorises its representatives to give ERA with respect to excluded investment products where the rationale is because of the merits of the product (e.g. technical or fundamental analysis of a particular security **based on information that the representative believes to be materially correct and complete**) or its market performance **as reasonably perceived by the representative based on information that the representative believes to be materially correct and complete and not as a result of full or personal product due diligence or analysis by the representative on the counter itself.**

Please also note that no representative of ours is authorised to provide any other type of ERA, including in particular ERA with respect to any Specified Investment Product* ("SIP"). Any and all advice or opinions that you may receive free of charge from any of our representatives that do not conform to the requirements set out above or with respect to any SIPs (other than Generally Circulating Advice subject to the conditions highlighted in the Guide and Cautionary Note for Generally Circulating Advice) are being given without PSPL's authority. You must promptly report to PSPL any such wrongful provision of advice or opinion.

GUIDE AND CAUTIONARY NOTES FOR TRADING ACCOUNTS WITH PHILLIP SECURITIES PTE LTD – "GUIDE"

Many thanks for your interest in opening/continuing to maintain a Trading Account with Phillip Securities Pte Ltd (hereafter either "PSPL" or "We" or "Us"). This Guide will help you understand the limits of the services we are willing to provide; and the choice(s) you must make for our services.

The first thing you need to know and accept is that any advice or recommendations from us come with limits and conditions.

Except for advice and recommendations provided by us pursuant to a formal agreement for us to specifically provide you with advice and recommendations ("Formal Advice"), and even then, if you did not provide us with the information we require for a proper suitability specifically for you analysis, no advice or recommendation you may receive from us or our representatives takes into account your particular investment objectives, financial situation or particular needs.

Except for Formal Advice, we are willing to and provide our customers only with services that do not attract the operation of section 27 Financial Advisers Act ("FAA") requiring either us or our representatives to take steps to ensure our or our representatives' ability (as relevant) to give and actually give advice and recommendations specifically suitable for you to rely on in dealing in the securities recommended or advised on. This generally restricts our services therefore to **execution only broker services supplemented by the provision of advice or recommendations that are exempt from section 27 FAA**. This means that **you (and not us or any of our representatives) and you alone are responsible to determine the suitability of any and every transaction you do and every order/instruction that you give to us**.

The only exception to the preceding is when your transaction or order is in reliance on Formal Advice in circumstances where you had prior co-operated in the provision of required information for the Formal Advice to be specifically suitable for you to rely on.

Consistent with the general restriction in the services we provide to you, and in view of the current provisions in Regulation 33A of the Financial Advisers Regulations, we are able and will (either directly or through our representatives) provide advice and recommendations on a free of charge basis with respect to securities which are included in the "Listed Excluded Investment Products" in the schedule to Regulation 33A BUT only on the terms as spelt out in our **"Acknowledgement of Personal Responsibility For And Limits of Execution-Related Advice on Listed Excluded Investment Products"**.

In addition, present regulations also allow us and our representatives as exempt financial advisers and representatives to make general recommendations and/or suggestions on the buying or selling of any investment product BUT AGAIN **leaving only you with the risk and responsibility to determine the actual suitability for yourself of any and every such recommendation and suggestion**. Such recommendations or suggestions are referred to under relevant regulations as "Generally Circulating Advice" and are generally provided accompanied by the three specific conditions (i) to (iii) set out below.

For avoidance of doubt therefore, you are specifically warned that any and all advice or recommendation (which you believe or assert to be either from us or our representatives authorised to give such advice or recommendation) which are not either Formal Advice, or ERA with respect to listed excluded investment products in accordance with the terms of our **"Acknowledgement of Personal Responsibility For And Limits of Execution-Related Advice on Listed Excluded Investment Products"** can be accepted as being from us or given with our authority only if you accept them as no more than Generally Circulating Advice and therefore subject to the following conditions:

- (i) Being intended for general circulation rather than reliance by any specific person (including yourself), all such recommendations and suggestions do not take into account your specific investment objectives, financial situation or particular needs;
- (ii) That you will, if you yourself have any doubt, seek advice from a financial adviser regarding the specific suitability of the recommendation or suggestion you have any doubt for you to follow; and
- (iii) PSPL being entitled to assume that where you choose to follow any such recommendation or suggestion, you do so only after you are personally satisfied that it is specifically suitable for you to follow and you accept sole responsibility for the suitability of the order given or transaction made in following the recommendation or suggestion.

For the sake of clarity, any and all other resources and materials (including any Generally Circulating Advice) not being Formal Advice that you may be provided by or may access from us are provided with the sole aim of enabling you to manage and control your own investments and this means also that you need to be able and willing to accept sole responsibility for ensuring the suitability of any and all transactions that you may make with or through us by reference to or in reliance on such resources and materials before making any such transaction with or through us.

We or our trading representatives may therefore, from time to time, forward to you investment product literature and information (including marketing materials and brochures) in relation to securities and financial investment products **but strictly for information purposes only and not in any way as investment advice or recommendation**. If you do not wish to be provided such investment product literature and information, please let us know formally by writing to us at talktophillip@phillip.com.sg. **Unless you actually inform us in writing that you do not wish to receive such materials, we will assume that you find the provision of such materials useful for you to use as part of your information source to make your own suitability determination since you are deemed and will be regarded by us as being able to do so.**

Exemption Notice for Accredited, Expert and Overseas Investors

Please note that we are expressly exempted from assuming and will not assume (short of an express and formal agreement otherwise) certain compliance obligations under the Financial Advisers Act, the Financial Advisers Regulations and the relevant Notices and Guidelines issued thereunder in respect of our provision of financial advisory service to any person:

- (1) who is either an accredited investor or an expert investor; or
- (2) outside Singapore who is (a) an individual who is neither a Singapore citizen, a Singapore permanent resident nor wholly or partly dependent upon a Singapore citizen or Singapore permanent resident; or (b) in any other case, a person with no commercial or physical presence in Singapore ("overseas investor").

In particular, we will be exempt from:

- A. Section 25 of the FAA (relating to the disclosure of material information on designated investment products, namely collective investment schemes and life insurance policies other than reinsurance contracts) when providing any financial advisory service in respect of designated investment products to accredited investors or overseas investors, and in respect of designated investment products that are capital markets products to expert investors;
- B. Section 27 of the FAA (which requires that there must be a reasonable basis for making recommendations on investment products) when making recommendations in respect of investment products to accredited investors or overseas investors, and in respect of capital markets products to expert investors; and
- C. Section 36 of the FAA (which requires the disclosure of interests when making recommendations on securities in a circular or other similar written communication) when sending a circular or other similar written communication in which a recommendation is made in respect of securities to accredited investors, overseas investors or expert investors.

* A general guide on SIPs is available on the MAS website www.mas.gov.sg