

Futures Account Terms and Conditions

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INDEX

Futures Account Terms and Conditions	Page
1. DEFINITION AND INTERPRETATION	1
2. APPLICABLE RULES AND REGULATIONS	2
3. INSTRUCTIONS AND DEALING PRACTICE	3
4. TRADING RECOMMENDATIONS	4
5. MARGIN REQUIREMENTS AND MARGIN CALLS AND FIXED CHARGE	5
6. CLIENT'S ACCOUNT AND CLEARING HOUSE ACCOUNT	6
7. COMMISSIONS AND EXPENSES	6
8. FOREIGN CURRENCY TRANSACTIONS	7
9. SET-OFF, LIEN, COMBINATION OF ACCOUNTS AND POWER OF SALE	7
10. STANDING AUTHORITY	9
11. CONTRACT SPECIFICATIONS, MARGIN PROCEDURES AND CLOSURE OF POSITIONS ..	9
12. ELECTRONIC SERVICES	10
13. REPRESENTATIONS AND WARRANTIES	11
14. DECLARATION	12
15. COVENANT	12
16. LIABILITIES AND INDEMNITIES	12
17. OMNIBUS ACCOUNT	13
18. NOTICES, CONFIRMATIONS AND STATEMENTS	14
19. WAIVER AND AMENDMENT	14
20. JOINT CLIENTS	14
21. CONFLICTS OF INTEREST	15
22. ACKNOWLEDGEMENT	15
23. ANTI-MONEY LAUNDERING AND SANCTIONS	15
24. TERMINATION	16
25. SEVERABILITY	16
26. ASSIGNABILITY	17
27. THIRD PARTY RIGHTS	17
28. GENERAL	17
29. GOVERNING LAW	18
30. JURISDICTION	18
APPENDIX 1 - RISK DISCLOSURE STATEMENT FOR FUTURES AND OPTIONS	19
APPENDIX 2 - DATA PRIVACY POLICY	22
APPENDIX 3 - DELTA POSITION LIMITS	28
APPENDIX 4 - FATCA POLICIES OF HAITONG INTERNATIONAL SECURITIES GROUP LIMITED AND ITS SUBSIDIARIES (TOGETHER "HTISG")	29
APPENDIX 5 - THE TRADING OF SPAC LISTED IN THE HKEX	31
DISCLAIMER	34

TERMS AND CONDITIONS

1. DEFINITION AND INTERPRETATION

- 1.1. In this Agreement, unless otherwise stated, words and expressions undefined in this Agreement shall have the same meanings as defined in the Rules, Regulations and Procedures of the Hong Kong Futures Exchange Limited (the "Exchange"), the Securities and Futures Ordinance and the Client Money Rules.
- 1.2. In this Agreement,
- "Access Codes"** means together the Password and the Login Name (or any of them);
- "Account(s)"** means one or more futures accounts maintained by the Client with the Company from time to time for the purchase or sale of commodities of all kinds;
- "Agreement"** means the written agreement between the Client and the Company regarding the opening, maintenance and operation of the Account(s) as amended from time to time, including but not limited to the Account Opening Form, Client Information Statement, Futures Account Terms and Conditions, applicable Risk Disclosure Statement and any authority given by the Client to the Company with respect to the Account(s);
- "AML/CTF"** means anti-money laundering, counter-terrorist financing, Sanctions and non-proliferation of weapons of mass destruction;
- "Client Money Rules"** means the Securities and Futures (Client Money) Rules made by the SFC under section 149 of the Securities and Futures Ordinance as amended from time to time;
- "Client Money Standing Authority"** means the standing authority granted by the Client to the Company in the terms set out in Clause 10 as amended from time to time;
- "Client Securities Rules"** means the Securities and Futures (Client Securities) Rules made by the SFC under section 148 of the Securities and Futures Ordinance as amended from time to time;
- "Collateral"** means the amount of immediately available funds, securities and/or other assets maintained, or required to be maintained, with the Company by the Client or one or more other person(s) acceptable to the Company in the Account;
- "Company"** means Haitong International Futures Limited;
- "Electronic Services"** means the Electronic Trading Service and the Mobile Phone Trading Service;
- "Electronic Trading Service"** means any facility provided by the Company which enables the Client to give electronic instructions to purchase, sell and otherwise deal with commodities and information services;
- "Government Authority"** means any government, government body, government agency or regulator, in or outside of Hong Kong, including the Inland Revenue Department of Hong Kong and the Internal Revenue Service of the United States;
- "Login Name"** means the Client's personal identification used in conjunction with the Password to gain access to the Electronic Trading Service, the Mobile Phone Trading Service and to Haitong International Mail and any other services offered by the Company;
- "Mobile Phone Trading Service"** means a service to be provided by the Company in conjunction with certain mobile phone operators from time to time, using SIM Tool Kit with dedicated application for the Company, including, inter alia, functions such as account enquiry, commodities trade, commodities quote and enquiry hotline, as the Company may specify from time to time;
- "Password"** means the Client's personal password(s), used in conjunction with the Login Name to gain access to the Electronic Trading Service, the Mobile Phone Trading Service and to Haitong International Mail and any other services offered by the Company;
- "Related Persons" means:**
- (a) in relation to the Client, its subsidiaries or joint ventures, any of its respective beneficial owners, controllers, directors, officers, affiliates or employees or any persons acting on any of its behalf; or
 - (b) in relation to the Client who is an individual, any of his/her immediate relatives including but not limited to his/her spouse, his/her partner considered by national law as equivalent to spouse, his/her unmarried partner or cohabitant, his/her child or stepchild, the spouse, partner or cohabitant of his/her child, his/her sibling, step-sibling or half sibling, his/her parent or step-parent, his/her parent-in-law, any of the trustees, acting in their capacity as trustees of any trust of which the Client or his/her immediate relative is a beneficiary, any entity 50% or more of which ownership is held, directly or indirectly, by him/her, or any persons acting on any of his/her/its behalf.

