

Taipei Exchange Spot Gold Risk Disclosure Statement (Template)

This Risk Disclosure Statement is adopted pursuant to Article 20 of the Taipei Exchange (TPEX) Rules Governing the Registration and Trading of Spot Gold.

For placing orders with securities brokers to trade spot gold through existing trading accounts used for the trading of securities on the TPEX, investors should, before making any trading decisions, carefully assess their own financial capabilities and economic circumstances, understand the potential risks associated with trading spot gold, and in particular consider and be aware of the following:

1. The trading of spot gold is made based on the investor's own judgments.
2. Before trading spot gold, the investor fully understands that:
 - (1) The price quotation unit and trading unit for spot gold is 1 Taiwan mace (3.75 grams). The quantity of a trading order shall be 1 trading unit or an integer multiple thereof.
 - (2) There is no daily price limit on the trading of spot gold.
 - (3) The investor shall place an order with a securities broker to trade spot gold through the Gold Trading Platform with a market maker for the respective spot gold product. The trade will be executed at a price quoted by a market maker available at the time the trade is being executed. The price quoted by the market maker will be determined based on the acquisition cost plus a reasonable profit and also by market supply and demand. The quoted price may be different from the published prices available from banks, jewellery shops, or other gold merchants.
 - (4) Spot gold prices are highly linked to changes in international gold prices and at times may be highly volatile. The investors should carefully assess their own risk bearing capacity.
 - (5) Spot gold withdrawal and conversion will be handled in accordance with relevant rules of the Taiwan Depository & Clearing Corporation and rules of a relevant spot gold custodian regarding conversion and withdrawal. Different spot gold custodians may have different spot gold withdrawal procedures, specification requirements for physical gold, or surcharges.
 - (6) Rules with respect to settlement-related obligations, handling of out-trades and defaults, and relevant rights and obligations.
3. Pursuant to Section 1 of the TPEX Account Opening Agreement for Securities Trading on the TPEX, the TPEX Rules Governing the Registration and Trading of Spot Gold and relevant TPEX announcements constitute an integral part of that Agreement.

The risks disclosed in this Risk Disclosure Statement merely represent a summary and are not exhaustive of all the possible risks and factors affecting market conditions to

which spot gold trading is susceptible. In addition to carefully reading this Risk Disclosure Statement, investors should also be alert to other factors that could influence an investment decision, and conduct proper financial planning and risk assessment before trading.

I/We (the Principal) hereby declare that I/We agree to be solely responsible for the risks involved in trading spot gold. I/We have been duly informed by _____, a specialist of _____ Securities Co., Ltd., and fully understand the various kinds of risks involved in trading spot gold, and have received the Risk Disclosure Statement.

This Statement is submitted to:

_____ Securities Co., Ltd.

Principal (declarant): (signature or seal)

Date:

National ID No.:

Business administration No.:

Representative:

Tel.:

Fax:

(This Risk Disclosure Statement is produced in duplicate originals, one of which shall be retained by the Principal, and the other shall be retained by the securities broker for recordation.)