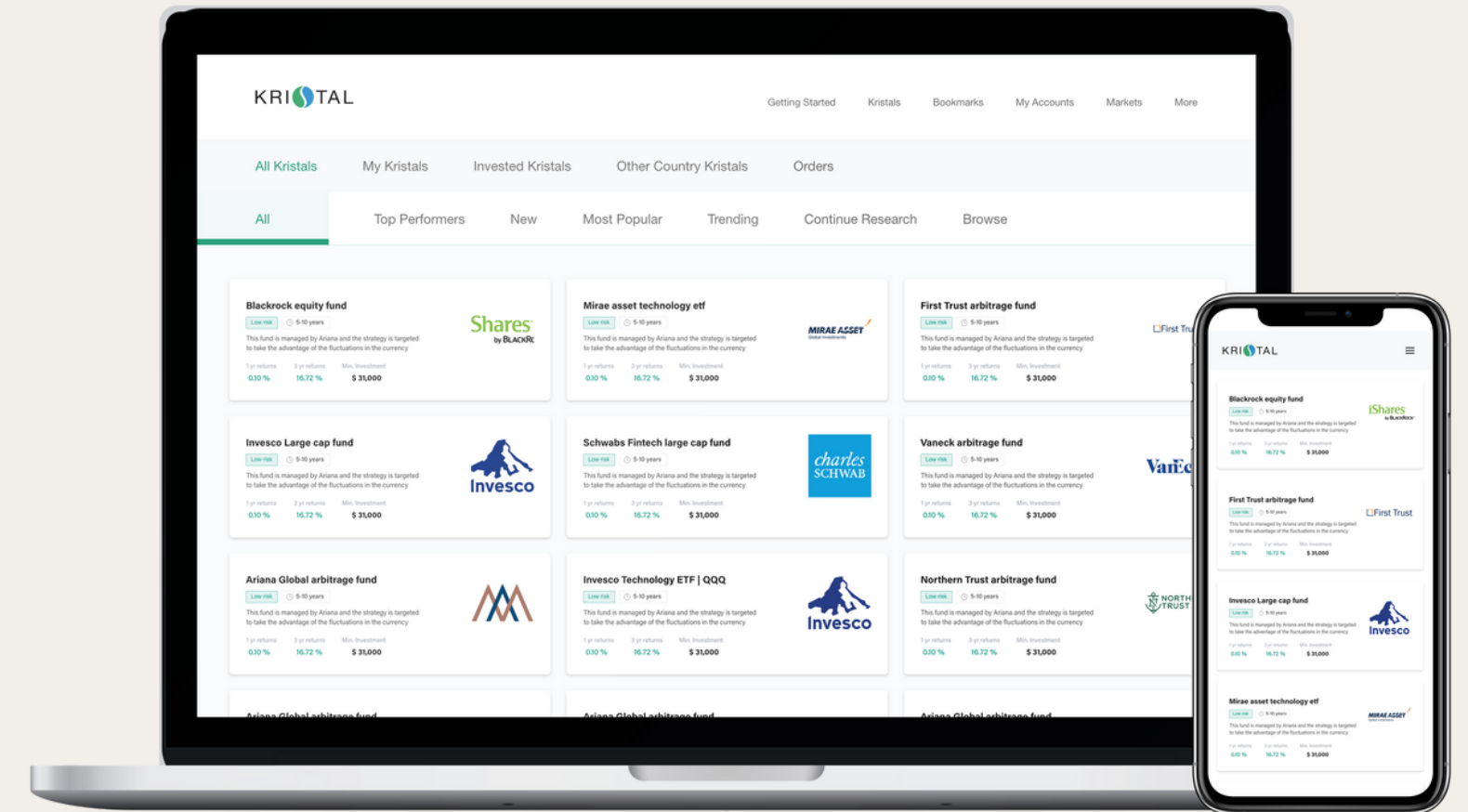


Kristal.AI Security of Holdings

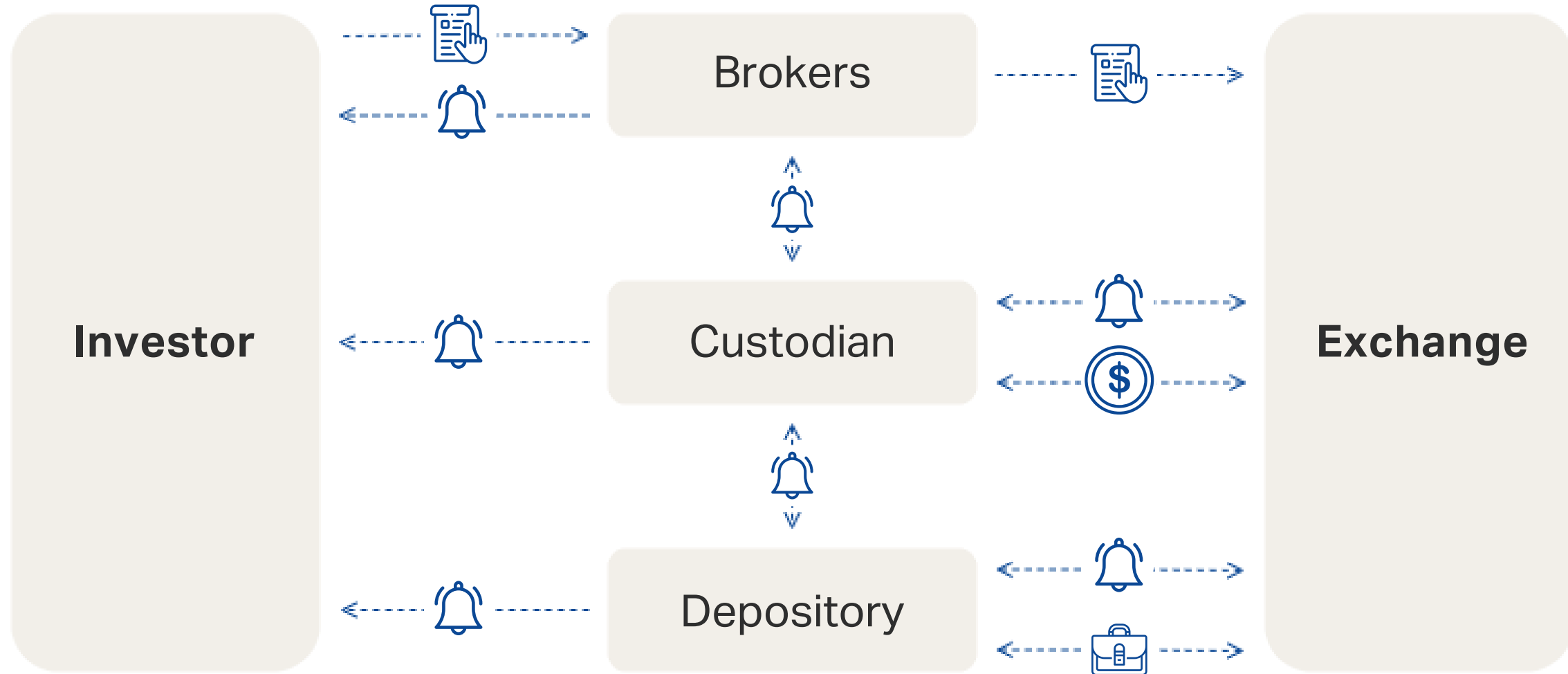
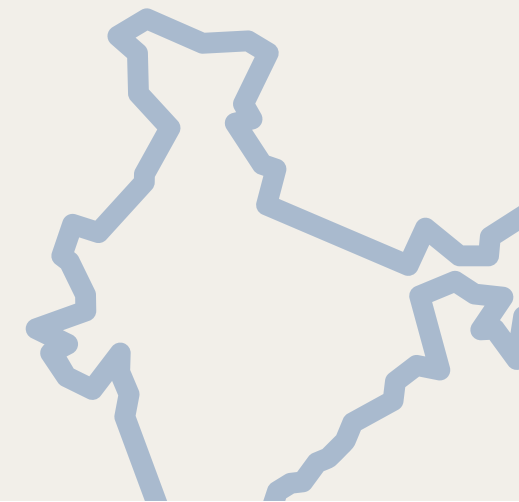
Ensuring safety of assets through
multiple levels of security

JULY 2021 - CONFIDENTIAL



Company Registration Number: 201711235E

Investing Model - India



Instructions Asset and Securities
 Notifications & Reports Money

Overview

- Single Market (Currency & Jurisdiction)
- Recent history of broker malpractice impacting investor capital
- Advisor, Broker etc are licensed by SEBI
- Custodians are privately held or parts of public listed financial groups with a Custody license
- Exchanges are listed / government-owned
- Depository is Government owned

