



远源證券有限公司

Theia Securities Limited

Participant of The Stock Exchange of Hong Kong Ltd. (Broker No. 2114)
香港聯合交易所有限公司參與者(編號 2114)
SFC Licensed Corporation 證監會檔案編號(CE# 中央編號: BJW079)

Terms and Condition and Risk Disclosure

Registered Office: Suite 5103, 51/F Central Plaza, 18 Harbour Road, Hong Kong
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IMPORTANT: If this Account Opening Form is accompanied by a Chinese version, in the event of any inconsistency, the English version of this Account Opening Form shall prevail.

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Section A - Introduction

THIS AGREEMENT contains the terms and conditions applicable to services provided by Theia Securities Limited (the “Company” or “THEIA”) and to be signed under it are intended to create legal relations between you (hereinafter called “you”, “the Client” or “Investor”), whose details are set out in “ Account Opening Form” and the Company of Suite 5103, 51/F Central Plaza, 18 Harbour Road, Hong Kong. You should therefore consult your own legal, tax and financial or other professional advisers prior to entering into this Agreement if you are in any doubt or have any questions about how to complete any part of this Agreement. The Client is fully aware this Agreement constitutes a legally binding agreement. The Client must sign and complete the “Account Opening Form” and submit relevant supporting documents as required by the Company before the Client is permitted to trade with the Company

The Company is duly licensed by the Securities and Futures Commission (“SFC”) for dealing in securities, advising on Securities and asset management (CE No.: BJW079) and is an Exchange Participant of the Stock Exchange of Hong Kong Limited (“SEHK”).

The Client is desirous of opening one or more accounts with the Company for dealing in securities as the Client may decide from time to time for the purchase or sale of securities services.

Section B - General Terms and Conditions

This Section contains specific terms applicable to particular services included in this Agreement and any other terms and conditions with respect to particular accounts, facilities or services provided by the Company.

1. Definition

1.1 In this Agreement, unless the context otherwise requires and terms and reference used in this Agreement are not defined, the following terms shall have the following meanings:

- (a) "Affiliate" means, in relation to a party, an individual, corporation, partnership or any other form of entity directly or indirectly controlling, controlled by or under common control with such party or any of such entities' directors, officers or employees;
- (b) "Agreement" means Introduction Section A, General Terms and Conditions Section B and whenever it is applicable any Section C to I hereof whose form the Client irrevocably agrees may be replaced, amended or supplemental by the Company incidentally at its absolute discretion from time to time;
- (c) "Authorized Person(s)" means the person(s) authorized by the Client to give instructions to the Company as notified to the Company from time to time in such manner as the Company in its absolute discretion requires;
- (d) "Client" or "Clients" means individual person includes the Authorized Person(s) of his/her/their legal representative, the company or corporate body, the unincorporated body set out in "Account Opening Form" and includes its permitted successors and assigns;
- (e) "Account Opening Form" means the Account Opening Form provided by the Client to the Company before opening of an account as required by the provisions of SFO and HKFE and/or SEHK rules, as amended from time to time by notice to the Company from any person named in such statement at the time of such notice as authorized to give instructions on behalf of the Client;
- (f) "commodity" or "commodities" means any currency, security, indices (including stock indices), interest rates, exchange rates, physical assets (including precious metals, agricultural products, oil and land) and other investments traded, or rights in relation to which are traded, on any exchange;
- (g) "FATCA" means Foreign Account Tax Compliance Act which was enacted by the U.S. or amended version thereof, and any intergovernmental agreement, memorandum of understanding, undertaking and other arrangement between governments and regulators in connection with FATCA including as entered into by the government of Hong Kong SAR;
- (h) "Foreign Law Requirement" means any obligation imposed on the Company pursuant to any present or future requirement:
 - (i) People's Republic of China ("PRC") and foreign laws (including PRC and foreign laws in respect of which the Company in its sole and absolute discretion considers itself is bound.);
 - (ii) Hong Kong laws that implement Hong Kong's obligations under an agreement with PRC and foreign government or regulator;
 - (iii) under agreements entered into between the Company and PRC government, foreign government or regulator; or
 - (iv) guidelines or guidance issued by any legal, regulatory, government, tax or law enforcement body within or outside of Hong Kong in respect of (i) to (iii).For the avoidance of doubt, this definition includes any obligation or requirement applying to the Company pursuant to FATCA and as amended or introduced from time to time;
- (i) "Hong Kong" or "Hong Kong SAR" means the Hong Kong Special Administrative Region of the People's Republic of China;
- (j) "Investment" includes securities as defined herein and any property of the similar nature;
- (k) "IRS" means U.S. Internal Revenue Service;
- (l) "Market Requirements" means all the laws, regulations, constitution, by-laws, rules, customs, usage, rulings and interpretations and transaction practices of the relevant market, exchange, clearing house or jurisdiction as amended from time to time;
- (m) "securities" means
 - (i) shares, stocks, debentures, loan stocks, funds, bonds or notes of, or issued by, a body, whether incorporated or unincorporated, or a government or municipal government authority;
 - (ii) rights or interests in those items mentioned in (i) above (whether described as units or otherwise) in, or in respect of, such shares, stocks, debentures, loan stocks, funds, bonds or notes;
 - (iii) certificates of interest or participation in, temporary or interim certificates for, receipts for, or warrants to subscribe for or purchase, such shares, stocks, debentures, loan stocks, funds, bonds or notes;
 - (iv) interests in any collective investment scheme;
 - (v) interests, rights, property, whether in the form of an instrument or otherwise, commonly known as securities;
 - (vi) interests, rights or property which is interests, rights or property, or is of a class or description of interests, rights or property, prescribed by notice under Section 392 of the Securities and Futures Ordinance as being regarded as securities in accordance with the terms of the notice; and
 - (vii) such other instruments, assets or property as the Company may determine from time to time.
- (n) "Securities Margin Trading Facilities" means the advance(s) made by the Company in facilitating the Client's trading in securities for settlement of all payments due (including but not limited to the purchase price, government stamp duty, transaction levy and the Company's charges and interests, etc.);
- (o) "SEHK" means the Stock Exchange of Hong Kong Limited and its successors or assigns;
- (p) "SFC" means the Securities and Futures Commission of Hong Kong;
- (q) "SFO" means the Securities and Futures Ordinance (Cap.571 of the laws of Hong Kong);
- (r) "Tax Deduction" means a withholding or deduction on the payment to the Client, considered by the Company in its sole and absolute discretion as required under FATCA and any other Foreign Law Requirement;
- (s) "U.S." means the United States of America; and

- 1.2 In this Agreement:
- (a) words importing the singular shall include the plural and vice-versa;
 - (b) words importing any particular gender shall include any other gender(s);
 - (c) references to any statutes, ordinances, rules or regulations shall include such statutes, ordinances, rules or regulations as modified or re-enacted from time to time;
 - (d) references to the Group includes the Company and their direct or indirect holding companies, and direct or indirect subsidiaries of such holding companies;
 - (e) terms and expressions not defined in this Agreement shall bear the meaning ascribed to them in the HKFE Rules, the SFO and Trading Rules of the SEHK unless otherwise defined in this Agreement; and
 - (f) References to Sections, Clauses and Sub-clauses shall mean Sections, Clauses, and Sub-clauses of this Agreement.
- 1.3 Unless otherwise stipulated in "Account Opening Form" and shall apply and form an integral part of this Agreement. Depending on the types of account(s) maintained by the Client with the Company, Section C, Section D and/or shall apply as set out in "Account Opening Form" and shall form an integral part of this Agreement together with other Sections herein. References to the Company shall be construed as references to the Company as the context may refer.

2. Account Opening

- 2.1 Services that the Client requests will be made available to the Client after completion of this Agreement, in particular the Account Opening Form and other documentation required by the Company. All requests for any services provided to the Client under this Agreement will be subject to the Company's acceptance which will be deemed to occur upon the opening of the relevant account(s) for the requested services provided by the Company to the Client.
- 2.2 The continued availability of any services provided by the Company to the Client shall be subject to the Company's consent, in its sole discretion and to the fulfillment by the Client of such conditions as the Company may require.
- 2.3 On each occasion the Client requests or utilizes any services provided by the Company, the Client represents that the Client is the legal and beneficial owner of or otherwise authorized to deal with the funds and assets in the Client's account(s).
- 2.4 The Client acknowledges that the account is opened in Hong Kong, and that all the operations in relation to the account shall be governed and enforced by the laws of Hong Kong. The Client warrants that this investment complies with the laws and regulations of the Client's residing domicile and all the required approval has been granted. The Client will arrange all the funds used for the operation of the account to be deposited to the bank account(s) designated by the Company.

3. Trading Order

- 3.1 The Client or the Client's Authorized Person(s) may give to the Company instructions (which the Company may at its absolute discretion reject) to effect securities for the Client. The Company may act upon instructions given orally, in writing or electronically which purport, and which the Company reasonably believes to come from the Client or the Client's Authorized Person(s) or to have been given on the Client's behalf. The Company may, but is not obliged to, verify the capacity of the person(s) giving those instructions.
- 3.2 If, in the opinion of the Company, there is any ambiguity or conflict in any instructions given by the Client, the Authorized Person(s) or any person purporting to be acting under the Client's authority, the Company may choose:
- (a) not to act on such instructions until the ambiguity or conflict has been resolved to the Company's satisfaction; or
 - (b) to act according to the Company's interpretation of the instruction, and the Company shall not be responsible or liable howsoever for any loss or damage that the Client may sustain directly or indirectly as a result of the Company making such choice or acting in accordance with it.
- 3.3 Until receipt by the Company of a written notice of revocation of the authority of Authorized Person(s), any attorney, authorized representative or person, the Company shall be entitled to continue to treat such persons as authorized.
- 3.4 The Company shall act as the Client's execution agent in effecting the Client's securities transactions in such manner and through any of its Affiliate, members of any exchange or clearing house, or brokers in the relevant markets as the Company may absolutely think fit, unless the Company indicates to the Client in the relevant contract notes that the Company is acting as principal to the Client's transactions. The Company shall not be accountable to the Client for any commissions, remuneration, profit or other benefits resulting therefrom.
- 3.5 All securities transactions which the Company effects on the Client's instructions shall be effected in accordance with the Market Requirements.
- 3.6 The Company gives no warranty to the Client in respect of the value, merit or desirability of the Client's securities/investment fund transactions and all securities/investment fund transactions effected and actions taken by the Company in accordance with the terms of business of any of its Affiliate, members of any exchange or clearing house, or brokers in the relevant markets and Market Requirements shall be binding on the Client in all respects.
- 3.7 The Client hereby irrevocably instructs and authorizes the Company (without prior notice to or consent from the Client), to combine the Client's orders with the orders of other Clients or the Company's own orders for execution as the Company may in its absolute discretion think fit or decide, which may result in a more or less favorable price being obtained for the Client than executing the Client's orders separately. Where there are insufficient securities to satisfy orders so combined, the transactions shall be allocated with priority given to Clients with due regard to market practice, applicable Market Requirements and fairness to all Clients of the Company.
- 3.8 If the Company solicit the sale of or recommend any financial product to the Client, the financial product must be reasonably suitable for the Client having regard to the Client's financial situation, investment experience and investment objectives. No other provision of this Agreement or any other document The Company may ask the Client to sign and no statement the Company may ask the Client to make derogates from this clause.

Note: "Financial product" means any securities as defined under the SFO. Regarding "leveraged foreign exchange contracts", it is only applicable to those traded by persons licensed for Type 3 regulated activity.

4. Short Selling

- 4.1 In case of the sale of any securities, by the Company at the direction of the Client and the inability of the Company to deliver the same to the purchaser by reason of the Client's failure to supply the Company therewith; then, and in such event, the Client authorizes the Company to borrow any securities necessary to make delivery thereof, and the Client hereby agrees to fully indemnify and hold harmless against any loss which the Company may sustain thereby, any premiums which the

Company may be required to pay, or for any loss which the Company may sustain by reason of the inability of the Company to borrow the securities sold.

- 4.2 The Client agrees to fully indemnify the Company on demand against all losses, damage, interest, charges, expenses and costs reasonably suffered or incurred by the Company arising out of or in connection with this Agreement and pay the Company all relevant brokerage and commission charges.

5. Telephone Recording

The Company may use voice recording procedures in connection with any communications with the Client and the Company shall have the sole ownership of any of such voice recording which shall constitute conclusive evidence of the communications so recorded.

6. Foreign Currency Settlement

In the event that the Client directs the Company to enter into any contract on an exchange or other market on which such transactions are effected in a foreign currency: (a) any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be entirely for the account and risk of the Client; (b) all initial and subsequent deposits for margin purposes shall be made in such currency in such amounts as the Company may, in the sole discretion of the Company require; and (c) when such a contract is liquidated the Company shall debit or credit the account of the Client in the currency in which such account is denominated at a rate of exchange (where the relevant contract is denominated in currency other than that of the account) determined by the Company in the sole discretion of the Company on the basis of the then prevailing money market rates of exchange between such currencies.

7. Asset Trust

Save and except Clause 8 below and/or securities margin Client, all monies, securities or other property received by the Company from the Client or from any other person (including a clearing house) for the account of the Client shall be held by the Company as trustee, segregated from the Company's own assets, and that all such monies, securities or other property so held by the Company shall not form part of the assets of the Company for insolvency or winding up purposes but shall be returned to the Client promptly upon the appointment of a provisional liquidator, liquidator or similar officer over all or any part of the Company's business or assets.

8. Accounts Combination and General Lien

- 8.1 Without prejudice and in addition to any general lien, right of set-off or similar right to which the Company may be entitled by law, all of the Client's interest in any funds, securities held by the Company for any purpose or carried by the Company in any account for the Client (either individually or jointly with others) or which may be in the possession of the Company at any time and for any purpose, including safe-keeping, shall be subject to general lien in the favor of the Company. The Company shall also have the right to sell such property (and the Company is authorized to do all such things necessary in connection with such sale) and utilize the proceeds to offset and discharge all of the obligations and liabilities of the Client to the Company, regardless of whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, joint or several, regardless of whether any other person is interested in or the Company has made advances in connection with such property, and irrespective of the number of accounts the Client may carry with the Company. The Company shall be entitled at any time without notice to combine and/or consolidate all or any of the Client's accounts with the Company. Without limiting or modifying the general provisions of this Agreement, the Company is hereby specifically authorized to transfer any sum or sums among the different accounts that the Client has with the Company to the extent permitted under relevant law.
- 8.2 The Client irrevocably authorizes the Company to set off, transfer or apply, without prior notice to the Client, all or any of the monies, securities or other property from time to time standing to the credit of any or more of such accounts of the Client (whether or not then due) which the Client is any time beneficially entitled in, or towards settlement of any sum then due from the Client to the Company and unpaid.
- 8.3 In respect of a joint account, the Company shall be entitled to set-off any sums standing to the credit of such joint account against the debit balance in other account(s) of the Client which may be held by one or more holders of such joint account.
- 8.4 Where any such combination, consolidation, set-off or transfer requires the conversion of one currency into another, such conversion shall be calculated at the rate of exchange conclusively determined by the Company.
- 8.5 All the Client's securities received for the Client, or deposited by the Client, or purchased for the Client or held on the Client's behalf ("the Charged Assets") shall stand charged by way of first fixed charge as continuing security for the payment and discharge of any amounts due and owing by the Client to the Company or its Affiliates. The Client as beneficial owner hereby irrevocably authorizes the Company or its Affiliates to sell or dispose of the Charged Assets at such price and in such manner at the Company's absolute discretion and to apply the net proceeds thereof to repay the Company or its Affiliate and discharge the Client's indebtedness to the Company or its Affiliates. Upon full payment and discharge of the Client's obligations, the Company shall at the Client's request and expense release to the Client all right, title and interest of the Company in the Charged Assets.
- 8.6 Upon the occurrence of an event of default as specified in Clauses 13 and 14 hereof, the Company shall be entitled, without notice or demand, to take any of the actions set out thereunder and apply the net proceeds (after deduction of all fees, costs and expenses properly incurred) in reduction of the Client's outstanding obligations or indebtedness to the Company or its Affiliates.

