GENERAL RISK DISCLOSURE STATEMENT

PLEASE READ THIS RISK DISCLOSURE STATEMENT CAREFULLY.

You should always carefully consider whether a particular product or service is consistent with your risk tolerance, investment objectives, investment experience or sophistication, financial condition, financial needs, personal circumstances and other considerations that may be relevant to you.

You may wish to seek advice from an independent professional adviser before deciding whether to invest in, hold or dispose of any investment or to enter into any product agreement or service agreement.

Unless otherwise notified to you, Standard Chartered Bank (Singapore) Limited acts as principal in all transactions on specified capital markets products (as defined in Reg 47DA(4) of Securities & Futures (Licensing and Conduct of Business) Regulations) entered with you.

By making or trading in any investment, or by entering into any product agreement or service agreement with us, you confirm you have understood the risks relating to such investment, product or service, and accept such risks.

The following are some, but not all, of the general risks associated with the products and services that you will be investing in (please note that the below is not an exhaustive list):

A General risks

1 Risks of making investments

Prices of investments may fluctuate, sometimes dramatically. The price of an investment may increase or decrease, and may become valueless. It is as likely that losses will be incurred rather than a profit made as a result of buying, selling or making an investment. In addition, any representation of past performance is not necessarily a guide to future performance.

2 Liquidity risks

At certain times, or under certain market conditions, you may find it difficult or impossible to liquidate a position, to assess the value or to determine a fair price. This is particularly so for unlisted investments where there is no formal market for such investments and are often thinly traded. There can be no certainty that there will be a market for, or that market traders will be prepared to deal in, certain investments, in particular unlisted investments, and proper information for determining their current value may not be available. While generally it may be easier to liquidate a position or to assess the value or determine a fair price for listed investments, there is no assurance that there will be a liquid market for such investments or that the value or fair price can be obtained.

3 Investments outside the home jurisdiction

Making investments in jurisdictions other than the jurisdiction where your account is booked may expose you to additional risks. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you invest or trade in such markets, you should enquire about any laws or rules relevant to your particular transaction. Your local regulatory authority may not be able to compel the enforcement of the rules of regulatory authorities or markets in another jurisdiction. You should obtain details about and understand the redresses available in both your home jurisdiction and other relevant jurisdictions before you start to invest or trade.

4 Currency risks

If you engage in a transaction involving one currency to hedge an original investment in another currency, or if you enter into a transaction that references two different currencies, fluctuations of the currencies against each other or against the other underlying elements of the transaction may affect your net profit or increase your loss. In addition, if your home currency differs from the currency in which payments on the transaction are made, foreign currency fluctuations may affect you, if you intend to convert profits or losses to your home currency. Foreign exchange rates may fluctuate significantly and suddenly and are determined by (among other things) the supply and demand for currencies in the international foreign exchange markets, inflation rates in the countries concerned, interest rate differences between the respective countries, currency convertibility and measures (e.g. exchange controls) taken by government and monetary authorities.

5 Credit risks

You should satisfy yourself that the credit risk of the issuer of any investment or the counterparty to a transaction, product or service is acceptable to you, including but not limited to the failure by the issuer or counterparty to make good, valid or timely delivery or payment to you. Further, an issuer of an investment may experience adverse changes to its financial condition which may result in an increased volatility in the price of the investment (including in the case of debt securities, a possible downgrade to any credit rating assigned to such securities), negatively affect the liquidity of the investment and thereby making it more difficult to sell. In addition, changes in the economic and political conditions in general, or changes in economic and political conditions specific to an issuer of investments or a counterparty to a transaction, product or service, may have an adverse impact on the creditworthiness of the issuer or the counterparty. There is no assurance of protection against a default of the obligations of the issuer or counterparty. If you have received delivery of such investment, you would be adversely impacted. Further, the value of investments with such underlying securities may also be adversely impacted as a result.

6 Insolvency

In the event of the insolvency of the issuer of an investment or the counterparty to a transaction, product or service, you may experience delay in liquidating your investment and may suffer losses, including a decline in the value of your investment (which may be zero). Further, the insolvency of the issuer of an investment or the counterparty to a transaction, product or service may lead to positions being liquidated or closed out without your consent. You could lose your entire investment, including any monies held in the account, any payment to be made or investments to be delivered to you, and any assets lodge by you as collateral. In the event of the insolvency of the issuer of an investment or the counterparty to a transaction, product or service, your claims for recovery will generally be subordinated to the claims of the preferred or secured creditors of the issuer or counterparty.

