

Date Opened
(mm/dd/yyyy)

Referring Branch / Code

Investment Account Name

Client Mnemonic / Investment Account Number

BDO Securities

for Individuals and Corporates

- » [Master Brokerage Appointment](#)
- » [Risk Disclosure Statement \(RDS\)](#)

honor and rely upon the Client's Instructions as though such instructions are originally signed and act in accordance therewith. For the avoidance of doubt, BSC has the right to consider the Instructions as duly executed, genuine, and original documents for all intents and purposes.

- c. For corporate client accounts, the Client understands that the person authorized to give the Instructions shall be those already empowered by existing board resolutions duly received by the BSC. In addition, the Client unconditionally and irrevocably warrants and guarantees that the appointment of its authorized representative/s does not violate any laws and regulations or its articles of incorporation, by-laws and similar documents.
- d. For individual/co-owned accounts, the Client understands that the persons authorized to give the Instructions shall be those already identified in the records of the BSC.
- e. BSC shall NOT be responsible for any mistakes or delay or refusal to implement the Instructions, whether in whole or in part, arising from defects in transmission, network provider, power interruptions, acts of man or nature or other causes, including those arising from the BSC's failure to detect forgery, falsity or fraud. BSC shall likewise NOT be liable for any corruption or modification of any Instructions arising from any electronic medium used, the disruption of such electronic medium, or the effects of any computer viruses and similar programs nor for any hacking or unauthorized use or access of the e-mail addresses previously stated. The Client hereby agrees that BSC shall NOT accept any responsibility or liability for any loss or damage (consequential or otherwise) which the Client may suffer or sustain as a result of the BSC acting in good faith on the Instructions, including those arising from the BSC's failure to detect forgery, falsity or fraud. The Client undertakes to indemnify BSC and hold it and its officers and agents free and harmless against any and all losses, claims, actions, proceedings, demands, damages, costs and expenses of whatever nature and howsoever incurred or sustained by the BSC arising out of or in connection with such Instructions including, but not limited to, possible liabilities under existing or future laws on secrecy or confidentiality of transactions or accounts as a result of transmitting the Client's instructions by electronic means.

6. Instructions to Purchase.

- a. In BSC's absolute discretion, BSC may effect the Client's purchase instructions even if on credit, but in such case, the Client undertakes to deposit the necessary amounts into the Settlement Account not later than the stipulated or otherwise applicable number of Trading Days from the date of the purchase or such earlier period as may be designated by BSC. For purposes of this Appointment, a "Trading Day" shall refer to a day when the Philippine Stock Exchange, Philippine Dealing & Exchange Corporation, or similar securities exchanges is open for official trading transactions.
- b. Until full payment of the aforesaid amounts, Securities/Investments purchased on behalf of the Client shall be registered in BSC's name ("street form") or such other party designated by BSC.

In the event the purchases are not liquidated within the stipulated or otherwise applicable number of Trading Days or in the event of the Client's death or whenever in BSC's sole discretion BSC considers it necessary for BSC's own protection, the Client hereby specially absolutely and irrevocably authorizes BSC to sell any or all Securities/Investments in the Investment/Brokerage Account (whether carried individually or jointly with others), at any reasonable price determined by BSC, for the payment of any and all of the Client's liabilities to BSC, which Securities/Investments are hereby guaranteed to be free from any and all liens and encumbrances, it being expressly understood that in the event that such liens unknown to BSC as Broker prevent subsequent negotiation of the said Securities/Investments, BSC may at its sole discretion: buy back the sold Securities/Investments and collect from the Client whatever amount BSC may be entitled to by reason of such buy back; buy any and all Securities/Investments to cover for any short selling in such account; transfer monies or Securities/Investments from any one of the Client's accounts to another; and close any/all of the Client's outstanding obligations. It is hereby agreed and understood that the Client shall at all times be liable for the payment of all unpaid balances of his/its Investment/Brokerage Account, if any, together with interest, penalties, commissions, taxes, fees and any other amounts due in connection therewith, as well as for the performance of other acts herein provided, and that the Client shall remain liable for any deficiency remaining in any such account in the event of liquidation. The authority given by the Client under this Section is coupled with interest and irrevocable while this Appointment is in force and effect and until all the Client's obligations are fully settled to the entire satisfaction of BSC.

7. Instructions to Sell.

- a. All securities sale transactions for the Investment/Brokerage Account shall not be executed unless BSC already has possession of the shares/units of Securities/Investments to be sold or unless BSC receives from the Client the certificate/s evidencing said shares/units, and such shares/units of Securities/Investments or certificate/s are properly lodged with the Philippine Depository and Trust Corporation ("PDTC"), custodian, registry or pre-cleared with the proper stock transfer office for such share(s)/unit(s)/certificate(s). The Client understands and agrees that prior to BSC's effecting any sale of Securities/Investments for the Client, the Client must deliver the corresponding share(s)/unit(s) / certificate(s) of Securities/Investments to BSC. If for whatever reason the Client fails to deliver the shares/units and/or the Transfer Agent shall have not confirmed/cleared the certificates sold, BSC shall be deemed irrevocably authorized to buy Securities/Investments from the market anytime for the Client's account to recover the short position resulting from such failure to deliver and /or Transfer Agent's non-confirmation. Should the total purchase amount and other costs arising from the purchase exceed the sales amount less all other costs, the Client agrees to settle the deficiency within 24 hours upon delivery of advice of purchase.
 - b. The proceeds of the sale of Securities/Investments shall be net of the sums owing to BSC and shall be delivered to the Client based on the settlement period as provided by the Exchange or the Clearing Agency, or as may be prescribed by the Commission. BSC shall not be bound to deliver such net proceeds unless the Client delivers to BSC the instruments evidencing the Securities/Investments sold, property endorsed, and until any and all amounts which the Client owes BSC have been paid in full.
8. Confirmation Notification. Any order by the Client for the purchase or sale of Securities/Investments shall be binding on the Client upon BSC's receipt of the Client's order. BSC shall issue a purchase and/or sales notice to confirm the execution of the Client's order (the "Confirmation Notice"). The Confirmation Notice may be computer-generated and need not contain the signature/s of BSC's representative. The Client shall carefully check and monitor each Confirmation Notice and shall attest to the accuracy of the information communicated in the confirmation or report to BSC any exception to any entry therein within twenty-four (24) hours upon delivery thereof. Absent such reported exception or manifest error, the Confirmation Notice shall be deemed correct. The Client acknowledges that in case of conflict between the Confirmation Notice and the books and records of BSC, the books and records of BSC shall be valid and binding on the Client, absent any manifest error.
 9. Statements of Account. The Client understands that BSC will provide him/it with Statement of Accounts (SOA), in such form as BSC may determine, regarding the Investment/Brokerage Account and/or the Client's account with BDO Trust and Investment Group, BDO Treasury, BDO Private Bank, Inc., BDO Capital and Investment Corporation, BDO Unibank, Inc. - Hong Kong Branch or BDO Unibank, Inc. - Singapore Branch and other Wealth Management Units (collectively, "WMU Accounts") as applicable. The Client further understands that these SOAs include investments lodged under a depository(ies) and/or custodian(s) (as applicable) such as but not limited to the Philippine Depository and Trust Corporation (PDTC) under a third-party securities safekeeping, depository and/or custodian arrangement(s). As such, the Client agrees and consents that the SOAs from the third-party service providers shall no longer be delivered to his/its registered address (electronic or physical).
 10. The Client agrees that he/it will receive monthly statements if his/its Investment/Brokerage Account and/or WMU Accounts status is/are active. Should the account fall under inactive status, the Client agrees that he/it will receive quarterly statements. Should the account fall under dormant status, the Client agrees that he/it will receive semi-annual statements. The Client's failure to inform BSC of any error in the Investment/Brokerage Account or WMU Account statement within ten (10) calendar days upon delivery thereof shall constitute an admission by the Client of the correctness of all matters stated therein.
 11. Cooling Off. The Client understands that under Bangko Sentral ng Pilipinas ("BSP") Circular No. 898 (Series of 2016), the Client is entitled to a cooling off period of two (2) banking days from deal date to reconsider his instruction to buy Securities/Investments. This is only applicable for individual Clients and not corporations, and only for financial instruments whose remaining term is equal to or beyond one (1) year. The Client acknowledges that if he decides to cancel the purchase of Securities/Investments during the cooling off period, (i) he shall notify BSC in writing of his decision to cancel the transaction, and (ii) he shall shoulder the processing and administrative fees that may be incurred by BSC or any third party fund house as well as mark-to-market costs involved for the cancellation of the transaction.