9. Asset Handling & Custodian

- 9.1 Subject to applicable Market Requirements, the Company is hereby authorized to deposit any cash balances in any account(s) of the Client with any such financial institution (as approved by the SFC) as the Company shall think fit (including with any associated company), and the Company shall be entitled to retain any interest and benefit resulting from such deposit.
- 9.2 In respect of money held or received outside of Hong Kong, all such amounts shall be dealt with by the Company in accordance with the applicable Market Requirements.
- 9.3 Where securities are accepted on behalf of the Client in jurisdictions restricting foreign ownership of securities, the Company

may, but is not obligated to, ascertain the nationality of the owner of such securities or whether such securities are approved for foreign ownership unless specifically instructed by the Client.

9.4 Subject to the compliance of FATCA and any other Foreign Law Requirement, the Client agrees and authorizes the Company that:

- (a) the Company is entitled to withhold and deduct any payment or funds (which may be subject to 30% of the gross proceeds and/or any other amount as required by IRS from time to time), and any amount in relation to the Tax Deduction and any other withholding payment from the Client's accounts (may be held in whatever account or in whatever manner). The payment or funds being withheld or deducted, will be in possession or control by the Company as considered by the Company's sole and absolute discretion. In any event that the Company is required to withhold or deduct any amount from any accounts of the Client in compliance with FATCA, the Client confirms that the Company shall not be liable for any loss or damages suffered by the Client or any other party;
- (b) any transaction, payment or instruction may be delayed, blocked, transferred or terminated where considered by the Company in its sole and absolute discretion;
- (c) the Company shall have full authority to (i) sell, liquidate and/or otherwise dispose in any manner and at such price and on such terms and conditions as the Company deems fit all or part of any of the assets in the Client's account(s) that may produce funds to enable the Company to comply with its obligations considered by the Company in its sole and absolute discretion as required under FATCA and any other Foreign Law Requirement; (ii) prohibit the Client from effecting any transactions through or under any of the Client's account(s) for such period as the Company deems necessary or appropriate; and/or (iii) close or suspend the Client's account(s);
- (d) if any Tax Deduction and any other withholding payment is being or going to be made, the Client shall be required to immediately (i) restore the required additional amount when the margin level is impaired; and (ii) make the required payment to the Company for any other settlement or payments arrangement as required by the Company in relation to the Client; failing which the Company have an absolute discretion to take appropriate action (including but not limited to closing out all or some of the contracts transacted with or undertaken on behalf of the Client) as it deems fit to protect its interests and the Client shall be liable for any debit balance in any account(s) with the Company;
- (e) the Client confirms that the Company shall not be liable for any gross up, loss or damages suffered by the Client or any other party in relation to the withholding or deduction being made under the Client's accounts and as a result of the Company's exercising of its rights under this clause;
- (f) to provide all information, documents and supporting materials which is relating to the Client or their related parties under the Client's account and to coordinate with the Company to fulfill its obligations required under FATCA or any Foreign Law Requirement. The Client agrees the Company to collect such information for the purpose of disclosures to governmental agencies or regulatory bodies (including but not limited to IRS). The Client undertakes to fully indemnify the Company against any loss, damages and cost suffered by the Company as a result of the Client providing misleading or false information or otherwise failing to comply with any requirement under FATCA and any other Foreign Law Requirement.

10. Client's Undertakings

The Client hereby represents, warrants and undertakes to the Company that:

- 10.1 The Client has full power, authority and capacity to enter into this Agreement and to execute and perform all the Client's obligation under this Agreement and where appropriate, the Client has obtained and taken all necessary corporate authorizations and other actions to execute and perform all obligations under this Agreement and each of this Agreement constitute valid and legally binding obligation of the Client's in accordance with its terms.
- 10.2 The Client warrants that in the case of an individual, he is of full age and capacity and in the case of a firm or corporation, it is duly constituted and incorporated and has power to enter into this Agreement and all contracts made or to be made pursuant to this Agreement and such contracts are and will constitute legal binding and enforceable obligations of the Client.
- 10.3 The contents of this Agreement have been fully explained to the Client in a language preference of the Client and that the Client understands the contents thereof and agrees with them. Meanwhile, Client has been invited to read the Risk Disclosure Statements thoroughly, ask questions and take independent advice. The Company shall have absolute rights to amend, delete or substitute any of the terms herein or add new terms to the Agreement.
- 10.4 The Client is trading on his own account.
- 10.5 The Client is the person ultimately responsible for giving the instruction in relation to and the ultimate beneficial owner of each transaction in the Client's account (except where such other person or entity has been disclosed to the Company in the Account Opening Form or other written notice has been given to the Company).
- 10.6 The Client acknowledges that no provisions of this Agreement shall operate to remove, exclude or restrict any obligation of the Client or rights of the Company under the laws of Hong Kong SAR.
- 10.7 The Client shall complete the " Account Opening Form" attached herein and declare that all information given therein is correct, true and complete.
- 10.8 The Client and the Company covenant to notify each other forthwith of any changes in the information supplied in the " Account Opening Form" and/or this Agreement. The Client further undertakes to inform the Company forthwith if there is any change in circumstances which, under applicable U.S. tax regulations, modifies the Client's status as a "non-U.S. Person" and causes the Client to acquire the status of a "U.S. Person", or vice versa.
- 10.9 The Client shall not, without the prior written approval of the Company, charge, pledge or allow to subsist any charge or pledge over Client's securities, commodities or monies in the Client's account or grant or purport to grant an option over any securities or monies in the Client's account.
- 10.10 The Client hereby expressly appoints the Company and/or its authorized person(s) as his attorney and in his name and on his behalf to do and execute all acts, deeds, documents or things as the Company considers necessary or desirable in connection with the implementation, execution and enforcement of the terms conferred by or arising out of this Agreement. The Client hereby further undertakes to ratify and confirm all such acts, deeds, documents or things so done by the Company acting lawfully and in good faith.
- 10.11 The Client hereby acknowledges that in respect of all and any contracts he shall be deemed to have entered into the same upon his own judgment and at his sole risk, notwithstanding that he may have been advised by the Company, its executive

- or staff.
- 10.12 The Client hereby acknowledges that the Company by giving indulgence to the Client in the completion of this Agreement including, but not limited to, the due execution hereof and/or due production of any requisite documentation such as guarantee, address proof, shall in no way be a waiver of such documentation. The Client shall, and when so requested by the Company, complete the execution and/or provide the requisite documentation.
- 10.13 The Client acknowledges and agrees that the Company is not responsible for advising the Client of any disclosure obligations whether arising generally or as a result of any securities transaction effected by the Company or of any holding of securities or otherwise by or on behalf of the Client. Such obligations of disclosure are personal obligations of the Client. The Company shall not be obliged to give notice of holdings by or on behalf of the Client in any form or by any time limit save for any notice or statement to be issued by the Company as expressly set out in this Agreement. The Company shall not be liable for any loss, cost or expense of the Client arising from any failure or delay by the Client or any other person to disclose interests in accordance with any Market Requirements and the Client shall indemnify the Company for any loss, cost or expense arising from any such failure, delay or default which may be suffered or incurred by the Company.

11. Standing Authority (Client Money)

- 11.1 The Client hereby authorizes the Company to transfer any amount of fund and/or stock in any one or more trading accounts now or hereafter opened in the name of the Client with the Company in connection with this Agreement to any other account(s) maintained by the Client with the Company at any time the Company deems appropriate and for such purpose authorizes the Company's account executive to sign the "Fund Transfer Instruction Form" and/or "Stock Transfer Instruction Form" on the Client's behalf. In respect of fund transfer, the Client hereby gives this Client Money Standing Authority ("Standing Authority") to the Company. This Standing Authority covers all monies, assets (including any interest or dividends derived from the holding of the money or assets) in one or more segregated account(s) on my/our behalf ("Monies"). Unless otherwise defined, all the terms used in this authorization letter shall have the same meanings in the Securities and Futures Ordinance and the Securities and Futures (Client Money) Rules as amended from time to time. Segregated account(s) including any account(s) designated as client account(s) established and maintained in or outside Hong Kong.
- 11.2 Client authorizes the Company to:
- (a) combine or consolidate any or all segregated accounts, of any name whatsoever and either individually or jointly with others, maintained by the Company and/or any of its subsidiaries and affiliates from time to time ("the Group") and the Company may transfer any sum of Monies to and between such segregated account(s) to satisfy the Client obligations or liabilities to any member of the Group, whether such obligations and liabilities are actual, contingent, primary or collateral, secured or unsecured, or joint or several; and/or
 - (b) transfer any sum of Monies interchangeably between any of the segregated accounts maintained at any time by any member of the Group; and/or
 - (c) To receive and/or hold Monies in any segregated account(s) opened and maintained by the Company with its nominated securities broker(s) at the Company's own discretion ("**Nominated Broker**") for the purposes of dealing in the Client's transactions; and/or
 - (d) To transfer Monies interchangeably between the segregated account(s) opened and maintained by the Company in Hong Kong and the segregated account(s) opened and maintained by the Company with the Nominated Broker.
- 11.3 The Client acknowledges and agrees that the Company may do any of these acts without giving the Client notice.
- 11.4 The Client understands all of fund and/or stock transfer will be reflected in the account statement issued to the Client by the Company.
- 11.5 This Standing Authority is given to the Company in consideration of its agreeing to continue to maintain securities cash and/or margin account for the Client.
- 11.6 This Standing Authority is given without prejudice to other authorities or rights which the Group may have in relation to dealing in Monies in the segregated accounts.
- 11.7 This Standing Authority is valid from the date thereof and expires on 31 December date hereof. The Standing Authority may revoke by giving the Company written notice, such notice shall take effect upon the expiry of 14 days from the date of the Client's actual receipt of such notice.
- 11.8 The Client understand that this Standing Authority shall be deemed to be renewed 12 months on a continuing basis without the Client written consent if the Company issue the Client a written reminder at least 14 days prior to the expiry date of this Standing Authority, and the Client does not object to such deemed renewal before such expiry date.

12. Client Not Being Ultimate Beneficial Owner

- 12.1 If the Client effects transactions for the account of clients, whether on a discretionary or non-discretionary basis, and whether as agent or by entering into transactions as principal with its clients. Without affecting any other provisions of this Agreement, the Client hereby agrees and complies that, in relation to the transaction where the Company has received an enquiry from HKFE, SEHK, SFC, governmental agencies and/or any other exchange, governmental or regulatory authority in any jurisdiction ("the relevant regulators") the following provisions shall apply:
Upon request by the Company, the Client shall immediately provide the following information to the relevant regulators:
- Identity, address, occupation, contact details and other identification particulars, amongst other requested information of
- (a) the party on whose account the transaction was effected (so far as known to the Client)
 - (b) the person who has the ultimate beneficial interest in the transaction; and
 - (c) any third party who originated the transaction;
- 12.2 If the Client effected the transaction for a collective investment scheme, discretionary account or discretionary trust, the Client shall, upon request by the Company, inform the relevant regulators immediately of the identity, address and contact details of the scheme, account or trust and, if applicable, the identity, address, occupation and contact details of the person who, on behalf of the scheme, account or trust, instructed the Client to effect the transaction and the Client shall inform the Company immediately after his discretion to invest on behalf of any scheme, trust or account has been overridden. In such event, the Client shall also inform the relevant regulators immediately upon request of the identity, address, occupation and contact details of the person(s) who has or have given the instruction in relation to the transaction; and

- 12.3 If a multilevel client relationship exists, and the Client does not know the particulars of the underlying Client for whom the transaction was effected, the Client confirms that:
- (a) the Client shall have the arrangements and entitlement to obtain the information set out in this Sub-clause 12.1 and / or 12.2 above from his/her client immediately upon request or procure it; and
 - (b) the Client shall, upon request from the Company in relation to a transaction under his account, immediately request the information set out in this Sub-clause 12.1 and / or 12.2 above from his client on whose instructions the transaction was effected so that the information can be provided to the relevant regulators immediately.
- 12.4 The provisions of this Clause shall continue in effect notwithstanding the termination of this Agreement.

13. Events of Default

Any of the following shall each constitute an "Event of Default":

- 13.1 in respect of any transaction, the Client shall fail:
- (a) to pay any purchase price or other payments under this Agreement when due;
 - (b) to provide the required margin when called upon to do so; or
 - (c) to make or take delivery of the Investments or commodity when required under the relevant contract (as the case may be).
- 13.2 the filing of a petition in bankruptcy or winding-up or the commencement of other analogous proceedings against the Client; or the appointment of a receiver in respect of the Client;
- 13.3 the levying of attachment, sequestration, distress, execution or other legal process is levied, enforced or instituted against any of the accounts of the Client;
- 13.4 any consent, authorization or board or shareholders' resolution required of the Client to enter into this Agreement being wholly or partly revoked, suspended, terminated or ceasing to remain in full force and effect;
- 13.5 any representation or warranty made in or in pursuance of this Agreement or in any certificate statement or other documents delivered shall be or become incorrect in any aspect;
- 13.6 the Client's default in the due performance or observance of any terms of this Agreement and the observance of any by-laws, rules and regulations of the relevant exchanges and/or clearing houses;
- 13.7 the continued performance of any of the transactions or this Agreement becoming illegal or is claimed by any government authority to be illegal; or
- 13.8 with respect to the Client's dealing or relationship with the Company, the Company forms the view in good faith that any event occurs which constitutes a material adverse change affecting the financial position condition, or operation of the Client and action is necessary to protect, enforce or preserve its rights hereunder;
- 13.9 the death, insanity, bankruptcy or insolvency of the Client.

14. Default Consequence

- 14.1 Without prejudice to any other right or remedy which the Company may have, if any Event of Default shall occur, the Company shall be authorized (but is not obliged), in its absolute discretion and in accordance with any applicable laws and regulations, to take one or more of the following actions:
- (a) cancel any or all outstanding orders or any other commitments made on behalf of the Client under any or all of its accounts;
 - (b) liquidate or cover all positions in any or all of the accounts by any means;
 - (c) charge default interest at such rate as determined by the Company from time to time;
 - (d) sell, dispose of or otherwise deal with in whatever manner any Investment, monies, securities, commodity or other property held for or on behalf of the Client under any or all of the accounts he maintains with the Company and to apply the proceeds thereof and any monies to offset and discharge any of the obligations or liabilities owed to the Company by the Client;
 - (e) close any or all of the accounts; and/or
 - (f) terminate this Agreement forthwith.
- 14.2 In the event of any sale pursuant to Event of Default:
- (a) the Company shall not be responsible for any loss occurred if it has already used reasonable endeavors to sell or dispose of the Investments, securities, commodity or other property or any part thereof at the then available market price; and
 - (b) The Client undertakes to pay to the Company any deficiency if the net proceeds of sale shall be insufficient to cover all the outstanding balances owing by him to the Company.
- 14.3 Any proceeds of sale hereunder shall be applied in the following order of priority for:
- (a) payment of all costs, charges, fees and expenses (including, without limitation, legal fees, stamp duty, commission and brokerage) incurred by the Company;
 - (b) payment of all interest due; and
 - (c) payment of all monies and liabilities due, owing or incurred by customer to the Company;
- and any remaining sum shall be paid to the Client.
- 14.4 Any distribution, refund, compensation, dividends, interest or other payments which may be received or receivable by the Company in respect of the Investments held under the relevant account or accounts may be applied by the Company as if they were proceeds of sale notwithstanding that the power of sale may not have arisen.