"Restricted Activity" means any activities: (i) involving or for the benefit of any Restricted Party; (ii) conducted in any manner that would reasonably be expected to result in any Company's Group Companies being in breach of any applicable Sanctions or becoming a Restricted Party; or (iii) that would be prohibited under any applicable Sanctions.

"Restricted Party" means a person that is:

- (a) listed on, or owned or controlled by a person listed on, or acting on behalf of a person listed on, any Sanctions List;
- (b) located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a person located in or organised under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions; or
- (c) otherwise a person with whom a US person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities.

"Sanctions" means the economic, financial or trade sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by (i) the United States government; (ii) the United Nations; (iii) the European Union; (iv) the United Kingdom; (v) Hong Kong; (vi) the People's Republic of China; or (vii) the respective governmental institutions and agencies of any of the foregoing, including, without limitation, the Office of Foreign Assets Control of the US Department of Treasury ("OFAC"), the United States Department of State and His Majesty's Treasury ("HMT") (together, the "Sanctions Authorities").

"Sanctions List" means the Specially Designated Nationals and Blocked Persons list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by HMT, or any similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities.

"Securities and Futures Ordinance" means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended or re-enacted from time to time; and

"Haitong International Mail" means the secure messaging facility operated by the Company for the delivery and receipt of confirmations, statements and other notices.

- 1.2.1. references to the **"Client"**, wherever used, shall in the case where the Client(s) is/are individual(s) include the Client(s) and his/their respective executors and administrators and in the case where the Client is a sole proprietorship firm include the sole proprietor and his executors and administrators and his/their successors in the business and in the case of a partnership firm include the partners who are the partners of the firm at the time when the Client's said Account or Accounts are being maintained and their respective executors and administrators and any other person or persons who shall at any time hereafter be or have been a partner of and in the firm and his or their respective executors and administrators and the successors to such partnership business and where the Client is a company include such company and its successors;
- 1.2.2. references to **"Group Company"** in relation to the Company, includes its direct or indirect holding companies, and direct or indirect subsidiaries of itself or of such holding companies;
- 1.2.3. references to **"margin"** shall include minimum margins and variation adjustments and all other forms of collateral or equivalent.

2. APPLICABLE RULES AND REGULATIONS

- 2.1. All transactions shall be subject to the constitution, rules, regulations, usages, rulings and interpretations, as amended from time to time or in force of the Government Authority, the Exchange or other market (and of their respective clearing house, if any) where the transactions are executed by the Company or the agents of the Company. All transactions under this Agreement shall also be subject to any law, rule, or regulation then applicable thereto, including but not by way of limitation, the provisions of the Securities and Futures Ordinance and the Commodity Exchange Act of the Federal Laws of U.S.A., as amended from time to time, and the rules and regulations thereunder.
- 2.2. In respect of all transactions entered into between the Company and the Client relating to any currency option, foreign exchange contract or contracts for the future delivery of foreign currencies or securities, the Client agrees that such transaction is governed by and subject to all the rules, regulations, orders and laws of the country of the currency or money concerned and those of Hong Kong and/or the by-laws, rules and regulations of the exchange concerned in which the transaction is done and that in all these transactions referred to in this paragraph the Company may contract as a principal.

- 2.3. In respect of transactions related to Futures/Option Contracts on the markets operated by the Exchange, the Rules, the Regulations and the Procedures of the Exchange shall be binding on both the Company and the Client. The Client may wish to visit HKEx's website for more information on the Rules, Regulations and Procedures. The address is www.hkex.com.hk according to the Company's records, but is subject to change. This address is supplied by the Company solely for the Client's general information. For the avoidance of doubt, the Company shall not in any way be responsible for the accuracy, completeness or otherwise of any such information.
- 2.4. The Company is required in certain circumstances to disclose the name and beneficial identity of the Client and such other information concerning the Client as the Exchange or Commission may require. The Client agrees to provide such information concerning the Client as the Company may require in order for the Company to comply with this requirement, and that in the event that the Company fails to comply with the disclosure requirement under Rule 606(a) or Rule 613(a), the Chief Executive may require the closing out of positions on behalf of the Client or the imposition of a margin surcharge on positions of the Client.
- 2.5. In respect of transactions related to Futures Contracts and/or Option Contracts executed in markets other than those operated by the Exchange, such transactions will be subject to the rules and regulations of those markets and not those of the Exchange, with the result that the Client may have a markedly different level and type of protection in relation to those transactions, as compared to the level and type of protection afforded by the Rules, the Regulations and the Procedures of the Exchange.
- 2.6. In the event that the Company enters into a transaction for Futures Contracts and/or Option Contracts traded on the automated electronic trading system operated by the New York Mercantile Exchange ("NYMEX") and such Contracts are hereinafter referred to as "NYMEX Contracts") for the account of the Client, such transactions will be subject to the rules of NYMEX governing NYMEX Contracts and, if the Client is dealing in NYMEX Contracts for the benefit of another person, the Client shall ensure that in its agreement with such other person there shall be a provision to the effect of this Clause 2.6.

