BARCLAYS

Detailed explanation of effect of being treated as an accredited investor under the consent provisions

PART A

This part applies in respect of the private banking services provided to you by Barclays Bank PLC, Singapore branch ("Barclays Singapore" or "we" in this Part A).

The following sets out the effect under the consent provisions of you being treated by us as an accredited investor. Where we deal with you as an accredited investor, we would be exempt from complying with certain requirements under the Financial Advisers Act 2001 (the "FAA") and certain regulations, notices and guidelines issued thereunder, as well as certain requirements under the Securities and Futures Act 2001 (the "SFA") and certain regulations and notices issued thereunder.

Please note that the regulatory requirements that we are exempted from when dealing with you as an accredited investor may be amended and updated from time to time due to regulatory changes or otherwise.

Under the SFA and the regulations and notices issued thereunder:

1. **Compensation from fidelity fund under Section 186(1) of the SFA.** The fidelity fund is established by an approved exchange (such as and including Singapore Exchange Securities Trading Limited, Singapore Exchange Derivatives Trading Limited, ICE Futures Singapore Pte. Ltd. and Asia Pacific Exchange Pte. Ltd.). Section 186(1) of the SFA provides for a fidelity fund to be held and applied for the purposes of compensating persons who suffer pecuniary loss because of certain defaults. Compensation may be made where there is a defalcation committed by a member of the approved exchange or its agent in the course of, or in connection with, a dealing in capital markets products done on the approved exchange or through a trading linkage of the approved exchange with an overseas exchange, where the defalcation is committed in relation to any money or other property which (after the establishment of the fidelity fund) was entrusted to or received by, inter alia, that member or by any of its agents for or on behalf of any other person or as trustee.

   When we deal with you as an accredited investor, you would not be entitled to be compensated from the fidelity fund, even if you have suffered pecuniary loss in the manner contemplated under Section 186(1) of the SFA. You are therefore not protected by the requirements of Section 186(1) of the SFA.

2. **Prospectus Exemptions under Sections 275 and 305 of the SFA.** Under Part 13 of the SFA, all offers of securities and securities-based derivatives contracts, and units of collective investment schemes are required to be made in or accompanied by a prospectus in respect of the offer that is lodged and registered with the MAS and which complies with the prescribed content requirements, unless exempted. The SFA further provides for criminal liability for false and misleading statements contained in the prospectus, omissions to state any information required to be included in the prospectus or omissions to state new circumstances that have risen since the prospectus was lodged with the MAS which would have been required to be included in the prospectus if it had arisen before the prospectus was lodged with the MAS. In addition, certain persons, including the person making the offer, the issuer, the issue manager and the underwriter (the "Persons") may be liable to compensate any person who suffers loss or damage as a result of the false or misleading statement in or omission from the prospectus, even if such persons were not involved in the making of the false or misleading statement or the omission.

   Sections 275 and 305 of the SFA are exemptions from the prospectus registration requirement under the SFA, and exempt the offeror from registering a prospectus when the offer of securities and securities-based derivatives contracts, and units of collective investment schemes is made to relevant persons. Relevant persons include accredited investors. In addition, secondary sales made to institutional investors and relevant persons, which include accredited investors, remain exempt from the prospectus registration requirement provided that certain requirements are met.

Subsequent Sales: Subsequent sales of securities, securities-based derivatives contracts and collective investment schemes are subject to restrictions under Section 276(1) and 276(2) or, as the case may be, Sections 305A(1)(b) such that subsequent sales to relevant persons (including accredited investors) will continue to be exempt from prospectus requirements.

Where securities, securities-based derivatives contracts and collective investment schemes are subscribed or purchased under Section 275 or 305 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor (the "**Corporation**"); or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor (the "**Trust**"),

inter alia, securities of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities, securities-based derivatives contracts and collective investment schemes pursuant to an offer made under Section 275 or 305 of the SFA except, inter alia, to an institutional investor or to a relevant person.

If you opt to be treated as an accredited investor, the above restrictions will not apply and you will not be prohibited from being a transferee of the securities of the Corporation or interests in the Trust in the circumstances specified.

When we deal with you as an accredited investor, the issuer and/or offeror is exempt from the prospectus requirements under Part 13 of the SFA pursuant to the exemptions under Sections 275 and 305 of the SFA. As a result of this, the issuer and/or offeror is not under any statutory obligation to ensure that all offers of the relevant products to you are made in or accompanied by a prospectus that is lodged and registered with the MAS and which complies with the prescribed content requirements. Consequently, the issuer and/or offeror is not subject to the statutory prospectus liability under the SFA and you would not be able to seek compensation from the Persons under the civil liability regime for prospectuses even if you suffer loss or damage as a result of any false or misleading statement in or omissions in the offering document. Subsequent sales of securities, securities-based derivative contracts and collective investment schemes first sold under inter alia Section 275 and 305 can also be made to you, as well as transfers of securities of Corporations and interests in Trusts. You are therefore not protected by the prospectus registration requirements of the SFA.

3. **Restrictions on Advertisements under Sections 251 and 300 of the SFA.** Sections 251 and 300 of the SFA prohibit any advertisement or publication referring to an offer or intended offer of securities and securities-based derivatives contracts, and units of collective investment schemes from being made, except in certain circumstances. In this regard, where a preliminary document has been lodged with the MAS, certain communications may be made. These include the dissemination of, and presentation of oral or written material on matters contained in, the preliminary document which has been lodged with the MAS to institutional investors and relevant persons under Sections 251(3), 251(4)(a), 300(2A) and 300(2B)(a) of the SFA. Relevant persons include accredited investors.