Investing Model - Global



Overview

Multiple Markets (Currency & Jurisdiction)

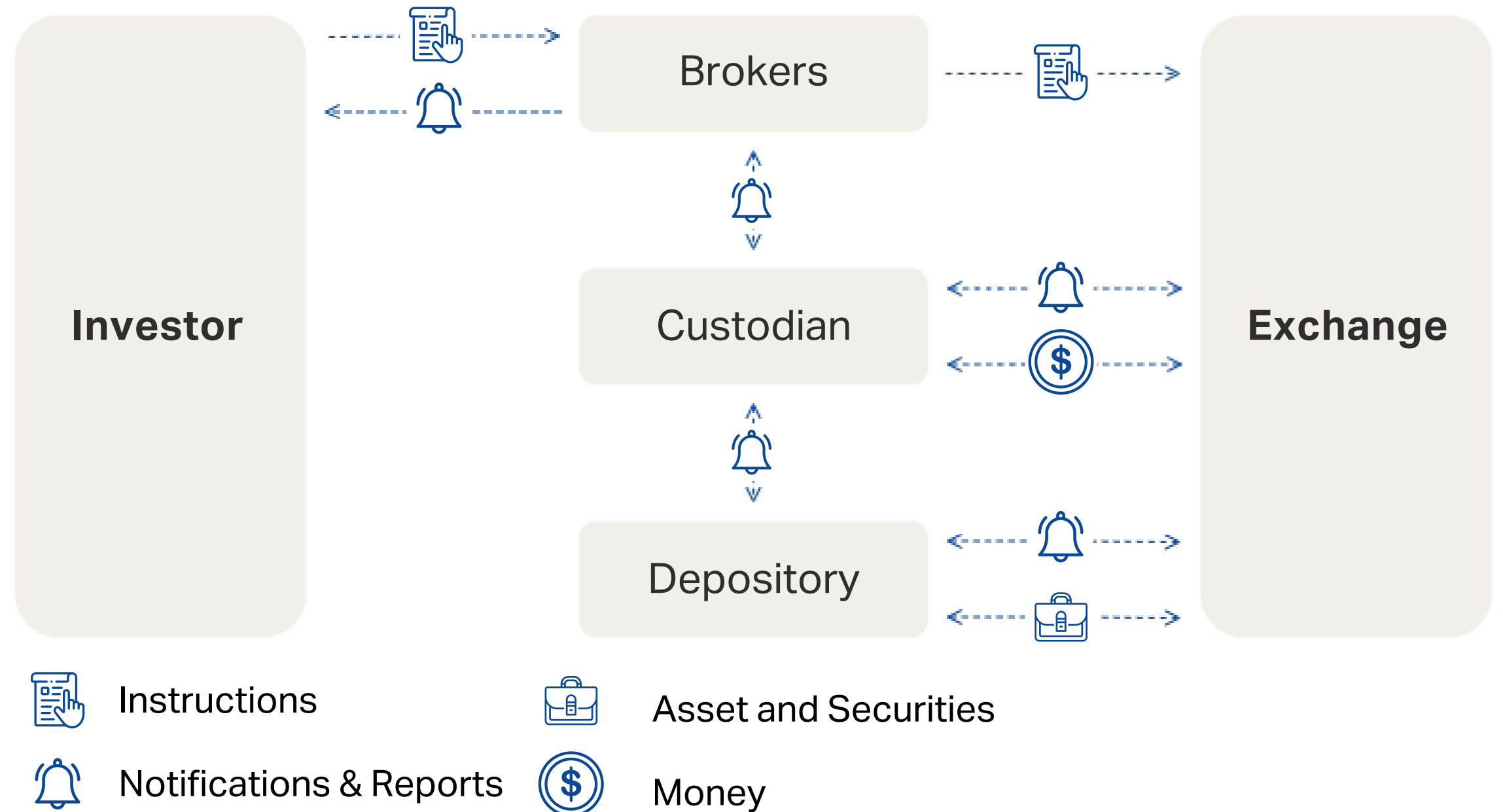
Limited history of broker malpractice
(Agreement fine print)

Advisor, Broker etc are licensed by multiple regulators

Custodians are a department of listed/global financial groups with a Custody license

Exchanges are listed / government-owned

Regulatory oversight on depository



Asset Holding Forms



DIRECT ACCOUNT

OMNIBUS ACCOUNT



Ownership

Investor is legal and Beneficial owner of the Asset

Investor is legal Beneficial owner of the Asset



KYC

Investor has to complete KYC with every Broker and Fund Manager

Investor has to complete KYC with every Broker and Fund Manager



Funding

Investor need to fund every broker & Fund manager independetly

Investor need to fund 1 bank account for all assets.