7 Risks of over-the-counter transactions

An investment or transaction described as “over-the-counter” is one that is neither traded nor listed on any exchange. As prices and characteristics of over-the-counter instruments are often individually negotiated, there may be no central source for obtaining prices and there can be inefficiencies and a lack of transparency in the pricing of such instruments. It may also be difficult or impossible to liquidate an existing position. Unlike an on-exchange investment, there will be no central clearing system that monitors or oversees the performance of the investment. Over-the-counter investments or transactions may be less regulated than on-exchange investments or transactions.

8 Exchange traded instruments

For transactions involving underlying contracts or instruments which are traded on exchanges, disruption of the normal market operation or conditions of such exchanges and/or the rules of operation of such exchanges (e.g. discretion on the part of the exchange to suspend or limit trading of certain contracts or instruments under certain market conditions) may increase the risk of loss by making it difficult or impossible to close out the transactions. You should be informed of the exercise and expiration procedures and your rights and obligations upon exercise or expiry of the transactions.

For transactions in which the underlying contracts or instruments are supported by electronic trading facilities at exchanges (e.g. computer-based component systems for order-routing, execution, matching, registration, or clearing of trades), any temporary disruption or power/system failure of such electronic trading facilities could result in a disruption in the trading activities at the exchange and an unavailability of reference prices for the relevant transaction. In such circumstances, your order may not be executed according to your instructions or at all, which may lead to losses being incurred. It is likely that such losses will not be recoverable from the relevant exchanges as the rules thereof invariably exempt them from such liabilities.

9 Clearing house protections

On many exchanges, the performance of a transaction on such exchange is “monitored” or “administered” by the exchange or clearing house. However, this protection is unlikely to directly extend to you, and may not protect you in the event of our default.

10 Investments on certain exchanges

There are certain exchanges which have been established as markets designed to accommodate companies to which a high investment risk may be attached, such as the Growth Enterprise Market in Hong Kong and the Catalist in Singapore. In particular, companies may list on these exchanges with neither a track record of profitability nor any obligation to forecast future profitability. There may be risks arising out of the emerging nature of companies listed on these exchanges and the business sectors or countries in which the companies operate (see paragraph 11 on “Emerging markets” below). Further, there is a risk that companies traded on such exchanges may be susceptible to market volatility and there is no assurance that there will be a liquid market in the securities of such companies.

11 Emerging markets

Investments related to emerging countries (e.g. securities listed in an emerging country, or the issuer of which is linked to an emerging country, or derivative contracts where underlying referenced asset or referenced entities are listed or linked to emerging countries), including those located in Asia, Latin America and eastern Europe, may carry high investment risks. Such risks include political risks (including confiscation of assets, restriction of your rights of disposal, or declines in the value of assets as a result of state intervention or the introduction of state monitoring and control mechanisms), risks of economic instability, greater prevalence of illegitimate market practices (e.g. insider trading) and laws and regulations which afford inadequate protection and safeguards to investors.

12 Risks of margin trading

The risk of loss in depositing collateral for the purposes of margin trading in a transaction or pursuant to a product or service can be significant. You may suffer losses in excess of your assets deposited as collateral. You may be called upon at short notice to provide additional margin (or collateral) and this amount could be substantial. If the required margin (or additional collateral) is not provided within the prescribed time, or if the market moves further against you (whether or not the prescribed time has expired), your collateral may be liquidated without your consent. The high degree of leverage resulting from a relatively small margin requirement can work against you as well as in your favour. The use of leverage may also result in large losses as well as gains.

13 Custody services

There may be risks in depositing investments in our safekeeping or that of our nominee, including the risk of loss of all of the investments. We may appoint foreign custodians/sub-custodians to provide custodial services. Additional risks in relation to such foreign custodians/sub-custodians may arise from the operation of foreign law, rules and regulations. Your ability to withdraw the investments may be affected if we or our nominee defaults or becomes insolvent.

14 Taxation

Any income or profit from investments may be subject to withholding tax, capital gains tax or other tax of the country in which such investments are traded, or other country. This may result in you receiving proceeds less the amount of tax. You are responsible for all taxes on your account.

We do not provide you with tax advice. You should consult your tax adviser about your tax situation.

B Risks relating to specific financial products or services

15 Equity securities and debt securities

15.1 General:

Liquidity Risk - If the market valuation of the products goes against your expectation or position, you may suffer liquidity risk (i) in that you may not be able to liquidate your position for a reasonable price or (ii) in an illiquid market.

Price fluctuation - The price of securities can and does fluctuate and the price of any individual security 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 trading securities. Independent assessment of the risk and appropriateness of the transaction in light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction, should be considered before entering into any transaction.

