

## Maybank Securities Pte Ltd

### Notice on the Provision of Financial Advisory Service

#### Exemption Notice for Institutional Investors, Accredited Investors and Expert Investors

If you are an institutional investor, accredited investor or expert investor as defined in Section 4A of the Securities and Futures Act 2001 (“**SFA**”), please note that Maybank Securities Pte Ltd (“**MSSG**”) is exempted from certain regulatory obligations under the Financial Advisers Act 2001 (“**FAA**”) in respect of our provision of financial advisory services to you.

In particular, MSSG is exempted under Sections 34, 36 and 45 of the FAA as set out below, in respect of the provision of any financial advisory service to you as an institutional investor, accredited investor or expert investor, and that such exemptions are provided under Regulations 32B, 33, 34 and 35 of the Financial Advisers Regulations (“**FAR**”):

- a) Section 34 of the FAA : Relating to obligation to disclose product information to clients
- b) Section 36 of the FAA : Relating to having reasonable basis for making recommendation on any investment product
- c) Section 45 of the FAA : Relating to obligation to disclose interests in securities when sending circulars or other similar written communication in which a recommendation is made with respect to securities

#### Important Cautionary Notice for Retail Investors

This document sets out the terms and conditions applicable to the provision of financial advisory services by MSSG to clients who are not institutional investors, accredited investors or expert investors (i.e. retail investors).

If you are a retail investor and wish to trade in listed or unlisted specified investment products (“**SIP**”) (refer to the definition in the Schedule below), you will first need to pass a Customer Account Review (“**CAR**”) and/or a Customer Knowledge Assessment (“**CKA**”) respectively before you may be permitted to begin or continue trading in the relevant SIP. We have prepared a “Client Proficiency Assessment for Trading in Specified Investment Products with Maybank Kim Eng Securities Pte Ltd”, which consolidates both the CAR and the CKA requirements. Therefore, unless we have expressly agreed otherwise in your case, you must pass either the CAR and/or CKA (as the case may be) in the Client Proficiency Assessment with us before you can begin or continue trading in the relevant SIP.

If you are a retail investor and wish to trade in investment products with or through MSSG, you understand and acknowledge that MSSG acts as a dealer only and does not provide financial advisory services which takes into account your investment objectives, financial situation or particular needs (“**Customised Financial Advice**”). MSSG will only provide the following services to you:

- a) execution only services; and
- b) financial advisory services but only in respect of general circulation advice and execution-related advice (“**ERA**”) for excluded investment products (“**EIP**”) (refer to the definition in the Schedule below) only (collectively, the “**Applicable Financial Advisory Services**”) at no discrete financial advisory fee being charged.

You understand that investments involve risks, in particular, in SIPs, which may have features and risks that may be more difficult for a retail investor to understand. MSSG is obliged under the regulations to inform you that you may request for financial advice at any time if you wish to trade in SIPs with or through MSSG. In this regard, MSSG is only able to provide you with general circulation advice (please refer to the below section for details) but is not in a position to provide you with any other forms of financial advice (including ERA). MSSG will not accept your orders for transactions in SIPs if you require financial advice (except for general circulation advice) from MSSG. You are advised to seek your own financial advice from a qualified financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of yourself, before making a commitment to purchase the investment product. If you proceed to place an order to enter into a transaction for an investment product (including SIP) with or through MSSG, we will assume that you have made your own informed determination on the investment decision, which may include obtaining Customised Financial Advice and/or obtaining the listing documents/prospectus/product highlight sheet and have considered it properly

in full, and are accepting sole responsibility for the merits or suitability of the transactions (including in SIPs) that you may enter with or through MSSG.

### **Execution-Related Advice (ERA) Applicable to Retail Investors**

“Execution-related advice” is defined in Regulation 33A of the FAR as advice that is provided by a dealer, or a trading representative of the dealer, to a client of the dealer where —

- a) the advice concerns any listed EIP;
- b) the advice is provided to the client directly or through any publication or writing, whether in electronic, print or other form (other than through the issuance or promulgation of any research analysis or research report, whether in electronic, print or other form);
- c) the provision of the advice is solely incidental to the carrying out of any execution activities by the dealer or the trading representative (as the case may be); and
- d) no discrete fee is charged by the dealer or trading representative (as the case may be) for the advice.