12. Confirmations, Account Statements and Notices. The Client agrees to accept confirmation of purchases and sales, and receive statements of account and other account information and related documents for both peso and foreign currency denominated transactions, through the Client's mailing address or at any such other addresses as the Client may hereafter give in writing or electronically through e-mail or the website (where applicable) or if the Client is a user of the Online Trading/Investment Facility and/or Online Portal, the Client agrees to accept/receive the above mentioned documents electronically through the website (where applicable) or e-mail (exemptive relief from SRC Rule 30.2-2). The Client shall promptly notify BSC, in writing, for any changes in the Client's address, residency status or other information and instructions indicated in this Appointment or related documents or records, and its attachments. It is understood that in the event of any failure to notify BSC in writing of any change of address, all communications shall be directed to the Client's last known address appearing in BSC's records. All communication so sent, whether by email, telephone, messenger, posted on the website or delivered otherwise shall constitute personal delivery and be deemed delivered and received by the Client whether actually received or not. All such notices, advice and communications sent pursuant to this provision shall be deemed correct if BSC does not receive any objection from the Client within the specified conditions indicated in Sections 8 and 9 pertaining to Confirmations and Statement of Account under this Appointment.
13. All notices, requests or demands to or upon BSC or the Client shall be addressed to such recipient at its address designated in the Customer Information File which is executed upon account opening or as may be subsequently specified in writing or electronically through email or the website.
14. Accounts.
 - a. Investment/Brokerage Account. BSC shall open and maintain a Securities/Investments brokerage account in the name of the Client (the "Investment/Brokerage Account"). The Investment/Brokerage Account shall contain a record of all the transactions on the Securities Investments of the Client brokered by BSC. The Client authorizes BSC to disclose to BDO Unibank, Inc. ("Bank") and third parties such as product providers any information, including but not limited to personal and account details of the Investment/Brokerage Account, Securities/Investments booked, maintained and sold and the payment and collection of the investment amount, the applicable commissions, fees and charges as well as the interest or maturity proceeds (if any), available price or net asset value information and related transaction activity information (collectively, the "Information"), regarding the Investment/Brokerage Account to the extent necessary in complying with any instruction of the Client or this Appointment or pursuant to any government authority to disclose or as BSC may deem relevant under the circumstances.

Settlement Account. The Client shall designate the necessary Peso or foreign currency bank account/s (the "Settlement Account/s") with the Bank from which all payments for or in connection with the Securities/Investments shall be debited and into which all cash proceeds from or in relation to the Securities/Investments shall be deposited by BSC. The Client hereby grants full authority to BSC to disclose any Information, and to transact on the Settlement Account/s with the designated Bank for the purpose of carrying out the Client's Instructions on the Securities/Investments. The Client hereby authorizes BSC to instruct the Bank to debit the Client's Settlement Account as and when the Client purchases Securities/Investments through BSC, or whenever the Client has any other amount owing to BSC, in such amounts as may be necessary to fully settle the Client's account(s) with BSC, including without limitation the purchase price for Securities/Investments purchased by the Client, commissions, taxes, interest and other applicable fees, costs, levies or duties. For the purposes of crediting cash dividends/settlement proceeds from the Investment/Brokerage Account, BSC is hereby authorized to credit any such amount to the Settlement Account.