Communication

Investor will receive notification from every broker & fund manager

Investor will receive holding information from single source

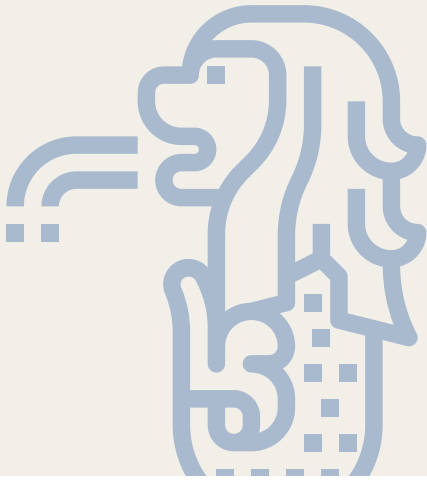


Risk Exposure

Brokers balance sheet & to the strategy, not to the Fund Manager

Brokers and Banks balance sheet & to the strategy, not to the Fund Manager

Singapore Domicile Fund - Possible Legal Forms



	VCC STRUCTURE	PRIVATE LIMITED COMPANY
Legal Form	Separate legal entity and distinct from its shareholders and directors and Fund Manager	Separate legal entity and distinct from its shareholders and directors
Liability	Limited liability	Limited liability
Tax Benefits	13R tax exemption at fund level enjoyed by sub-funds	13R tax exemption applies only if annual expense >\$200k incurred. Heavy on tax reporting.
Service Providers	External (unrelated)	Internal / External
Dividend Distribution	Allowed from Capital	Only allowed from Profits
Privacy	Complete Privacy	No Privacy
Probate	No US Tax issues	No US Tax issues

What is a Variable Capital Company or VCC



New Corporate Structure

Launched in January 2020 in Singapore.

Legal entity designed to operate either as a stand alone umbrella or with multiple underlying sub-funds.

Flexible enough to cater to wide range of strategies and structures.



Safe Structures

Similar to “protected cell” & “segregated portfolio” structures of Cayman Islands, British Virgin Islands, Mauritius & Guernsey.

Assets and liabilities protected from cross-contamination through segregation of assets & liabilities across Sub-Funds.



Overcome Constraints

Overcomes current constraints of existing corporate vehicles (private ltd companies, ltd partnerships) by offering greater operational flexibility.

Overcomes time and human capital constraints required with current corporate vehicle structures.

What is a Variable Capital Company or VCC



Privacy and Protection

Asset Protection- A limited liability structure that provides investors with safety by ring fencing their assets and liabilities.

Privacy- Financial statements and shareholder lists not required to be shared publicly.



Benefits

Flexibility- Facilitates ease of entry and exit.

Cost efficiencies- No need to invest in human capital+Middle and back office support costs are spread across a wider base.

MAS licensed Fund Manager- The VCC needs to be managed by a fund manager licensed by MAS.



Why Singapore?