MSSG and its representatives provide ERA in relation to EIPs to you under Regulation 33A of the FAR which exempts MSSG from complying with Section 36 of the FAA (relating to having reasonable basis for making recommendation on any investment product). In accordance with the provisions in Regulation 33A of the FAR, MSSG is required to inform you that:

- a) any ERA provided by MSSG or our representatives, as the case may be, does not take into account any of your investment objectives, financial situation or particular needs; and
- b) it is your personal responsibility to ensure that the listed EIP to which the ERA relates, and in which you intend to invest, suits yourself.

In addition to the above, Regulation 33A of the FAR requires MSSG to provide you with the rationale for the ERA provided by MSSG and/or our representatives. In this regard, please note that MSSG only authorizes our representatives to provide ERA for EIPs only based on fundamental or technical analysis of the particular security, merits of the particular product (based on information in the listing documents/prospectus/product highlight sheet), research report or market performance, which does not take into account your investment objectives, financial situation or particular needs. On the other hand, representatives of MSSG are not authorized to provide you with ERAs concerning SIPs.

In order for you to use ERA provided by MSSG and/or our representatives, you acknowledge that:

- a) such ERA is based on information available to MSSG and/or our representatives which we believe to be materially true, fair and accurate;
- b) such ERA may be based on certain assumptions and market conditions at the prevailing time, and the ERA may be subject to change as the underlying assumptions or market conditions may fluctuate; and
- c) any past performance, projection, forecast or simulation of results is not necessarily indicative of the future or likely performance of any investment;
- d) while it is expected that our representatives will prepare the ERA in good faith and with reasonable care, we are not able to guarantee the accuracy and completeness of the information that our representatives have relied on for preparing the ERA, and you are required to exercise your own proper judgement or seek your own financial advice before deciding to make any investments. MSSG accepts no liability whatsoever for any direct indirect or consequential losses or damages arising from or in connection with the use or reliance on the ERA.

If our representatives provide ERA that does not conform to the above requirements or ERA on SIPs, you should not use such advice and should immediately report such matter to MSSG.

### **General Circulation Advice Applicable to Retail Investors**

MSSG and our representatives may provide general advice or recommendation to you with regards to any investment product under Regulation 18A of the FAR which exempts MSSG from complying with Section 36 of the FAA (relating to having reasonable basis for making recommendation on any investment product) (“**General Circulation Advice**”).

MSSG is obliged to inform you under Regulation 18A of the FAR that:

- a) the advice/recommendation is intended for general circulation;
- b) the advice/recommendation does not take into account the specific investment objectives, financial situation or particular needs of any particular person; and
- c) advice should be sought from a financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of yourself, before you make a commitment to purchase the investment product.

Where you choose to follow the advice/recommendation and submit an order to MSSG to transact in the investment products, we will assume that you have made your own informed determination or have consulted your own qualified

financial adviser for Customised Financial Advice, and accept sole responsibility for determining the merits or suitability of the transactions that you will entered into with or through MSSG.

MSSG and/or our representatives may, from time to time, forward you with investment product information (including investment/product literature, marketing materials and product brochures) or invite you to investment seminars, but the information provided in such materials or seminars are for general circulation and for information purpose only, and does not constitute any investment advice or recommendation that takes into account the specific investment objectives, financial situation or particular needs of any particular person. You may contact MSSG helpdesk if you wish to opt-out from receiving such material or invitations.

## Schedule

### Excluded Investment Products (EIP)

Excluded Investment Products (EIPs) are investment products which have terms and features that are generally understood by the investing public, and may include the following:

- a) Shares
- b) Fully-paid depository receipts representing shares
- c) Subscription rights pursuant to rights issues
- d) Company warrants
- e) Units in business trusts
- f) Units in real estate investment trusts
- g) Debentures (other than asset-backed securities & structured notes)
- h) Life insurance policies (other than investment-linked life insurance policies)
- i) Contracts or arrangements for the purpose of foreign exchange trading (other than derivatives of foreign exchange contracts and leveraged foreign exchange trading)

### Specified Investment Products (SIP)

Specified Investment Products are likely to contain derivatives, and may have features, and risks that can be more complex in nature.

There are two categories of SIPs – listed SIPs and Unlisted SIPs:

1) Examples of Listed SIPs (traded on Singapore Exchange or overseas exchanges):

- a) Certificates
- b) Certain Exchange Traded Funds (ETFs)/ Exchange Traded Notes (ETNs)
- c) Futures
- d) Options
- e) Structured Warrants
- f) Callable Bull / Bear Contracts (CBBCs)

2) Examples of Unlisted SIPs:

- a) Over-The-Counter (“OTC”) Products such as Contracts for Differences (CFDs), Structured Products and OTC Derivatives (Swap/Option/Forward Contracts)
- b) Leveraged Foreign Exchange