3. INSTRUCTIONS AND DEALING PRACTICE

- 3.1. Orders shall be received and executed with the understanding that the Client will be required to take or make delivery of the commodities unless the Client's initial position is liquidated. It is expressly understood that unless otherwise disclosed herein or to the Client in writing in the usual manner of the Company, the Company is acting solely as agent as to any transactions made with the Company by the Client. The Company shall have no obligation to provide the Client with information with respect to any position of the Client and (except as directed by the Client) no obligation to but shall have the right set out in this Agreement to close any position in any Account the Company may carry on behalf of the Client. Save as aforesaid, the Company shall have the right (at the absolute discretion of the Company, and without assigning any reason therefor) to refuse to act for the Client in any particular transaction.
- 3.2. The Company may, wherever the Company considers it necessary, sell any commodities belonging to the Client or in which the Client has an interest, cancel any open orders for the purchase and sale of any commodities, with or without notice to the Client, and the Company may borrow or buy any commodities required to make delivery against any sale, including a short sale effected for the Client.
- 3.3. In case of the sale of any commodity or other property 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 authorises the Company to borrow any commodity, or other property necessary to make delivery thereof, and the Client hereby agrees to guarantee and hold the Company 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 commodity, or other property sold.
- 3.4. Liquidating instructions on open futures positions maturing in a current month must be given to the Company at least five business days prior to the first notice day in the case of long positions and, in the case of short positions, at least five business days prior to the last trading day. Alternatively, sufficient good funds to take delivery or the necessary delivery documents must be delivered to the Company within the same period described above. If neither instructions, nor good funds, nor documents are received by the Company, the Company may, without notice, either liquidate the Client's position, or make or receive delivery on behalf of the Client upon such terms and by such methods which the Company shall deem to be feasible.
- 3.5. The Client agrees that the Client shall be liable for all losses whether or not the Account is liquidated and for any debts and deficiencies in the Client's Accounts including all debts and deficiencies resulting from a liquidation of the Client's Account.
- 3.6. All instructions shall be given by the Client orally either in person or by telephone, or in writing, delivered by post, by hand, by e-mail using Haitong International Mail or otherwise, or by facsimile transmission or through any of the Electronic Services in accordance with the provisions of Clause 12.

- 3.7. The Company shall be entitled to rely on any instructions, directions, notices or other communication which the Company reasonably believes to be from a person authorised to act on the Client's behalf and the Client shall be bound by such communication. The Client agrees to indemnify the Company and hold the Company harmless from and against all losses, costs and expenses (including legal costs) reasonably and properly incurred by the Company in reliance thereupon.
- 3.8. The Company may record all telephone conversations with the Client in order to verify the instructions of the Client. The Client agrees to accept the contents of any such recording as final and conclusive evidence of the instructions of the Client in the case of any dispute.
- 3.9. There may, on occasions, be a delay in making prices or in dealing by the Company due to the physical restraints on the Exchange or other market and the rapid changes in the prices of commodities. The Company may not after using reasonable endeavours be able to trade at the prices quoted at any specific time. The Company is not liable for any loss arising by reason of its failing, or being unable, to comply with any terms of the Client's instruction.
- 3.10. Where the Company is unable after using reasonable endeavours to execute any instruction in full, it is entitled to effect partial performance only without prior reference to the Client's confirmation. The Client shall accept and be bound by the outcome of any performance, partial performance or non-performance when the Client's request to execute an order is made.
- 3.11. Any day order for the purchase or sale of commodities placed by the Company at the request of the Client that has not been executed in full before the close of business of the relevant exchange or such other expiration date required by the relevant exchange or such other later time as the Client and the Company may agree shall be deemed to have been cancelled automatically (to the extent not executed if executed in part).
- 3.12. The Company may, for the purpose of carrying out any instruction given by the Client, contract with or otherwise deal with or through any other agent, including any person or party associated in any manner with the Company, on such terms and conditions as the Company may in its absolute discretion determine. The Company shall not be liable to the Client for the acts and omissions of any such agent.
- 3.13. The Client acknowledges that due to the trading practices of the Exchange or other markets in which transactions are executed, it may not always be able to execute orders at the prices quoted "at best" or "at market" and the Client agrees in any event to be bound by transactions executed by the Company following instructions given by the Client.
- 3.14. The Client acknowledges and consents that the Company shall, at its absolute discretion, be entitled to claim margin offset for the Client's positions through the Client Offset Claim Account ("COCA") in DCASS.

4. TRADING RECOMMENDATIONS

- 4.1 The Client acknowledges and agrees that the Client retains full responsibility for all trading decisions in the Account(s) and that the Client makes its/his/her own decisions and judgements in respect of Instructions and Transactions.
- 4.2 The Company has no responsibility or obligation regarding any conduct, action, representation or statement of any introducing firm, investment advisor or other third party that is not acting on behalf of the Company in connection with the Account(s) or any Transaction.
- 4.3 Any advice or information provided by the Company, its employees or agents, whether or not solicited, shall not of itself constitute an offer to enter into a transaction and the Company shall be under no liability whatsoever in respect of such advice or information.
- 4.4 The availability of investment research reports or other data from third parties does not constitute any advice, recommendation or opinion from the Company to buy or sell any futures contract, option contracts or commodities. Any investment decisions based on these materials will be based on the Client's own evaluation based on its/his/her own financial circumstances and investment objectives.
- 4.5 The Client requests the Company to contact it/him/her in respect of investment opportunities that may be of interest to the Client. The Client acknowledges and agrees that the Company is not obliged to provide the Client with any financial, market or investment information, suggestion or recommendation, but if it does so, the Company does not act as the Client's investment adviser. However, this Clause 4.5 does not derogate from the Company's legal or regulatory obligations nor should it be taken to derogate from Clause 4.6.
- The Client should obtain independent professional advice if in doubt in respect of any matter in connection with this Agreement.
- 4.6 If the Company solicits the sale of or recommends 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.