15. Agreement Amendment

- 15.1 No provision of this Agreement shall in any respect be waived, altered, modified or amended unless such waiver, alteration, modification or amendment be committed in writing and signed by an authorized officer of the Company. To the extent permitted by law, this Agreement may be amended by the Company from time to time. Written notice will be given to the Client if there is any significant amendment and change. Such amendment shall take effect from the date specified in the notice. If the Client does not accept the same, the Client may terminate this Agreement in accordance with Clause 15.2 below.
- 15.2 This Agreement shall continue in effect until terminated by either party giving not less than seven business days prior written notice to the other.
- 15.3 Service of notice of termination by the Client pursuant to Clause 15.2 above shall not affect any transaction entered into by

- the Company pursuant to this Agreement before the notice has actually been received by the Company.
- 15.4 Contractual provisions intended to survive termination.
- 15.5 Notwithstanding Clause 15.2 above, the Client shall have no right to terminate this Agreement if the Client has open positions or outstanding liabilities or obligations.

16. Liability Exclusion

- 16.1 Neither the Company nor its Affiliate shall be liable for any delay or failure to perform obligations and any losses, damages or costs resulting therefrom unless such is directly caused by the Company's negligence or willful default.
- 16.2 The Company and its Affiliate shall not be held responsible for any undesirable consequences resulting whether directly or indirectly from any uncontrollable events including but not limited to government restrictions, imposition of emergency procedures, exchange ruling, third party conduct, suspension of trading, war, strike, market conditions, civil disorder, acts or threatened acts of terrorism, natural disasters, or any other circumstances beyond the Company's control whatsoever, including any errors, deficiencies or electronic data problems, computations, output, operations and other functions of any equipment and related software of the Company and/or its agents, suppliers, vendors, or counterparts.

17. Data Arrangement

- 17.1 All or any of the Client's personal information (including but not limited to financial information) shall be collected and used by the Company in accordance with the Company's policy. The Company shall keep all the Client's information relating to the Client's account confidential (subject as provided for below and in Section J - Notice on Personal Data (Privacy) Ordinance).
- 17.2 The Company may, without prior notice to or consent from the Client, disclose the Client's details to its Affiliates, agents, assignee or subcontractors, the relevant regulators or to any relevant persons pursuant to any court orders or statutory provisions to comply with their requirements or requests for information and facilitating this Agreement purpose. The Company shall not be liable to the Client for any consequences arising from or out of such disclosures. The Client agrees to fully indemnify the Company on demand against all losses, damage, interest, charges, expenses and costs reasonably suffered or incurred by the Company arising out of or in connection with this Agreement.
- 17.3 The Company shall not be under any duty to disclose to the Client any information which may come to its notice in the course of acting in any capacity for any other persons. However, the Company agrees to take reasonable steps to avoid conflicts of interest and where such conflicts cannot reasonably be avoided, the Company shall take steps to ensure fair treatment to its Clients.
- 17.4 The Company can collect, store and process information obtained from the Client or otherwise in connection with this Agreement and the client transactions for the purpose of complying with FATCA or other Foreign Law Requirement, including disclosures to IRS, other governmental agencies or regulatory bodies from time to time. The Client further agrees that this may include transfers of information to jurisdictions which do not have strict data protection policy or data privacy laws.

18. Communications

- 18.1 The Company will not be responsible for delays in the transmission of orders due to a breakdown or failure of transmission of communication facilities, or to any other cause or causes beyond the reasonable control or anticipation of the Company.
- 18.2 Reports, written confirmations, notices, daily statements, monthly statements and any other communications may be transmitted to the Client (who, in the case of a joint account without nominating a person therefor will be deemed for these purposes to be the Client whose name first appears in " Account Opening Form") hereto at the address, telephone, facsimile or telex number or email address given herein, or at such other address or telephone number as the Client hereafter shall notify the Company in writing, and all communications so transmitted, whether by mail, facsimile, telegraph, telephone, email, messenger or otherwise, shall be deemed transmitted when telephoned or when deposited in the mail, or when received by a transmitting agent, whether actually received by the Client or not. Any notices given to the Company shall not be deemed transmitted until actually received by the Company.
- 18.3 Written confirmations of the execution of the Client's orders and Client's account statements shall be conclusive and deemed to be accepted, unless objected to in writing by the Client directed to the address stated therein (or such other address communicated in writing by the Company) within the prescribed time specified in the Client's statements.
- 18.4 Any notice or communication to be made or given by the Company to the Client shall be deemed made or given:
- (a) if by letter, upon delivery to the Client by hand or if sent by prepaid mail, within 2 business days if the Client is in Hong Kong or within 5 business days if the Client is outside Hong Kong; and
- (b) if by facsimile or electronic devices, upon transmission of the message to the Client.
- 18.5 Any notice or communication to be made or given by the Client shall be sent at the Client's own risk and shall only take effect upon actual receipt by the Company.

19. Arbitration

- 19.1 This Agreement and its enforcement shall be governed by the laws of Hong Kong and its provisions shall be continuous and shall cover individually and collectively all accounts which the Client may open or maintain with the Company, and shall inure to the benefit of, and bind the Company, the Company's successors and assigns, whether by merger, consolidation or otherwise, as well as the heirs, executors, administrators, legatees, successors, personal representatives and assigns of the Client.
- 19.2 The Company and the Client agree that any dispute or claim arising out of or in connection with this Agreement shall be determined by arbitration; however the Company may use court proceedings, at the Company's sole option, in which event the Client and the Company submit to the non-exclusive jurisdiction of the Hong Kong courts.
- 19.3 The Company shall inform the Client in writing and in any event, within 14 days of receiving notification from the Client of a dispute or claim, of whether the Company elects to use court proceedings.
- 19.4 Any claim or dispute which, at the Company's sole option, is referred to arbitration shall be determined in Hong Kong at the Hong Kong International Arbitration Centre (the "HKIAC") according to (i) if the Client is resident in Hong Kong, the HKIAC Domestic Arbitration Rules or (ii) if the Client is resident outside Hong Kong the UNCITRAL Arbitration Rules.

In either case, there shall be only one arbitrator appointed by the HKIAC. The language to be used in the arbitral proceedings shall be English. The Client hereby expressly agrees to accept the finding of any such arbitration as final and binding on the Client.

19.5 The claim of the Company against the Client, under this Agreement, if unsecured, will rank at least pari passu with the claims of all the Client's other unsecured and unsubordinated creditors, except for those whose claims are preferred solely by any bankruptcy, insolvency, liquidation or other similar laws of general application.

19.6 Client shall not assign any of his rights or obligations under this Agreement to any other party except with the Company's prior written consent. Subject to the SFO and any applicable laws, the Company may assign any of its rights or obligations under this Agreement to another person after giving written notice to the Client.

20. Risk Disclosure Statement

20.1 In respect of all transactions entered into by the Client or by the Company on the Client's instructions or on his behalf, the Client understands and agrees that the Risk Disclosure Statement cannot disclose all the risks of investing or trading in securities. The Company may from time to time send the Client descriptions of some products that the Company may trade with or for the Client and the risks generally associated with these products, and further supplements on other products and risk descriptions which the Client is strongly recommended to read. Before the Client trade in any products or enter into any transaction, the Client should ensure that he understands the detailed terms and effects of such product or transaction and its suitability for the Client. The Client should read through these carefully and study the market before the Client trades or invests.

20.2 Where the Client deals in derivatives products, the Company shall (1) provide to the Client upon request product specifications and any prospectus other offering document covering such products and (2) the Company shall also provide a full explanation of margin procedures, and the circumstances under which the Client positions may be closed without the Client's consent.

21. Translation

This agreement may be translated into any other language but in the event of any conflict arising the English version shall prevail.

Section C - Securities Cash Trading Agreement

This Section shall be applicable to any cash securities trading account(s) opened by the Client with the Company and if so applicable shall form an integral part of this Agreement. This Section is supplemented by as shall be read jointly with the other Sections herein in so far as they are applicable. The Client is reminded to read this Section carefully and thoroughly. If the Client has any doubt, the Client should seek legal and/or other professional advice.

1. Purchase and Sale Agreement

- 1.1 Save as otherwise agreed, in respect of each purchase or sale transaction executed by the Company on the Client's behalf, unless the Company is already holding cash or securities on the Client's behalf to settle the transaction, the Client shall:
 - (a) pay cleared funds or deliver securities in deliverable form to the Company; or
 - (b) otherwise ensure that the Company has received such funds and securities.
- 1.2 Where the Client fails to comply with Clause 1.1 hereof, the Company may, and is hereby irrevocably authorized at its absolute discretion to:
 - (a) in the case of a purchase transaction, sell or transfer any securities in the Client's account (including but not limited to the purchased securities); or
 - (b) in the case of a sale transaction, borrow and/or purchase such sold securities as are necessary; to satisfy the Client's settlement obligations.
- 1.3 The Company shall deliver to the Client (or any other person or persons as the Client may from time to time direct) all or any securities purchased for the Client provided that:
 - (a) such securities are fully paid; and
 - (b) such securities are not subject to any lien, and/or are not held as collateral by the Company or its Affiliates or any enforcement order issued by the Court.

2. Safekeeping of Securities

- 2.1 Unless otherwise agreed, any securities purchased for the Client or deposited with the Company and held by the Company for safekeeping may, at the Company's absolute discretion:
 - (a) in the case of registrable securities, be registered in the Client's name or in the name of the Company's nominee or,
 - (b) be deposited in safe custody at the Client's own costs in a trust or Client account established and maintained by the Company or the Company's nominee with its/their bankers, custodians or nominees as decided by the Company, or with any other institution which provides facilities for the safe custody of documents provided that in the case of securities listed or traded on the SEHK or interests in a collective investment scheme authorized by the SFC, such institution shall be acceptable to the SFC as a provider of safe custody services or with another intermediary licensed for dealing in securities.
- 2.2 Where any of the Client's securities held by the Company are not registered in the Client's name, any dividends, distributions or other benefits arising from such securities shall, when received by the Company:
 - (a) be credited to the Client's account; or
 - (b) be paid or transferred to the Client, as agreed between the Company and the Client.
- 2.3 the Company is under no duty to return to the Client the securities originally delivered or deposited but shall return securities of the same class, denominations and nominal amount and ranking to the Client.
- 2.4 Where the securities form part of a larger holding of identical securities held for the Company's Clients, the Client shall be entitled to the same share of the benefits arising from the holding proportional to the Client's share of the total holding.
- 2.5 The Client hereby authorizes the Company to exercise voting rights on the Client's behalf in respect of such securities based upon the Client's prior specific instructions.
- 2.6 The Company may, without the Client's prior consent, deal with any of the Client's securities that are held or received outside Hong Kong or securities that are not listed nor traded on the SEHK nor interests in a collective investment scheme authorized by the SFC in a manner that is consistent with applicable Market Requirements.

3. Trade Instruction

- 3.1 Unless otherwise specified by the Client, the Client's trading orders are good for the day. A good-till-cancelled order shall remain a pending order until duly cancelled by the Client. The order shall be subject to execution at any time prior to such cancellation and the Client hereby agrees to accept full responsibility for the transactions.
- 3.2 The Company is under no duty to execute uncovered short selling on the Client's behalf. Unless and until the Client notify the Company to the contrary, all instructions for the sale of securities shall be a "long" sale meaning that the Client (i) owns the securities in question or (ii) has a presently exercisable and unconditional right to vest the securities in the purchaser of them. Where the Client is engaged in covered short selling, the Client shall notify the Company of such fact at the time the Client place the sale order and ensure due settlement of the Client's short sale trades.

4. Apply for new listing securities

If the Client requests the Company or the Company's nominee to apply on the Client's behalf for securities in a new issue for listing on the relevant exchange, then the Client agrees to be bound by the terms of the new issue and in particular, the Client hereby:

- (a) warrants and undertakes that any such application shall be the only application made for the Client's benefit and that the Client shall make no other application in that issue;
- (b) authorizes the Company (or the Company's nominee) to represent and warrant to the relevant exchange that no other application shall be made or shall be intended to be made by the Client or for the Client's behalf;
- (c) acknowledges that the Company (and the Company's nominee) will rely on the above warranties, undertakings and authorizations in making the application; and
- (d) waives all and any claims the Client may have against the Company (and the Company's nominee), its or their directors, employees and/or agents should any securities in the new issue not be issued to the Client unless such non-issue is due to the Company's (or its nominee's) personal and willful default, done with intent to cause the actual loss suffered by the Client.

5. Interest

By signing this agreement, the Client has agreed on the interest rate which is reflected on the client's account statement or the interest rate that is stated in a separate mutually agreed agreement, if any. Please note that the interest rate may be fluctuated from time to time due to the inclusion and fluctuation of the prime rate (if applicable). The Company shall have the right to increase the applicable interest rate at our absolute discretion and the updated interest rate shall be reflected in the Client's account statements. For the purpose of this clause, "Prime Rate" means the best lending rate from Bank of China, Hong Kong.

Section D - Securities Margin Trading Agreement

This Section shall be applicable to any securities trading account(s) for which the Client has applied to the Company Securities Margin Trading Facilities and the Company has agreed to grant or give to the Client such facilities. If so applicable, this Section shall form an integral part of this agreement. The Client is reminded to read this Section carefully and thoroughly. If the Client has any doubt, the Client should seek legal and/or other professional advice.

1. Securities Margin Trading Agreement

The Securities Margin Trading Facilities is granted to the Client in accordance with the provisions set out in this Section, any facility letter issued by the Company to the Client and/or such other conditions as may from time to time be specified by the Company (collectively referred to as "this Securities Margin Trading Agreement"). This Section is supplemented by and shall be read jointly with the other Section herein, in so far as they are applicable. Where any conflict arises between the Securities Cash Trading Agreement and this Securities Margin Trading Agreement, the latter shall prevail.

2. Facilities

- 2.1 The Company may, and is hereby instructed and authorized to, draw on the Facility to settle any amounts due to the Company or its Affiliates in respect of the Client's purchase of securities required by the Company or its Affiliates, or payment of any commission or other costs or expenses owing to the Company or its Affiliates.
- 2.2 The Client upon demand from the Company shall make payments of deposits or margin in money, securities and/or other collateral in such amount and form within such time as may be specified by the Company as the Company at its absolute discretion determines necessary to provide sufficient security in respect of the Facility granted to the Client hereunder. Unless otherwise agreed, any payments to be paid by the Client shall be made into the designated account of the Company before the commencement of trading on the relevant market on the due date in cleared funds.
- 2.3 The Company can provide financial accommodation to facilitate the acquisition of listed securities and, where applicable, for the continued holding of those securities. The Client will not be able to withdraw funds under the facility unless they are for such purposes.