   When we deal with you as an accredited investor, you may receive communications relating to a preliminary document which has been lodged with the MAS. You are therefore not protected by the requirements of Sections 251 and 300 of the SFA.

4. **Part III of the Securities and Futures (Licensing and Conduct of Business) Regulations ("SFR").**

   Part III of the SFR stipulates the requirements imposed on us in relation to the treatment of customers' assets. While we remain under the statutory obligation to deposit all assets received on your account in a custody account maintained in accordance with Regulation 27 of the SFR or any other account into which you direct the assets be deposited, as an accredited investor, the enhanced safeguards in relation to the assets that we receive on your account will not apply.

   We are also exempt from the following statutory obligations: (i) the disclosure requirements pertaining to the manner in which your assets are held (whether locally or in a foreign jurisdiction), as specified under Regulation 27A of the SFR; (ii) the prohibition against transferring title in your assets to us or any other person except in certain prescribed circumstances relating to the borrowing or lending of your specified products and using your assets to meet our own obligations under Regulation 34A and 35 of the SFR; and (iii) the obligation to inform you that we may use your assets for a sum not exceeding the amount owed by you to us, disclose the risks of such use to you and obtain your consent before using your assets, including mortgaging, charging, pledging or hypothecating your assets under Regulation 34 of the SFR.

We have summarised the requirements below.

Bank	Retail customer	Accredited investor
Disclosure requirement[1]	• Bank to make certain disclosures (such as whether the assets will be commingled with other customers and the risks of commingling, consequences if the institution which maintains the custody account becomes insolvent) in writing prior to depositing assets in custody account	• No such requirement
Prohibition on transferring title of assets received from customer to bank or any other person[2]	• Prohibited unless transferred in connection with borrowing or lending of specified products in accordance with Regulation 45 of the SFR	• No such requirement
Withdrawals from custody account to transfer the asset to any other person or account in accordance with the written direction of the customer[3]	• Not permitted to transfer retail customer's assets, to meet any obligation of the bank in relation to any transaction entered into by the bank for the benefit of the bank	• No such prohibition
Customer Assets[4]	• Deposit into a custody account maintained in accordance with Regulation 27 of the SFR (requires the custody account to be maintained with certain specified institutions only); or • Deposit into account directed by retail customer to which retail customer has legal and beneficial title and maintained with, inter alia, licensed banks, merchant banks or finance companies or banks established and regulated as banks outside Singapore	• Deposit into a custody account maintained in accordance with Regulation 27 of the SFR (requires the custody account to be maintained with certain specified institutions only); or • Deposit into account directed by accredited investor
Mortgage of customer's assets – bank may mortgage, charge, pledge or hypothecate customer's assets for a sum not exceeding the amount owed by the customer to the bank[5]	• Prior to doing so, bank must inform the retail customer of this right, explain the risks and obtain written consent of the retail customer	• No equivalent requirement to inform, explain risks or obtain written consent of accredited investor

When we deal with you as an accredited investor, we are exempt from treating you as a "retail investor" in relation to certain requirements stipulated under Part III of the SFR pertaining to the treatment of a retail customer's assets. You are therefore not protected by those requirements under Part III of the SFR.

5. **Regulation 47BA of the SFR.** Regulation 47BA of the SFR provides that a bank must not deal with a retail customer as an agent when dealing in capital markets products that are over-the-counter derivatives contracts and/or spot foreign exchange contracts for the purposes of leveraged foreign exchange trading.

   When we deal with you as an accredited investor, we are exempt from treating you as a "retail investor" and may therefore deal with you as an agent in relation to over-the-counter derivatives contracts and/or spot foreign exchange contracts for the purposes of leveraged foreign exchange trading.

[1] Regulation 27A
[2] Regulation 34A
[3] Regulation 35(2)
[4] Regulation 26(1)(a)
[5] Regulation 34(2)

6. **Regulation 47E of the SFR.** Regulation 47E(1) and (2) of the SFR provide for certain risk disclosure requirements that a bank that deals in capital markets products and provides fund management services respectively must comply with in relation to trading in futures contracts, spot foreign exchange contracts for the purposes of leveraged foreign exchange trading, and foreign exchange over-the-counter derivatives contracts for retail customers that are not related corporations of the bank.

   A bank that deals in capital markets products must not open a trading account for a retail customer who is not its related corporation for the purpose of entering into transactions of sale and purchase of the abovementioned capital markets products unless it has furnished the customer with a written risk disclosure document disclosing the material risks of the specified capital markets products in a prescribed form (Form 13), and receives an acknowledgement signed and dated by the customer that he has received and understood the nature and contents of the Form 13.

   A bank that provides fund management services shall not solicit or enter into an agreement with a prospective retail customer who is not its related corporation for the purpose of managing or guiding the retail customer's trading account for the purposes of futures contracts, spot foreign exchange contracts for the purposes of leveraged foreign exchange trading, and foreign exchange over-the-counter derivatives contracts by means of a systematic programme that recommends specific transactions unless it has delivered the prospective retail customer with a written risk disclosure document in a prescribed form (Form 14), and received an acknowledgement signed and dated by the prospective retail customer that he has received and understood the nature and contents of the Form 14.

