

BROKER DISCLOSURE STATEMENT

28 November 2017

Y&J Investment Ltd is a New Zealand registered financial service provider. The company registration can be verified at the New Zealand Companies Office Website at <https://www.companiesoffice.govt.nz/fsp>

In this Broker Disclosure Statement, you will find the following information:

- (a) Contact details,
- (b) Fees,
- (c) Material interests, relationships or associations,
- (d) Remuneration,
- (e) Dispute resolution arrangements,
- (f) Criminal and civil litigation history,
- (g) Information relating to the broking service provided.

a) Contact Details

Y&J Investment Ltd is an incorporated New Zealand limited company which can be contacted at the following address:

Suite D, Level 1, 2 Kalmia Street Ellerslie, Auckland 1051 New Zealand.

Email: service@yjsecurities.co.nz

Telephone: (64) 9 579 8882

b) Fees

The fees and charges applicable to the Services provided to you will be either:

- (a) the fees and charges agreed in writing in respect of any particular Services;
- (b) or in respect of any other Services, fees and charges which are not subject to any written agreement, the fees and charges notified by us to you from time to time. We may notify you of our fees and charges by including those fees and charges in our Client Services Agreement, by posting those fees and charges on our website or by notifying you otherwise in accordance with the Client Services Agreement General Terms and Conditions.

Our fees and charges include:

- (a) brokerage and other fees, charges, duties and taxes at the rate or rates notified by us to

you from time to time in a Schedule of fees and charges or Disclosure Statement, or in respect of a particular transaction via the Contract Note you receive;

- (b) any fees charged by an Agent and other charges incurred in effecting any transaction,
- (c) any charges or penalties imposed by another broker, Agent, or by other stock exchange including, without limitation, charges or penalties imposed as a result of late or non-delivery of scrip, holder identification particulars or any other information or requirements; and
- (d) any reasonable fees and charges we may impose for the purposes of complying with our obligations under the AML/CFT Act in relation to you or the Account.

We may debit our fees and charges either:

- (a) to the Account (including, without limitation, any of your Client Funds held in the Y&J Investment Ltd Client Funds Account);
- (b) or to your Online Multi-Currency Account and, for this purpose, you irrevocably authorise us to instruct the Account Issuer to pay any such amount from your Online Multi-Currency Account when instructed to do so by us.

Currency Exchange Fees and transfer fees

Where a client deposits money to Y&J Investment Ltd in a foreign currency or a currency other than the denominated currency, the bank may charge a fee on the inward payment or conversion, however, this fee is not charged by Y&J Investment Ltd and is out of Y&J Investment Ltd.'s control.

Default Interest

In an event of a failure to settle by you, Default interest may be charged on any unpaid amount at the Default Rate. Default Rate means the interest rate selected by Y&J Investment Ltd in its discretion, not being more than 10% per annum above the overdraft rate charged by the Y&J Investment Ltd.'s bankers on the Y&J Investment Ltd.'s current account overdraft facility at the relevant time.

c) Material Interests, Relationships and Associations

Y&J Investment Ltd is 100% owned by Aning Yang, natural person, who is New Zealand resident.

d) Remuneration

The advisory services of Y&J Investment Ltd are provided by authorised personnel and are provided only for clients of Y&J Investment Ltd. Y&J Investment Ltd advisers may benefit by providing client advice where such advice leads to the Client giving

Y&J Investment Ltd orders for execution for which Y&J Investment Ltd charges the Client fees. Advisers are not authorised to advise on securities where they have personal investments or interests without disclosing this fact to clients before providing such service. In the course of transactions, Y&J Investment Ltd may receive or earn: fees and brokerage, including brokerage and trail commission from third parties and/or margin on exchange rates in respect of transactions involving foreign exchange (as described below); and in respect of new issues of securities, brokerage, placement and firm allocation fees from issuers of securities. Fees, brokerage and trail commission paid to Y&J Investment Ltd by third parties will vary by product provider and product type. The level and/or amount of such fees, brokerage and trail commissions will typically be set out in any associated product offer documentation.

e) Dispute Resolution Arrangements

If you have a complaint, you should contact Y&J Investment Ltd. Y&J Investment Ltd will endeavour to quickly and satisfactorily resolve the complaint. In the event that you are not satisfied, you are invited to put your complaint in writing to:

Compliance Officer

Y&J Investment Ltd

PO Box 11147

Ellerslie Auckland 1542, New Zealand

complaints@yjsecurities.co.nz

Y&J Investment Ltd is a member of an independent dispute resolution scheme operated by Financial Dispute Resolution Service ("FDRS"). If we cannot agree on how to resolve the issue, or if you decide not to use the internal complaints scheme, you can contact FDRS. FDRS is an independent approved dispute resolution scheme for settling disputes between people and businesses, and the organisations that provide them with financial services and advice. This service will cost you nothing, and will help us resolve any disagreements. You can contact Financial Dispute Resolution Service at:

Financial Dispute Resolution Service

Freepost 231075

P.O. Box 2272 Wellington 6145

Level 9, 109 Featherston Street Wellington 6011

Telephone: 0508 337 337

International calls: +64 4 910 9952

Web: www.fdr.org.nz Email enquiries@fdr.org.nz

f) Criminal Convictions and Related Matters

Neither Y&J Investment Ltd, its directors, principal officers, nor investment advisers have been:

- i) convicted of a crime involving dishonesty (as defined in Section 2(1) of the New Zealand Crimes Act 1961); or
- ii) subject to disciplinary proceedings
- iii) the subject of an adverse finding by a court or the FMA in any proceeding that has been taken against them in their professional capacity; or
- iv) adjudicated bankrupt.

(g) Information relating to the Broking Service Provided by Y&J Investment Ltd

Y&J Investment Ltd is a boutique equities brokerage with a focus to providing clients with best broking service and global capital markets information and research. Established in June 2017 the Company is determined to help shape the new era for share broking. We have defined our purpose as helping people, whether they are clients or those in the investment communities we operate our business in, to achieve their financial ambitions in the most direct, effective and proper way. Y&J Investment Ltd believe that the needs of our clients are paramount and we recognize that equity markets around the globe form an important element in assisting our clients to achieve their investment goals; we have built on our strength in financial technology and client dedication to deliver an integrated service to meet our clients' needs. The Company is determined to build long-lasting relationships with our clients and stakeholders. This means we must always strive to exceed their expectations and incorporate core values into the day-to-day operation of the business: Respect, Excellence, Integrity and Responsibility.