Notwithstanding the foregoing, the Bank, in its sole discretion, may allow (i) the Client to designate other settlement accounts, in which case such settlement account shall be considered a "Settlement Account" under this Section 14 and shall be governed by the provisions relating thereto and (ii) other modes of settlement. The Client hereby grants full authority to the Bank (including all its branches whether local or overseas, BDO-Trust and Investments Group, and BDO Treasury), BDO Private Bank, Inc., BDO Capital & Investment Corporation, and other affiliates or subsidiaries of the Bank as may be applicable to disclose any Information to BSC for the purpose of issuing the statements of account referred to in Section 9 and carrying out the Client's Instructions on the Securities/Investments.
 - b. The Client warrants that the Settlement Accounts shall have sufficient funds to cover any and all obligations of the Client in connection with the Securities/Investments as these obligations fall due; agrees that said funds may be immediately debited upon receipt of the purchase instruction by BSC, or frozen or on hold up to the date when payment is due or settlement date, including debiting from or crediting to, or causing the debit from or credit to, among and across the Settlement Accounts in any currency and their equivalent in the required currency of the Securities/Investments as may be necessary to correct any manifest error or oversight in the amount so debited from or credited to such Settlement Accounts; and agrees to indemnify BSC from any loss or damage that it may suffer as a result of any insufficiency or unavailability of funds in the Settlement Account. The obligation of BSC to remit the proceeds of any such sale to the Client's Settlement Account is conditioned upon the receipt by BSC of cleared funds from the buyer and the full payment of taxes, commissions, fees and charges due to the proper parties. The Client acknowledges that once a purchase instruction is made by it even as the Settlement Accounts have not yet been debited and/or the proceeds therein are on hold up to settlement date, that the Client is already fully bound by such purchase. In case of sale of the Securities/Investments under the Client's Settlement Account prior to final maturity, BSC may sell the same for the Client's behalf on a purely best efforts basis.
 - c. To give effect to the above subsections (a) and (b), the Client hereby waives in favor of BSC and its parent company and subsidiaries, the Bank and their authorized officers, directors, employees, or agents, his/its rights under Republic Act No. 1405 (The Bank Secrecy Act of 1995), as amended, Republic Act No. 6426 (Foreign Currency Deposit Act of the Philippines of 1974), as amended, and other applicable laws or regulations on the secrecy of bank deposits, including all subsequent amendments or supplements thereto, relative to the confidentiality of secrecy of banks deposits/accounts, placements, investments and similar or related assets in the custody of the BSC or any of its parent company or subsidiaries. The Client shall hold the BSC and its parent company and subsidiaries, the Bank and their authorized officers, directors, employees, or agents, free and harmless from authorities hereunder or from any action in the exercise of their remedies and authorities hereunder, or from any action taken by them on the basis of and within the framework of the foregoing authorization.
15. Appointment of Custodian.
 - a. The Client undertakes to appoint, whenever required by law, the Bureau of Treasury, a BSP-accredited securities custodian, or an Securities and Exchange Commission ("SEC")-authorized central securities depository to act as custodian ("Custodian") with respect to the Securities/Investments. Although BSC may recommend a Custodian, the choice of Custodian is solely the Client's prerogative. Should the Client wish to deal with another Custodian, the Client shall notify BSC in writing and the Client will have to deal directly with the Custodian of his/its choice. For the purpose of appointing or dealing with the Custodian directly or through BSC, the Client undertakes to execute and deliver the necessary custodianship agreements, special power of attorney ("SPA") and other pertinent documents as may be required. All risks and expenses, taxes, fees and charges (if any) pertaining to the custodianship shall be for Client's account. The Client acknowledges that the SPA to be executed in favor of BSC is in compliance with the BSP requirements and prescribed format.
 - b. The Client authorizes BSC to provide his/its Information to the custodian, registry or depository and to advise the custodian, registry or depository to transmit their custodian's, registry's or depository's statements, confirmations, advice and notices directly to the Client's email and/or physical address/es. At BSC's sole discretion, the Client may request BSC to receive confirmations, advice and notices addressed to the Client according to the usual mode by which the Client receives confirmations, advice and notices originating from BSC.
 - c. The Client understands and agrees that BSC shall not be liable (i) for any loss, cost or damage resulting from any act or omission, failure or negligence of the custodian, registry or depository, having an encumbrancer take possession of, or execution, sequestration or other process levied at or enforced against a material part of the custodian's, registry's or depository's assets or the custodian's, registry's or depository's insolvency, bankruptcy, liquidation or similar proceeding of or involving the custodian, registry or depository; (ii) for any loss, cost or damage or unavailability of the Securities/Investments occurring due to the act or omission of the custodian, registry or depository or third parties' actions against the custodian, registry or depository or the Client; (iii) for any loss, cost or damage resulting from any act or omission, failure or negligence of BSC arising from any action taken or to be taken in relation to the transactions hereunder, except for BSC's willful misconduct.