   Regulation 47E also specifies that copies of Forms 13 and 14 are kept in Singapore.

   When we deal with you as an accredited investor, we are not under any statutory obligation to provide you with the risk disclosures in the manner contemplated under Regulation 47E of the SFR. You are therefore not protected by the risk disclosure requirements under Regulation 47E of the SFR.

7. **Section 99H(1)(c) of the SFA read with Regulations 3A(5)(c), (d), (e) and (7) of the SFR.** Section 99H(1)(c) of the SFA read with Regulations 3A(5)(c), (d) and (e) of the SFR provide that where a principal wishes to appoint an individual as a provisional representative or temporary representative in respect of any SFA regulated activity, the principal is required to lodge with the MAS an undertaking to ensure that (i) the provisional representative or temporary representative is accompanied at all times by an authorised person when meeting any client or member of the public in the course of carrying on business in any SFA regulated activity, (ii) the provisional representative or temporary representative sends concurrently to an authorised person all electronic mail that he sends to any client or member of the public in the course of carrying on business in any SFA regulated activity and (iii) the provisional representative or temporary representative does not communicate by telephone with any client or member of the public in the course of carrying on business in any SFA regulated activity, other than by telephone conference in the presence of an authorised person. An "authorised person" for these purposes refers to an appointed representative or a director of the principal, an officer of the principal whose primary function is to ensure that the carrying on of business in the SFA regulated activity in question complies with the applicable laws and requirements of the MAS or an officer of the principal appointed to supervise the representative in carrying on of business in the SFA regulated activity.

   When we deal with you as an accredited investor, we are not under any statutory obligation to restrict the interactions with you that may be undertaken by our provisional representatives or temporary representatives in the course of carrying on business in any SFA regulated activity in the manner set out in Regulations 3A(5)(c), (d) and (e) of the SFR. You are therefore not protected by the requirements of Section 99H(1)(c) of the SFA read with Regulations 3A(5)(c), (d) and (e) of the SFR.

8. **Regulation 33 of the SFR.** Regulation 33(2) of the SFR provides that a bank shall not lend or arrange for a custodian to lend the specified products of the customer unless it has explained the risks involved to the customer (Regulation 33(2)(a)) and obtained the customer's written consent to do so (Regulation 33(2)(b)). The requirement to explain the risks involved to the customer does not apply where the customer is an accredited investor, expert investor or institutional investor. However, regardless of whether the customer is a retail investor or an accredited investor, the bank shall nevertheless enter into an agreement with the customer to set out the terms and conditions for such lending, or as the case may be, enter into an agreement with the custodian setting out the terms and conditions for the lending and disclose these terms and conditions to the customer.

   When we deal with you as an accredited investor, we are not under any statutory obligation to explain the risks involved to you prior to us lending or arranging for a custodian to lend your specified products. You are therefore not protected by the requirements of Regulation 33(2)(a) of the SFR.

9. **Regulation 40 of the SFR.** Regulation 40(1) of the SFR provides that a bank is required to furnish to each customer on a monthly basis a statement of account containing certain particulars prescribed under Regulation 40(2) of the SFR. In addition, Regulation 40(3) of the SFR provides that a bank is required to furnish to each customer, at the end of every quarter of a calendar year, a statement of account containing, where applicable, the assets, derivatives contracts of the customer and spot foreign exchange contracts for the purposes of leveraged foreign exchange trading of the customer that are outstanding and have not been liquidated and cash balances (if any) of the customer at the end of that quarter.

   When we deal with you as an accredited investor and provided we have made available to you (on a real-time basis) the prescribed particulars in the form of electronic records stored on an electronic facility and you have consented to those particulars being made available in this manner or you have requested in writing not to receive the statement of account, we are not under any statutory obligation to furnish a monthly or quarterly statement of account to you. You are therefore not protected by the requirements of Regulations 40(1) and (3) of the SFR.

10. **Regulation 45 of the SFR.** Regulation 45 of the SFR provides that borrowing and lending of specified products by a bank (i) must be recorded in a prior written agreement between the bank and the lender or borrower or their duly authorised agent where such agreement includes certain prescribed details; and (ii) must be collateralised. In particular, the bank is required to ensure that the collateral provided must, throughout the period that the specified products are borrowed or lent, have a value of not less than 100% of the market value of the specified products borrowed or lent. Regulation 45 of the SFR further sets out the acceptable forms of collateral for these purposes.

    When we deal with you as an accredited investor, we are not under any statutory obligation to provide collateral to you under Regulation 45 of the SFR when we borrow specified products from you. Where we provide assets to you as collateral for the borrowing, the agreement shall specify whether the specified products borrowed and the assets provided comprising specified products (if any) are marked to market and if so, the procedures for calculating the margin. However (unlike for retail investors), the agreement does not have to include the requirement to mark-to-market on every business day the specified products that are borrowed nor the minimum collateral comprising specified products nor procedures for calculating the margins.