3. Collateral/Charge

- 3.1 The Client hereby, as beneficial owner, charge in favor of the Company by way of first fixed charge all the Client's respective rights, title, benefits and interests in and to all monies and securities which are now or which shall at any time hereafter be deposited with, transferred or caused to be transferred to or held by the Company or its Affiliate or nominees, or transferred to or held by any other person in circumstances where the Company or its Affiliate has any right, title or interest in respect of the same (in each case, whether for security, safe custody, collection or otherwise).
- 3.2 The monies and securities as referred to in Clause 3.1 will include those monies and securities that come into the possession, custody or control of the Company or its Affiliate from time to time for any purpose including any additional or substituted securities and all dividends or interest paid or payable, rights, interest, moneys or property accruing or offering at any time by way of redemption bonus, preference, option or otherwise on or in respect of any such securities or additional or substituted securities (collectively called "the Charged Securities") as a continuing security (the "Charge") for the payment and satisfaction on demand of all monies and liabilities (whether absolute or contingent) and performance of all obligations which are now or at any time come due or incurred from or by the Client to the Company or its Affiliates, or for which the Client may become liable to the Company or its Affiliate on any account or in any manner (whether alone or jointly with any other person and in whatever name style or firm) together with interest from the date of demand to the date of repayment, and any commission, legal and other costs, charges and expenses as they appear in the records of the Company or its Affiliate.
- 3.3 The Charge shall be a continuing security in spite of any intermediate payment or settlement of account or satisfaction of the whole or any part of any sum owing by the Client to the Company and/or its Affiliate, even through the closing of any of the Client's accounts with the Company and the subsequently opening / reopening of any account by the Client either alone or jointly with others, shall extend to cover all or any sum of money which shall for the time being constitute the balance due from the Client to the Company or its Affiliates on any account or otherwise.
- 3.4 Upon irrevocable and full payment of all sums which may be or become payable under the Securities Cash Trading Agreement and the full performance of the Client's obligations under this Securities Margin Trading Agreement, the Company may at the Client's request and expense, release to the Client all right, title and interest of the Company in the Charged Securities and may also give such instructions and directions to the Client in order to perfect such release.
- 3.5 Prior to the enforcement of the Charge, the Company shall be entitled without notice to the Client, to exercise voting rights and other rights relating to the collateral to protect the value of the Charged Securities. Unless otherwise provided herein, the Client may direct the exercise of other rights attaching to, or connected with, the Charged Securities, but not in any manner which is inconsistent with the Client's obligations under this Securities Margin Trading Agreement, or which in any way prejudice the Company's rights in relation to the Charged Securities.
- 3.6 In case of any sale pursuant to the Securities Cash Trading Agreement or this Securities Margin Trading Agreement, the Client agrees that any Charged Securities shall be sold or disposed of at the absolute discretion of the Company and upon any sale by the Company, a declaration made by an authorized officer of the Company that the power of sale has become exercisable shall be conclusive evidence of the fact in favor of any purchaser or other person deriving title to any of the Charged Securities under the sale and no person dealing with the Company or its nominees shall be concerned to inquire into the circumstances of the sale. The Client hereby agrees to accept and be bound by such transactions.
- 3.7 The Client shall from time to time upon the Company's request promptly and duly execute and deliver any and all such further instruments and documents as the Company may deem desirable for the purpose of obtaining the full benefit of this Agreement and of the rights and powers granted under it.
- 3.8 Without prejudice to the generality of the matter, neither the Charge nor the amounts thereby secured shall be affected in any way by:
 - (a) any other security, guarantee or indemnity now or hereafter held by the Company or its Affiliate in respect of this Securities Margin Trading Agreement or any other liabilities;
 - (b) any other variation or amendment to or waiver or release of any security, guarantee or indemnity or other document

- (c) (including, except to the extent of the relevant variation, amendment, waiver or release, the Charge); the enforcement or absence of enforcement or release by the Company or its Affiliate of any security, guarantee or indemnity or other document (including the Charge);
 - (d) any time, indulgence, waiver or consent given to the Client or any other person whether by the Company or its Affiliate;
 - (e) the making or absence of any demand for payment of any sum payable under this Securities Margin Trading Agreement made on the Client whether by the Company or any other person;
 - (f) the insolvency, bankruptcy, death or insanity of the Client;
 - (g) any amalgamation, merger or reconstruction that may be effected by the Company with any other person or any sale or transfer of the whole or any part of the undertaking, property or assets of the Company to any other person;
 - (h) the existence of any claim, set-off or other right which the Client may have at any time against the Company or any other person;
 - (i) any arrangement or compromise entered into by the Company with the Client or any other person;
 - (j) the illegality, invalidity or unenforceability of, or any defect in, any provision of any documents relating to the Facility or any security, guarantees or indemnities (including the Charge) or any of the rights or obligations of any of the parties under or in connection with any such document or any security, guarantee or indemnity (including the Charge), whether on the grounds of ultra vires, not being in the interests of the relevant person or not having been duly authorized, executed or delivered by any person or for any other reason whatsoever;
 - (k) any agreement, security, guarantee, indemnity, payment or other transaction which is capable of being avoided under or affected by any law relating to bankruptcy, insolvency or winding-up or any release, settlement or discharge given or made by the Client on the faith of any such agreement, security, guarantees, indemnities, payment or other transaction, and any such release, settlement or discharge shall be deemed to be limited accordingly; or
 - (l) any act, omission or neglect by the Company or any other person or any other dealing, fact, matter or thing which, but for this provision, might operate to prejudice or affect the Client's liabilities under this Securities Margin Trading Agreement.
- 3.9 Where there exists any indebtedness to the Company on the Client's part, the Company shall have the right at any time and from time to time to refuse any withdrawal of any or all of the monies and/or securities in the Client's account and the Client shall not, unless prior consent of the Company is obtained, be entitled to withdraw any monies and/or securities in part or in whole from the account.
- 3.10 The Client by way of security hereby irrevocably instruct and appoint the Company to be the Client's lawful attorney on the Client's behalf and in the Client's name to do all acts and things and to sign, seal, execute, deliver, perfect and do all deeds, instruments, documents, acts and things which may be necessary for carrying out any obligation imposed on the Client by or pursuant to this Securities Margin Trading Agreement and generally for enabling the Company to exercise the respective rights and powers conferred on it by or pursuant to this Agreement or by law including but not limited to:
- (a) to execute any transfer or assurance in respect of any of the Charged Securities;
 - (b) to perfect its title to any of the Charged Securities;
 - (c) to ask, require, demand, receive, compound and give a good discharge for any and all moneys and claims for moneys due or to become due under or arising out of any of the Charged Securities;
 - (d) to give valid receipts and discharges and to enclose any checks or other instruments or orders in connection with any of the Charged Securities; and
 - (e) generally to file any claims or take any lawful action or institute any proceedings which it considers to be necessary or advisable to protect the security created herein.

4. Client's Commitment, etc.

- 4.1 The Client hereby represents, warrants and undertakes that:
- (a) the Charged Securities are legally and beneficially owned by the Client;
 - (b) the Client has good right to deposit the securities with the Company or its Affiliates; and
 - (c) the Charged Securities are and will remain free from any lien, charge or encumbrance of any kind except as provided for in this Securities Margin Trading Agreement and are not nor shall they be subject to any option and any stocks, shares and other securities comprised in the Charged Securities are and will be fully paid up.

5. Standing Authority (Client Securities)

- 5.1 The Client hereby agrees that during the subsistence of this Securities Margin Trading Agreement and regardless of the Client's indebtedness to the Company for the time being, the Company shall be entitled, with the Client's standing authority, to deal with the Charged Securities which are securities listed or traded on the SEHK or are interests in a collective investment scheme authorized by the SFC, in the following manner:
- (a) apply the securities to a securities borrowing and lending agreement;
 - (b) deposit any of the securities with an authorized financial institution (as defined in the SFO) as collateral for financial accommodation provided to the Company; or
 - (c) deposit the securities collateral with
 - (i) a recognized clearing house; or
 - (ii) another intermediary licensed or registered for dealing in securities, as collateral for the discharge and satisfaction of the Company's settlement obligations and liabilities.
- 5.2 The Client acknowledges that by granting a standing authority referred to in Clause 5.1 hereof, the Company shall have the right to pool the Client's securities and deposit them as collateral for loans and advances. A third party may have right to the Client's securities which the Company must satisfy before returning the securities to the Client. This may increase the risk of the Client's securities, which the Client is prepared to accept.
- 5.3 The Client may renew or cancel the Client's standing authority referred to in Clause 5.2 hereof in the manner set out in the authority. The Company shall remain liable to the Client for the return of equivalent securities to the Client free from encumbrances after full repayment of all outstanding loans under the Facility by the Client.
- 5.4 The Client further agrees that, with or without the Client's prior consent, the Company may deal with any of the Charged Assets which are not securities listed nor traded on the SEHK nor are interests in a collective investment scheme authorized by the SFC, in

a manner that is consistent with applicable Market Requirements.

6. Termination of Facility

- 6.1 The Company may, at its absolute discretion, make any advance to the Client upon the Client's request but the Company shall be under no obligation to do so upon the occurrence of any of the following circumstances:
- (a) failure by the Client to comply with any provision of this Securities Margin Trading Agreement or the Securities Cash Trading Agreement;
 - (b) in the opinion of the Company there is or has been a material adverse change in the Client's business, assets and/or financial condition or in the business, assets and/or financial condition of any person which might adversely affect the Client's ability to discharge the Client's liabilities or perform the Client's obligations hereunder;
 - (c) making an advance would cause the applicable ratios determined by the Company to be exceeded (whether actual or reasonably anticipated); or
 - (d) the Company at its absolute discretion considers it prudent or desirable for its protection not to do so.
- 6.2 The Facility granted to the Client shall be repayable on demand and may be varied or terminated at the absolute discretion of the Company.
- 6.3 If the Client commits a default in payment on demand of funds or any other sums payable to the Company hereunder, on the due date therefore, or otherwise fail to comply with the terms contained herein, the Company, without prejudice to any other rights it may have, shall have the right to close the Client's margin account without notice to the Client and to dispose of any or all securities held for or on behalf of the Client and to apply the proceeds thereof and any cash deposits to pay the Company all outstanding balances owed to the Company. Any moneys remaining after such application shall be refunded to the Client.
- 6.4 Any failure by the Client to comply with Clause 2.2 hereof shall constitute an act of default under this Securities Margin Trading Agreement and the Securities Cash Trading Agreement. Without prejudice to any other rights available to the Company under the Securities Cash Trading Agreement, this Securities Margin Trading Agreement or in law, the Company shall be entitled, whenever it considers necessary or desirable and without notice or demand, to terminate the Facility, close the Client's account(s), dispose of the Client's securities, cancel the Client's open orders for the sale and purchase of the Client's securities, and/or borrow or buy any securities required for delivery in respect of any sale effected for the Client. The proceeds of such transactions shall be applied in reduction of the Client's indebtedness owing to the Company and/or its Affiliate and any outstanding indebtedness shall become immediately due and payable by the Client to the Company.
- 6.5 The Facility shall be terminated upon the occurrence of any of the following events:
- (a) the withdrawal of the Client's standing authority to the Company as referred to in Clause 5 hereof;
 - (b) the non-renewal of such standing authority in favor of the Company upon expiry or when called upon to do so; or
 - (c) the termination of the Terms and Conditions as set out in Section B in accordance with Clause 15 thereof, and any notice of termination for that purpose shall be deemed to be a notice of termination of the Facility.
- 6.6 Upon termination of the Facility, any outstanding indebtedness by the Client to the Company shall forthwith become due and payable. Repayment of all or any of the loan due to the Company shall not of itself constitute termination of the Securities Margin Trading Agreement.

7. Indebtedness

The Client shall at all times be liable for the payment of any debit balance owing in such account(s) with the Company upon demand, and that in all cases, the Client shall be liable for any deficiency remaining in such account(s) in the event the liquidation thereof in whole or in part by the Company or by the Client. The Client shall promptly settle, upon demand, all liabilities outstanding to the Company, together with all costs of collection (including reasonable legal fees).

8. Margin Loan Facility Agreement

- 8.1 **Margin Loan Facilities**
At the request of the Client, the Company may provide the Client with a revolving margin loan facility line and the Company has the absolute right to decide the credit limit offered (the "Credit Limit"). The Margin Loan Facilities can be repaid or reborrowed in whole or in part provided the total amount outstanding from the Client to the Company together with the interest thereon shall not exceed the Credit Limit. The Company reserves the right to increase or reduce the Credit Limit at any time in our sole discretion. It shall not in any way limit the Client's liability to settle any amount(s) that may be outstanding from the Client to the Company arising from or in relation to the Client's trading activities or otherwise; nor shall it in any way limit the liability of the Client's guarantor(s) under the guarantee(s) executed in favor of the Company.
- 8.2 **Purpose**
In connection with the Client's dealing in securities through the Client account(s) and/or to settle any outstanding balance in the account(s) and/or to settle any amount that may be outstanding by the Client to the Company.
- 8.3 **Drawdown**
Subject to the availability of funds, the loan may be drawdown at any time during the Availability Period by the Client or the Client's authorized agent. The Company shall have the authority to drawdown the Margin Loan Facilities on the Client's behalf for the purpose of settling the Client's trading activities through the account(s). The loan will be advanced by transferring the relevant amount to any one of the above account(s) opened with the Company directly. The Company reserves its right to reject any drawdown application hereunder.
- 8.4 **Interest**
By signing this agreement, the Client has agreed on the interest rate which is reflected on the client's account statement or the interest rate that is stated in a separate mutually agreed agreement, if any, or by the time the Client starts to use it with the Client's trading activities, the Client is deemed to be agreed on such interest rate. Please note that the interest rate may be fluctuated from time to time due to the inclusion and fluctuation of the prime rate (if applicable). The Company shall have the right to increase the applicable interest rate at our absolute discretion and the updated interest rate shall be reflected in the Client's account statements. For the purpose of this clause, "Prime Rate" means the best lending rate from The Bank of China, Hong Kong.
- 8.5 **Final Maturity Date**

- The date on which the Availability Period will expire.
- 8.6 Default Interest
In respect of all outstanding amounts not paid on the due date, additional interest at the rate set out in Clause 8.4 above shall be payable from the due date until payment of such outstanding amounts are received (both before as well as after a court judgment is made).
- 8.7 Repayment
All outstanding loans shall be repaid forthwith on demand and in any event no later than the Final Maturity Date unless extended by agreement between the parties.
- 8.8 Availability Period
The Company may in its absolute discretion revise and/or extend. When there is any such revision or extension, the Company shall send the Client a letter the terms and conditions of which will be deemed to be accepted by the Client upon the Company advancement and the Client utilization of any monies under the Facilities or upon the occurrence of any transaction in the account(s) on or after the date of commencement of the new validity period as stated in such letter.
- 8.9 Guarantor(s)
If there are more than one Guarantor, the liabilities and obligations of all the Guarantors shall be joint and several under this Agreement.
- 8.10 Other Terms
- (a) The granting of this Facilities is subject to the Client signing and the continuance in force of the Client Securities Standing Authority in favor of the Company.
 - (b) In the event the interest rate exceeds the highest interest rate permissible by law, the interest rate shall be reduced to such highest permissible interest rate.

Section E - Joint Account Holders

This Section shall be applicable to any joint account opened with the Company by the Clients and if so applicable shall form an integral part of this Agreement.

1. Joint Tenants or Tenants in Common

The Clients hereby declare and confirm that the account(s) are held by us.

- (a) Where the account(s) are held by Clients as joint tenants with right of survivorship and not tenants in common, in the event of the death of either or any of the Clients, the entire interest in any account opened on the Clients' behalf shall be vested in the survivor or survivors on the same terms and conditions as therein before held. The estate of the deceased shall have no interest in the assets of any such account at the date of death or in its operation thereafter. However, the estate shall remain liable for obligations in respect of such account as provided in Paragraph 3 below.
- (b) Where the account(s) are held by Clients as tenants in common, each of the Clients shall have a defined ratio of interest in any account opened on the Clients' behalf in the manner set out in Paragraph 3 of this Section. In the event of the death of either or any of the Clients, the Company may, in the sole discretion of the Company and without having to assign a reason thereto, either liquidate any such account or accept the instructions of the survivor, or a majority of the survivors, as the case may be, as to its continuance and as to the respective interest of the parties (including the estate) therein. In either event, the deceased's estate shall remain liable for the obligations of the account as provided in Paragraph 3 below.

If the Clients fail to declare and confirm the account(s) held by them either as joint tenants or tenant-in-common or any ambiguity arisen in this Agreement, it is deemed that such account(s) are held by the Clients as joint tenants.