5. MARGIN REQUIREMENTS AND MARGIN CALLS AND FIXED CHARGE

- 5.1. The Client agrees to monitor (where applicable) and maintain at all times such collateral and/or margin as the Company may from time to time at the sole discretion of the Company require. Except as permitted by the Rules or for the purpose of closing out the Client's open positions or as the Exchange may from time to time prescribe, generally or otherwise, the Company shall not transact for the Client until and unless the Company has received from the Client collateral adequate to cover that Client's expected trading liabilities, and margins. All margin requirements must be settled in cash except as otherwise agreed by the Company. The Client also agrees to pay on demand any amount owing with respect to any of the Client's Accounts. Against a position in any commodities, prior to the maturity thereof, the Client will give the Company instructions to cover or furnish the Company with all necessary delivery documents, and in default thereof, the Company may without demand or notice cover the liability in the manner deemed most appropriate by the Company, or if an order to buy in such contracts cannot be executed under prevailing conditions, the Company may take any other action the Company shall deem appropriate. The Client understands that the Client will be responsible for all the expenses of the Company in connection with the above and that the Company will not be liable for any loss that may thereby be incurred.
- 5.2. The proper initial and maintenance margin, as determined by the Company at the sole discretion of the Company, will be monitored (where applicable) and maintained by the Client in any and all Accounts the Client may at any time carry with the Company. If the Company determines that additional margin is required, the Client agrees to deposit with the Company such additional margin upon demand, provided, however, that notwithstanding any demand for additional margin, the Company may at any time proceed in accordance with Clause 9 below. The Company may change margin requirements and procedures at the sole discretion of the Company and at any time. No previous margin shall establish any precedent and these requirements once established may apply to existing positions as well as to the new positions in the contracts affected by such change.
- 5.3. If such collateral and/or margin as the Company may require from time to time is not provided or maintained, the Company may notify the Client of a margin call in any mode of communication as the Company considers appropriate. The Client shall ensure that it is in a position to receive any communications from the Company in relation to margin calls, and acknowledges that any failure (for whatever reason) to notify the Client of a margin call, or non-receipt of a margin call, does not prejudice any of the Company's rights under this Agreement, including but not limited to its rights to take any of the actions under Clause 9.5 below. Margin calls and demands for additional margin or variation adjustments must be satisfied in full within the time limit specified by the Company therein, or if no time limit is stipulated by the Company when making a demand then the Client is required to comply with such demand before the expiry of two hours from the time of making the demand (or more quickly if required by the Company to do so), otherwise the Company shall be entitled to close out some or all of the Client's open positions. All variation adjustments must be paid in cash. The Company may be required to report to the Exchange and the Commission particulars of all open positions in respect of which two successive margin calls and (including for the avoidance of doubt) demands for variation adjustments which in aggregate exceed HK\$150,000 or any amount as may be specified under applicable rules and regulations from time to time, are not met within the period specified by the Company. The Company may require more margin or variation adjustments than that specified by the Exchange and/or the Clearing House and may close out open positions in respect of which any margin calls and demands for variation adjustments are not met within the period specified by the Company or at the time of making such call(s) or demand(s).
- 5.4 The Client, as beneficial owner, charges in favour of the Company by way of first fixed charge all the Client's respective rights, title, benefits and interests in and to all Collateral as a continuing security for the payment and satisfaction of all monies and liabilities owed by the Client under this Agreement, all the margin requirements and, without prejudice to the aforesaid, all of the Client's obligations, arising from the business of dealing in securities or otherwise, to the Company and any of the Company's Group Companies which are now or at any time hereafter may be due or owing to the Company and/or the Company's Group Companies together with interest.
- 5.5 (a) The Client, as a continuing security for the payment and satisfaction of all monies and liabilities owed by the Client under this Agreement, all the margin requirements and, without prejudice to the aforesaid, all of the Client's obligations, arising from the business of dealing in securities or otherwise, to the Company and any of the Company's Group Companies which are now or at any time hereafter may be due or owing to the Company and/or the Company's Group Companies together with interest, charges by way of a first floating charge all the Collateral not at any time otherwise effectively charged or mortgaged by way of a first fixed charge under Clause 5.4.

(b) The first floating charge created by the Client under this Clause 5.5 shall crystallise into a first legal charge forthwith and automatically upon the earlier of (i) the creation and issue to or receipt by the Client of the relevant Collateral, (ii) any corporate action, legal proceedings or other formal procedure or formal step is taken in relation to the winding-up, dissolution or re-organisation of the Client, (iii) the occurrence of any Event of Default, (iv) any person taking any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Collateral, or (v) the issue of a written notice by the Company to the Client if the Company considers it desirable to convert any floating charge created pursuant to this Clause 5.5 in order to protect or preserve the security over the Collateral and/or the priority of the charge.

5.6 The charge as referred to in Clause 5.4 and Clause 5.5 shall be continuing notwithstanding any intermediate payment or settlement of account or satisfaction of the whole or any part of any sum owed by the Client to the Company and/or the Company's Group Companies notwithstanding the closing of any of the Client's accounts with the Company and which are subsequently reopened or the subsequent opening of any account by the Client either alone or jointly with others and shall extend to cover all or any sum of monies which shall for the time being constitute the balance due from the Client to the Company and/or the Company's Group Companies on any account or otherwise.

5.7 The Company shall have no obligation to release the charge as referred to in Clause 5.4 and Clause 5.5, unless (i) upon irrevocable payment in full of all sums which may be or become payable by the Client under this Agreement, all the margin requirements and all of the Client's obligations, arising from the business of dealing in securities or otherwise, to the Company and any of the Company's Group Companies, and (ii) upon the full performance of the Client's obligations thereunder, the Company will at the Client's request and expense release the charge as referred to in Clause 5.4 and 5.5.

6. CLIENT'S ACCOUNT AND CLEARING HOUSE ACCOUNT

6.1 All monies, securities and 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 and segregated from the Company's own assets. All 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.

6.2 All monies, approved debt securities or approved securities received by the Company from the Client or from any other person, including the Clearing House, shall be held in the manner specified under paragraphs 7 to 12 of Schedule 4 to the SFC Code of Conduct. The Client hereby authorises the Company to apply any such monies, approved debt securities or approved securities in the manner specified under paragraphs 13 to 15 of Schedule 4 to the SFC Code of Conduct and, in particular, that the Company may apply such monies, approved debt securities or approved securities in or towards meeting the Company's obligations to any party insofar as such obligations arise in connection with or incidental to F. O. Business transacted on the Client's behalf.