11. **Regulation 47DA of the SFR.** Regulation 47DA(1) and (2) of the SFR provide for certain general risk disclosure requirements that a bank dealing in specified capital markets products must comply with. For this purpose, "specified capital markets products" means capital markets products other than futures contracts, spot foreign exchange contracts for the purposes of leveraged foreign exchange trading and foreign exchange over-the-counter derivatives contracts. In particular, the bank must not open a trading account for a customer for the purpose of entering into transactions of sale and purchase of any specified capital markets products unless it has furnished the customer with a written risk disclosure document disclosing the material risks of the specified capital markets products, and receives an acknowledgement signed and dated by the customer that he has received and understood the nature and contents of the risk disclosure document. Further, the bank must not enter any transaction of sale or purchase of any specified capital markets products unless it has informed the customer whether it is acting in that transaction as a principal or agent and/or its intention to do so.

    When we deal with you as an accredited investor, we are not under any statutory obligation to provide you with the risk disclosures, and the capacity in which we act, in the manner contemplated under Regulation 47DA of the SFR. You are therefore not protected by the requirements under Regulation 47DA of the SFR.

    Under the FAA and the regulations, notices and guidelines issued thereunder:

12. **Section 26(1)(c) of the FAA read with Regulations 4A(4)(c), (d), (e) and (6) of the Financial Advisers Regulations ("FAR").** Section 26(1)(c) of the FAA read with Regulation 4A(4)(c), (d) and (e) of the FAR provides that where a principal wishes to appoint an individual as a provisional representative in respect of any financial advisory service, a principal is required to lodge with the MAS an undertaking to ensure that (i) the provisional representative is accompanied at all times by an authorised person when meeting any client or member of the public in the course of providing any financial advisory service, (ii) the provisional representative sends concurrently to an authorised person all electronic mail that he sends to any client or member of the public in the course of providing any financial advisory service and (iii) the provisional representative does not communicate by telephone with any client or member of the public when providing any financial advisory service, other than by telephone conference in the presence of an authorised person. An "authorised person" for these purposes refers to an appointed representative or a director of the principal, an officer of the principal whose primary function is to ensure that the provision of financial advisory service in question complies with the applicable laws and requirements of the MAS or an officer of the principal appointed to supervise the representative in providing the financial advisory service.

When we deal with you as an "accredited investor", we are not under any statutory obligation to restrict the interactions with clients or members of public that may be undertaken by our provisional representatives in the course of providing any financial advisory service in the manner set out in Regulations 4A(4)(c), (d) and (e) of the FAR. You are therefore not protected by the requirements of Section 26(1)(c) of the FAA read with Regulations 4A(4)(c), (d) and (e) of the FAR.

13. **Regulation 28 of the FAR.** Regulation 28 of the FAR provides an exemption to a corporation, not being a licensed financial adviser or an exempt financial adviser, which carries on the business of advising others either directly or through publications or writings or by issuing or promulgating research analyses or research reports, concerning bonds to an expert investor or an accredited investor, from having to hold a financial adviser's licence in respect of the above-stated activity.

    Regulation 28 also exempts certain exempt financial advisers from having to comply with requirements set out in sections 35 to 38 and 45 of the FAA. Briefly, these requirements are as follows. Section 35 of the FAA imposes an obligation on a financial adviser not to make any false or misleading statement or to employ any device, scheme or artifice to defraud. Section 36 of the FAA requires a financial adviser to have a reasonable basis for any recommendation on an investment product that is made to a client. Section 37 of the FAA provides that the MAS may by regulations determine the manner in which a financial adviser may receive or deal with client's money or property or prohibit a financial adviser from receiving or dealing with client's money or property in specified circumstances or in relation to specified activities. Section 38 imposes an obligation on a financial adviser to furnish information about any matter related to its business to the MAS if required by MAS for the discharge of its functions under the FAA. Section 45 of the FAA provides for certain disclosure of interest requirements when a financial adviser sends a circular or other written communication in which a recommendation is made in respect of specified products (i.e. securities, specified securities-based derivatives contracts or units in a collective investment scheme).

    When we deal with you as an accredited investor, in the course of us providing advice or analyses on bonds, we will not be required to comply with the requirements set out in sections 35 to 38 and 45 of the FAA. You are therefore not protected by these requirements.

14. **Regulation 32C of the FAR.** Regulation 32C of the FAR exempts a foreign research house from having to hold a financial adviser's licence in respect of advising others by issuing or promulgating any research analyses or research reports concerning any investment product to any investor under an arrangement between the foreign research house and a financial adviser in Singapore, subject to certain conditions. These include a condition that where the research analysis or research report is issued or promulgated to a person who is not an accredited investor, expert investor or institutional investor, the analysis or report must contain a statement to the effect that the financial adviser in Singapore accepts legal responsibility for the contents of the analysis or report without any disclaimer limiting or otherwise curtailing such responsibility.

    When we deal with you as an accredited investor, we need not expressly accept legal responsibility for the contents of any research analysis or research report issued or promulgated to you pursuant to an arrangement between us and a foreign research house. We are also not limited by the requirement to not include a disclaimer limiting or otherwise curtailing such legal responsibility. You are therefore not protected by these requirements under Regulation 32C of the FAR.

15. **Section 34 of the FAA, MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03] and MAS Practice Note on the Disclosure of Remuneration by Financial Advisers [Practice Note No. FAA-PN01].** Section 34 of the FAA imposes an obligation on a financial adviser to disclose to its clients and prospective clients all material information relating to any designated investment product recommended by the financial adviser, and provides that MAS may prescribe the form and manner in which the information shall be disclosed. "Material information" includes the terms and conditions of the designated investment product and the benefits and risks that may arise from the designated investment product.