2. Managers' Instructions

- 2.1 The Clients elect to have any account opened on the Clients' behalf managed on the Clients' behalf and the Clients hereby nominate the person as stated in " Account Opening Form" as the sole person(s) authorized to act for the Clients with respect any such account (hereinafter referred to as the "Manager", whether one or more person has been so nominated). Any such nomination may be revoked and any other person may be nominated in substitution therefor or addition thereto by a majority in number or all of the joint holders by notice in writing to the Company. The Company may in all respects accept the instructions of the Manager (or of any one Manager, where more than one person has been so nominated) in respect of the administration and operation of any such account. Notwithstanding clause 18.2 of Section B – General Terms and Conditions, so long as one or more persons have been nominated as the Manager and notice of the death of such person (or of all such persons, where more than one person has been so nominated) has not been received by the Company, all notices and communications from the Company shall be addressed to the Manager or, if more than one person has been so nominated, to the first-named. All dealings with the Manager shall be binding upon all of the Clients, and the Clients consent to all actions and omissions taken by the Company upon the instructions or representations of the Manager.
- 2.2 If a Manager has not been nominated pursuant to Paragraph 2.1 above, the Clients hereby authorize the Company to accept and follow the instructions of any of the Clients in all matters relating to the administration and operation of any account opened on the Clients' behalf and to make payments to and to deliver and receive funds, securities, commodities or other property to or from any of the Clients. In those circumstances the Company shall not be bound to enquire as to the Clients' respective interests in any such account, nor as the application of any property or funds withdrawn from it.

3. Liability of Joint Account Holders

- 3.1 The Clients hereby state that whether the Clients are joint tenants or tenants in common, the Clients' liability hereunder shall be joint and several. This means that the Company has at its absolute discretion the right to go against any one of them for the whole liability. In the event of the death of any one of the Clients, in the case of a joint tenancy the estate of the deceased shall remain so liable in respect of any obligations, debit balance or loss incurred before or existing at the death of the deceased in respect of any account opened on the Clients' behalf, and, in the case of a tenancy in common, the estate of the deceased and the survivor or survivors shall continue to remain jointly and severally liable for any obligations, debit balance or loss in respect of any such account (including those incurred in the liquidation of the account) until termination of the account.
- 3.2 The Clients hereby ratify and confirm all transactions heretofore entered into by any of the Clients in respect of any account opened on the Clients' behalf. This Section shall be binding upon each of the Clients and the Clients' respective heirs, legal representatives and assigns.
- 3.3 Each of the Clients and guarantors will remain individually responsible for the full amount of all liabilities under or in connection with this Agreement even if they cease to be partners (for example in the event of separation or divorce), unless the Company agrees otherwise in writing.

4. Death Notification of Joint Account Holders

The Clients will give the Company immediate notice in writing of the death of any one of the Clients in the event of the death of any one of the Clients (with the production of his/her death certificate issued by the proper lawful authorities to the satisfaction of the Company as a proof), whether the Clients are joint tenants or tenants in common, the Company may take such steps as the Company shall in the sole discretion of the Company (without having to assign a reason thereto) deem necessary or desirable to protect the Company with respect to taxes and other claims. Before releasing any property held by the Company for any purpose or carried by the Company in any account opened on the Clients' behalf or which may be in the Company's possession at any time and for any purpose, including safe-keeping, the Company may require such proof of death, tax waivers, other documents, and instruments of guarantee by the survivors and/or by the estate of the deceased as the Company may in its sole discretion (without having to assign a reason thereto) deem necessary or desirable in connection with the liquidation or continuation of any such account.

Section F - Agreement for Electronic Trading Services

This Section shall be applicable to any account which the Client has chosen to employ or use electronic trading services provided by the Company, and so applicable, shall form an integral part of this Agreement. This Section is supplemented by and should be read jointly with the other Sections herein in so far as they are applicable. The Client is reminded to read this Section carefully and thoroughly. If the Client has any doubt, the Client shall seek legal and/or professional advice

1. In this Section, unless the context otherwise requires, the following terms shall have the following meaning:
 - (a) "Electronic Trading Services" mean the electronic facility which enables the Client to give instructions and obtain information services provided by the Company;
 - (b) "Access Codes" mean the Client's Password, PIN, User ID or such codes as may be notified to the Client in respect of the Client's access to the Company's Electronic Trading Services.
2. Upon the Client's request, the Company may provide the Client with Electronic Trading Services (being the electronic facility which enables the Client to give instructions to, and obtain information and services from, the Company in relation to Investments) which include but is not limited to the Mobile Trading Application (Trade App), Web Trader and the company's website. The Client acknowledges that the usage of the Company's Electronic Trading Services is subject to the terms and conditions to be specified by the Company from time to time and any applicable laws and regulations.
3. When using the Company's Electronic Trading Services, the Client hereby warrants that he is the only authorized user of the Company's user identification code(s), password(s), login name(s) or personal identifier(s) as may be issued by the Company from time to time and the Client shall accept full responsibility for all instructions placed with the use of his Access Codes (whether authorized by the Client or not).
4. The Client shall not attempt to tamper with, de-compile, modify, reverse engineer or otherwise alter in any way, or gain unauthorized access to the Company's Electronic Trading Services.
5. When the Client opens an electronic account with the Company, he shall duly complete, sign and return the Application Form for Electronic Trading Services. In addition, the Client hereby agrees to return to the Company the hard copy of this Agreement and Account Opening Form duly completed and executed by Client together with any required documents as soon as practicable.
6. the Company shall not be deemed to have received the Client's instructions or executed its order(s) unless and until the Company's message acknowledging receipt or confirming execution of customer's order(s) is received by the Client.
7. In addition to the Company's Electronic Trading Services, the Client may also give instructions to the Company by communicating with one of its sales representatives direct. If the Client experiences any problems in reaching the Company via the Company's Electronic Trading Services, he may use other methods to communicate with the Company and inform the Company of the difficulty which he is experiencing.
8. The Client expressly agrees that the Company may communicate with or give notice to the Client via the Company's Electronic Trading Services or by other electronic means or facilities and that any such notice or communication delivered to the Client by the Company by electronic devices through the Electronic Trading Services or otherwise shall be deemed to have been received at the time of transmission of the message to the Client.
9. The Client acknowledges that it may not be possible to amend or cancel his instructions or orders once given and hereby agree to carefully review every order before it is made.
10. The Client understands and accepts that the Company may at any time in its sole discretion and without prior notice to customer, suspend, prohibit, restrict or terminate the Client's access to the Electronic Trading Services and his ability to trade. The suspension, prohibition, restriction or termination of access or closing of the electronic account by the Company will not affect the rights and/or obligations of either party incurred prior to the time of the suspension, prohibition, restriction or termination of access or closing of the electronic account.
11. The Client is fully aware that the financial data or other information published by third parties are provided in the Company's Electronic Trading Services for the purpose of information and reference only. By reason of market volatility and possible delay in the data transmission process beyond the control of the Company, such data may not be real-time market quotes whether for the Investments or otherwise. Whilst the Company considers such data to be reliable, the Company has no independent basis to verify or confirm the accuracy or completeness of the information provided. The Client shall in no way treat such data provided in the Company's Electronic Trading Services as a warranty, recommendation or endorsement from the Company in respect of any Investments.
12. The Client hereby acknowledges that any information provided in the Company's Electronic Trading Services is provided on an "as is", or "as available" basis. The Company does not confirm, warrant or guarantee the timeliness, sequence, accuracy, adequacy or completeness of such information and gives no express or implied warranties (including but not limited to warranties of merchantability or fitness for a particular use) in respect of such information.
13. The Client acknowledges and agrees to immediately notify the Company if:
 - (a) an instruction has been placed through the Electronic Trading Services and the Client has not received an instruction number and has not received an accurate acknowledgement of the instruction or of its execution (whether by hard copy,

- electronic or verbal means);
 - (b) the Client has received acknowledgment (whether by hard copy, electronic or verbal means) of a transaction which the Client did not instruct or becomes aware of any similar conflict;
 - (c) the Client becomes aware of any of the acts stated in Clause 4 being done or attempted by any person;
 - (d) the Client becomes aware of any unauthorized use of the Client's Access Codes; or
 - (e) the Client has difficulties with regard to the use of the Electronic Trading Services.
14. The Client agrees that neither the Company nor its officers, employees, agents, third party electronic information providers ("Information Providers") or third party electronic information transmitters ("Information Transmitters") shall be liable for any loss or damage:
- (a) of any kind, whether direct, indirect, special, consequential or incidental, resulting from access or use of or reliance on information supplied by, or inability to access or use, the Electronic Trading Services, including without limitation damage resulting from the act, omission, mistake, delay or interruption of the Information Providers or the Information Transmitters, even if the Company, the Information Providers or the Information Transmitters have been advised of the possibility of such loss; or
 - (b) resulting from a cause over which the Company, Information Providers or Information Transmitters do not have control, including but not limited to any governmental restriction, suspension of trading, failure of electronic or mechanical equipment or communication lines, telephone or other interconnection problems, incompatibility of computer hardware or software, failure or unavailability of Internet access, problems with Internet service providers or other equipment or services relating to the customer's or the Company's computer system, power failure, problem with data transmission facilities, unauthorized access, theft, fire, war, strikes, civil disorder, acts or threatened acts of terrorism, natural disasters or labor disputes.
15. The Client agrees that the Company shall not be responsible for any damage to the Client's computer, software, modem, telephone or other property resulting from his use of the Electronic Trading Services.
16. The Company shall not be liable for any transmission error or execution delays in providing Electronic Trading Services to the Client save where such is due to its gross negligence or willful default.
17. The Client agrees to indemnify and hold the Company, its officers, employees, agents, Information Providers and Information Transmitters harmless from and against any and all claims, losses, liability, costs and expenses arising out of or in connection with customer's use of the Electronic Trading Services. This obligation will survive the termination of this Agreement.
18. The Client agrees to pay all subscription, service and other fees, if any, that the Company may charge from time to time for the use of the electronic trading services.
19. The Client acknowledges that the information made available to the Client through the electronic trading services may be provided by the Company and/or any other person. The Client acknowledges that such information is the property of the person providing the same and is protected by copyright or contractual restrictions on its use. The Client agrees not to reproduce, retransmit, disseminate, sell, distribute, publish, broadcast, circulate or commercially exploit such information without prior written consent.

Section G - Risk Disclosure Statement and Disclaimers

Part A – Risk Disclosure Statement relating to securities cash and margin trading account

Risk of Trading Stocks

1. The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.

Risk of Trading Growth Enterprise Market Stocks

2. Growth Enterprise Market (GEM) stocks involve a high investment risk. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. GEM stocks may be very volatile and illiquid.
3. You should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.
4. Current information on GEM stocks may only be found on the internet website operated by The Stock Exchange of Hong Kong Limited. GEM Companies are usually not required to issue paid announcements in gazetted newspapers.
5. You should seek independent professional advice if you are uncertain of or have not understood any aspect of this risk disclosure statement or the nature and risks involved in trading of GEM stocks.

Risk of Providing an Authority to Repledge your Securities Collateral

6. There is risk if you provide the Company with an authority that allows it to apply your securities or securities collateral pursuant to a securities borrowing and lending agreement, repledge your securities collateral for financial accommodation or deposit your securities collateral as collateral for the discharge and satisfaction of the Company's settlement obligations and liabilities.
7. If your securities or securities collateral are received or held by the Company in Hong Kong, the above arrangement is allowed only if you consent in writing. Moreover, unless you are a professional investor, your authority must specify the period for which it is current and be limited to not more than 12 months. If you are a professional investor, these restrictions do not apply.
8. Additionally, your authority may be deemed to be renewed (i.e. without my/our written consent) if the Company issues you a reminder at least 14 days prior to the expiry of the authority, and you do not object to such deemed renewal before the expiry date of your then existing authority.
9. You are not required by any law to sign these authorities. But an authority may be required by the Company, for example, to facilitate margin lending to you or to allow your securities or securities collateral to be lent to or deposited as collateral with third parties. The Company has explained to you the purposes for which one of these authorities is to be used.
10. If you sign one of these authorities and your securities or securities collateral are lent to or deposited with third parties, those third parties will have a lien or charge on your securities or securities collateral. Although the Company is responsible to you for securities or securities collateral lent or deposited under your authority, a default by the Company could result in the loss of your securities or securities collateral.
11. A cash account not involving securities borrowing and lending is available from the Company. If you do not require margin facilities or do not wish your securities or securities collateral to be lent or pledged, you should not sign the above authorities and ask to open this type of cash account.

Risk of Margin Trading

12. You understand that the risk of loss in financing a transaction by deposit of collateral is significant. You may sustain losses in excess of your cash and any other assets deposited as collateral with the Company. Market conditions may make it impossible to execute contingent orders, such as "stop-loss" or "stop-limit" orders. You may be called upon at short notice to make additional margin deposits or interest payments. If the required margin deposits or interest payments are not made within the prescribed time, your collateral may be liquidated without your consent. Moreover, you will remain liable for any resulting deficit in your account and interest charged on your account. You should therefore carefully consider whether such a financing arrangement is suitable in light of your own financial position and investment objectives.

Risk of Trading Nasdaq-Amex Securities at the Stock Exchange of Hong Kong Limited

13. You understand that the securities under the Nasdaq-Amex Pilot Program (PP) are aimed at sophisticated investors. You should seek independent advice and become familiarized with the PP before trading in the PP securities. You are aware that the PP securities are not regulated as a primary or secondary listing on the Main Board or the Growth Enterprise Market of The Stock Exchange of

Hong Kong Limited.

Additional Risk relating to Investment Products including Equity Linked Notes (ELN)

14. You understand that Investor may suffer capital loss should the price of the underlying shares go against the Investor's bet. In extreme case, you may lose the ENTIRE capital
15. The return on investment is predetermined by the terms specified in the ELN. So even if Investor's view of the direction of the underlying stock price is correct, Investor will not gain more than the specified amount.
16. The return payable for the ELN is determined at a specified time on the valuation date, irrespective of the fluctuations in the underlying stock price before or after that specific time.
17. Unlike traditional time deposits there is no guarantee that Investor will get a return on Investor's investment or any yield.
18. The ELN is one of the many types of equity-linked instruments (ELI). Other types of ELI include the equity-linked deposit, which works on a similar basis to the ELN.

Part B – Risk Disclosure Statements for exchange-traded derivative products

Trading of exchange-traded derivative products ("Derivative products") such as Callable Bull/Bear Contracts ("CBBC"), Derivative Warrants, Synthetic Exchange – Traded Fund ("Synthetic ETF"), Right Issues, involve significant risks. It is crucial for you as investors to fully understand the risks and consequences involved in trading these exchanged-traded derivative products before trading them.

General Risk of Trading in Derivative Products

1. **Issuer Default Risk**
In the event that an Derivative Product issuer becomes insolvent and defaults on their issued products, you will be considered as unsecured creditors and will have no preferential claims to any assets held by the issuer. You should therefore pay close attention to the financial strength and credit worthiness of Derivative Product issuers.
Note: "Issuers Credit Rating" showing the credit ratings of individual issuers is now available under the Issuer and Liquidity Provider Information sub-section under Derivative Warrants and under Callable Bull/Bear Contracts ("CBBCs") section on the HKEx corporate website.
2. **Uncollateralized Product Risk**
Uncollateralized Derivative Products are not asset backed. In the event of issuer bankruptcy, Investors can lose their entire investment. Investors should read the listing documents to determine if a product is uncollateralized.
3. **Gearing Risk**
Derivative Products such as derivative warrants and CBBCs are leveraged and can change in value rapidly according to the gearing ratio relative to the underlying assets. Investors should be aware that the value of a Derivative product may fall to zero resulting in a total loss of the initial investment.
4. **Expiry Considerations**
Derivative Products have an expiry date after which the issue may become worthless. Investors should be aware of the expiry time horizon and choose a product with an appropriate lifespan for their trading strategy.
5. **Extraordinary Price Movements**
The price of a Derivative Product may not match its theoretical price due to outside influences such as market supply and demand factors. As a result, actual traded prices can be higher or lower than the theoretical price.
6. **Foreign Exchange Risk**
Investors trading Derivative Products with underlying assets not dominated in Hong Kong dollars are also exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the Derivative Product price.
7. **Liquidity Risk**
The Exchange requires all Derivative Product issuers to appoint a liquidity provider for each individual issue. The role of liquidity providers is to provide two way quotes to facilitate trading of their products. In the event that a liquidity provider defaults or ceases to fulfill its role, Investors may not be able to buy or sell the product until a new liquidity provider has been assigned.

