

INVESTMENT POLICY STATEMENT (“IPS”)

The purpose of the IPS is to document guidelines used by Kristal.AI with respect to the provision of Investment Advisory services in accordance with regulatory requirements.

KRISTAL INVESTMENT COMMITTEE (KIC)

Senior Management within the Kristal.AI comprise the KIC. The KIC is responsible for ensuring the Customers portfolio is being managed in accordance with the IPS. The KIC shall provide the framework for creating and managing investment strategies (each a KRISTAL), assessing the Customers risk profile and sophistication level to allow for appropriate creation and management of Customers portfolio.

KRISTAL CREATION AND MANAGEMENT

KIC determines the rules and constraints governing each Kristal, which should take into account both quantitative and qualitative factors and all risks involved, including but not limited to credit risk, liquidity risk, counterparty risk, use of leverage, volatility. Every Kristal should be assigned a rating. The rating is subject to the amendments by KIC from time to time without prior notice to the Customer.

INVESTOR PROFILE (IP)

The Investor Profile of Customers which is created and maintained based on information provided by Customers and collated by us using tools when Customer uses the Platform is considered for determining Customers asset allocation and other additional security or sector restrictions. The IPS shall be made available on Platform and the IP shall be made available to Customer upon request; Any modifications a Customer wishes to make to the IP must be sought in writing and applied as soon as practicable.

INVESTMENT OBJECTIVES & STRATEGIES

Workflows on the Kristal.AI Platform requires the Customer to specify their Investment Objectives. These may include the Customer’s Target Tenor, Risk Profile, Experience Level and Asset Preferences. The Customer may change their Investment Objectives over time or for certain amounts of investment, and Risk Profile (subject to Kristal.AI approvals) on the Platform or by sending an email anytime to support@kristal.ai.

RISK PROFILE

The Platform will use the information provided on the Platform to ascertain the Customer’s Risk Profile level. Retail Investors may have a MAXIMUM Risk Profile/ Sophistication Level. The Customer may only see and subscribe to Portfolios that suit their Risk Profile.

PERMITTED ASSET CLASSES

Kristal.AI intends to focus on liquid products, predominantly exchange traded on a globally recognised exchange and accessible via cost-effective execution brokers. The products shall include all listed products including:

1. Stocks / Equity
2. Exchange Traded Funds (ETFs)
3. Foreign Exchange (Leveraged FX is not part of the products list).
4. Futures & Options
5. Bonds (Fixed Income instruments)
6. Convertibles
7. Other listed securities
8. Cash and Cash Equivalents
9. Any investment, right or contract similar to or having substantially the same purpose as any of the above

For Customers classified as Retail Investors (within the meaning set out in the SFA), the permitted products are limited to:

1. Exchange Traded Funds (Unlevered, non-synthetic / non-inverse)
2. Foreign Exchange
3. Stocks / Equity (however, not for Clients of Kristal Advisors (SG) Pte Ltd)
4. Bonds / Fixed Income Instruments (however, not for Clients of Kristal Advisors (SG) Pte Ltd)
5. Cash and Cash Equivalents
6. Any investment, right or contract similar to or having substantially the same purpose as any of the above

Specifically, Retail Investors who are Customers of Kristal.AI' Hong Kong entity ONLY Noncomplex products traded on SEHK or on an exchange in a specified jurisdiction. Definitions are as follows:

<https://www.sfc.hk/web/EN/rules-and-standards/suitability-requirement/non-exhaustivelist-of-examples-of-non-complex-and-complex-products/>

<http://www.sfc.hk/web/EN/rules-and-standards/suitability-requirement/non-exhaustivelist-of-examples-of-non-complex-and-complex-products/list-of-specified-jurisdictions.html>

The Investment Manager intends to focus on liquid products accessible via cost-effective execution brokers. The products shall include all exchange traded products on SEHK or an exchange in a specified jurisdiction including:

1. Stocks
2. Non-Complex Bonds
3. Non-Derivative ETFs & REITs
4. Non-Derivative Funds & any other SFC specified investment products
5. Cash and Cash Equivalents
6. Forex (Leveraged FX is not part of the products list)
7. Any product determined to be non-complex by the Manager after carrying out the above assessment with due skill, care and diligence. For example, where the product is of the same type as a non-complex product in this list of examples and is regulated in or traded on an exchange in a specified jurisdiction.

ASSET ALLOCATION

The investment strategy or recommendation will be based on the asset allocation suggested by your IP. Where Kristal.AI provides Investment Management services, Kristal.AI will aim to bring Customers Portfolio in line with the recommended asset allocation within fourteen (14) days from the date that the Portfolio is funded. Subsequent changes in asset allocation necessitated by changes in market prices/valuations, changes in IPS or IP or the addition of incremental funds will also be executed in fourteen (14) days from relevant date.

GEOGRAPHICAL SCOPE

We expect the strategies we approve to cover all major financial markets such as Australia, Japan, Hong Kong Special Administrative Region of the People's Republic of China, Singapore, Europe and the United States of America.

LEVERAGE/ SECURITIES LENDING, REPO AND REVERSE REPO TRANSACTIONS

Kristal.AI may use leverage provided by the Custodian against any part of the Portfolio with the prior consent of the Customer and subject to any borrowing or leverage parameters set by the Customer.

For Managed Investment Accounts of Customers who are classified as Retail Investors, the Investment Manager will NOT use leverage within the Portfolio where it is not permitted by regulation. However, REPO, Reverse REPO and Securities Lending transactions may be undertaken in order to enhance the returns in the Portfolio. The Investment Manager relies upon the Custodian to manage the risks on these collateralized transactions and the Customer is subject to any risk on account of failure of the Custodian (with whom the Customer has agreements as specified under Other Terms below).