    The MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA- N03] sets out the standards to be maintained by a financial adviser and its representatives with respect to the information they disclose to clients. The Notice also sets out the general principles that apply to all disclosures by a financial adviser to its clients and the specific requirements as to the form and manner of disclosure that the financial adviser has to comply with in relation to, among others, section 34 of the FAA. This is supplemented by the MAS Practice Note on the Disclosure of Remuneration by Financial Advisers, which provides guidance on the requirements imposed on a financial adviser in relation to disclosing the remuneration that it receives or will receive for making any recommendations in respect of an investment product, or executing a purchase or sale contract relating to a designated investment product on their clients' behalf.

As a result of our exemption from compliance with these requirements when we deal with you as an accredited investor, we are not under any statutory obligation to provide you with all material information on any designated investment product in the prescribed form and manner, e.g. the benefits and risks of the designated investment product and the illustration of past and future performance of the designated investment product. You are therefore not protected by the disclosure requirements in section 34 of the FAA and MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03] and the MAS Practice Note on the Disclosure of Remuneration by Financial Advisers [Practice Note No. FAA-PN01].

16. **Section 36 of the FAA and MAS Notice on Recommendations on Investment Products [Notice No. FAA-N16].** Section 36 of the FAA requires a financial adviser to have a reasonable basis for any recommendation on an investment product that is made to a client. The financial adviser is required to give consideration to the investment objectives, financial situation and particular needs of the client, and to conduct investigation on the investment product that is the subject matter of the recommendation, as is reasonable in all the circumstances. Failure to do so could, if certain conditions are satisfied, give the client a statutory cause of action to file a civil claim against the financial adviser for investment losses suffered by the client. The conditions are that the client suffers loss or damage as a result of doing a particular act (or refraining from doing a particular act) in reliance on the recommendation, where it is reasonable (having regard to the recommendation and all other circumstances) for the client to have done so in reliance on the recommendation.

The MAS Notice on Recommendations on Investment Products [Notice No. FAA-N16] sets out requirements which apply to a financial adviser when it makes recommendations on investment products to its clients (unless such recommendations fall within paragraphs 4A or 4B of the MAS Notice on Recommendations on Investment Products [Notice No. FAA-N16]). In particular, the Notice sets out: (i) the type of information the financial adviser needs to gather from its client as part of the "know your client" process; (ii) the manner in which the financial adviser should conduct its analysis of the client's financial needs and how it should present its investment recommendations; and (iii) documentation and record keeping requirements relating to this process. In this connection, a financial adviser is required to ensure that, before it makes any recommendation on an investment product which is neither listed nor quoted on an organised market, it has been informed by the product manufacturer of the investment product as to whether the investment product is a "Specified Investment Product" ("SIP"). The financial adviser is required to keep proper records of such information and accordingly convey this information to a client who intends to transact in the investment product.

SIPs include collective investment schemes and structured notes. A financial adviser is required to conduct a review of a client's knowledge and experience in derivatives for the purpose of making a recommendation to the client on, or allowing the client to transact in, a SIP which is approved in- principle for listing and quotation on, or listed for quotation or quoted on, an organised market ("Listed SIP"), before making a recommendation on any Listed SIP ("Customer Account Review"). Alternatively, if an investment product is an unlisted or unquoted SIP, prior to making a recommendation on such investment product, a financial adviser is required to conduct an assessment of the client's knowledge and experience in unlisted and unquoted SIPs ("Customer Knowledge Assessment"). In both cases, the financial adviser must take into account information on the client's educational qualifications, investment experience and work experience, where the client is a natural person. The financial adviser is required to comply with various procedures ("Procedures") depending on whether the client has the requisite knowledge and experience in the Listed SIP or the unlisted or unquoted SIP (as the case may be), including the provision of financial advice and/or obtaining senior management approvals.

A financial adviser is also required to furnish a client with certain prescribed risk warning statements before making a recommendation on any overseas-listed investment product ("Overseas-Listed Investment Product") for the first time on or after 8 October 2018, and obtain the customer's acknowledgement in respect of such risk warning statement.

As a result of our exemption from compliance with these requirements when we deal with you as an accredited investor, we are not under any statutory obligation to ensure that we have regard to the information possessed by us concerning your investment objectives, financial situation and particular needs and have given consideration to and conducted investigation of the subject matter of any recommendation, and that the recommendation is based on such consideration and investigation. We are also not statutorily required to conduct a Customer Account Review or Customer Knowledge Assessment to determine your investment experience and knowledge (which we would otherwise have been required to conduct if you are a natural person), nor are we required to comply with the Procedures or provide you with the prescribed risk warning statement for Overseas-Listed Investment Products. Further, you will not be able to rely on section 36 of the FAA in any claim against us for losses that may be suffered in respect of any investment that we may have recommended to you. You are therefore not protected by the requirements of section 36 of the FAA and MAS Notice on Recommendations on Investment Products [Notice No. FAA-N16].

17. **Section 45 of the FAA.** Section 45 of the FAA provides that when sending a circular or other written communication in which a recommendation is made in respect of specified products (i.e. securities, specified securities-based derivatives contracts or units in a collective investment scheme), a financial adviser is required to include a concise statement, in equally legible type, of the nature of any interest in, or any interest in the acquisition or disposal of, those specified products that it or any associated or connected person has at the date on which the circular or other communication is sent. Such circular or written communication must be retained by the financial adviser for five years.