High global standing

Stable political landscape

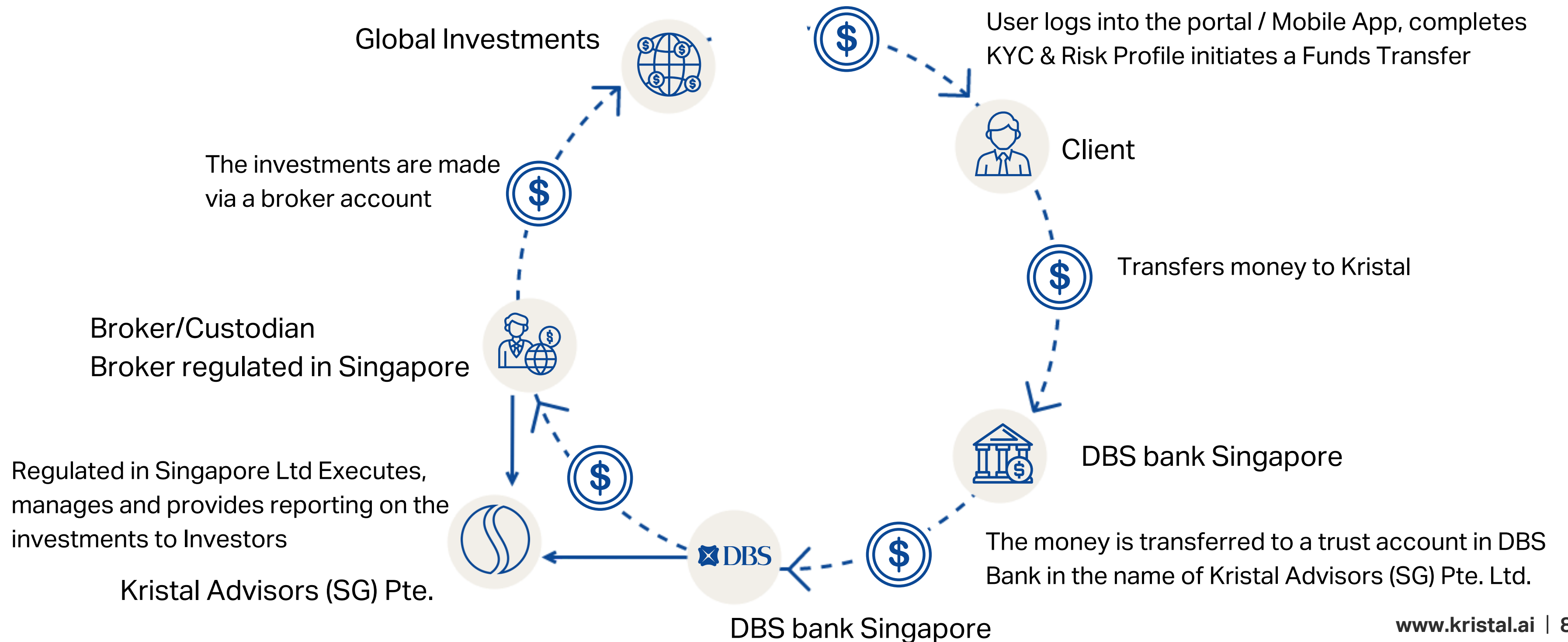
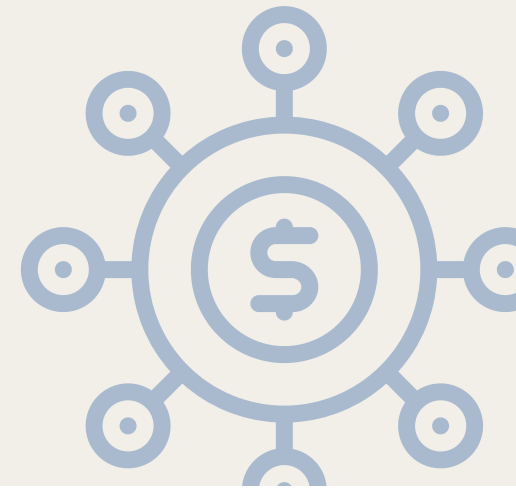
Business Friendly outlook

Low tax

More than 80 DTA's

AUM of more than S\$3.4 tn

Investment Process



How Kristal Ensures Safety



Cash Level Security

All client monies are held in a trust account by Kristal Advisors (SG) Pte. Ltd. ("KASG") in a segregated client bank account (the "Account") with a bank licensed (the "Bank") under the Banking Act (Cap. 19) (currently, DBS Bank). This Account is distinguished from any other account in which KASG deposits its own monies.

Security Level Security

All client investments are held with regulated custodians in either unique client accounts or in Kristal's name held on behalf of the clients.
The custodians that Kristal work with are the custodians for Interactive brokers, Saxo and All funds.

Cessation of Business

In the unlikely event Kristal ceases to exist, we anticipate that Kristal would be bought over by another buyer, as approved by the MAS, and all client assets would move to the custodian of the new buyer.

Why Kristal.AI?