Additional Risks of Trading Derivative Warrants

8. **Time Decay Risk**
All things being equal, the value of a Derivative Warrant will decay over time as it approaches its expiry date. Derivative Warrants should therefore not be viewed as long term investments.
9. **Volatility Risk**

Prices of Derivative Warrants can increase or decrease in line with the implied volatility of underlying asset price. Investors should be aware of the underlying asset volatility.

Additional Risks of Trading Callable Bull/Bear Contracts (" CBBCs")

10. **Mandatory Call Risk**
Investors trading CBBCs should be aware of their intraday "knock out" or mandatory call feature. A CBBC will cease trading when the underlying asset value equals the mandatory call price/level as stated in the listing documents. Investors will only be entitled to the residual value of the terminated CBBC as calculated by the product issuer in accordance with the listing documents. Investors should also note that the residual value can be zero.
11. **Funding Costs**
The issue price of a CBBC includes funding costs. Funding costs are gradually reduced over time as the CBBC moves towards expiry. The longer the duration of the CBBC, the higher the total funding will cost. In the event that a CBBC is called, Investors will lose the funding costs for the entire lifespan of the CBBC. The formula for calculating the funding costs are stated in the listing documents.

Additional Risk of Trading Synthetic Exchange Traded Funds (ETFs)

12. **Market Risk**
ETFs are typically designed to track the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities. ETF managers may use different strategies to achieve this goal, but in general they do not have the discretion to take defensive positions in declining markets. Investors must be prepared to bear the risk of loss and volatility associated with the underlying index/assets.
13. **Tracking Error Risk**
There may be disparity in performance between an ETF and its underlying index/assets. Tracking errors can arise due to factors such as the impact of transaction fees and expenses incurred to the ETF, changes in composition of the underlying index/assets, and the ETF manager's replication strategy.
14. **Counterparty Risks**
Where a Synthetic ETF invests in derivatives to replicate the index performance, Investors are exposed to the credit risk of the counterparties who issued the derivatives, in addition to the risks relating to the index. Further, potential contagion and concentration risks of the derivatives issuers should be taken into account (e.g. since derivative issuers are predominantly international financial institutions, the failure of one derivative counterparty of a Synthetic ETF may have a "knock on" effect on other derivative counterparties of the Synthetic ETF). Some Synthetic ETFs have collateral to reduce the counterparty risk, but there may be a risk that the market value of the collateral has fallen substantially when the Synthetic ETF seeks to realize the collateral.
15. **Trading at Discount or Premium**
Where the index/market that the Synthetic ETF tracks is subject to restricted access, the efficiency in unit creation or redemption to keep the price of the Synthetic ETF in line with its net asset value (NAV) may be disrupted, causing the Synthetic ETF to trade at a higher premium or discount to its NAV. Investors who buy a Synthetic ETF at a premium may not be able to recover the premium in the event of termination.

Risk Relating to Rights Issue

16. For exercising and trading of the right issue, Investors have to pay attention to the deadline and other timelines. Rights issues that are not exercised will have no value upon expiry. But if Investors decide to let the rights lapse, then Investors will not need to take any action unless Investors want to sell the rights in the market. In that case, the rights must be sold during the specified trading period within the subscription period, after which they will become worthless. If Investors pass up the rights, the shareholding in the expanded capital of the company will be diluted.

Part C – Risk Disclosure Statements for other products

Renminbi Products

Below risk disclosure statement cannot disclose all the risks involved. Clients should undertake their own research and study before trading or investing in the relevant product. Clients should carefully consider whether trading or investment is suitable in light of their own financial position and investment objectives.

1. **Renminbi Currency Risk**
Renminbi is not freely convertible at present and conversion of Renminbi through banks in Hong Kong SAR is subject to certain restrictions. For Renminbi products which are not denominated in Renminbi or with underlying investments which are not Renminbi denominated, such products will be subject to multiple currency conversion costs involved in making investments and liquidating investments, as well as the Renminbi exchange rate fluctuations and bid/offer spreads when assets are sold to meet redemption requests and other capital requirements (e.g. settling operating expenses).
The Mainland China government regulates the conversion between Renminbi and other currencies. If the restrictions on Renminbi convertibility and the limitations on the flow of Renminbi funds between Mainland China and Hong Kong SAR become more stringent, the depth of the Renminbi market in Hong Kong SAR may become further limited.

2. **Exchange Rate Risks**
The value of the Renminbi against the Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the Mainland China and international political and economic conditions and by many other factors. For Renminbi products, the value of the investment in Hong Kong dollar terms may decline if the value of Renminbi depreciates against the Hong Kong dollar.
3. **Interest Rate Risks**
The Mainland China government has gradually liberalized the regulation of interest rates in recent years. Further liberalization may increase interest rate volatility. For Renminbi products which are, or may invest in, Renminbi debt instruments, such instruments are susceptible to interest rate fluctuations, which may affect the return and performance of the Renminbi products.
4. **Liquidity Risk**
Renminbi products may suffer significant losses in liquidating the underlying investment, especially if such investments do not have an active secondary market and their prices have large bid / offer spread.
5. **Limitation on the Provision of Renminbi Funding**
If the Clients do not have sufficient Renminbi funding to subscribe Renminbi products, subject to compliance with all applicable laws, rules and regulations, we may assist the Clients to convert other currencies to Renminbi. However, we do not guarantee that it can provide sufficient Renminbi funding for the Clients due to the limitation on the flow of Renminbi funds in Hong Kong SAR. We may unwind the Clients' trade due to insufficient Renminbi funding and the Clients' investment may be adversely affected if the Clients suffer losses due to settlement failure.
6. **Limited Availability of Underlying Investments Denominated in Renminbi**
For Renminbi products that do not have access to invest directly in Mainland China, their available choice of underlying investments denominated in Renminbi outside Mainland China may be limited. Such limitation may adversely affect the return and performance of the Renminbi products.
7. **No Guarantee for Projected Returns**
For some Renminbi investment products, their return may not be guaranteed or may only be partly guaranteed. Clients should read carefully the statement of illustrative return attached to such products and in particular, the assumptions on which the illustrations are based, including, for example, any future bonus or dividend declaration.
8. **Long Term Commitment to Investment Products**
For Renminbi products which involve a long period of investment, if the Clients redeem the Clients' investment before the maturity date or during the lock-up period (if applicable), the Clients may incur a significant loss of principal where the proceeds may be substantially lower than the Clients' invested amount. The Clients may also suffer from early surrender / withdrawal fees and charges as well as the loss of returns (where applicable) as a result of redemption before the maturity date or during lock-up period.
9. **Credit Risk of Counterparties**
For Renminbi products invested in Renminbi debt instruments which are not supported by any collateral, such products are fully exposed to the credit risk of the relevant counterparties. Where a Renminbi product may invest in derivative instruments, counterparty risk may also arise as the default by the derivative issuers may adversely affect the performance of the Renminbi product and result in substantial loss.
10. **Possibility of Not Receiving Renminbi upon Redemption**
For Renminbi products with a significant portion of non-Renminbi denominated underlying investments, there is a possibility of not receiving the full amount in Renminbi upon redemption. This may be the case if the issuer is not able to obtain sufficient amount of Renminbi in a timely manner due to the exchange controls and restrictions applicable to the currency.

Bond (Fixed Income)

Below risk statement cannot disclose all of the risks and other significant aspects of trading in Bonds. Clients should carefully consider whether trading is suitable in light of their experience, objectives, financial resources and other relevant circumstances.

1. **Key risks of investing in bonds**
 - 1.1 Credit risk - bonds are subject to the risk of the issuer defaulting on its obligations. It should also be noted that credit ratings assigned by credit rating agencies do not guarantee the creditworthiness of the issuer;
 - 1.2 Liquidity risk - some bonds may not have active secondary markets and it would be difficult or impossible for Investors to sell the bond before its maturity; and
 - 1.3 Interest rate risk – bonds are more susceptible to fluctuations in interest rates and generally prices of bonds will fall when interest rates rise.
2. **Key risks of investing in high-yield bonds**
In addition to the generic risks listed above, investments in high-yield bonds are subject to risks such as:
 - 2.1 Higher credit risk - since they are typically rated below investment grade or are unrated and as such are often subject to a higher risk of issuer default;
 - 2.2 Vulnerability to economic cycles - during economic downturns such bonds typically fall more in value than investment grade bonds as (i) Investors become more risk averse and (ii) default risk rises.
3. **Bonds with special features**
Furthermore, some bonds may contain special features and risks that warrant special attention. These include bonds:

- 3.1 That are perpetual in nature and interest pay-out depends on the viability of the issuer in the very long term;
 - 3.2 That have subordinated ranking and in case of liquidation of the issuer, Investors can only get back the principal after other senior creditors are paid;
 - 3.3 That are callable and Investors face reinvestment risk when the issuer exercises its right to redeem the bond before it matures;
 - 3.4 That have variable and/or deferral of interest payment terms and Investors would face uncertainty over the amount and time of the interest payments to be received;
 - 3.5 That have extendable maturity dates and Investors would not have a definite schedule of principal repayment;
 - 3.6 That are convertible or exchangeable in nature and Investors are subject to both equity and bond investment risk; and/or
 - 3.7 That have contingent write down or loss absorption feature and the bond may be written-off fully or partially or converted to common stock on the occurrence of a trigger event.
4. Funds investing in high-yield bonds
- 4.1 Capital growth risk - some high-yield bond funds may have fees and/ or dividends paid out of capital. As a result, the capital that the fund has available for investment in the future and capital growth may be reduced;
 - 4.2 Dividend distributions - some high-yield bond funds may not distribute dividends, but instead reinvest the dividends into the fund or alternatively, the investment manager may have discretion on whether or not to make any distribution out of income and/ or capital of the fund. Also, a high distribution yield does not imply a positive or high return on the total investment; and
 - 4.3 Other key risks that may relate to the relevant fund including concentration of investments in particular types of specialized debt or a specific geographical region or sovereign securities.

" ST Shares" and " Shares under Delisting Arrangement"

1. ST Shares
 - 1.1 "ST Shares" means shares listed in Shanghai Stock Exchange and classified as "ST Shares" in accordance with the "Shanghai Stock Exchange Listing Rules".
 - 1.2. Before engaging in trading "ST Shares", Investor should fully understand that he/she has adopted limit orders arrangement.
 - 1.3. Before engaging in trading "ST Shares", Investor should fully understand that price fluctuation limit of "ST Shares" differs from that of other kinds of shares.
 - 1.4. If turnover rate of "ST Shares" reaches or exceeds a prescribed ratio, it shall be regarded as abnormal fluctuation. Shanghai Stock Exchange may impose temporary trading suspension on the shares in accordance with the market needs.
 - 1.5. The number of a single kind of "ST Shares" accumulatively bought by a single account on a single trading day should not exceed a maximum of 0.5 million.
 - 1.6. Before engaging in trading "ST Shares", Investor shall fully understand the trading arrangement of "ST Shares" and the corporate status of the relevant issuer. Before making any investment in "ST Shares", Investor should consider his/her own financial status, investment objective and risk tolerance level etc.
 - 1.7. Investor should pay particular attention to the risk indication announcement regarding "ST Shares" and obtain in due course relevant information as may be publicized through channels like designated media, the issuer's website and the brokerage house's website etc.
2. Shares under Delisting Arrangement
 - 2.1 "Shares under Delisting Arrangement" means any shares the listing of which has been resolved to terminate by Shanghai Stock Exchange or Shenzhen Stock Exchange and is still under the delisting arrangement process.
 - 2.2 For "Shares under Delisting Arrangement", the listing of such shares has already been resolved to terminate by the Exchange. The risk of investing in "Shares under Delisting Arrangement" is relatively large as its listing shall be terminated upon expiration of the prescribed time period.
 - 2.3 "Shares under Delisting Arrangement" shall only be traded for a continuous period of 30 trade days from the commencement of the delisting arrangement period. Upon expiration of the prescribed time period, the shares shall be delisted and the Exchange shall terminate its listing. Investor should closely take note of the remaining trade days for shares in the delisting arrangement period as well as their last trading day otherwise Investor may lose the opportunity to close out the position and result in unnecessary losses. During the delisting arrangement period, the 30-trade-day period shall not include any day on which the trade of main board, SME board and/or GEM board's shares is suspended for a whole day.
 - 2.4 Investor trading "Shares under Delisting Arrangement" of Shanghai Stock Exchange should adopt limit orders.
 - 2.5 The price fluctuation limit of "Shares in Delisting Arrangement Period" may differ from that of other shares. Investor trading "Shares in Delisting Arrangement Period" shall be bound by the price fluctuation limit stipulated by the Exchange.
 - 2.6 Trading "Shares in Delisting Arrangement Period" may involve liquidity risk. Investor purchasing "Shares in Delisting Arrangement Period" may not be able to timely close out the position before the shares are delisted.
 - 2.7 Before trading "Shares in Delisting Arrangement Period", Investor should fully understand the share delisting arrangement, trading arrangement of shares in the delisting arrangement period and corporate status of the issuer under the delisting arrangement. Before making investment in shares in delisting arrangement period, Investor should firstly consider his financial status, investment objective and risk tolerance level etc.
 - 2.8 In accordance with the prevailing relevant rules, the issuer delisted from Main board, SME Board and/or GEM Board may apply to the Exchange for re-listing. However, subject to the fulfillment of specified application requirements and therefore, the relisting application involves significant uncertainty.
 - 2.9 Investor should pay particular attention to any risk indication announcement relating to "Shares in Delisting Arrangement Period" and obtain relevant information publicized through the designated media, the issuer's website and brokerage house's website etc.

Important Notes and Specific Risks of trading via Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect
 The following describes some of the risks and other significant aspects of trading the Shanghai Stock Exchange ("SSE") and/or Shenzhen Stock Exchange ("SZSE") securities via Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect

(collectively referred to as “China Connect”) through the Company. In light of the risks, the Client should undertake such transactions only if the Client understand the nature of China Connect trading and the extent of the Client’s exposure to risk.

The Client should carefully consider (and consult the Client’s own advisers where necessary) whether trading is appropriate for the Client in light of the Client’s experience, objectives, financial resources and other relevant circumstances. The Client must observe relevant laws and regulations of Mainland China and Hong Kong as well as the rules of the exchanges. The Client must accept and agree the aforesaid and the risks related to China Connect, including but not limited to being liable or responsible for breaching the SSE Listing Rules, SSE Rules, SZSE Listing Rules, SZSE Rules and other applicable laws and regulations before giving instructions. Detailed information on trading via China Connect can be referred to on HKEX or the Company’s website.