    As a result of our exemption from compliance with section 45 of the FAA when we deal with you as an accredited investor, we are not under any statutory obligation to include such a statement of interest in specified products in any written recommendation or document that we may send to you. You are therefore not protected by the requirements of section 45 of the FAA if no disclosure is made of any interest that we or any associated or connected person may have in the specified products that we may recommend in such document.

18. **Sections 47 and 48 of the FAA, and MAS Notice on Requirements for the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework") and Independent Sales Audit Unit [Notice No. FAA-N20] ("BSC Notice") and MAS Guidelines on the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework"), Reference Checks and Pre-Transaction Checks [Guideline No. FAA-G14] ("BSC Guidelines").** Section 47 of the FAA provides that a financial adviser must establish and maintain a remuneration framework that contains terms consistent with the requirements prescribed by MAS for the purpose of (a) reviewing and assessing the performance of its representatives and supervisors; and (b) determining the remuneration of its representatives and supervisors. The financial adviser must review and assess the performance, and determine and pay the remuneration, of its representatives and supervisors in accordance with such remuneration framework.

    Section 48 of the FAA provides that a financial adviser must have an independent sales audit unit that reports to the board of directors and chief executive officer of the financial adviser or such unit determined by the board of directors or chief executive officer which is independent from all units of the financial adviser which provide financial advisory services. Such independent sales audit unit is required to audit the quality of the financial advisory services provided by the representatives of the financial adviser and to carry out the functions and duties prescribed by MAS, in the prescribed manner.

    The BSC Notice sets out the requirements in relation to the design and operation of the balanced scorecard framework which a financial adviser is required to put in place in their remuneration structures for their representatives and supervisors, and the independent sales audit unit. The BSC Guidelines provide general guidance on some of the requirements of the BSC Notice, such as the post-transaction checks and classification of infractions by the independent sales audit unit. In addition, the BSC Guidelines set out the measures to be applied to all existing and newly recruited representatives who have been assigned a balanced scorecard grade of "E" and all supervisors who have been assigned a balanced scorecard grade of "Unsatisfactory" under the balanced scorecard framework, as well as obtaining and sharing of information on the representatives' and supervisors' balanced scorecard grades during reference checks. The BSC Guidelines also set out the MAS' expectation for a financial adviser to conduct pre-transaction checks to minimise the impact of the balanced scorecard framework on its representatives and supervisors.

    As a result of our exemption from compliance with these requirements when we deal with you (if you are a natural person) as an accredited investor, we are not under any statutory obligation to either (a) establish or maintain such a remuneration framework, or to review and assess the performance, and determine and pay the remuneration, of our representatives and supervisors in accordance with such a remuneration framework, or (b) to have an independent sales audit unit to audit the quality of the financial advisory services provided by our representatives. You are therefore not protected by the requirements of sections 47 and 48 of the FAA, the BSC Notice and the BSC Guidelines.

19. **Regulation 18B of the FAR.** Regulation 18B of the FAR provides that before selling or marketing certain new products, a financial adviser is required to carry out a due diligence exercise to ascertain whether such new product is suitable for the targeted client. The due diligence exercise must include an assessment of several areas, including (i) an assessment of the type of targeted client the new product is suitable for and whether the new product matches the client base of the financial adviser; (ii) the key risks that a targeted client who invests in the new product potentially faces; and (iii) the processes in place for a representative of the financial adviser to determine whether the new product is suitable for the targeted client, taking into consideration the nature, key risks and features of the new product. The financial adviser is prohibited from selling or marketing any new product to any targeted client unless every member of its senior management has, on the basis of the result of the due diligence exercise, personally satisfied himself that the new product is suitable for the targeted client and personally approved the sale or marketing of the new product to the targeted client. "Targeted client" excludes accredited investors.

As a result of our exemption from compliance with Regulation 18B of the FAR when we deal with you as an accredited investor, we are not under any statutory obligation to carry out a due diligence exercise to ascertain whether any new product we wish to sell or market to you is suitable for you. You are therefore not protected by the requirements of Regulation 18B of the FAR.

20. **Regulation 3(2)(a)(ii) of the Financial Advisers (Complaints Handling and Resolution) Regulations 2021 ("CHR Regulations").** Regulation 3(2)(a)(ii) of the CHR Regulations provides that the CHR Regulations apply to any complaint that is made on or after 3 January 2022 by any client or prospective client of a financial adviser (whether licensed or exempt) who, at the time when the complaint is made, is not an accredited investor, expert investor or institutional investor. Transactions entered into before you opt out of your accredited investor status will not be affected by the change in status. We will continue to deal with you as if you were an accredited investor in respect of any transaction entered into with you prior to your change in status.

The CHR Regulations set out the requirements for a financial adviser in relation to the handling and resolution of complaints made by retail clients and prospective retail clients who are natural persons (including, for the avoidance of doubt, trustees and individual proprietors of sole proprietorships). For this purpose, a complaint refers to a complaint made by a named client or named prospective client containing an allegation of any conduct which, if true, may constitute a contravention of a business conduct requirement or an unfair practice in relation to the provision of a financial advisory service.

