

Dear Valued Customer

The Common Reporting Standard (“CRS”)

Thank you very much for your support to Haitong International Securities Group Limited (the “Group”).

We are seeking certain information from you with respect to the Common Reporting Standard (“CRS”). CRS is promulgated by the Organization for Economic Co-operation and Development (“OECD”) to facilitate exchange of financial account information between relevant jurisdictions around the globe in an international and standardized manner. As part of Hong Kong's commitment in the global AEOI efforts to enhance tax transparency and combat cross-border tax evasion, the Government of Hong Kong Special Administrative Region has enacted local legislations to implement CRS through Inland Revenue (Amendment) (No. 3) Ordinance 2016 (the *CRS Ordinance*) and the effective date of CRS in Hong Kong will be 1 January 2017. Starting from 2018, automatic exchange of information will take effect.

What is CRS Ordinance?

CRS Ordinance requires financial institutions in Hong Kong to perform due diligence on the account holders, **obtain certain information from the account holders (including, but not limited to, tax residency and tax identification number etc.) and report information (including account number, closing balance or value of account and the aggregate amount of interests, dividends and gross sale proceeds of financial assets (as the case may be) for relevant year) on any reportable accounts to the Hong Kong Inland Revenue Department (“IRD”).** IRD will then exchange the information collected with jurisdictions that have a Competent Authority Agreement (“CAA”) with Hong Kong on an annual basis, to support tax compliance of partner jurisdictions and assist tax authorities of partner jurisdictions in identifying and taking follow-up actions against taxpayers who have not properly disclosed their offshore financial assets / income in their local jurisdictions. In parallel, IRD will also receive financial account information on Hong Kong tax residents from foreign tax authorities.

Under CRS Ordinance, all financial institutions (except those exempted) in Hong Kong are required by law to perform due diligence on account holders from whom Self Certification Forms and/or further information (if necessary) are collected to keep informed of the tax status of the account holders,

For more information regarding CRS, please visit the following webpages for more details:

AEOI Pamphlets	http://www.ird.gov.hk/eng/tax/aeoi/pam.htm
Frequently Asked Questions	http://www.ird.gov.hk/eng/faq/dta_aeoi.htm
Meaning of Terms and Expressions used in Self Certification Forms	http://www.ird.gov.hk/eng/pdf/2016/terms.pdf

Consequences of non-compliance of CRS Ordinances

Any non-compliance of CRS Ordinance will be considered in violation of laws of Hong Kong, and if so, any director, manager, secretary or any other person who is/was acting in such capacity may be penalized or imprisoned. Particularly, it is an offence under section 80(2E) of the Inland Revenue Ordinance if any person, in making a Self Certification, makes a statement that is misleading, false or incorrect in a material particular and knows, or is reckless as to whether, the statement is misleading, false or incorrect in a material particular. A person who commits the offence is liable on conviction to a fine at level 3 (i.e. HK\$10,000).

Your Action

To comply with the CRS Ordinance, we need to obtain a Self Certification Form and/or further information (if necessary) from you in order to assess your CRS status/classification.

With that said, we would appreciate it if you could read the policies of Haitong International Securities Group Limited and its subsidiaries (collectively “HTISG”) with regard to the Foreign Account Tax Compliance Act (the “FATCA”) and CRS and provide a duly completed and signed Self Certification Forms (including the sections of automatic exchange of information (“AEOI”) and FATCA) as attached. The Self Certification Forms are also available at the following webpages:

Individual	http://www.htisec.com/sites/default/files/SelfCertificationFormIndividualJointAccountENG.pdf
Entity	http://www.htisec.com/sites/default/files/SelfCertificationFormEntityENG.pdf

Controlling Person <http://www.htisec.com/sites/default/files/SelfCertificationFormControllingPersonENG.pdf>
Policies of HTISG <http://www.htisec.com/sites/default/files/FATCAandCRSPolicyofHTISGLet.pdf>
regarding FATCA
and CRS

Please send the duly completed Self Certification Form by post to the following address by 31 March 2017:

Customer Service Department
22/F Li Po Chun Chambers,
189 Des Voeux Road Central, Hong Kong

Please also note that if any of the information concerning the Self Certification (including CRS status/classification) changes in the future, please ensure you advise us of these changes within 30 days from the date of such changes occur. If you have any questions about how to complete this form, please refer to the meaning of terms and expressions used in the Self Certification Forms as attached on the website <http://www.ird.gov.hk/eng/pdf/2016/terms.pdf> or contact your tax advisor.

Consequences of delay or failure of document submission

Your account(s) will be suspended should you delay or fail to submit related documents where there is neither existing funds nor position in your account(s). In that case, you will be required to provide a duly completed Self Certification Form and a Client Information Statement to reactive your account(s). **In addition, if we have not received your Self Certification Form and other documents as required by 31 December 2017, the Group may disclose / transmit related account information of yours to competent authorities and / or governmental bodies in related jurisdictions according to the change of information in compliance of CRS Ordinance and other requirements of related laws, rules and regulations.**

If you have any questions please do not hesitate to contact our customer service officer at (852) 3583 3388 or (86) 755 8266 3232.

Yours sincerely,
Haitong International Securities Group Limited