



## Leveraged and Inverse Exchange Traded Funds Risk Disclosure Statement (Cont'd)

- (iii) As such, L&I ETFs are more suitable for short term trading/ positioning. Holding L&I ETFs units for more than a day could result in investment returns that deviate greatly from the multiple of performance of an index or a multiple of the inverse performance of an index that the L&I ETFs are supposed to track;
  - (iv) Placing of contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit your losses to the intended amount. Market conditions may not make it possible to execute such orders;
  - (v) The leverage obtained from a leveraged ETF can work against you as well as for you. It could lead to large losses as well as gains;
  - (vi) It is in the investor's best interests to take effort to study all risks as contained in the prospectus of the L&I ETFs, including but not limited to interest rate risks, country risks, credit risks, foreign exchange risks, futures rollover risks, counterparty risks and liquidity risks; and
  - (vii) If an investor engages in purchase of L&I ETF units using margin financing or short sale of L&I ETF units, he or she may gain higher profits when the price movement conforms to expectations, or may otherwise suffer bigger losses. An investor may also face a margin call by the lender if the collateral maintenance ratio drops.
- 3) This brief statement cannot disclose all the risks and other aspects of purchasing L&I ETF units. You should carefully study the requirements pertaining to L&I ETFs and the content of the prospectus of L&I ETFs before you decide to purchase. If you are in doubt in relation to any aspect of this statement or the terms of L&I ETFs, you should consult your Participating Organisation, i.e. broker.

**I acknowledge that I have read the leveraged and inverse Exchange Traded Funds (L&I ETFs) Risk Disclosure Statement and understand its contents which have been explained to me.**

### Form of Disclosure by Client

\* I am at least eighteen (18) years old and am neither insolvent nor an undischarged bankrupt (\*For individual only)

I/ We<sup>1</sup> hereby declare that the information given in this application form is true and correct and I/ we have not withheld any material facts or information from Apex Securities Berhad ("ASB"). I/ we further authorise ASB to verify the information given from any source and in such manner as ASB shall deem fit. I/ we further understand that ASB has absolute discretion in accepting or rejecting this application without giving any reason whatsoever.

I/ We declare and agree that this application is subject to ASB approval and ASB are absolutely entitled at ASB sole discretion to reject the application or impose such conditions and/ or restrictions as ASB may deem fit without giving any reasons thereto.

**I/ We have read and understood the following sections in this application form and agree to abide by the same:**

**Please tick the following:**

<input type="checkbox"/>	Declaration on Qualified Investor
<input type="checkbox"/>	Leveraged & Inverse ETFs Risk Disclosure Statement
<input type="checkbox"/>	Form of Disclosure by Client

And I/ we make this solemn declaration conscientiously believing the same to be true.  
SUBSCRIBED AND SOLEMNLY declared by the account holder:

This  day of \_\_\_\_\_ 20

**Signature of Client** : \_\_\_\_\_  
(Individual / Corporate) (Authorised Signatory/ ies)

Delete where not applicable

**Signature of Witness** : \_\_\_\_\_  
(Licensed Dealer's Representative, Authorized Personnel or Management of ASB or a Commissioner for Oaths / Notary Public)

**Name of Client / Company** : \_\_\_\_\_

**Name of Witness** : \_\_\_\_\_

**NRIC / Passport No / Registration Number** : \_\_\_\_\_

**NRIC / Passport No.** : \_\_\_\_\_

**Designation** : \_\_\_\_\_

Please affix company stamp / seal (if applicable)  
(for Corporate Application only) : \_\_\_\_\_

Notes: <sup>1</sup> The word "We", "us", and "our" under this Section refers to Company (the Corporate Client).

### Dealer's Representative Declaration

How long have I known the Applicant: \_\_\_\_\_ Year Any relationship/ introduced by: \_\_\_\_\_

Contact to Average:  Yes  No Other Information: \_\_\_\_\_

I, the Dealer's Representative servicing this account, accept all responsibilities financial or otherwise, for the Applicant. I declare and agree that the management of ASB have the sole-discretion to request for additional supporting document and I'm obliged to comply to the request.

Signed by: \_\_\_\_\_ Name: \_\_\_\_\_

Trader Code: \_\_\_\_\_

Date: \_\_\_\_\_ NRIC No: \_\_\_\_\_

**Credit Management Department**

Date Received: \_\_\_\_\_ Initial: \_\_\_\_\_ Form Completed: YES / NO

Checked Blacklist File:  Yes  No Client Annual Income: \_\_\_\_\_

Paid Up Capital: \_\_\_\_\_ Shareholder Fund: \_\_\_\_\_ Counterparty Limit: \_\_\_\_\_

Checking	Result
<p><b>CTOS Info</b></p> <p><input type="checkbox"/> Legal Action</p> <p><input type="checkbox"/> Directorship/ Shareholder</p> <p><input type="checkbox"/> No Record</p>	<p><input type="checkbox"/> Summons; No of Summons: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/></p> <p><input type="checkbox"/> Company with winding up petition</p> <p>Remarks: _____</p> <p>Number of Directorships: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/></p> <p>Number of Shareholder: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/></p> <p><input type="checkbox"/> Bankruptcy; No of Bankruptcy: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/></p> <p><input type="checkbox"/> Other Legal Action: _____</p> <p>Remarks: _____</p>
<p><b>Remisier</b></p> <p><input type="checkbox"/> Suspended</p> <p><input type="checkbox"/> Not Suspended</p>	<p>Good Trading Record: <input type="checkbox"/> Yes <input type="checkbox"/> No Working Capital (RM): _____</p> <p>Other Remarks: _____</p> <p>_____</p>
<b>Recommendation for Approval</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Vetted by:</b>	Remarks: _____ _____ Date: _____
<b>Approved by Authorised Personnel</b>	Remarks: _____ _____ Date: _____

**Business Support Department** (after approval)

Date Received: \_\_\_\_\_ Initial: \_\_\_\_\_

Data Entry by: \_\_\_\_\_ Date: \_\_\_\_\_

Verified by: \_\_\_\_\_ Date: \_\_\_\_\_

Effective Date: \_\_\_\_\_ Remarks: \_\_\_\_\_

**Compliance Department**

Checked by: \_\_\_\_\_ Date: \_\_\_\_\_

Remarks: \_\_\_\_\_