6.3 For the avoidance of doubt, the Client hereby confirms and agrees that the Company is permitted to retain money representing interest on money received from or for the account of the Client in relation to the business of dealing in Futures Contracts and Option Contracts and money paid or reimbursed to the Company by the Clearing House in respect of the business of dealing in Futures Contracts and Option Contracts transactions by the Company on the instructions of the Client.

6.4 The Client acknowledges that in respect of any account of the Company maintained with the Clearing House, whether or not such account is maintained wholly or partly in respect of F. O. Business transacted on behalf of the Client and whether or not monies, approved debt securities or approved securities paid or deposited by the Client has been paid to or deposited with the Clearing House, as between the Company and the Clearing House, the Company deals as principal and accordingly no such account is impressed with any trust or other equitable interest in favour of the Client and monies, approved debt securities or approved securities paid to or deposited with the Clearing House are thereby freed from the trust referred to in Clause 6.1 above.

7. COMMISSIONS AND EXPENSES

7.1 Every Exchange Contract shall be subject to the charge of a compensation fund levy and a levy pursuant to the Securities and Futures Ordinance, the cost of both of which shall be borne by the Client.

7.2 In the case of a default committed by the Company and the Client having suffered pecuniary loss thereby, the liability of the compensation fund will be restricted to valid claims as provided for in the Securities and Futures Ordinance and will be subject to the monetary limits specified in the Ordinances and accordingly there can be no assurance that any pecuniary loss sustained by reason of such a default will necessarily be recouped from the compensation fund in full, in part or at all.

7.3 The Client agrees to pay the Company such remuneration, commission, brokerage, charges and any other fees that may be charged in respect of all transactions entered into between the Company and the Client and/or under this Agreement in accordance with the particulars and the basis as set out in the fee schedule provided to the Client (as may be amended and notified by the Company to the Client from time to time).

8. FOREIGN CURRENCY TRANSACTIONS

8.1 In the event that the Client directs the Company to enter into any Futures Contract or Option Contract on an exchange or other market on which such transactions are effected in a foreign currency:

8.1.1 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;

8.1.2 all initial and subsequent deposits for margin purposes shall be made in such currency in such amounts as the Company may, at the sole discretion of the Company, require from time to time; and

8.1.3 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 determined conclusively by the Company on the basis of the then prevailing money market rates of exchange between such currencies.

9. SET-OFF, LIEN, COMBINATION OF ACCOUNTS AND POWER OF SALE

9.1 In addition and without prejudice to any general liens, rights of set-off or other similar rights to which the Company may be entitled under law or this Agreement, all securities, receivables monies (in any currency) and other property of the Client (held by the Client either individually or jointly with others) held by or in the possession of the Company at any time shall be subject to a general lien in favor of the Company and on trust for itself and any of the Company's Group Companies as continuing security to offset and discharge all of the Client's obligations, arising from the business of dealing in securities or otherwise, to the Company and any of the Company's Group Companies.

9.2 In addition and without prejudice to any general liens or other similar rights which the Company, and on trust for itself and any of the Company's Group Companies, may be entitled under law or this Agreement and subject to applicable rules and regulations, including without limitation, the Client Money Rules and the Client Securities Rules, the Company for itself and as agent for any of the Company's Group Companies, at any time without notice to the Client, may combine or consolidate any or all accounts, of any nature whatsoever and either individually or jointly with others, with the Company or any of the Company's Group Companies and the Company may set-off or transfer any monies (in any currency) securities or other property in any such accounts to satisfy obligations or liabilities of the Client to the Company or any of the Company's Group Companies, whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several.

9.3 Without limiting or modifying the general provisions of this Agreement and subject to applicable rules and regulations, including without limitation, the Client Money Rules and the Client Securities Rules, the Company may, without notice, transfer all or any sum or properties interchangeably between any of the accounts maintained at any time by the Client with the Company and any of the Company's Group Companies.

9.4 In exercising its rights under this Clause 9 if in relation to any securities deposited with the Company but which are not registered in the name of the Client, and loss is suffered by the Company, the Account(s) may be debited (or payment made by the Client as may be agreed) with the proportion of such loss equal to the proportion of the securities held on behalf of the Client out of the total number or amount of such securities.

9.5 The following shall constitute events of default ("Events of Default")

9.5.1 the Client has not provided any initial margin or not fully maintained the maintenance margin or such other margin as the Company determines from time to time, or has failed to satisfy in full the margin call or demand for additional margin given by the Company pursuant to Clause 5.3. hereof;

9.5.2 the Client has not paid the whole of any purchase price or margin due and payable by the Client;

9.5.3 the Client has not, on demand, or where specifically agreed, within 24 hours of the Company's requesting the same, liquidated any debit balance on any of the Client's Accounts with the Company;

9.5.4 the Client makes default in or commits a breach of the terms and conditions of this Agreement;

9.5.5 a petition in bankruptcy, or a petition for the appointment of a receiver, is filed by or against the Client;

9.5.6 the appointment of a receiver or liquidator by or for the Client;

9.5.7 when an attachment is levied against the Account(s) of the Client with the Company;