1

More Value for Less

Explore a variety of investment opportunities without extravagant management fees. A treasury bond is always more expensive on any other platform than it is on Kristal.AI.

2

Better Access to Markets

Cherry-picked offerings across asset classes, curated ETFs across 200+ indices and geographies, and access to hedge funds not available at most private banks.

3


Better Personalization

Whether you are a new, experienced or a busy investor, our advisors will work with you to optimise your portfolio as needed.

4

Transparency and Trust

Licensed by MAS (Singapore), SFC (Hong Kong), and SEBI (India), we are transparent in costs and your holdings.



**Join the movement to make wealth management
global, personalised, and hassle-free.**

 **KRISTAL**

Commercial Terms & Asset Specific Risk

INSTRUMENT TYPE/CLASS	RISK LEVEL
For Retail Investors:	
Treasury bonds / Money market bonds / High grade Government Bond ETF	
Corporate bonds (Investment grade) ETFs	Low
High yield bonds ETFs / Gold ETF / REITS ETF / Developed Market Equity broad Index ETF	
Developed Mkt Mid & Small Cap Equities ETF / Subordinated Bond ETFs / Silver & Broad Commodity ETF / Single Name IG Corporate Bonds	Medium
Direct Equities Large cap (More than USD 5B market cap) / Emerging market ETFs (Bond & Equity) / Single commodity ETF	
For Accredited Investors:	High
Inverse & Leveraged ETFs / Small-Mid Cap equities (Less than USD 5B market cap) / Single name Sub-IG bonds / Unleveraged ELON with underlying of SL 3 and below	
(long only via options) (Bull Call Spreads / Bear Put Spreads / Long Butterfly Call or Put Strategies)/ Covered Call Strategies / Long-Short Hedgefund arbitrage strategies (e.g. Ariana, Aurigin)/ AT1 Bonds/ CoCo Bonds	
Long Short Equities BG Long Short / Private Equity and VC like Investments	
Strategies that include Index Options (includes selling) Index Technical Trader	Very High
Strategies that include Single Stock Options (includes selling) / Leveraged Pooled Strategies (Kristal Founders Fund (Carry++) / ELONs on Underlying SL 3 and above and with embedded leverage	

Disclaimer:

The information contained herein is only for informational purposes and are subject to risks. The information should not be construed as any form of advice or recommendation relating to investments, tax, legal, financials, business or any matter and should obtain their own independent advice. The information is provided on 'as is' basis and Kristal.AI or its affiliates, does not make any representation, undertaking, warranty, guarantee, or other assurance as to the timelines, completeness, correctness, reliability, or accuracy of the materials and data herein.

The information contained should not be construed as an offer to sell, purchase securities and/or to provide services by Kristal.AI or its affiliates. Any such transaction shall be subject to a contractual understanding, necessary documentation, applicable laws, approvals and regulations. Kristal.AI and its affiliates accept no liability or responsibility whatsoever for any direct or consequential loss and/or damages arising out of or in relation to any use of opinions, forecasts, materials and data contained herein or otherwise arising in connection therewith.

The Sophistication Level represents the complexity of the related security or investment strategy as per the regulatory definition. Risk Level represents broader descriptive classification of the incremental complexity for easier understanding by all potential investors.

Get in touch with your Kristal Advisors for more insights.

Disclaimer: The recommendations contained herein are for the exclusive use of the investors and prohibits any form of disclosure or reproduction. The content cannot be relied upon by any other person for any other purpose. The recommendations are information provided to the investors and are subject to risks. Any recommendations including financial advice provided by Kristal.AI or its affiliates shall be subject to contractual understanding, necessary documentation, applicable laws, approvals and regulations. Though the recommendations are based on information obtained from reliable source and are provided in good faith, they may be valid only on the date and time the recommendations are provided and shall be subject to change without notice. Kristal.AI or its affiliates, does not make any representation, undertaking, warranty, guarantee, or other assurance as to the timelines, completeness, correctness, reliability, or accuracy of the recommendations herein. The investments made by the investors may suffer losses and the investor shall bear all the losses in connection with an investment. Kristal.AI and its affiliates accept no liability or responsibility whatsoever for any direct or consequential loss and/or damages arising out of or in relation to any use of opinions, forecasts, materials and data contained herein or otherwise arising in connection therewith.

cp@kristal.ai