NEW ISSUANCES / IPO

In relation to fixed income, the capital market information that drives asset allocation outcomes is based upon unlisted fixed income assets. Kristal.AI generally utilises hybrid/listed fixed income for exposure to this asset class which may have different risk/return characteristics, particularly when demand for credit risk changes.

PROHIBITED INVESTMENT TYPES

Kristal.AI will not invest directly on behalf of a Customer in any Kristal Group entities.

MONITORING AND CONTROL PROCEDURES

Where Kristal.AI provides Investment Management services, Kristal.AI operates a secure website that allows Customers to monitor activity in their Portfolio. Kristal.AI undertakes best endeavors to update the website within three (3) Business Days of activity in the Portfolio. Kristal.AI shall make multiple customised reports available via the Platform to the Customer based on requirements including those required at the end of the year for tax and regulatory purposes. It is the Customer's responsibility to keep requests and delivery addresses updated on the Platform.

DUTIES AND RESPONSIBILITIES OF THE CUSTOMER

The Customer shall be responsible for providing all relevant information on their financial condition and risk tolerance for determining and reviewing the investment objectives, goals and guidelines on the IP for the Portfolio and advising Kristal.AI of any changes/updates in their IP on a periodic/timely basis. The Customer should also inform Kristal.AI of all considerations so that, where applicable, the Portfolio is in accordance with the Customer's Trust Deed, Constitution and/or any other legal obligations. Kristal.AI shall take all reasonable steps to educate and highlight this to Customers.

DUTIES AND RESPONSIBILITIES OF KRISTAL.AI

Kristal.AI is expected to provide recommendations and/or manage the Portfolio in a manner consistent with this IPS and in accordance with applicable law. Kristal.AI shall act on behalf of the Customer until the Customer decides otherwise. Kristal.AI shall be responsible for:

1. implementing the IPS in line with the IP;
2. monitoring the performance of all selected assets (where applicable); and
3. implementing changes to any of the above (where applicable).

OTHER TERMS

Aggregation: Kristal.AI may aggregate Customer trades with trades of other Customers when, in our judgment, aggregation is in the best interest of all Customers involved. Orders are aggregated to facilitate seeking of best execution, to negotiate more favorable commission rates, or to allocate equitably among Customers the effects of any market fluctuations that might have otherwise occurred had these orders been placed independently. The transactions are averaged as to price and allocated as to amount according to the daily purchase and sale orders actually placed for each Customer Portfolio.

Liquidation: We will use reasonable endeavors to generate sufficient cash in your Portfolio within five (5) to ten (10) Business Days after we receive your written liquidation request, but our ability to do this will be subject to market factors. Subject to IPS or written instructions, we will determine which investments will be realised to satisfy the liquidity requirement.

Custodian/Broker Terms: The Customer has already signed multiple agreements and disclosures with the Broker/Custodian which may permit them to, without notice, pledge, re-pledge, hypothecate or re-hypothecate Customer's securities and assets, separately or together with those of other Customers, for amounts due, as well as exercise other control on the Customer's assets. The IPS will operate subject to these restrictions.

REBALANCING OF PORTFOLIO

1. For the purpose of realigning the weightings of the Portfolio in accordance with the IP, Kristal.AI may procure for the auto-rebalancing of the Portfolio irrespective of market conditions and exercise its investment management powers under the following circumstances:
 - (i) Revision made by the Customer to their risk profile with respect to their Portfolio which triggers the re-computation of their sophistication level and the corresponding update of the investment recommendations provided to them; and
 - (ii) Kristal.AI's own initiated re-computation of the Customer's sophistication level and the corresponding update of the investment recommendations provided to them.
2. The Customer acknowledges and accepts that while the auto-rebalancing is provided free of any charges or fees imposed by Kristal.AI, in case of Managed Investment Accounts, the Customer is solely responsible for any execution cost for any transaction arising therefrom imposed by the execution broker.
3. The Customer is entitled to opt out of the auto-rebalancing despite a change in IP. Kristal.AI will seek in writing from Customer an acknowledgement that they accept the risks and consequences of the opt-out, including in particular, their Portfolio may no longer maintain the recommended asset allocation over time and the original Portfolio which they may invest or have invested into according to the recommendation of Kristal.AI could become unsuitable for them. In seeking such acknowledgement, Kristal.AI shall notify the Customer that failure to provide such acknowledgement in a timely fashion may result in auto-rebalance and that such auto-rebalance may come at a cost to the Customer.

METHODOLOGY FOR ASSESSING AND ASSIGNING RATINGS TO INVESTMENT PRODUCTS

The Platform provides the Customer with a range of investment strategies (each a "**Kristal**"). Below are some details relating to the Kristal:

1. A Kristal may either be an ETF referenced to multiple underlying instruments or contain multiple instruments under the scope of the IPS.
2. Each Kristals is based on a theme and the control and management responsibility of which are vested Kristal.AI.
3. Kristal.AI will not recommend or offer any Kristal which contain instruments to the Customer outside the scope of IPS. The risk profile / sophistication level / IP of a Customer will determine which Kristal they may invest in.
4. Back-tests and/or track records should be made available for each Kristal as far as practicable along with a standardized series of benchmarks to facilitate comparisons. The pricing and mark-to-market value of each Kristal should also available on the Platform.
5. Each Kristal should be vetted and approved by the Kristal Investment Committee (the "KIC") or in accordance with the procedures approved by the KIC before its creation.