- d. BSC's performance hereunder is subject to the rules and regulations of the relevant custodian, registry or depository and BSC shall not be liable for the acts or omissions of the custodian, registry or depository.
- e. If for whatever reason, the Client fails to execute and/or deliver the SPA, the Client shall be deemed to have authorized BSC to act as his its attorney-in-fact with all the powers, but subject to (i) the limitations, prescribed in the BSP-approved SPA format, and (ii) the following terms and conditions:
- i. The Securities/Investments are deposited by the Client for the purpose herein stated only, and no other. In case of any discrepancy, the Client will notify BSC within three (3) days from receipt of the Client's account statement. Any later objections are deemed waived by the Client and will not be considered by BSC.
 - ii. The Client hereby agrees that the Securities/Investments purchased by BSC on its/his behalf may be deposited by BSC in the PDTC or such other depository of the Philippine Stock Exchange ("PSE"), or such other custodian as BSC may, in its reasonable discretion, select. The Client agrees to be bound by the PDTC Depository Rules as well as the rules that such other custodians may promulgate (as applicable), as may be amended supplement or modified from time to time including: (i) Rule 2.5.2 regarding due authorization by the Client for BSC to lodge the Securities/Investments into the PDTC and the Client's agreement to abide by BSC's instructions to PDTC; and (ii) Rule 5.3 regarding the limitation of the Client's recovery against the PDTC in case of any loss of the Securities/Investments, or which the Client may otherwise suffer due to PDTC's fault. For such purpose, the Client hereby appoints BSC as his/its agent for the sole purpose of dealing with the PDTC or such other custodian with respect to the Securities/Investments purchased hereby, and to perform such other acts necessary or incidental in the operation of the PDTC or such other custodian. The Client agrees to hold BSC free and harmless from the lodging of these Securities/Investments in the PDTC or other custodian except if due to BSC's gross negligence. BSC shall assist the Client, as far as legally allowable, in facilitating any request for information or filing any complaint or otherwise coordinating with the PDTC or other custodian in connection with the Securities/Investments purchased hereby.
 - iii. Absent the Client's contrary written instructions, Securities/Investments purchased by the Client shall be registered in BSC's name ("street form"). Provided that the Client has fully paid for the shares he/it purchased, the Client may instruct BSC in writing to arrange for the issuance of the stock certificates in the Client's name. All costs and taxes incidental to or arising from such issuance, such as but not limited to PDTC charges, shall be borne by the Client. The issuance of the instrument shall be subject to the regular course of clearing. While the Securities/Investments are in BSC's possession pursuant to the Client's instructions, their custody shall be governed by subsections (iv) to (viii) below.
 - iv. When required by BSC, a charge in accordance with BSC prevailing safekeeping charges will be applied each month or fraction thereof during which the Securities/Investments are held.
 - v. The Client understands that BSC will give the Securities/Investments the same degree of physical care that BSC gives its own property, but does not assume responsibility beyond that. BSC shall not be liable for any loss or damage to the Securities/Investments or impairment in their value except those directly caused by acts amounting to fraud or gross negligence. BSC shall not be responsible for any form of damages or other liability arising from BSC's performance of this Appointment.
 - vi. The Securities/Investments will be held in custody at the Client's sole risk as regards any laws, decrees, regulations or mandates, fortuitous events, and/or any act of war, warlike operation, seizure, destruction or impairment of property, promulgated and/or done by any government authority.
 - vii. BSC has no responsibility for the collection of coupons, interest or dividends on the Securities/Investments except as provided by law. BSC also accepts no responsibility for the receipt and/or forwarding of any communication relative to Securities/Investments. BSC shall not be obligated to advance funds on the Client's behalf in case of cash calls for stock rights pertaining to his/its shares/units.
 - viii. All deposits and withdrawals of all, some or any of the Securities/Investments made by the Client from BSC's custody signed by the Client, its/ his agent or representative is conclusive evidence of the delivery or withdrawal of the certificates of Securities/Investments therein specified.
16. Instruments. Unless otherwise prohibited by applicable law or regulations, or the Client otherwise instructs in writing, the Instruments or book-entries evidencing the Securities/Investments (the "Instruments") shall be registered and/or held in the name of BSC, or of BSC's nominees, a relevant custodian, registry, depository, or the custodian's, registry's or depository's nominees if so opted by BSC; provided that satisfactory proof is at all times maintained by BSC to establish the beneficial ownership of the Client over the Instruments. For this purpose, the Client hereby authorizes BSC to receive, hold and safekeep the Instruments and documents for purposes set forth in this Appointment. Whenever BSC holds any instrument, it shall exercise the same degree of physical care as it exercises with respect to its own property but beyond that does not assume any responsibility.
17. Income. Where the Instruments are with BSC or a custodian, registry or depository by BSC, BSC shall collect the dividends, interests, and other income payable on the Instruments and all proceeds of conversion or payments on maturity or termination of the Instruments, and remit them to the Client's Settlement Account, less such charges, taxes, commissions, fees and charges, as may be properly imposed by BSC. Funds will be made available for drawing by the Client only upon confirmation of receipt of cleared funds by BSC from the issuer, fund manager or fund company, custodian, registry or depository. Pending said remittance, BSC may (for purely administrative purposes, and in no case for investment as a unit) temporarily commingle such amounts with sums similarly received from BSC's other brokerage clients in an account; provided, that BSC shall at all times keep accurate records of the funds and interest of the Client. Any obligation that BSC may have regarding the Client's Securities/Investments arising from cleared funds if any received from the issuer, fund manager or fund company, custodian, registry or depository will be payable only by BSC and no other party. For any amounts paid in advance to the Client, if any, BSC shall immediately demand reimbursement from the Client if cleared funds are not received by BSC from the Client's designated custodian, registry or depository or issuer of the Instruments. Reimbursement shall include attorney's fees, any taxes, fees or charges incurred or paid in good faith by BSC. Unless otherwise agreed upon in writing, all sums due to BSC shall be payable on demand and shall draw applicable interest at the rate of three percent (3%) per month for Peso transactions and one percent (1%) per month for foreign currency transactions computed from the time of delay in payment until full payment.
18. Inactive or Dormant Account. At BSC's sole discretion, BSC may impose charges, the amount of which is reasonable, against the Client's account to cover maintenance costs in the event that the Client's account is classified as dormant, or has no trading transaction(s) for more than three (3) years, BSC has the right to (a) uplift Securities/Investments (in order to obtain physical certificate(s)) at the Client's expense, and if needed, (b) sell-out enough Securities/Investments to pay for: maintenance costs owed to BSC, upliftment charges, mailing costs and other expenses, and do otherwise as instructed by regulators. The Client shall hold BSC completely free and harmless from any and all liabilities, claims, and demands arising from the result of this provision.
19. Set-Off. The Client gives BSC absolute and irrevocable authority to set off or transfer any sum and/or sell, at any reasonable price determined by BSC, any Securities/Investments or any other property belonging to the Client in any of its accounts, either individually or jointly with others, which are in the possession of the Bank, or its subsidiaries and affiliates, and their respective representatives and agents (collectively, the "BDO Group"), and apply any proceeds from such sale as payment for any or all of the Client's obligations to any member of the BDO Group, including any fee that may be owing to BSC, whether under this Appointment or otherwise, all of which may be done by BSC without prior notice to the Client. The Client hereby represents that all such Securities/Investments are free from any and all liens and encumbrances. In the event that there is a lien which prevents BSC from subsequently negotiating the said Securities/Investments or properties, it may, at its sole discretion: (a) buy back the sold Securities/Investments and collect from the Client whatever amount BSC may be entitled to by reason of such buy back; (b) buy any and all Securities/Investments to cover for any short selling in such account; (c) transfer Securities/Investments from any one of the Investment/Brokerage Account. It is hereby agreed and understood that the Client shall remain liable for any deficiency remaining after such set-off. The authority given by the Client under this Section 19 is coupled with interest and irrevocable while this Appointment is in force and effect and until all the Client's obligations are fully settled to the entire satisfaction of BSC.

