

APPENDIX 9 DISCLOSURES PURSUANT TO REGULATION 18A AND REGULATION 27A OF THE SECURITIES AND FUTURES (LICENSING AND CONDUCT OF BUSINESS) REGULATIONS

1. This Appendix is provided to and applies only to Retail Clients (as defined in the Agreement) to comply with Regulations 18A and 27A of the Securities and Futures (Licensing and Conduct of Business) Regulations (**SFR**).
2. Capitalised terms used in this Appendix which are defined in the Agreement shall have the same meanings ascribed to them in the Agreement. Words and expressions used in both Regulations 18A and 27A of the SFR and in this Appendix shall bear the same meanings as construed under the SFR.
3. Moneys received on account of a retail customer by Orient Futures International (Singapore) Pte. Ltd. ("**Orient Futures**") will be held on behalf of Orient Futures by a bank licensed under the Banking Act 1970 of Singapore. Assets received on account of a retail customer by Orient Futures will be held on behalf of that customer in accordance with Regulation 27 of the SFR.
4. The entity with which the retail customer's assets or moneys is deposited with may in turn deposit such assets and/or moneys with another custodian or broker (for instance, for the customer's transactions on foreign exchanges), giving rise to the existence of a holding chain. The manner in which the customer's moneys or assets are held by the different entities in the holding chain may be different. The risks of a holding chain includes the customer not being able to recover, or facing a delay in the recovery of, its moneys or assets if an entity within the holding chain holding such moneys or assets goes into liquidation or winding up.
5. Orient Futures may:
 - (a) subject to Regulation 30 of the SFR, withdraw a retail customer's assets from the custody account mentioned in Regulation 27 of the SFR and deposit such assets with an approved clearing house, a recognised clearing house, a member of a clearing facility or a member of an organized market for any of the purposes specified in Regulation 30; and
 - (b) subject to Regulation 19 of the SFR, withdraw a retail customer's moneys from the trust account mentioned in Regulation 17 of the SFR and deposit such moneys with an approved clearing house, a recognised clearing house, a member of a clearing facility or a member of an organized market for any of the purposes specified in Regulation 19.
6. A retail customer's assets and moneys will (subject to, and in compliance with, the SFR) be deposited and commingled with the assets and moneys of Orient Futures' other customers. The risks of such commingling include the customer being exposed to losses of other customers whose moneys and assets are held in the same account as the customer. In the event of a shortfall of customer moneys or assets in such account, such shortfall would be pooled and the customer may not recover its assets or moneys (as the case may be) in full.
7. If:
 - (a) the financial institution or custodian with which the trust account (holding the customer's moneys) is maintained;
 - (b) the custodian with which the custody account (holding the customer's assets) is maintained; or
 - (c) the approved clearing house, recognised clearing house, member of a clearing facility or member of an organised market with whom the retail customer's moneys is deposited with,

becomes insolvent, the customer may not be able to fully recover its moneys and/or assets (as the case may be). In the worst-case scenario, the customer may lose part or all of its moneys and/or assets. There are also likely to be time delays and costs (e.g. legal fees) connected with recovering such moneys and/or assets.

8. Where the trust or custody account is maintained with a financial institution or custodian outside Singapore in accordance with Regulation 17(2) or Regulation 27(3) of the SFR (as the case may be):

- (a) the laws and practices relating to such account in the jurisdiction under which the financial institution or custodian is licensed, registered or authorised may be different from the laws and practices in Singapore relating to such account, and the level of protection and safeguards afforded to moneys and assets that are held in the relevant foreign jurisdiction may not be the same as in Singapore; and
- (b) any such differences may affect the ability of the customer to recover the moneys or assets (as the case may be) deposited in such account.

9. Important Notice

- (a) This Appendix is not intended to provide, and should not be relied on for, legal, tax, accounting, regulatory or financial advice. It does not provide all the information which the recipient of this Appendix may need, and the recipient may wish to appoint its own professional advisers to assist it. No representation or warranty, whether express or implied, is made as to the accuracy, completeness or reliability of the disclosure provided.
- (b) Without prejudice to the generality of the foregoing: (i) the risks set out above in this Appendix are a very high-level summary of the general risks involved and this Appendix does not address any other risks that may arise as a result of a Retail Client's particular circumstances or as a result of the terms of particular Transactions; (ii) this Appendix is not intended to provide a comprehensive description of the treatment of customer moneys or assets protection regime under Singapore law (or any other Applicable Law).
- (c) Nothing contained in this Appendix should be considered as an offer or a solicitation to engage in any transaction or to purchase or sell or enter into any financial instrument or transaction, or that Orient Futures will provide any services referred to in this Appendix to the recipient.
- (d) Orient Futures shall not in any circumstances be liable, whether in contract, tort, breach of statutory duty or otherwise, for any losses or damages that may be suffered as a result of using or relying on this Appendix. Such excluded losses or damages include (i) any loss of profit or revenue; (ii) damage to reputation or loss of any contract or other business opportunity or goodwill; or (iii) any indirect loss or consequential loss. This paragraph does not extend to an exclusion of liability for, or remedy in respect of, fraudulent misrepresentation, death or personal injury caused by negligence or any other liability which may not be excluded or restricted by law.
- (e) Nothing contained in this Appendix is intended to create or shall be construed as creating a fiduciary relationship between the recipient and Orient Futures.