1. Day trading is not permitted
The Client is not allowed to carry out day trading through China Connect. A shares bought on trade day (T-day) can only be sold on or after T+1 day.
2. OTC trading is not permitted
All trading must be conducted on SSE and or SZSE, i.e. no over-the-counter (OTC) or manual trades are allowed.
3. Must have shares in the Company’s CCASS account before the market opens
The Client must have the Client’s shares transferred to the Company’s corresponding CCASS account before the commencement of trading on a trading day if the Client intend to sell the shares during a trading day.
4. Stock and money settlement arrangement
For SSE and SZSE shares trading, stock settlement will be conducted on T-day, while money (including the transaction amount as well as the related fees and levies) will settle on T+1 day. The Client should ensure the Client have sufficient RMB in the Client’s account for settlement.
5. The Company’s right to cancel the Client’s orders in case of contingency
The Company shall have the right to cancel the Client’s orders without prior notice in case of contingency such as hoisting of Typhoon Signal No 8 or any other incident beyond the control of the Company which may affect order placing or settlement of the transaction. The Client acknowledges that the Company may be requested by the SEHK, SSE, SZSE or any other China Connect Authority to reject orders from the Client.
6. Quota restrictions
Purchases of SSE and or SZSE securities through China Connect are subject to certain daily quota controls. As a result, there is no assurance that a buy order can be successfully placed through China Connect.
7. Difference in trading day and trading hours
China Connect allows trading only on the days when both Hong Kong and the respective Mainland Chinese markets are open for trading, and banking service are available in both markets on the corresponding settlement days. The Client should also note that A shares trading will follow the trading hours of the Exchange where it is listed.
8. Foreign shareholding restriction
Under Mainland China laws, there is a limit to how many shares a single foreign investor is permitted to hold in a single Mainland China listed company. The Company has the right to force-sell the Client’s shares upon receiving a forced-sale notification from SEHK. Accordingly, the Client should ensure the Client fully understand the Mainland rules and regulations in relation to shareholding restrictions and disclosure obligations and follow such rules and regulations.
9. Short Swing Profit Rule
Under Mainland China laws, the “short swing profit rule” requires investors to return any profits made from purchases and sales in respect of China Connect securities of a Mainland China listed company if (a) the Client’s shareholding in the Mainland China listed company exceeds the threshold prescribed by the relevant China Connect authority from time to time and (b) the corresponding sale transaction occurs within the six months after a purchase transaction, or vice versa.
10. Not protected by Investor Compensation Fund
The Client should note that both SSE and SZSE trading under China Connect will not be covered by Hong Kong’s Investor Compensation Fund. As Hong Kong investors are not carrying out SSE and/or SZSE trading through Mainland brokers, they are not protected by China Securities Investor Protection Fund on the Mainland
11. Warnings
SSE and/or SZSE may request SEHK to require the Company to issue warning statements (verbally or in writing) to Clients, and not to extend SSE and/or SZSE trading service to certain Clients.
12. Liability
SEHK, SEHK parent companies and subsidiaries, SSE, SSE subsidiary, SZSE and SZSE subsidiary and their respective directors, employees and agents shall not be responsible or held liable for any loss or damage directly or indirectly suffered by the Company, its Clients or any third parties arising from or in connection with SSE and/or SZSE trading or the CSC.

Leveraged and Inverse Products (L&I Products)

Leveraged Products typically aim to deliver a daily return equivalent to a multiple of the underlying index return that they track. For

example, if the underlying index rises by 10 per cent on a given day, a two-time (2x) Leveraged Product aims to deliver a 20 per cent return on that day.

Inverse Products typically aim to deliver the opposite of the daily return of the underlying index that they track. For example, if the underlying index rises by 10 per cent on a given day, an Inverse Product should incur a 10 per cent loss on that day. To produce the specified leveraged or inverse return, these products have to rebalance their portfolios, typically on a daily basis. L&I Products are derivative products. L&I Products structured as Exchange Traded Funds (ETFs) are authorized by the Securities and Futures Commission (SFC) as Collective Investment Schemes (CIS) and are listed and traded on the securities market of HKEX. It is different from conventional exchange traded funds as it typically seeks inverse investment results relative to the index and on a daily basis. In overseas markets, L&I Products are commonly known as Leveraged and/or Inverse ETFs.

1. Product Structure

Both swap-based synthetic replication and futures-based replication structures are allowed for L&I Products subject to SFC authorization. The caps on the leverage factor are provided on the website of the HKEX, subject to review going forward.

2. Attributes

2.1 Trading counters for L&I Products

L&I Products can be traded, cleared and settled in HKD, RMB and/or USD. Multiple counters of L&I Products are permissible, subject to the approval of the SFC and HKEX.

2.2 Short selling and tick rule exemption for L&I Products

Subject to approval by the SFC, an individual L&I Product may be designated for short selling with tick rule exemption from its listing day.

2.3 Settlement arrangements

T+2 through CCASS on a Continuous Net Settlement (CNS) basis, similar to ETFs and other securities.

2.4 Fees and charges

A L&I Product incurs certain fees and expenses such as management fees charged by the product manager and other administrative costs. Like stocks, trading L&I Products on the SEHK incurs transaction costs such as trading fee, transaction levy and brokerage commission. For details, please refer to the Company's website.

2.5 Performance simulator

Performance simulators will be provided by L&I Product providers to facilitate the understanding of L&I Products to interested retail investors. The performance simulators should allow investors to select a historical time period and simulate the performance of the L&I Product during that time period based on historical data. The historical period available in the performance simulator should cover the period since the launch of the L&I Product. For detail, please refer to the hyperlinks to the performance simulator for each L&I Product posted on HKEX's L&I Product webpage.

2.6 Market making arrangements

At least one market maker for the L&I Products at the commencement of trading and on an ongoing basis.

3. Key risks disclosures

Investment involves risks. The risks of investing in different L&I products vary due to the difference in product structure, investors are highly recommended to read the prospectus and key facts sheet carefully in order to understand the risks involved in a specific L&I product.

3.1 Investment risk

The L&I product is a derivative product and is not suitable for all investors. There is no guarantee of the repayment of principal. Therefore the Client's investment in the L&I product may suffer substantial/total losses.

3.2 Long term holding risk

The L&I product is not intended for holding longer than one day as the performance of the L&I product over a period longer than one day will very likely differ in amount and possibly direction from the leveraged performance of the index over that same period (e.g. The loss may be more than twice the fall in the index).

The effect of compounding becomes more pronounced on the L&I product's performance as the index experiences volatility. With higher index volatility, the deviation of the L&I product's performance from the leveraged performance of the index will increase, and the performance of the L&I product will generally be adversely affected.

As a result of daily rebalancing, the index's volatility and the effects of compounding of each day's return over time, it is even possible that the L&I product will lose money over time while the index's performance increases or is flat.

3.3 Leverage risk

Leveraged Products typically aim to deliver a daily return equivalent to a multiple of the underlying index return that they track. Inverse Products typically aim to deliver the opposite of the daily return of the underlying index that they track. Both gains and losses will be magnified. The risk of loss resulting from an investment in the L&I product in certain circumstances will be substantially more than a fund that does not employ leverage.

3.4 Inverse Product vs. short selling risk

Investing in the Inverse Product is different from taking a short position. Because of rebalancing, the return profile of the Inverse Product is not the same as that of a short position. In a volatile market with frequent directional swings, the performance of the Inverse Product may deviate from a short position.

3.5 Risk of rebalancing activities

There is no assurance that the L&I product can rebalance their portfolio on a daily basis to achieve their investment objectives. Market disruption, regulatory restrictions or extreme market volatility may adversely affect the L&I product's ability to rebalance its portfolio.

3.6 Liquidity risk

The rebalancing activities of the L&I product typically take place near the end of a trading day, shortly before the close of the underlying market, to minimize tracking difference. As a result, the L&I product may be more exposed to the market conditions during a shorter interval and maybe more subject to liquidity risk.

- 3.7 Intraday investment risk
The L&I product is normally rebalanced at day end. As such, return for investors that invest for period less than a full trading day will generally be differs from the leveraged investment exposure to the index, depending upon the movement of the index from the end of one trading day until the time of purchase.
- 3.8 Portfolio turnover risk
Daily rebalancing of L&I product's holdings causes a higher level of portfolio transactions than compared to the conventional ETFs. High levels of transactions increase brokerage and other transaction costs.
- 3.9 Foreign exchange risk
If the base currency of the L&I product is different from that of the underlying index, fluctuations in the exchange rates between currencies may have an adverse impact on the performance of the L&I product.
- 3.10 Distributions risk
Where distributions are distributed out of capital or effectively out of capital, this amounts to a return or withdrawal of an investor's original investment or any capital gains attributable to that original investment and may result in an immediate reduction in the Net Asset Value per unit.
- 3.11 Passive investments risk
The L&I product is not "actively managed" and therefore the manager of the L&I product may not adopt any temporary defensive position when the index moves in an unfavorable direction. In such circumstances the L&I product will also decrease in value.
- 3.12 Trading risk
The trading price of the units on SEHK is driven by market factors such as the demand and supply of the units. Therefore, the units may trade at a substantial premium or discount to the Net Asset Value. As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell units on SEHK, investors may pay more than the Net Asset Value per unit when buying units on SEHK, and may receive less than the Net Asset Value per unit when selling units on SEHK.
- 3.13 Trading differences risk
As the overseas exchange may be open when the units are not priced, the value of any underlying index futures contracts in the L&I product's portfolio, and the value of the any constituents in the Index to which such futures contracts are linked, may change when investors may not be able to buy or sell units. Differences in trading hours between different markets may also increase the level of premium or discount of the unit price to its Net Asset Value.
- 3.14 Reliance on market maker risk
Although the L&I product manager is required to ensure that at least one market maker will maintain a market for the units and gives not less than 3 months' notice prior to termination of the market making arrangement, liquidity in the market for the units may be adversely affected if there is only one market maker for the units. There is no guarantee that any market making activity will be effective.
- 3.15 Tracking error risk
Due to fees and expenses of the L&I Product, high portfolio turnover, liquidity of the market and the investment strategy adopted by the manager of the L&I product, the L&I product's return may deviate from the daily leveraged performance of the index which the L&I product seeks to track. There can be no assurance of exact or identical replication at any time of the daily leveraged performance of the Index.
- 3.16 Termination risk
The L&I product may be terminated early under certain circumstances, for example, where there is no market maker, the index is no longer available for benchmarking or if the size of the L&I product falls below a specific value decided by the manager of L&I product. Any distribution received by a unitholder on termination of the L&I product may be less than the capital initially invested by the unitholder, resulting in a loss to the unitholder.

Part D – Other Risks

Risk of Client Assets Received or Held Outside Hong Kong

1. Client assets received or held by the Company outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance and the rules made thereunder. Consequently, such Client assets may not enjoy the same protection as that conferred on Client assets received or held in Hong Kong.

You should familiarize yourself with the protections given to money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

Risk of Providing an Authority to Hold Mail or to Direct Mail to Third Parties

2. You understand that if you provide the Company with an authority to hold mail or to direct mail to third parties, it is important for you to promptly collect in person all contract notes and statements of your account and review them in detail to ensure that any anomalies or mistakes can be detected in a timely fashion.

Currency Risk

3. There is inherent currency risk involved in any securities transaction denominated in foreign currency. The profit or loss in foreign currency denominated securities (whether they are traded in Hong Kong or other jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the securities to another currency.

Risk of Using Electronic Trading Facilities

4. You understand that the Company's Electronic Trading Services, due to unpredictable traffic congestion and other reasons, may not be a reliable medium of communication and that such unreliability is beyond the control of the Company. This may give rise to situations including delays in transmission and receipt of your instructions or other information, delays in execution or execution of your instructions at prices different from those prevailing at the time your instructions were given, misunderstanding and errors in any communication between the Company and you and so on. Whilst the Company shall endeavor to take every possible step to safeguard its systems, Client information, accounts and assets held for the benefit of its Clients, you shall fully accept the risk of conducting financial transactions via the Company's Electronic Trading Services.

Risk of Research Analysis

5. The Company's research report and/or any commentary shall be for reference only and Client should not rely on such analysis for investment decision. Client is advised to perform his/her/their own assessment.
6. The Company's research report may influence Client's portfolio value. In order to ensure fairness and objectivity of the report to all Clients and the market, the Client therefore agrees to hold the Company not responsible to maintain/improve Client's portfolio value through the Company's research report.
7. Client further holds the Company not responsible for the effects of the Company's research report on Client's portfolio value before, or upon, or after the release of such research report.
8. Client shall further affirm that the Client shall not, directly or indirectly, place any pressure upon the Company or its member to affect the truthfulness or fairness of the research report.

DISCLAIMERS

Hang Seng Indices Futures Disclaimer

Disclaimers delivered pursuant to Rule 020 of the Regulations for Trading Stock Index Futures

HSI Services Limited ("HSI") currently publishes, compiles and computes a number of stock indices and may publish, compile and compute such additional stock indices at the request of Hang Seng Data Services Limited ("HSDS") from time to time (collectively, the "Hang Seng Indices"). The marks, names and processes of compilation and computation of the respective Hang Seng Indices are the exclusive property of and proprietary to HSDS. HSI has granted to Hong Kong Futures Exchange Limited (the "Exchange") by way of license the use of the Hang Seng Index and the four Sub-indices of the Hang Seng Index, the Hang Seng China-Affiliated Corporations Index and the Hang Seng China Enterprises Index solely for the purposes of and in connection with the creation, marketing and trading of futures contracts based on such indices respectively and may from time to time grant to the Exchange corresponding use of any other Hang Seng Indices for the purposes of and in connection with futures contracts and/or commodities based on such other Hang Seng Indices (collectively, "futures contracts"). The process and basis of compilation and computation of any of the Hang Seng Indices and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSI without notice and the Exchange may at any time require that trading in and settlement of such of the futures contracts as the Exchange may designate be conducted by reference to an alternative index or alternative indices to be calculated. Neither the Exchange nor HSDS nor HSI warrants or represents or guarantees to any Exchange Participant or any third party the accuracy or completeness of the Hang Seng Indices or any of them and the compilation and computation thereof or any information related thereto and no such warranty or representation or guarantee of any kind whatsoever relating to the Hang Seng Indices or any of them is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange, HSDS or HSI in respect of the use of the Hang Seng Indices or any of them for the purposes of and in connection with the futures contracts or any of them and/or dealings therein, or for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspension, changes or failures (including but not limited to those resulting from negligence) of HSI in the compilation and computation of the Hang Seng Indices or any of them or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any Exchange Participant or any third party dealing with the futures contracts or any of them. No claims, actions or legal proceedings may be brought by any Exchange Participant or any third party against the Exchange and/or HSDS and/or HSI in connection with or arising out of matters referred to in this disclaimer. Any Exchange Participant or any third party deals in the futures contracts or any of them in full knowledge of this disclaimer and can place no reliance whatsoever on the Exchange, HSDS and/or HSI.

Hang Seng Indices Options Disclaimer

HSI Services Limited ("HSI") currently publishes, compiles and computes a number of stock indices and may publish, compile and compute such additional stock indices at the request of Hang Seng Data Services Limited ("HSDS") from time to time (collectively, the "Hang Seng Indices"). The marks, names and processes of compilation and computation of the respective Hang Seng Indices are the exclusive property of and proprietary to HSDS. HSI has granted to Hong Kong Futures Exchange Limited (the "Exchange") by way of license the use of the Hang Seng Index and the four Sub-Indices of the Hang Seng Index, the Hang Seng China-Affiliated Corporations Index and the Hang Seng China Enterprises Index solely for the purposes of and in connection with the creation, marketing and trading of option contracts based on such indices respectively and may from time to time grant to the Exchange corresponding use of any other Hang Seng Indices for the purposes of and in connection with option contracts based on such other Hang Seng Indices (collectively, the "Option Contracts"). The process and basis of compilation and computation of any of the Hang Seng Indices and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSI without notice and the Exchange may at any time require that trading in and settlement of such of the Option Contracts as the Exchange may designate be conducted by reference to an alternative index or alternative indices to be calculated. Neither the Exchange nor HSDS nor HSI warrants or represents or guarantees to any Exchange Participant or any third party the accuracy or completeness of the Hang Seng Indices or any of them and the compilation and computation

thereof or any information related thereof and no such warranty or representation or guarantee of any kind whatsoever relating to the Hang Seng Indices or any of them is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange, HSDS or HSI in respect of the use of the Hang Seng Indices or any of them for the purposes of and in connection with the Option Contracts or any of them and / or dealings therein, or for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspension, change or failures (including but not limited to those resulting from negligence) of HSI in the compilation and computation of the Hang Seng Indices or any of them or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any Exchange Participant or any third party dealing with the Option Contracts or any of them. No claims, actions or legal proceedings may be brought by any Exchange Participant or any third party against the Exchange and / or HSDS and / or HSI in connection with or arising out of matters referred to in this disclaimer. Any Exchange Participant or any third party deals in the Option Contracts or any of them in full knowledge of this disclaimer and can place no reliance whatsoever on the Exchange, HSDS and / or HSI.