20. Compliance with Law. BSC shall comply with all laws, writs or judicial or administrative orders, processes or regulations with respect to transactions involving the Securities/Investments without any obligation to confirm or question the legality or constitutionality of such order, process or regulation. In the case of orders and processes, BSC shall be authorized to act on the basis of documents or copies which purport and which it, at its discretion, believes to be genuine without any duty to ascertain their authenticity. Should BSC believe that it will be subjected to any claim or demand for taxes, damages or liabilities, or be required to comply with any law, order, process or regulation, BSC may withhold payment of any sums due the Client until BSC receives an order or a satisfactory ruling from administrative authorities or from the courts which would allow the release thereof under circumstances which in its reasonable opinion forecloses the possibility of liability attaching to it. For this purpose, BSC may seek the assistance of any lawyer, accountant or other experts it may find necessary to determine its liability thereon and any such fees or charges due on such assistance shall be for the account of the Client.
21. Taxes. All taxes, fees and charges imposed by any national, regional or local government or any political subdivision thereof, or any governmental, administrative, fiscal, judicial or any other governmental body, department, commission, authority, or tribunal, and such tax reportorial requirements in connection with the Securities/Investments, this Appointment, or any other transaction related to this Appointment shall be for the sole account of the Client. Save as expressly provided below, BSC shall not act as the withholding tax agent of the Client.
- When necessary, BSC will request the issuer of the Securities/Investments to deliver a withholding tax certificate attesting to the amount of taxes withheld and remitted to the Bureau of Internal Revenue (or any successor agency) on income earned by the Client.
- In the event that BSC shall be required to pay for taxes, charges or fees, or has to comply with any applicable law or regulation regarding the payment or withholding of charges or taxes, BSC is authorized (but not in any way obligated) to withhold or deduct such amount of taxes as may be required under any applicable law, including, but not limited to, any withholding for purposes of the US Foreign Account Tax Compliance Act (FATCA), or withhold delivery of the Securities/Investments until all such charges, fees, or taxes have been paid in full or until BSC shall have received an order or a satisfactory ruling from competent authority. BSC shall not, in any way whatsoever, be responsible for any reduction in value of the Investment/Brokerage Account or of the Securities/Investments that may have been caused by such payment or withholding of taxes, penalties or charges.
22. Fees. The Client shall pay all expenses, commissions at such rates as may be from time to time communicated to the Client in writing, fees and charges upon its purchase and sale of the Securities/Investments, including, but not limited to, upfront and backend arrangement fees, brokerage service fees, periodic custody/maintenance fees and distributions fees, documentary stamp taxes, and other levies and duties thereon. In case of remittance of proceeds overseas, the Client also agrees to pay additional service fees, as may be applicable. The Client further acknowledges and agrees that such commission rates and fees are subject to change at any time, with reasonable notice by posting such notice on the website (as may be applicable) or by other means, and the Client agrees to be bound thereby.
23. Data Privacy Provisions for Corporations, Partnerships or Other Juridical Entities. If the Client provides BSC with personal information and sensitive personal information of any individual as required by, pursuant to, or in connection with the Securities/Investments or this Appointment, the Client represents and warrants that it has (i) notified the relevant individual of the purposes for which the personal information and sensitive personal information will be collected, processed, used, stored, updated, or disclosed, and (ii) obtained such individual's consent for, and hereby consents on behalf of such individual to, the collection, processing, use, storage, updating and disclosure of his personal information and sensitive personal information by BSC, in each case, in accordance with or for the purposes stated in this Appointment, and confirms that it has been authorized by such individual to provide such consent on his behalf.
24. Warranty of Information. The Client represents and warrants that all Information provided by him/it pursuant to this Appointment are true, complete and accurate. The Client hereby authorizes BSC to conduct such credit or background checks to verify any Information provided by him/it. In case of any change in said Information, the Client shall immediately inform BSC in writing.
25. Disclosures and Consents.
- a. The Client hereby gives his consent and authority to the disclosure of his Information to any third party, including the US tax authority or US Internal Revenue Service, the Philippine Bureau of Internal Revenue, other local taxing authorities, or their designated party/ies as may be needed for purposes of local and/or US tax reporting and withholding requirements, if applicable, internal audits, financial advisory services, regional processing, and similar obligations under US Foreign Account Tax Compliance Act, or pursuant to local tax laws and regulations, and to conduct the necessary verifications, reports, and other processes for the purpose of complying with the Anti-Money Laundering Act (Republic Act No. 9160 and Republic Act No. 9194, as amended), its implementing regulations, and other laws or rules regulating the Securities/Investments or the Investment/Brokerage Account.
- b. The Client hereby unconditionally and irrevocably (i) authorizes and grants BSC the absolute discretion to record, or use any device which BSC may deem appropriate or advisable (including, without limitation, tape recorders and other recording instrument(s)) to record, any communication or spoken word, including telephone and email communication, between the Client/Client's representative and any representative of BSC in the course of, or in connection with, any transactions or dealings hereunder or which may relate or pertain hereto; and (ii) authorizes BSC and its representatives to replay or submit, communicate the contents, either orally or in writing, or provide transcriptions of the recording, whether in whole or in part, to third persons including government regulatory agencies as BSC may deem fit. The Client agrees that any such recording may be submitted in evidence in any court or any proceedings for the purpose of establishing any transaction or any matter pertinent to this Appointment.
- The Client likewise unconditionally and irrevocably authorizes BSC to disclose details of its Instructions and transactions, including the transcriptions and recordings referred to in the immediately preceding paragraph, involving the Securities/Investments when so required by the BSP or other relevant government authorities/agencies. For this purpose, the Client hereby unconditionally waives his/its rights under Republic Act No. 1405 (The Bank Secrecy Act of 1955), as amended, Section 55.1(b) of the Republic Act No. 8791 (The General Banking Law of 2000), as amended, Republic Act No. 6426 (Foreign Currency Deposit Act of the Philippines), as amended, Republic Act No. 4200 (The Anti-Wiretapping Law), including all subsequent amendments thereto, and other laws/regulations relative to the confidentiality or secrecy of bank deposits/accounts, placements and investments.
26. Attorney-in-Fact. The Client hereby irrevocably appoints and constitutes BSC, BSC's officers, employees, successors-in-interest and/or assigns, as well as any sub-agent, broker or attorney-in-fact BSC may appoint for those purposes, as the Client's true and lawful attorney with full power and authority to buy, sell, lend or borrow Securities/Investments or otherwise act for the Client or any of its/his Investment/Brokerage Account(s) (whether carried individual or jointly with others), to agree upon the price of said Securities/Investments, execute bills of sale, receipts, assignments of all rights, title and interest to the purchaser(s) thereof, or such other instruments in writing or documents as may be necessary and to deliver or accept delivery of the corresponding stock certificates, to open or close for and in the Client's name such settlement account as may be necessary under this Appointment (subject to applicable laws and regulations) under such terms and conditions as may be called for hereunder, to open a PDTIC account or PDTIC-BDO Sec. sub-account under the Client's name (Name on Central Depository Account), as may be required by PDTIC, to relay instructions of the Client to the Bank (including all its branches whether local or overseas, BDO-Trust and Investments Group, BDO Treasury), BDO Private Bank, Inc., BDO Capital & Investment Corporation, and other third parties, as may be applicable in connection with the investment/divestment of Securities/Investments under the Client's WMU Account/s, or any other products such as deposits and money market products, Securities/Investments such as but not limited to fixed income, equity, asset-backed Securities/Investments, and derivatives, and other products including foreign exchange, commodities, futures, funds and derivative-linked products, as may be applicable, and/or to do any other act(s) which BSC may directly or indirectly do or cause to be done in accordance with the powers herein conferred all of which are hereby deemed ratified by the Client in all respect for this purpose. BSC shall be entitled to rely on any instruments, notices and communications which BSC believes to have originated from the Client and the Client shall be bound thereby. The Client holds BSC, its parent company and subsidiaries, nominees, representative offices, agents and free and harmless against any loss, damage or liability arising from or as a result of the execution of this authority. For the avoidance of doubt, the authority granted under this provision shall be effective until the termination of this Appointment pursuant to Section 42.