- 9.5.8. the death or judicial declaration of incompetence of the Client;
- 9.5.9. the Company receives notice of any dispute as to the validity of any order or instruction from the Client and/or any Futures Contract or Option Contract;
- 9.5.10. the continued performance of any of the Futures Contract or Option Contracts and/or this Agreement becomes illegal or is claimed by any government authority to be illegal;
- 9.5.11. any consent, authorization or board resolution required by the Client (being a corporation or a partnership) to enter into this Agreement being wholly or partly revoked, suspended, terminated or ceasing to remain in full force and effect; and
- 9.5.12. the occurrence of any event which, in the sole opinion of the Company, might jeopardize any of its rights under this Agreement.
- 9.6. If an Event of Default occurs, all amounts owing by the Client to the Company shall become immediately payable on demand, and interest will accrue, at the rate specified in Clause 9.9 below. Without prejudice to any other right or remedy which the Company may have but subject to applicable laws and regulations, if any Event of Default shall occur or whenever in the Company's sole discretion the Company shall consider it necessary for the protection of the Company, because of margin requirements, procedures or otherwise, the Company shall be authorised, in its absolute discretion, without notice, to take one or more of the following actions (but shall not be bound to take any such action):
- 9.6.1. satisfy any obligation the Client may have to the Company (either directly or by way of guarantee or suretyship) out of any property belonging to the Client in the custody or control of the Company;
- 9.6.2. sell any or all Futures Contracts, Option Contracts or commodities long in the Client's Account(s);
- 9.6.3. buy any or all Futures Contracts, Option Contracts or commodities which may be short in such Account(s);
- 9.6.4. cancel any or all outstanding orders, Futures Contracts or Option Contracts in order to close the Account or Accounts of the Client;
- 9.6.5. close any of the Client's positions without the Client's consent; and
- 9.6.6. immediately close the Account(s).
- 9.7. All the actions under Clause 9.5 may be taken by the Company without margin call or demand for additional margin where applicable, and with or without notice to the Client, the Client's heirs, executors, administrators, personal representatives or assigns, or sale or purchase or other notice or advertisement and whether or not the ownership interest shall be solely the Client's or jointly with others. At any such sale or purchase the Company may purchase the commodities free of any right of redemption and the Client agrees that in respect of any such sale the Company shall have no liability for any loss thereby incurred and without prejudice to the generality of the foregoing the Client shall not (nor shall the Client be entitled to) make any claim against the Company concerning the manner of sale or timing thereof.
- 9.8. The proceeds of such transactions are to be applied to reduce the indebtedness owing to the Company, if any. Any sale of commodities long in an Account or purchase of commodities short in an Account may be made according to the judgement of the Company and at the discretion of the Company either by direct sale or purchase in the same contract month or according to the judgement of the Company and at the discretion of the Company on any exchange or other market where such business is then usually transacted. It is understood that, in all cases, a prior demand or call, or prior notice of time or place of sale or purchase shall not be considered a waiver of the right of the Company to sell or to buy without demand or notice as herein provided, that 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 of the liquidation thereof in whole or in part by the Company or by the Client. Debit balance(s) in such Account(s) shall be charged with interest thereon at the rate specified in Clause 9.9 below and the Client shall promptly settle, upon demand, all liabilities outstanding to the Company, together with all costs of collection (including reasonable legal fees).
- 9.9. In the event of any sale pursuant to this Clause:
- 9.9.1. The Company shall not be responsible for any loss occasioned thereby howsoever arising if the Company has already used reasonable endeavors to sell or dispose of the Futures Contracts, Option Contracts or commodities or any part thereof at the then available market price;
- 9.9.2. The Company shall be entitled to appropriate to itself or sell or dispose of the Futures Contracts, Option Contracts or commodities or any part thereof at the current price to any of the Company's Group Companies without being in any way responsible for loss occasioned thereby howsoever arising and without being accountable for any profit made by the Company and/or any of the Company's Group Companies; and

- 9.9.3. 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 the Client to the Company.
- 9.10. The Client undertakes to pay interest to the Company in respect of any debit balances on the Account(s) or any amount otherwise owing to the Company at any time at such rate as may be specified from time to time by the Company or failing any such specification at a rate equivalent to three (3) per cent per annum above the best lending rate quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time. Such interest shall accrue on a daily basis and shall be payable on the last day of each calendar month or upon any demand being made by the Company.

10. STANDING AUTHORITY

- 10.1. The Client Money Standing Authority covers money held or received by the Company in Hong Kong (including any interest derived from the holding of the money which does not belong to the Company) in one or more segregated account(s) on the Client's behalf ("Monies"), such authority is subject to applicable rules and regulations.
- 10.2 The Client authorises the Company to:
- 10.2.1. combine or consolidate any or all segregated accounts, of any nature whatsoever and either individually or jointly with others, maintained by the Company or any of the Company's Group Companies and the Company may transfer any sum of Monies to and between such segregated account(s) to satisfy the Client's obligations or liabilities to the Company or any of the Company's Group Companies, whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several;
- 10.2.2. transfer any sum of Monies interchangeably between any of the segregated accounts maintained by the Company or any of the Company's Group Companies and/or any segregated accounts opened and maintained by the Company or any of the Company's Group Companies with broker(s) and/or clearing firm(s) (whether they are the Company or any of the Company's Group Companies' associated companies or not) outside Hong Kong at any time for the purpose of satisfying margin requirement, dealing, clearing and/or settlement requirement of securities, futures contract and/or other financial products (where applicable);
- 10.2.3. keep the Monies with broker(s) and/or clearing firm(s) outside Hong Kong after trading to facilitate future dealing, clearing and/or settlement of securities, futures contract and/or other financial product (where applicable); and
- 10.2.4. convert the Monies into any other currency(ies), for any of the abovementioned purposes (where applicable).
- 10.3. The Client acknowledges and agrees that the Company may do any of the things mentioned in Clause 10.2 without giving the Client notice.
- 10.4. The Client Money Standing Authority is given without prejudice to other authorities or rights which the Company or any of the Company's Group Companies may have in relation to dealing in Monies in the segregated accounts.
- 10.5. The Client Money Standing Authority shall be valid for a period of 12 months from the date of this Agreement, subject to renewal by the Client or deemed renewal under the Client Money Rules as referred to in Clause 10.7.
- 10.6. The Client Money Standing Authority may be revoked by giving the Company written notice addressed to the Customer Service Department at the Company's address specified in the Account Opening Form or such other address which the Company may notify the Client in writing for this purpose. Such notice shall take effect upon the expiry of two weeks from the date of the Company's actual receipt of such notice.
- 10.7. The Client understands that the Client Money Standing Authority may be deemed to be renewed on a continuing basis without the Client's written consent if the Company issues the Client a written reminder at least 14 days prior to the expiry date of the Client Money Standing Authority, and the Client does not object to such deemed renewal before such expiry date.