Exchange Indices Disclaimer

Stock indices and other proprietary products upon which contracts traded on Hong Kong Futures Exchange Limited (the "Exchange") may be based may from time to time be developed by the Exchange. The HKFE Taiwan Index is the first of such stock indices developed by the Exchange. The HKFE Taiwan Index and such other indices or proprietary products as may from time to time be developed by the Exchange (the "Exchange Indices") are the property of the Exchange. The process of compilation and computation of each of the Exchange Indices is and will be the exclusive property of and proprietary to the Exchange. The process and basis of compilation and computation of the Exchange Indices may at any time be changed or altered by the Exchange without notice and the Exchange may at any time require that trading in and settlement of such futures or options contracts based on any of the Exchange Indices as the Exchange may designate be conducted by reference to an alternative index to be calculated. The Exchange does not warrant or represent or guarantee to any Exchange Participant or any third party the accuracy or completeness of any of the Exchange Indices or their compilation and computation or any information related thereto and no such warranty or representation or guarantee of any kind whatsoever relating to any of the Exchange Indices is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange in respect of the use of any of the Exchange Indices or for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspensions, changes or failures (including but not limited to those resulting from negligence) of the Exchange or any other person or persons appointed by the Exchange to compile and compute any of the Exchange Indices in the compilation and computation of any of the Exchange Indices or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any Exchange Participant or any third party dealing with futures or options contracts based on any of the Exchange Indices. No claims, actions or legal proceedings may be brought by any Participant or any third party against the Exchange in connection with or arising out of matters referred to in this disclaimer. Any Exchange Participant or any third party engages in transactions in futures and options contracts based on any of the Exchange Indices in full knowledge of this disclaimer and can place no reliance on the Exchange in respect of such transactions.

Section H – Personal Information Collection Statement concerning Northbound China Connect Orders

Processing of Personal Data as part of the Stock Connect Northbound Trading

You acknowledge you have read and understand the content of the Personal Information Collection Statement of the Company, and agree that in providing the Company to you, we will be required to:

- (i) tag each of your orders submitted to the China Stock Connect (“CSC”) with a Broker-to-Client Assigned Number (“BCAN”) that is unique to you or the BCAN that is assigned to your joint account with us, as appropriate; and
- (ii) provide to the Exchange your assigned BCAN and such identification information (“Client Identification Data” or “CID”) relating to you as the Exchange may request from time to time under the Rules of the Exchange.

Without limitation to any notification we have given you or consent we have obtained from you in respect of the processing of your personal data in connection with your account and our services to you, you acknowledge and agree that we may collect, store, use, disclose and transfer personal data relating to you as required as part of our [Stock Connect Northbound Trading Service], including as follows:

- (a) to disclose and transfer your BCAN and CID to the Exchange and the relevant SEHK Subsidiaries from time to time, including by indicating your BCAN when inputting a China Connect Order into the CSC, which will be further routed to the relevant China Connect Market Operator on a real-time basis;
- (b) to allow each of the Exchange and the relevant SEHK Subsidiaries to: (i) collect, use and store your BCAN, CID and any consolidated, validated and mapped BCANs and CID information provided by the relevant China Connect Clearing House (in the case of storage, by any of them or via HKEX) for market surveillance and monitoring purposes and enforcement of the Rules of the Exchange; (ii) transfer such information to the relevant China Connect Market Operator (directly or through the relevant China Connect Clearing House) from time to time for the purposes set out in (c) and (d) below; and (iii) disclose such information to the relevant regulators and law enforcement agencies in Hong Kong so as to facilitate the performance of their statutory functions with respect to the Hong Kong financial markets;
- (c) to allow the relevant China Connect Clearing House to: (i) collect, use and store your BCAN and CID to facilitate the consolidation and validation of BCANs and CID and the mapping of BCANs and CID with its investor identification database, and provide such consolidated, validated and mapped BCANs and CID information to the relevant China Connect Market Operator, the Exchange and the relevant SEHK Subsidiary; (ii) use your BCAN and CID for the performance of its regulatory functions of securities account management; and (iii) disclose such information to the Mainland regulatory authorities and law enforcement agencies having jurisdiction over it so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets; and
- (d) to allow the relevant China Connect Market Operator to: (i) collect, use and store your BCAN and CID to facilitate their surveillance and monitoring of securities trading on the relevant China Connect Market through the use of the China Connect Service and enforcement of the rules of the relevant China Connect Market Operator; and (ii) disclose such information to the Mainland regulatory authorities and law enforcement agencies so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets.

By instructing us in respect of any transaction relating to China Connect Securities, you acknowledge and agree that we may use your personal data for the purposes of complying with the requirements of the Exchange and its rules as in force from time to time in connection with the [Stock Connect Northbound Trading]. You also acknowledge that despite any subsequent purported withdrawal of consent by you, your personal data may continue to be stored, used, disclosed, transferred and otherwise processed for the above purposes, whether before or after such purported withdrawal of consent.

Consequences of failing to provide Personal Data or Consent

Failure to provide us with your personal data or consent as described above may mean that we will not, or no longer be able, as the case may be, to carry out your trading instructions or provide you with our [Stock Connect Northbound Trading Service].

Section I – Personal Information Collection Statement concerning Hong Kong Investor Identification Regime (HKIDR) and Over-the-counter Securities Transactions Reporting Regime (OTCR)

The client(s) acknowledges and agrees that the Company may collect, store, process, use, disclose and transfer personal data relating to the client(s) (including the Client's CID and BCAN(s)) as required for the Company to provide services to the client(s) in relation to securities listed or traded on the Stock Exchange of Hong Kong (SEHK) and for complying with the rules and requirements of SEHK and the Securities and Futures Commission (SFC) in effect from time to time. Without limiting the foregoing, this includes –

- (a) disclosing and transferring the client's personal data (including CID and BCAN(s)) to SEHK and/or the SFC in accordance with the rules and requirements of SEHK and the SFC in effect from time to time;
- (b) allowing SEHK to: (i) collect, store, process and use the Client's personal data (including CID and BCAN(s)) for market surveillance and monitoring purposes and enforcement of the Rules of the Exchange of SEHK; and (ii) disclose and transfer such information to the relevant regulators and law enforcement agencies in Hong Kong (including, but not limited to, the SFC) so as to facilitate the performance of their statutory functions with respect to the Hong Kong financial markets; and (iii) use such information for conducting analysis for the purposes of market oversight; and
- (c) allowing the SFC to: (i) collect, store, process and use the Client's personal data (including CID and BCAN(s)) for the performance of its statutory functions including monitoring, surveillance and enforcement functions with respect to the Hong Kong financial markets; and (ii) disclose and transfer such information to relevant regulators and law enforcement agencies in Hong Kong in accordance with applicable laws or regulatory requirements.

The client(s) also agree that despite any subsequent purported withdrawal of consent by the client(s), the Client's personal data may continue to be stored, processed, used, disclosed or transferred for the above purposes after such purported withdrawal of consent.

Consequences of failing to provide Personal Data or Consent

The client(s) acknowledges that failure to provide the Company with the Client's personal data or consent, the Company will not, or no longer be able to, as the case may be, carry out the Client's buy instructions or provide the client(s) with securities related services on securities listed or traded on SEHK, other than to sell or carry out instructions on the Client's existing holdings of securities; and the Company will not, or no longer be able to, as the case may be, accept a transfer of Hong Kong shares into the Client's account(s) or a deposit of physical certificates of Hong Kong shares into the Client's account(s), other than to transfer shares out of the Client's account(s) or withdraw physical certificates of shares out of the Client's account(s).

Section J – Notice on Personal Data (Privacy) Ordinance

Notice to Client regarding the Personal Data (Privacy) Ordinance (Cap.486, Laws of Hong Kong) and/or Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the “GDPR”) and other relevant regulations (where applicable) (the “Ordinance”):

1. The Company hereby draws the Client’s attention or obtain the Client’s written consent (if applicable) to the necessity of supplying the Company with the Client’s personal data (as defined in the Ordinance) and/or a copy of the Client identification documents in order to secure a proper and efficient business relationship with you, our Client. The underlying reasons for so doing relates to the opening or maintaining of securities trading account(s) and the provision or continuation of financial facilities or financial or advisory services to you.
2. The personal data supplied by the Client (whether supplied by the Client or any other person, and whether supplied before or after the date the Client receives this notice) may be used by the Company for the purposes as follows:
 - (a) facilitating daily operations of services provided;
 - (b) administering any credit facilities granted from time to time;
 - (c) facilitating credit checks;
 - (d) marketing (including direct marketing) of financial services or products.

The Company intends to use and/or transfer the Client’s personal data to its related group companies and other persons (whether it is in Hong Kong or in overseas) for the use in direct marketing. The Company requires the consent (which includes an indication of no objection) of the Client for that purpose. In this connection, please note that:

 - (i) The name, contact details, products and services portfolio information, transaction pattern, financial background and demographic data of the Client may be used in direct marketing;
 - (ii) The following class of services, products and subjects may be marketed:
 - financial, insurance, investment services, securities, investment and related services and products;
 - services and products offered by the Company’s related group companies;
 - services and products offered by the Company’s business partners;
 - (iii) The above services, products and subjects may be provided and/or marketed by:
 - the Company and its related group companies;
 - third party financial institutions, insurers, securities and investment service providers; and
 - (iv) If the Client does not wish the Company to use or transfer to its related group companies and other persons the Client’s data for use in direct marketing, the Client may, without charge, exercise the right to opt-out;
 - (e) valuing the level of indebtedness owed to or by the Clients from time to time;
 - (f) assuring efficient collection of outstanding amounts in arrears by the Clients;
 - (g) meeting all legal requirements regarding disclosure obligations imposed by all relevant laws, rules, regulations or regulatory authorities applicable from time to time; and
 - (h) all purposes ancillary thereto.
3. The Company shall maintain the Client’s personal data (whether provided by the Client or any other person, and whether provided before or after the date the Client receives this notice) as confidential but the Company may procure that any such personal data is used by:
 - (a) the Company and its branches, subsidiaries, holding companies, affiliates and related group companies in connection with the promotion or provision of products or services that our group may render;
 - (b) any director, officer, employee or representative of the Company when carrying out the business of the Company;
 - (c) any agent, contractor or third party service provider who provides administrative, telecommunications, computer, payment or securities clearing, nominee, custodian or other services to the Company;
 - (d) any person under a duty of confidentiality to the Company;
 - (e) any financial establishments and their respective associates with which the Client has or proposes to have dealings;
 - (f) credit reference agencies and, in the event of default, debt collection agencies;
 - (g) any person or entity to whom the Company is under an obligation or otherwise required to make disclosure under the requirements of any law or regulation binding on or applying to the Company, or any disclosure under and for the purposes of any guidelines, guidance, directives, rules, codes, circulars or other similar documents issued or given by any legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial services providers with which the Company is expected to comply, or any disclosure pursuant to any contractual or other commitment of the Company with local or foreign legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial services providers, all of which may be within or outside Hong Kong and may be existing currently and in the future; or
 - (h) any person for the purposes set out in Paragraph (2) above.
4. Inadequate or defective provision of the necessary personal data may hinder the Company’s efficiency in providing its services and even result in the Company being unable to perform the functions of opening, maintaining, providing or continuing any or all relevant financial or advisory services whatsoever.
5. The Client has the following rights in relation to his personal data:
 - (a) the right to check whether the Company has any personal data relating to him/her, and to request access and correction of such personal data;
 - (b) the right to make inquiries of the Company regarding their policies and practices in connection with the data and to be informed of the kind of personal data maintained by the Company;
 - (c) the right to opt out if the Client does not wish the Company to use or transfer to its related group companies and other persons his/her personal data (whether it is in Hong Kong or in overseas) for the use in direct marketing; and

- (d) If GDPR is applicable to the Client, the Client may have the rights to notice on the data processing, to erasure of personal data, to restriction of processing and data portability, and to object to processing of data.
6. Any such request should be sent by post to the Company, Suite 5103, 51/F Central Plaza, 18 Harbour Road, Hong Kong or by email to compliance@theiasec.com, the Data Protection Division, for the attention of the Compliance Officer. The Company may charge a reasonable fee for processing any data access request.
7. The Client acknowledges and agrees that in providing the Company's China Connect securities trading service to the Client, the Company will be required to:
- (i) tag each of the Client's orders submitted to the China Stock Connect System ("CSC") with a Broker-to-Client Assigned Number ("BCAN") that is unique to the Client or the BCAN that is assigned to the Client's joint account with the Company, as appropriate; and
 - (ii) provide to the Exchange the Client's assigned BCAN and such identification information ("Client Identification Data" or "CID") (including name, ID issuing country, ID type and ID number) of the relevant Client as the Exchange may request from time to time under the Rules of the Exchange.

Without limitation to any notification the Company have given the Client or consent the Company have obtained from the Client in respect of the processing of the Client's personal data in connection with the Client's account and the Company's services to the Client, the Client acknowledge and agree that the Company may collect, store, use, disclose and transfer personal data relating to the Client as required as part of China Connect trading service, including as follows:

- (a) to disclose and transfer the Client's BCAN and CID to the Exchange and the relevant SEHK Subsidiaries from time to time, including by indicating the Client's BCAN when inputting a China Connect Order into the CSC, which will be further routed to the relevant China Connect Market Operator on a real-time basis;
- (b) to allow each of the Exchange and the relevant SEHK Subsidiaries to: (i) collect, use and store the Client's BCAN, CID and any consolidated, validated and mapped BCANs and CID information provided by the relevant China Connect Clearing House (in the case of storage, by any of them or via HKEX) for market surveillance and monitoring purposes and enforcement of the Rules of the Exchange; (ii) transfer such information to the relevant China Connect Market Operator (directly or through the relevant China Connect Clearing House) from time to time for the purposes set out in (c) and (d) below; and (iii) disclose such information to the relevant regulators and law enforcement agencies in Hong Kong so as to facilitate the performance of their statutory functions with respect to the Hong Kong financial markets;
- (c) to allow the relevant China Connect Clearing House to: (i) collect, use and store the Client's BCAN and CID to facilitate the consolidation and validation of BCANs and CID and the mapping of BCANs and CID with its investor identification database, and provide such consolidated, validated and mapped BCANs and CID information to the relevant China Connect Market Operator, the Exchange and the relevant SEHK Subsidiary; (ii) use the Client's BCAN and CID for the performance of its regulatory functions of securities account management; and (iii) disclose such information to the Mainland regulatory authorities and law enforcement agencies having jurisdiction over it so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets; and
- (d) to allow the relevant China Connect Market Operator to: (i) collect, use and store the Client's BCAN and CID to facilitate their surveillance and monitoring of securities trading on the relevant China Connect Market through the use of the China Connect Service and enforcement of the rules of the relevant China Connect Market Operator; and (ii) disclose such information to the Mainland regulatory authorities and law enforcement agencies so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets

By instructing the Company in respect of any transaction relating to China Connect Securities, the Client acknowledges and agrees that the Company may use the Client's personal data for the purposes of complying with the requirements of the Exchange and its rules as in force from time to time in connection with the Northbound Trading. The Client also acknowledges that despite any subsequent purported withdrawal of consent by the Client, the Client's personal data may continue to be stored, used, disclosed, transferred and otherwise processed for the above purposes, whether before or after such purported withdrawal of consent.

Consequences of failing to provide Personal Data or Consent

Failure to provide the Company with the Client's personal data or consent as described above may mean that the Company will not, or no longer be able, as the case may be, to carry out the Client's trading instructions or provide the Client with any Northbound trading services.