Should the Client violate any of the provisions of this Appointment or any document related thereto, or if any of the Client's representations prove to be untrue, or in the event it becomes unlawful for either the Client or BSC to perform any obligation under this Appointment, the Client authorizes BSC, BSC's officers, employees, successors-in-interest and/or assigns, as well as any sub-agent, broker, third party custodian or attorney-in-fact BSC may appoint, as the Client's true and lawful attorney with full power and authority to close any account belonging to the Client, to immediately convert scrippless shares into stock certificates and/or to sell Securities/Investments for or on behalf of the Client.

Where BSC is authorized to sell Securities/Investments for or on behalf of the Client pursuant to the immediately preceding paragraph, BSC shall use reasonable diligence to ascertain the best market for the Securities/Investments and sell in such market so that the result to the Client is as favorable as possible under prevailing market conditions.

27. Conflict of Interest. The Client understands and agrees that other parties with conflicting interests may also be clients of BSC or of any member of the BDO Group, and BSC may be providing other services to such parties, whether acting as a principal, agent, or broker of such other parties and thus, may be additionally compensated for such services by other parties. BSC hereby assures the Client that, consistent with its long-standing policies to hold in confidence the affairs of its clients, it shall neither use confidential information obtained from the Client nor make the same available to any of its other clients. Nevertheless, the Client hereby gives his consent to the conduct of such services to BDO Group's other clients and waives any conflict of interest, actual, potential, or putative that may arise on the part of BSC due to the foregoing.
28. Individual/Corporate Clients.
- a. Capacity. The Client warrants that he/it has full power and authority to execute and enter into this Appointment, which shall constitute his/its legal, valid and binding obligations, enforceable against him/it in accordance with this Appointment. The Client is in good standing under Philippine laws and possess all registrations, licenses, and permits necessary for the lawful conduct of his/its business. The Client has complied with all the necessary corporate and governmental approvals, orders, consents or authorizations for the transactions contemplated herein and for the valid execution, delivery, performance and enforceability of this Appointment and are in full force and effect on the date of this Appointment. There is no provision in the licenses or permits, or any other agreement to which the Client is a party, or by which he/it or any of his/its properties may be bound, and no statute, rule, regulation, or any judgment, decree or order of any court or agency applicable to them would be contravened by the execution, delivery or performance of this Appointment.
- b. In case the Client is an individual, the Client hereby represents and warrants that:
- i. If the Investment/Brokerage Account or Settlement Account is held jointly with another individual or individuals, Client's failure to state otherwise shall mean that it is an "and/or" account, with each accountholder having the right to bind the others, give instructions, orders, consent or authorizations, or to sign or execute on behalf of the other accountholder/s any written instrument required by BSC regarding the Securities/Investments, the Investment/Brokerage Account or Settlement Account. Furthermore, the Client agrees that any liability arising hereunder shall be the Client's joint and several liability with his co-accountholder/s. Each of the individuals agree to hold BSC free and harmless against any suit, loss, damage or liability which BSC may incur as a result of the Instructions given in the manner stated above. Furthermore, the Client agrees that any liability arising hereunder shall be his joint and several liability with his co-accountholder/s. Upon the death of any one of the accountholders, the Client understands that the Investment/Brokerage Account or Settlement Account shall become the sole and absolute property of the survivor/s unless otherwise provided by applicable law. The Client shall inform BDO of the demise of his co-accountholder(s) within twenty-four (24) hours therefor and deliver and execute such documents as may be required by BSC.
- ii. In the event of the bankruptcy, liquidation, receivership of any one or more of the accountholders, instructions in relation to the Securities/Investments shall be given jointly by the trustee on bankruptcy, liquidator, receiver or official receiver on the one hand, and the remaining accountholders on the other.
- iii. For purposes of United States (U.S.) federal income tax, the Client represents and warrants that he is not a U.S. person, not acting for or on behalf of a U.S. person, and not a resident in the U.S. If the tax status of the Client changes and/or becomes a citizen or resident of the United States, or changes mailing address to the U.S., the Client undertakes to notify BSC within thirty (30) days of such change in status. In the event the Client becomes a U.S. person, the Client agrees that BSC shall be entitled to do all acts and things it deems necessary, including but not limited to the termination of this Appointment. All costs and expenses incurred by BSC as a result of the Client's change in tax status shall be for the sole account of the Client. For purposes of complying with applicable U.S. laws, the Client further agrees to waive any secrecy, privacy or data protection rights related to his accounts. The Client acknowledges that a false statement or misrepresentation of tax status by a U.S. person could lead to penalties under U.S. law.
- c. In case the Client is a partnership or corporation, the Client hereby represents and warrants that:
- iv. It is a corporation duly organized, validly existing and in good standing under the laws of the Philippines and in every other jurisdiction where it is conducting business.
- ii. There is no provision in the articles of incorporation, by-laws, or other constitutive documents which would be contravened by the execution, delivery or performance of this Appointment.
- iii. It has the legal right and full power to execute, deliver, perform this Appointment and to invest or deal in Securities/Investments and all necessary actions have been taken to authorize the execution, delivery and performance and enforcement of the same.
- iv. All instructions/authorizations pertaining to the Investments shall be given in accordance with the signing authority submitted by the Client to BSC unless revoked or modified in writing.
- v. In the event of bankruptcy, liquidation or receivership of the Client, instructions related to the Securities/Investments shall be given by the duly designated trustee liquidator or receiver, as the case may be, upon submission of the required documents proving authority to give instructions in relation thereto.
29. For Securities/Investments Offered or Sold to Qualified Buyers only. The Securities/Investments are not being offered or sold to persons in the Philippines other than to qualified buyers under the relevant provisions of the SRC. Accordingly, the Securities/Investments and any other document or material in connection with the offer or sale, of the Securities/Investments, may not be circulated or distributed, nor may the Securities/Investments be offered, sold or assigned by the recipients of the document or material or the purchaser of the Securities/Investments respectively to non-qualified buyers. The Client understands that the Securities/Investments being offered or sold to qualified buyers have not been registered with the Securities and Exchange Commission under the SRC. Any future offer or sale of the Securities/Investments is subject to the registration requirements under the SRC unless such offer or sale qualifies as an exempt transaction.