Currency Risks - The profit or loss in transactions in foreign currency-denominated products (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

15.2 Debt Securities:

Credit or Issuer Risk - You will be exposed to the general credit risk of an issuer, including the risk that an issuer were to become insolvent or defaults on its obligations (including payment obligations) under the transaction.

Interest Rate Risk – You will be exposed to the movement of interest rates whenever your products are redeemed or early terminated prior to the termination date or maturity date. Movements in interest rates will have an impact upon the value of the products.

16 Derivatives

16.1 General

Derivatives are complex financial instruments. They can be linked to a wide range of reference underlyings. Their nature and terms vary significantly.

Derivatives are linked to one or more reference underlyings, whereby the value of the derivatives and/or the rights and obligations under the derivatives depend on the performance of and/or occurrence or non-occurrence of events related to the reference underlyings. However, investing in derivatives is not the same as investing directly in the reference underlyings. You will not acquire any right in respect of the reference underlyings. For example, where the relevant derivatives are linked to shares, you do not acquire any right in respect of the shares, including without limitation, the right to receive dividends or other distributions related to the shares. Changes in the price or level of the reference underlyings may not lead to a corresponding change, or any change at all, in the value of, and/or the potential payment and/or deliveries under the derivatives.

Derivatives are volatile instruments and may be subject to considerable fluctuations in value and other inherent risks associated with the reference underlyings. Changes in the price(s) of the reference underlyings can be unpredictable, sudden and large. Such changes may result in the price(s) of the reference underlyings moving adversely against your interest. A small movement in the price(s) of the reference underlyings may result in a drastic change in the value of, and/or potential payments and/or deliveries under, the derivatives. When two or more factors are exerting effects on a derivative simultaneously, the value of the derivative may become unpredictable.

The value of, and/or potential payments and/or deliveries under, derivatives may be affected by various market factors such as, but not limited to, the price, level, yield, volatility and/or creditworthiness of the reference underlyings and time remaining until scheduled termination. The ‘time value’ of derivatives may depend partly upon the length of the period remaining to scheduled termination and expectations concerning the value or other attributes of the relevant reference underlyings.

Derivatives may employ leverage, which increases the exposure to the reference underlyings, and can therefore magnify both returns and losses. You should note that derivatives that employ leverage involve a higher level of risk, and that losses under such derivatives (other things being equal) will be higher than those of similar derivatives that are not leveraged.

There may not be an active market for a derivative or the liquidity for a derivative may be poor, particularly in the case of unlisted derivatives. You may not be able to dispose of or terminate the derivative before its scheduled maturity or termination date, or the payments and/or deliveries under the derivative may be substantially less than the original amount invested.

16.2 **Options**

Transactions in options carry a high degree of risk. You should familiarise yourself with the type of option that you are contemplating on trading in and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs.

Certain options markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time of purchase. In this situation, you may subsequently be called upon to pay a margin on the option up to the level of the premium. If you fail to do so as required, your position may be closed or liquidated.

16.3 **Futures**

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date at a pre-determined price, or in some cases to settle the position with cash. They carry a high degree of risk. The “gearing” or “leverage” often obtainable in trading in futures means that a small deposit or down payment can lead to large losses as well as gains.

It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.

16.4 **Structured products**

Generally, structured products are financial instruments with investment returns that are linked to the performance of reference underlyings. Examples include (but are not limited to) equity-linked notes, interest rate-linked notes and credit-linked notes. Structured products can come in a variety of forms and linked to a wide range of reference underlyings and can be complex financial instruments. You should read the offering document, term sheet, and documentation pertaining to the particular structured product carefully and fully understand the nature, terms and risks of such product.

16.5 **Structured investments**

Structured investments are derivative transactions entered into between you and us that are linked to one or more reference underlyings. You should refer to our Structured Investment Terms and Risk Disclosure and the relevant risk factors set out there.

17 Precious metals

In addition to the risks related to currency exchange, interest rate movements and commodity trading, trading in precious metals (such as gold, silver, platinum or palladium) will expose you to the following additional risks:

- Precious metal markets are volatile and there is the possibility that a loss will be incurred from an investment in precious metals;
- An investment in precious metals provides no yield or interest;
- Precious metal prices have to rise over the purchase price in order to provide a return; and
- A deposit of precious metals does not represent a deposit of money.

C Additional Risk Disclosure Statements

(I) Futures, OTCD Currency Contracts & Spot Foreign Exchange for the purposes of Leveraged Foreign Exchange Trading (FORM 13)

This statement is provided to you in accordance with regulation 47E(1) of the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg 10).