Where the CHR Regulations are applicable, a financial adviser must: (a) establish a unit for handling and resolving complaints, comprising of officers and employees who are not directly involved in providing any financial advisory service (the **"CHR Unit"**), and ensure that any complaint received by it is handled or resolved by the CHR Unit or a person under the supervision of the CHR Unit; and (b) establish and comply with a process for handling and resolving complaints (the **"CHR Process"**). A financial adviser must ensure that the CHR Process provides for: (i) the assessment of the merits of each complaint; (ii) the criteria for determining whether a complaint should be referred to its senior management for them to decide on the response to the complaint; and (iii) a reasonable timeframe for handling and resolving complaints.

The CHR Process must include procedures for the following matters: (a) acknowledging receipt of the complaint and providing the complainant with a written notice summarising the financial adviser's CHR Process within two business days; (b) interviewing of the complainant; (c) reviewing of the complaint and completion of such review; (d) ensuring that the complainant is kept informed of the complaints handling status; (e) sending the complainant its final response to the complaint or a written response setting out certain matters within 20 business days, where a complaint is rejected, the financial adviser must provide the complainant with written reasons for the rejection; and (f) where the complainant accepts an offer of redress or remedial action, paying the money offered as redress or carrying out of remedial action.

A financial adviser is also required to appoint member(s) of its senior management who are not directly involved in the provision of any financial advisory service to be responsible for the oversight of compliance with the CHR Regulations, and to ensure that information on its CHR Process, including information on how to make a complaint and the contact details of the CHR Unit), is available to and can be easily accessed by members of the public.

A financial adviser must establish a system to record, track and manage complaints, and keep a record of each complaint received for at least five years after the date on which the complaint is deemed to be resolved. It also has to prepare half-yearly reports setting out the complaints received and the actions undertaken to resolve each complaint and submit the reports to MAS.

As a result of our exemption from compliance with these requirements when we deal with you (if you are a natural person) as an accredited investor, the CHR Regulations will not apply to any complaints we receive from you ("your complaints"). As a result, we are not statutorily obliged to handle and resolve your complaints according to the requirements under the CHR Regulations. In particular, we are not under any statutory obligation to: (a) establish a CHR Unit, or ensure that your complaints are resolved by the CHR Unit or a person under the supervision of the CHR Unit; (b) establish or maintain a CHR Process for handling and resolving complaints in the prescribed manner, or ensure that your complaints are handled and resolved in accordance with the CHR Process; (c) provide reasons for rejecting your complaints; or (d) keep a record of, track or manage your complaints. Further, we are not statutorily obliged to (i) appoint member(s) of our senior management to be responsible for compliance with the CHR Regulations; (ii) ensure that the prescribed information on our complaints handling and resolution process is available to and easily accessible by members of the public; or (iii) include your complaints in any reports submitted to the MAS for the purposes of the CHR Regulations. You are therefore not protected by the requirements of the CHR Regulations.

PART B

This part applies in respect of the private banking products and services provided to you by, and your account with Barclays Bank PLC (London head office, Jersey branch, Isle of Man branch or Monaco branch) or Barclays Bank (Suisse) SA (each a "Barclays Offshore Platform", and together the "Barclays Offshore Platforms" or "we" in this Part B).

The following sets out the effect under the consent provisions of you being treated by the Barclays Offshore Platforms as an accredited investor.

Where the Barclays Offshore Platforms deal with you in your account and private banking products or services as an accredited investor under the cross-border exemption framework, the Barclays Offshore Platforms would be exempted from having to hold a capital markets services licence ("CMSL") for the relevant regulated activities under the SFA and/or a financial adviser's licence ("FA Licence") for providing financial advisory services under the FAA. In general, capital markets intermediaries that conduct regulated activities under the SFA are required to hold a CMSL and entities that provide financial advisory services under the FAA are required to hold an FA Licence. However, the Barclays Offshore Platforms may provide you with private banking accounts, products or services without being licensed or subject to conduct of business and other ongoing compliance requirements under the SFA and/or the FAA, where such products and services are provided pursuant to the cross-border exemption frameworks in the Securities and Futures (Exemption for Cross-border Arrangements) (Foreign Related Corporations) Regulations 2021, the Securities and Futures (Exemption for Cross-border Arrangements) (Foreign Offices) Regulations 2021, the Financial Advisers (Exemption for Cross-border Arrangements) (Foreign Related Corporations) Regulations 2021 or the Financial Advisers (Exemption for Cross-border Arrangements) (Foreign Offices) Regulations 2021.

As a result of not having to be licensed under the SFA and/or the FAA, the Barclays Offshore Platforms would not be subject to the regulatory capital requirements and other ongoing conduct of business requirements that would otherwise apply to CMSL holders and/or FA Licence holders. You would therefore not enjoy the benefit of the protection that these regulatory requirements are intended to confer on customers of such capital markets intermediaries.

The following sets out a description of the key regulatory capital requirements and ongoing conduct of business requirements that capital markets intermediaries who are CMSL holders and/or FA Licence holders are subject to.

Please note that the relevant regulatory requirements may be amended and updated from time to time due to regulatory changes or otherwise.

1. **Capital and Other Financial Requirements.** These include minimum base capital, risk-based capital adequacy requirements, as well as minimum margin requirements when dealing in contracts for differences or spot foreign exchange contracts for the purposes of leveraged foreign exchange trading with customers. A capital markets intermediary is also required to make quarterly and annual filings on its financial position to the MAS.

2. **Representative Registration Requirements.** A capital markets intermediary is required to ensure that individuals who carry on regulated activities on its behalf are appointed as representatives. For an individual to be appointed as a representative, the individual must meet certain minimum entry requirements, satisfy the minimum academic qualification requirements, comply with the Capital Markets and Financial Advisory Services examination requirements (unless exempted) and be certified as a fit and proper person. Appointed representatives must undergo continuing professional development training.