Client hereby agrees and warrants that it/he will continue to abide by the requirements under SRC as qualified buyer for as long as it/he has unregistered Securities/Investments in its/his Securities/Investments account with BSC. In case, Client is no longer a qualified buyer, it/he authorizes BSC to sell or unwind the Securities/Investments immediately from the time Client informs BSC that it/he has lost such qualified buyer status or from the time of BSC's discovery of such loss of qualified buyer status, whichever comes first, pursuant to and in accordance with Section 26.

30. Dealings with BSC. It is agreed that the obligations of BSC in connection with the remittance of the interest (if any) on an investment and maturity proceeds (if any) (net of allowable deductions) under this Appointment shall be payable solely at BSC, and no other member of the BDO Group shall be responsible therefore.
31. Governing Law & Jurisdiction. This Appointment and any Instructions issued pursuant hereto shall be governed by and are subject to the laws of the Republic of the Philippines and applicable rules and regulations.
32. Venue. It is agreed that the venue of action for any litigation arising from the Appointment and any Instructions shall exclusively be in the courts sitting in the City of Makati, Metro Manila, Philippines, any other venue of suit being waived.
33. Force Majeure. BSC will not be liable to the Client for any delay or failure to perform any obligation, or for any loss or damage caused directly or indirectly by any condition or circumstance which would result in a breach of any government requirement or over which BSC does not have control, including but not limited to government restriction, exchange or market rulings, suspension of trading, failure of internet service, electronic or mechanical equipment or communication lines, telephone or other interconnection problems (e.g. if BSC is unable to access its online service provider), unauthorized access, theft, operator errors, severe weather, earthquakes, floods and strikes or other labor problems, war (whether declared or not), invasion, insurrection, military coup, commotion or usurped power, or by order of any civil authority, or other causes beyond BSC's control.
34. Conflicting Claims. In case of conflicting claims on the Client's accounts, Client grants BSC the authority (but not the obligation), in the exercise of its discretion, and without liability on its part, to act or decline to act as it deems appropriate, without need of resorting to the courts to interplead. The Client holds BSC and its parent company and its subsidiaries, and authorized agents free and harmless against any loss, damage or liability arising from or as a result of the execution of this authority.

In the event that a writ of garnishment, writ of attachment, writ of execution, freeze order, or any other legal process is issued to BSC by a court, judicial body, or other agency with respect to the Client's accounts, the Client authorizes BSC, in its sole discretion, to comply therewith without any obligation to question or confirm the legality thereof, and act on the basis of documents which BSC believes to be genuine without any duty to ascertain their authenticity. The Client holds BSC, its parent company and subsidiaries, and agents free and harmless against any loss, damage or liability arising from or as a result of the execution of this authority.
35. Remedies. In the event of any dispute, controversy, action, suit, or proceeding out of or in connection with this Appointment and Instructions, including but not limited to any falsity of any of the Client's representations or warranties herein, or the Client's failure to disclose any fact which under the circumstances, the Client is obligated to disclose in relation to the transactions contemplated therein, or failure to settle any of the Client's accounts, the latter shall compensate BSC for all expenses incurred by it to vindicate its right and interest and for reasonable attorney's fees computed at the rate of twenty-five percent (25%) of the Client's unpaid accounts or the purchase price of the Securities/ Investments plus costs, but in no event shall the amount be less than fifty thousand (Php 50,000.00) pesos.
36. Indemnification. The Client agrees to keep BSC, its parent company and subsidiaries, and agents free and harmless from any loss or damage (including reimbursements for all taxes, charges, expenses, and attorney's fees incurred or paid by it in good faith or arising from failure of the Client to perform its obligations) that may be suffered in connection with this Appointment or any Instruction issued by the Client, except if arising directly and solely from their officers', employees', or agents' willful misconduct in the performance of their duties. The Client further agrees that BSC and its parent company and subsidiaries, representative offices and, authorized agents will not be made responsible due to such circumstances that prevent BSC from performing its duties.
37. No Waiver of Remedies. No failure or delay on BSC's part in exercising any right, power or remedy accruing to BSC upon any breach or default by the Client under this Appointment shall impair any such right, power or remedy, nor shall it be construed as a waiver of any such breach or default thereafter occurring, nor shall a waiver of any single breach or default be deemed a waiver of any other breach or default therefore or thereafter occurring, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder. All remedies, either under this Appointment or by law or otherwise afforded to BSC shall be cumulative and not alternative. No notice to or demand to the Client in any case shall entitle me to any other or further notice or demand in similar or other circumstances. No waiver, permit, consent or approval of any kind or character of any breach of any provision or condition of this Appointment shall be effective unless in writing and signed by BSC.
38. Assignment. The benefit and burden of this Appointment is personal to the Client and shall not be assigned by the Client without BSC's prior written consent.
39. Automatic Modification. The Client undertakes to abide by BSC's policies as may be amended or supplemented from time to time, which policies are incorporated herein by reference.
40. Entirety of Agreement. This Appointment constitutes the entire agreement between the parties. No amendment, novation, modification or supplement of this Appointment shall be valid or binding on BSC unless acknowledged in writing by BSC. BSC has the right to change any of the terms and conditions of this Appointment by giving written notice thereof to the Client. Such changes shall become effective and binding upon the Client in the event the latter does not object or reply to such notice within five (5) calendar days from service of the notice in accordance hereof.
41. Invalidity. If any provision in this Appointment shall be held to be invalid, illegal or unenforceable by any court, competent authority or self-regulatory agency, the invalidity, illegality or unenforceability shall be limited to such provision while other remaining provisions shall not in any way be affected or impaired. The parties shall immediately discuss in good faith to execute such agreements with similar and equal economic effect as the provisions held as invalid, illegal or unenforceable.
42. Effectivity and Termination. This Appointment shall take effect upon the date of signing, as indicated below, and shall continue in full force and effect until terminated by Client or BSC by giving the other party at least fifteen (15) days prior written notice of the termination. After termination, BSC shall no longer accept further Instructions from the Client, except those necessary to effect the transfer and/or to close pre-existing Investments. The Client shall hold BSC completely free and harmless from any and all liabilities, claims, and demands arising from the transfer and/or closure.
43. Automatic Trading Restriction or Cancellation of Account. The Client understands and agrees that BSC has the sole discretion to restrict trading on its Investment/Brokerage Account or to cancel the same, at any time without need of prior notice to the Client.
44. Retention. The Securities/Investments shall be held or disposed by BSC in accordance with the terms and conditions of this Appointment and any other agreement between BSC and the Client relating to the Securities/Investments, or in the absence thereof, at BSC's discretion, provided that BSC shall have the right to retain the Securities/Investments until full payment of what may be due to BSC by reason of this Appointment or otherwise. In case of any claims made upon the Securities/Investments by any third person, BSC shall notify the Client of such claims and, at BSC's discretion and without liability on BSC's part, return the same or resort to the courts to interplead.
45. BDO Group Trading Policies. For accounts of officers and employees of BDO Group, the Client hereby confirms that it/he has read and understood, and agreed to comply with, the terms of BDO Group's personal trading policies as the same may be amended from time to time.