This statement does not disclose all the risks and other significant aspects of trading in futures, options, over-the-counter derivatives contracts where the underlying is a currency or currency index ("OTCD currency contracts") and spot foreign exchange contracts for the purposes of leveraged foreign exchange trading ("Spot LFX trading contracts"). In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to the risks. Trading in futures, options, OTCD currency contracts and Spot LFX trading contracts may not be suitable for many members of the public. You should carefully consider whether such trading is appropriate for you in the light of your experience, objectives, financial resources and other relevant circumstances. In considering whether to trade, you should be aware of the following:

1 Futures, OTCD currency contracts and Spot LFX trading contracts

1.1 Effect of "leverage" or "gearing"

Transactions in futures, OTCD currency contracts and Spot LFX trading contracts carry a high degree of risk. The amount of initial margin is small, relative to the value of the futures contract, OTCD currency contract or Spot LFX trading contract transaction so that the transaction is highly 'leveraged' or 'geared'. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against you as well as for you. You may sustain a total loss of the initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice in order to maintain your position. If you fail to comply with a request for additional funds within the specified time, your position may be liquidated at a loss and you will be liable for any resulting deficit in your account.

1.2 Risk-reducing orders or strategies

The placing of certain orders (e.g. "stop-loss" orders, where permitted under local law, or "stop-limit" orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. At times, it is also difficult or impossible to liquidate a position without incurring substantial losses. Strategies using combinations of positions, such as 'spread' and 'straddle' positions may be as risky as taking simple 'long' or 'short' positions.

2 Options

2.1 Variable Degree of Risk

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarise themselves with the type of options (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options would have to increase for your position to become profitable, taking into account the premium paid and all transaction costs.

The purchaser of options may offset its position by trading in the market or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a futures contract, OTCD currency contract or Spot LFX trading contract, the purchaser will have to acquire a position in the futures contract, OTCD currency contract or Spot LFX trading contract, as the case may be, with associated liabilities for margin (see the section on "Futures, OTCD currency contracts and Spot LFX trading contracts" above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium paid plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that, ordinarily, the chance of such options becoming profitable is remote.

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of the amount of premium received. The seller will be liable to deposit additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a futures contract, OTCD currency contract or spot LFX trading contract, the seller will acquire a position in the futures, OTCD currency or spot LFX trading contract, as the case may be, with associated liabilities for margin (see the section on "Futures, OTCD currency contracts and Spot LFX trading contracts" above). If the option is 'covered' by the seller holding a corresponding position in the underlying futures contract, OTCD currency contract, spot LFX trading contract, or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, limiting the liability of the purchaser to margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

2.2 Additional risks common to futures, options and leveraged foreign exchange trading:

(i) Terms and conditions of contracts
You should ask the corporation with which you conduct your transactions for the terms and conditions of the specific futures contract, option, OTCD currency contract or spot LFX trading contract which you are trading and the associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract, OTCD currency contract or spot LFX trading contract transaction and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances, the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

(ii) Suspension or Restriction of Trading and Pricing Relationships
Market conditions (e.g. illiquidity) or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or “circuit breakers”) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the futures contract, and the underlying interest and the option may not exist. This can occur when, e.g., the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge “fair” value.

(iii) Deposited cash and property
You should familiarise yourself with the protection accorded to any money or other property which you deposit for domestic and foreign transactions, particularly in a firm’s insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

(iv) Commission and other charges
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.

(v) Transactions in other jurisdictions
Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to a rule which may offer different or diminished investor protection. Before you trade, you should enquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of the regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you conduct your transactions for details about the types of redress

available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

(vi) Currency risks
The profit or loss in transactions in foreign currency-denominated futures and options contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

(vii) Trading facilities
Most open-outcry and electronic 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 systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by one or more parties, namely the system provider, the market, the clearing house or member firms. Such limits may vary. You should ask the firm with which you conduct your transactions for details in this respect.

(viii) Electronic trading
Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system, including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or not executed at all.

(ix) Off-exchange transactions
In some jurisdictions, firms are permitted to effect off-exchange transactions. The firm with which you conduct your transactions may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with the applicable rules and attendant risks.

Note:
“Margin” means an amount of money, securities, property or other collateral, representing a part of the value of the contract or agreement to be entered into, which is deposited by the buyer or the seller of a futures contract, OTCD currency contract or Spot LFX Trading contract to ensure performance of the terms of the futures contract, OTCD currency contract or Spot LFX Trading contract.