11. CONTRACT SPECIFICATIONS, MARGIN PROCEDURES AND CLOSURE OF POSITIONS

- 11.1. Without prejudice to the Company's rights under Clause 9.5 above, the Company may, without the Client's consent, close all or any of the Client's positions if the Company is of the opinion that there has been a change or development involving a prospective change:
- 11.1.1. in the local, national or international monetary, financial, economic or political conditions or foreign exchange controls which has resulted or is in the opinion of the Company likely to result in a material or adverse fluctuation in the stock market, commodities or futures market in Hong Kong and/or overseas; or
- 11.1.2. which leads to high price fluctuations and have a higher volatility.
- 11.1.3. which is or may be of a material adverse nature affecting the condition or operations of the Client.

- 11.2. The Company shall provide to the Client upon request Contract Specifications or other product specifications, any prospectus or other offering document covering such products, and shall provide to the Client a full explanation of margin procedures. The circumstances in which a Client's position may be closed without the Client's consent are set out in Clauses 2.4, 3.4, 5, 9, 11.1, 12.5, 17.3 and 21.4.

12. ELECTRONIC SERVICES

- 12.1. Unless otherwise specified, this Clause is made without prejudice and in addition to all the other provisions in this Agreement. Please note the risk disclosure statement in the attached Appendix relating to services provided through electronic means.
- 12.2. The Company may provide the Client with Electronic Services, and the Client hereby requests the provision of such services, upon the terms and conditions as embodied in this Agreement, as modified, amended or expanded by any notice, letter, publication or such other document as may be issued from time to time by the Company.
- 12.3. The Client may from time to time, instruct the Company, acting as the Client's agent, to enter into any futures contract or option contract on behalf of the Client through the Electronic Services.
- 12.4. The Client agrees that the Client shall be the only authorised user of the Electronic Services under this Agreement. The Client shall be wholly and solely responsible for the confidentiality, security and use of the Access Codes issued to the Client by the Company.
- 12.5. The Client acknowledges and agrees that the Client shall be wholly and solely responsible for all instructions entered through the Electronic Services. The Client further acknowledges that the Electronic Services, Haitong International Mail, the Company's website, and the software comprised in them, are proprietary to the Company. The Client undertakes and warrants that the Client shall not, and shall not attempt to, tamper with, modify, decompile, reverse engineer, damage, destroy or otherwise alter in any way, and shall not attempt to gain unauthorised access to, any part of the Electronic Services, Haitong International Mail, the Company's website, and any of the software comprised in them. The Client agrees that the Company shall be entitled to close any or all of the Accounts immediately without notice to the Client, and the Client acknowledges that the Company may take legal action against the Client, if the Client at any time breaches this warranty and undertaking or if the Company at any time reasonably suspects that the Client has breached the same. The Client undertakes to notify the Company immediately if the Client becomes aware that any of the actions described above in this paragraph is being perpetrated by any other person.
- 12.6. As and when the Company allows the Client to open an Account on-line with the Company, in addition to completing and returning this Agreement through the Internet, the Client agrees to return to the Company the hard copy of this Agreement (including the Account Opening Form, Client Information Statement and applicable Risk Disclosure Statement) duly completed and executed.
- 12.7. Unless otherwise agreed between the Company and the Client, the Company will not execute any trading orders of the Client until there are sufficient cleared funds, commodities or other assets acceptable to the Company in the Client's Account to settle the Client's transactions and upon receipt of the documents as stated in Clause 12.6.
- 12.8. The Company will not be deemed to have received the Client's instructions or have executed the Client's orders unless and until the Client is in receipt of the Company's message acknowledging receipt or confirming execution of the Client's orders, either electronically or by hard copy.
- 12.9. The Client acknowledges and agrees that, as a condition of using the Electronic Services to give instructions, the Client shall immediately notify the Company if:
- 12.9.1. an instruction has been placed through the Electronic Services and the Client has not received an instruction number or has not received an accurate acknowledgement of the instruction or of its execution (whether by hard copy, electronic or verbal means);
 - 12.9.2. the Client has received acknowledgement (whether by hard copy, electronic or verbal means) of a transaction which the Client did not instruct or any similar conflict;
 - 12.9.3. the Client becomes aware of any of the acts stated in Clause 12.5 being done or attempted by any person;
 - 12.9.4. the Client becomes aware of any unauthorised use of the Client's Access Codes;
 - 12.9.5. the Client has difficulties with regard to the use of the Electronic Services; or
 - 12.9.6. the Client has lost the SIM Card.
- 12.10. The Client agrees to review every order before entering it as it may not be possible to cancel the Client's instructions once given.

- 12.11. The Client agrees that the Company shall not be liable for any loss the Client or any other person may suffer as a result of using or attempting to use the Electronic Services unless such loss or damage is caused by willful default or gross negligence on the part of the Company. The Client further undertakes to indemnify the Company, on a full indemnity basis, on demand, for any loss or damage the Company may suffer as a result of the use of the Electronic Services, except to the extent that such loss or damage is outside the Client's control.

- 12.12. The Client acknowledges and agrees that if the mode of communication used by the Client in the course of the Electronic Services becomes temporarily unavailable, the Client can during such period continue to operate the relevant Account subject to the right of the Company to obtain such information regarding the verification of the Client's identity as it may from time to time think fit.