CUSTOMER SIGNATURE

Signature over Printed Name

Date Signed
(mm/dd/yyyy)

 / /

Signature over Printed Name

Date Signed
(mm/dd/yyyy)

 / /

Signature over Printed Name

Date Signed
(mm/dd/yyyy)

 / /

Signature over Printed Name

Date Signed
(mm/dd/yyyy)

 / /

I have discussed and explained to client the Terms and Conditions of the Master Brokerage Appointment and the Accompanying Risk Disclosure Statement.

Conducted By
Name and Signature

Date Signed
(mm/dd/yyyy)

 / /

Reviewed By
Name and Signature

Date Signed
(mm/dd/yyyy)

 / /

Signature Verified By
Name and Signature

Branch / Unit

Date Signed
(mm/dd/yyyy)

 / /

Before investing and/or hedging, please be informed of the various risks involved in investing/hedging in securities and other financial products including but not limited to fixed income instruments, funds and equities. As these carry different degrees of risks, it is necessary that before you invest/hedge in the same, you should have: (1) fully understood the nature of the investment(s)/hedge(s) and the extent of your exposure to risks, (2) read this Risk Disclosure Statement completely, and (3) independently determined that the investment/hedge is appropriate for you. Please be aware that these risks are not, and are not intended to be, a complete list of all risks and considerations relevant to an investment/hedge or your decision to purchase or sell an investment/hedging product.

<p><u>Interest Rate Risk</u></p>	<p>Interest from bonds provide regular income to investors which may be beneficial to those anticipating or relying on such earnings. This type of investments, however, carry interest rate risk. Interest Rate Risk is applicable to investments in debt securities like bonds. It refers to risk of bond interest rates moving up causing prices to go down resulting to losses. The price of such investments is inversely related to interest rate.</p> <p>An investor who invested in a bond while interest rates are going up may lose some value of the investment due to the lower price. A bond investor who holds the bond until maturity will not be subjected to interest rate risk.</p>
<p><u>Market/Price Risk</u></p>	<p>Market/price volatility may provide better prot to those who are willing to take such risk. It refers to risk of an investment having a lower market price resulting to losses. The value of the investments are affected by the price changes or market fluctuations. This risk affects all investment securities traded in the market including bonds and equities.</p> <p>An investor who bought an investment with the goal of generating prot from selling the investment at a higher price will be negatively affected when the price of such investment drops instead.</p>
<p><u>Liquidity Risk</u></p>	<p>A properly developed portfolio already providing for future use of funds may avoid liquidity risk while at the same time generate higher potential returns. It refers to the risk of the inability to sell an investment at the desired price or to sell the same at a lower price or at loss. At times, even the most liquid securities may be affected by the market liquidity. This risk affects all investment securities traded in the market including bonds and equities.</p> <p>An investor who wants to sell an investment at say P100 may nd that there are no willing buyers at that given price. Some buyers may be willing to buy only at a lower price thus subjecting the investor to liquidity risk.</p>
<p><u>Credit/Default Risk</u></p>	<p>Investments with higher credit/default risk commonly have higher returns. It refers to the risk that the borrowers of money may be unable to pay the interest or principal when due. This risk affects all fixed income investments. Issuers of bonds and other debt instruments may provide higher interest rates but may carry a higher degree of uncertainty to pay the interest and/or principal of its debt in a timely manner.</p> <p>An investor who invested in a bond where the issuer goes bankrupt and is unable to pay the interest or the principal when due is subject to credit or default risk.</p>
<p><u>Reinvestment Risk</u></p>	<p>Investment in bonds provide certain rewards to the investor in terms of regular income through payment of interest and the principal on maturity. However, on maturity, when the proceeds are to be reinvested, it may be subjected to reinvestment risks where the new bond investment will be at a lower interest rate. This risk affects all fixed income investments.</p> <p>An investor who is faced with the non-availability of investment outlets which will provide similar or better returns earned from maturing bond investments is subject to reinvestment risk.</p>
<p><u>Foreign Exchange Risk</u></p>	<p>Investing in foreign currency securities may provide additional return on investment from the depreciation of the home currency. However, there is the risk that the value of investment in a foreign currency is lower due to the depreciation of the country's currency. This risk affects investments in currency outside of the domestic currency. The value of investments are affected with the fluctuations in foreign exchange rates.</p> <p>For instance, when an investor using Philippine Peso purchased U.S. Dollar and invested in a U.S. Dollar-denominated investment, upon the sale of the investment, the U.S. Dollar may be converted to fewer Philippine Peso due to the appreciation of the domestic currency. This illustration shows possible loss in Philippine Peso terms.</p>
<p><u>Country Risk</u></p>	<p>A country with high risk typically provides higher return on investment as is the case of a B rated country compared to AAA rated country. The risk affects all country specific investment securities including bonds and equities. It refers to the risk that a country's political, economic and special structures may negatively affect the value of securities issued by/in the specific country. Other factors affecting country risk include internal and external conflicts, currency valuations, policies on foreign ownership and taxes.</p> <p>An investor who invested in a country experiencing civil conict, severe currency depreciation or hyperination may incur losses from such an investment.</p>
<p><u>Offsetting/Hedging Risk</u></p>	<p>Investors or fund managers may protect certain investment against a forecast negative event to preserve or improve the return on investment. O-setting/hedging risk affects investments with hedging contracts. It refers to the risk that the use of financial contracts to reduce or eliminate risk may have a negative effect on the investment. Fund managers may use hedging instruments to reduce the inherent risk of investments. There are situations where the hedging instruments becomes ineffective and selling the hedging instrument may result to market losses.</p> <p>An investor who wanted to reduce the risk of certain factors such as projected rising interest rate, currency depreciation, or rising commodity prices may hedge the investment position only to be faced with either no change or the reverse effect of the above cited factors. The loss arises from the cost of the contract or opportunity lost.</p>
<p><u>Other Risk</u></p>	<p>Your investment/hedge in securities/financial products through any Wealth Management Unit may be further exposed to the risk of any actual or potential conflict of interests in the handling of related party transactions by these Wealth Management Units.</p>