

Acknowledge the Risk Fact Sheet for CFDs through POEMS 2.0 by following these steps:

1. Login to POEMS 2.0

The image shows a desktop setup with a monitor and a laptop. The monitor displays a trading platform interface with the heading "Why POEMS?" and the text "The POEMS award-winning suite of trading platforms are synchronised across all devices for your convenience. Trade with a peace of mind. Anytime, anywhere." Below this is a blue button that says "Learn more about the POEMS suite of platforms". The laptop screen shows a trading chart. Overlaid on the right side of the image is a dark blue login modal box with the POEMS logo at the top. It contains two white input fields for username and password, an orange "Login" button, a "Forgot Password?" link, and a "No POEMS account?" section with an "Open an account" button. In the bottom right corner, there is a white chat bubble icon with a question mark and the text "We're Online" and a text input field with a right-pointing arrow.

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Acknowledge the Risk Fact Sheet for CFDs through POEMS 2.0 by following these steps:

2. Go to Acct Mgmt > CFD > RFS & RDS

The screenshot displays the POEMS 2.0 website interface. At the top, there are market indices: STI: 3159.320 (16.080), * KLCI: 1590.590 (-2.340), * Hang Seng: 26281.000 (58.600), and * NASDAQ: 8112.462 (0.000). The navigation menu includes 'Announcement', 'Acct Mgmt', 'Order Status', 'Prices (LP1)', 'Trade (LP2)', 'News & Research', 'Charts', 'Tools', 'Rewards', and 'Fund'. Below this, there are sub-menus for 'Stocks', 'CFD', 'Unit Trust', 'Regular Savings Plan (RSP)', 'SBL', 'e-Statements', and 'Deposit Fund'. The left sidebar contains a 'CATEGORY' menu with options like 'Outstanding Positions', 'Trades Done (Intraday)', 'Trades Done (Historical)', 'Closed Positions (Intraday)', 'Closed Positions (Historical)', 'Account Details', 'Transaction History', 'DMA Opt-in', 'Online Forms', 'Online Account Opening', and 'RFS & RDS'. The main content area is titled 'ACKNOWLEDGEMENT OF RISK FACT SHEET FOR CFD AND RISK DISCLOSURE STATEMENT' and contains a 'Risk Fact Sheet for CFDs'. Three yellow callout boxes with arrows indicate the steps: 'Step 1' points to the 'Acct Mgmt' menu item, 'Step 2' points to the 'CFD' sub-menu, and 'Step 3' points to the 'RFS & RDS' option in the sidebar. The 'RFS & RDS' option is highlighted with a red box. The main content area includes a paragraph of text and a 'Q1. What is my potential loss when I trade on margin in CFDs?' section with an illustration and a list of bullet points.

STI: 3159.320 (16.080) * KLCI: 1590.590 (-2.340) * Hang Seng: 26281.000 (58.600) * NASDAQ: 8112.462 (0.000)

Announcement **2** Acct Mgmt Order Status Prices (LP1) Trade (LP2) News & Research Charts Tools Rewards Fund

Stocks **CFD** Unit Trust Regular Savings Plan (RSP) SBL e-Statements Deposit Fund

CATEGORY

- Outstanding Positions
- Trades Done (Intraday)
- Trades Done (Historical)
- Closed Positions (Intraday)
- Closed Positions (Historical)
- Account Details
- Transaction History
- DMA Opt-in
- Online Forms
- Online Account Opening
- RFS & RDS**

Step 1

Step 2

Step 3

ACKNOWLEDGEMENT OF RISK FACT SHEET FOR CFD AND RISK DISCLOSURE STATEMENT

Risk Fact Sheet for CFDs

It highlights the common risks of trading in CFDs and complements the trading agreement and associated risk disclosures furnished by PSPL. This Risk Fact Sheet does not disclose all the risks of trading in CFDs. It is important to read the trading agreement and associated risk disclosures before entering into a trade in CFDs. You should also carefully consider whether trading in CFDs is appropriate for you in the light of your experience, financial resources and other relevant circumstances. If you do not have a copy of the trading agreement (i.e. Conditions Governing Philip Securities Accounts) and associated risk disclosures, please contact PSPL to request for a copy or downloading via www.poems.com.sg. You should not trade in CFDs if you do not understand the product or are not comfortable with the accompanying risks.

Q1. What is my potential loss when I trade on margin in CFDs?

When you enter into a CFD transaction, you need to pay an initial margin, which is based on a percentage of the value of the trade. When you trade on margin, you should be prepared to lose more than or all of your initial investment amount that you have paid as margin to PSPL.

Illustration 1: Illustration 1: The shares of XYZ Ltd are quoted at \$52.00 per share and you are buying 2,000 shares of XYZ Ltd as a CFD at \$52.00 per CFD. PSPL sets the margin at 10% so you have to put up an initial margin of 10% x \$52.00 x 2,000 = \$5400.

- The share price of XYZ Ltd then falls from \$52.00 to \$51.95. As such, you incur a loss of \$5100 (\$51.95 - \$52.00) x 2,000.
- Due to adverse market information on XYZ Ltd, the share price falls further to \$1.75. You incur a loss of \$5100 (\$51.75 - \$52.00) x 2,000. The \$5100 loss would be deducted from your initial margin of \$5400, which means you have to pay an additional \$5100 arising from your incurred loss.
- In the worst case, the shares of XYZ Ltd become worthless. You lose the full contract value of \$54000 (\$50 - \$52.00) x 2,000. This is similar to the situation where you bought 2,000 shares at \$52.00 per share, and lost your entire initial investment. You may also be liable for additional charges, costs and fees incurred.

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3. Read through and acknowledge at the bottom of the page

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f. 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 whether there is a need to convert from the currency denomination of the contract to another currency.

g. Trading Facilities
Most open-outcry and electronic trading facilities are supported by computer-based component systems for 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 the 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 report.

h. 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 results of any system failure may be that your order is either not executed according to your instructions or not executed at all.

i. 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 to 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 familiarize 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 transaction in a futures contract, OTC currency contract or spot LFX trading contract to ensure performance of the terms of the transaction in the futures contract, OTC currency contract or spot LFX trading contract.

I/We hereby acknowledge that I/we have received a copy of this Risk Fact Sheet and Form 13 Risk Disclosure Statement on contracts for differences ("CFDs") and fully understand its contents.

Acknowledge at the bottom of the page

Acknowledge & Submit