3. **Fit and Proper Requirements.** A capital markets intermediary is required to ensure that it is a fit and proper person to carry on regulated activities. It is also required to ensure that its substantial shareholders, directors, chief executive officer and representatives are fit and proper persons. The approval of the MAS must also be obtained for the appointment of any director or the chief executive officer of a capital markets intermediary.

4. **Customer's Moneys and Assets Rules.** A capital markets intermediary is required to take certain prescribed measures to safeguard customers' moneys and assets. Moneys and other assets received from or on account of a customer must be placed in trust or custody accounts maintained with regulated deposit-taking institutions or custodians, be segregated from the proprietary monies and assets of the capital markets intermediary, and must not be used or withdrawn except in accordance with the applicable rules. A capital markets intermediary is also required to keep proper records of its customers' holdings, complete daily and monthly computations of customers' moneys and assets in trust and custody accounts, and provide its customers with periodic statements of account. Certain disclosures must also be provided to customers.

5. **Conduct of Business Requirements.** A capital markets intermediary is subject to various other conduct of business requirements, depending on the nature of the product or service being provided. The requirements include, without limitation, requirements relating to customer suitability, customer disclosures, giving priority to customers' transactions, conflicts of interest, provision of statements and contract notes, record-keeping and risk management.

6. **Prospectus Exemptions under Sections 275 and 305 of the SFA.** Under Part 13 of the SFA, all offers of securities and securities-based derivatives contracts, and units of collective investment schemes are required to be made in or accompanied by a prospectus in respect of the offer that is lodged and registered with the MAS and which complies with the prescribed content requirements, unless exempted. The SFA further provides for criminal liability for false and misleading statements contained in the prospectus, omissions to state any information required to be included in the prospectus or omissions to state new circumstances that have risen since the prospectus was lodged with the MAS which would have been required to be included in the prospectus if it had arisen before the prospectus was lodged with the MAS. In addition, certain persons, including the person making the offer, the issuer, the issue manager and the underwriter (the "Persons") may be liable to compensate any person who suffers loss or damage as a result of the false or misleading statement in or omission from the prospectus, even if such persons were not involved in the making of the false or misleading statement or the omission.

   Sections 275 and 305 of the SFA are exemptions from the prospectus registration requirement under the SFA, and exempt the offeror from registering a prospectus when the offer of securities and securities-based derivatives contracts, and units of collective investment schemes is made to relevant persons. Relevant persons include accredited investors. In addition, secondary sales made to institutional investors and relevant persons, which include accredited investors, remain exempt from the prospectus registration requirement provided that certain requirements are met.

   Subsequent Sales: Subsequent sales of securities, securities-based derivatives contracts and collective investment schemes are subject to restrictions under Section 276(1) and 276(2) or, as the case may be, Sections 305A(1)(b) such that subsequent sales to relevant persons (including accredited investors) will continue to be exempt from prospectus requirements.

   Where securities, securities-based derivatives contracts and collective investment schemes are subscribed or purchased under Section 275 or 305 of the SFA by a relevant person which is:

   (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor (the "**Corporation**"); or

   (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor (the "**Trust**"),

   inter alia, securities of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities, securities-based derivatives contracts and collective investment schemes pursuant to an offer made under Section 275 or 305 of the SFA except, inter alia, to an institutional investor or to a relevant person.

   If you opt to be treated as an accredited investor, the above restrictions will not apply and you will not be prohibited from being a transferee of the securities of the Corporation or interests in the Trust in the circumstances specified.

   When we deal with you as an accredited investor, the issuer and/or offeror is exempt from the prospectus requirements under Part 13 of the SFA pursuant to the exemptions under Sections 275 and 305 of the SFA. As a result of this, the issuer and/or offeror is not under any statutory obligation to ensure that all offers of the relevant products to you are made in or accompanied by a prospectus that is lodged and registered with the MAS and which complies with the prescribed content requirements. Consequently, the issuer and/or offeror is not subject to the statutory prospectus liability under the SFA and you would not be able to seek compensation from the Persons under the civil liability regime for prospectuses even if you suffer loss or damage as a result of any false or misleading statement in or omissions in the offering document. Subsequent sales of securities, securities-based derivative contracts and collective investment schemes first sold under inter alia Section 275 and 305 can also be made to you, as well as transfers of securities of Corporations and interests in Trusts. You are therefore not protected by the prospectus registration requirements of the SFA.

7. **Restrictions on Advertisements under Sections 251 and 300 of the SFA.** Sections 251 and 300 of the SFA prohibit any advertisement or publication referring to an offer or intended offer of securities and securities-based derivatives contracts, and units of collective investment schemes from being made, except in certain circumstances. In this regard, where a preliminary document has been lodged with the MAS, certain communications may be made. These include the dissemination of, and presentation of oral or written material on matters contained in, the preliminary document which has been lodged with the MAS to institutional investors and relevant persons under Sections 251(3), 251(4)(a), 300(2A) and 300(2B)(a) of the SFA. Relevant persons include accredited investors.

   When we deal with you as an accredited investor, you may receive communications relating to a preliminary document which has been lodged with the MAS. You are therefore not protected by the requirements of Sections 251 and 300 of the SFA.

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