- 12.13. The Client acknowledges that exchanges and certain associations assert proprietary interests and rights over all market data they furnish to parties who disseminate such data and agrees not to do any act which would constitute any infringement or encroachment of such rights or interests. The Client also understands that the Company does not guarantee the timeliness, sequence, accuracy or completeness of market data or any market information (including any information provided to the Client through the Electronic Services). The Company shall not be liable in any way for any loss arising from or caused by (1) any inaccuracy, error in or omission from any such data, information or message; (2) any delay in the transmission or delivery thereof; (3) any suspension or congestion in communication; (4) any unavailability or interruption of any such data, message or information whether due to any act of the Company; or (5) any forces beyond the control of the Company.

13. REPRESENTATIONS AND WARRANTIES

- 13.1. The Client hereby represents and warrants to the Company on a continuing basis that:
- 13.1.1. (in case of a corporation) it is validly incorporated and existing under the laws of its country of incorporation and has full power and capacity to enter into and perform its obligations hereunder; its entry into this Agreement has been duly authorised by its governing body and is in accordance with the Memorandum and Articles of Association or by-laws as the case may be of the Client;
 - 13.1.2. neither the signing, delivery or performance of this Agreement nor any instructions given hereunder will contravene or constitute a default under any existing applicable law, statute, ordinance, rule or regulation or judgment or cause to be exceeded any limit by which the Client or any of the Client's assets is bound;
 - 13.1.3. save as otherwise disclosed to the Company in writing, all transactions to be effected under this Agreement are for the benefit of the Client and no other party has any interest therein; and
 - 13.1.4. subject to any security interest of any of the Group Companies created pursuant to any agreement between the Client and that Group Company, all commodities provided by the Client for selling or crediting into the Account(s) are fully paid with valid and good title and whose legal and beneficial titles are owned by the Client.
- 13.2. 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 matching transactions as principal with any clients of the Client, the Client hereby agrees that, in relation to a transaction where the Company has received an enquiry from the Exchange and/or the Commission ("Hong Kong Regulators"), the following provisions shall apply:
- 13.2.1. Subject to as provided below, the Client shall, immediately upon request by the Company (which request shall include the relevant contact details of the Hong Kong Regulators), inform the Hong Kong Regulators of the identity, address, occupation and contact details of the client for whose account the transaction was effected and (so far as known to the Client) of the person with the ultimate beneficial interest in the transaction. The Client shall also inform the Hong Kong Regulators of the identity, address, occupation and contact details of any third party (if different from the client/the ultimate beneficiary) who originated the transaction.
 - 13.2.2. If the Client effected the transaction for a collective investment scheme, discretionary account or discretionary trust:
 - 13.2.2.1. the Client shall, immediately upon request by the Company (which request shall include the relevant contact details of the Hong Kong Regulators), inform the Hong Kong Regulators of 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

13.2.2.2. the Client shall, as soon as practicable, inform the Company when his discretion to invest on behalf of the scheme, account or trust has been overridden. In the case where the Client's investment discretion has been overridden, the Client shall immediately upon request by the Company (which request shall include the relevant contact details of the Hong Kong Regulators), inform the Hong Kong Regulators of the identity, address, occupation and contact details of the person(s) who has or have given the instruction.

13.2.3. If the Client is a collective investment scheme, discretionary account or discretionary trust and in respect of a particular transaction the discretion of the Client or its officers or employees has been overridden, the Client shall, as soon as practicable, inform the Company when his discretion to invest on behalf of the beneficiary of such scheme, account or trust has been overridden. In case where the Client's investment discretion has been overridden, the Client shall, immediately upon request by the Company (which request shall include the relevant contact details of the Hong Kong Regulators), inform the Hong Kong Regulators of the identity, address, occupation and contact details of the person(s) who has or have given the instruction in relation to the relevant transaction.

13.2.4. If the Client is aware that his client is acting as intermediary for its underlying client(s), and the Client does not know the identity, address, occupation and contact details of the underlying client for whom the transaction was effected, the Client confirms that:

13.2.4.1. the Client has arrangements in place with his client which entitle the Client to obtain the information set out in Clauses 13.2.1. and/or 13.2.2. and/or 13.2.3. from his client immediately upon request or procure that it be so obtained; and

13.2.4.2. the Client will, upon request from the Company in relation to a transaction, promptly request the information set out in Clauses 13.2.1. and/or 13.2.2. and/or 13.2.3. from his client on whose instructions the transaction was effected, and provide the information to the Hong Kong Regulators as soon as it is received from his client or procure that it be so provided.

13.3. The Client undertakes to perform such acts, sign and execute all such agreements or documents whatsoever as may be required by the Company for the performance or implementation of this Agreement or any part thereof.

14. DECLARATION

14.1. The Client declares that:

14.1.1. The Client Information Statement is true and complete; and

14.1.2. The Client has read and understood the contents of the applicable Risk Disclosure Statement.

14.2. The Company declares that the contents of this Agreement and the applicable Risk Disclosure Statement have been fully explained to the Client in a language the Client understands and that the Client agrees with them.

14.3. The Client and the Company individually and together declare that no provisions of this Agreement shall operate to remove, exclude or restrict any rights of the Client or obligations of the Company under the laws of Hong Kong.

15. COVENANT

The Company and the Client undertake to inform each other of any material change to the information provided in this Agreement. In particular, the Company and the Client agree that:

(a) the Company will notify the Client of any material change to its business which may affect the services provided by the Company to the Client; and

(b) the Client will notify the Company of any change of name and address and provide supporting documents as reasonably required by the Company.

16. LIABILITIES AND INDEMNITIES

16.1. Neither the Company nor any of its directors, employees or agents shall have any liability whatsoever (whether in negligence or otherwise) for any loss, expense or damage suffered by the Client as a result of:

16.1.1. the Company acting or relying on any instruction given by the Client whether or not such instruction was given following any recommendation, advice or opinion given by the Company or by any of its directors, employees or agents; or

16.1.2. any condition or circumstances which are beyond the reasonable control of the Company, its directors, officers, employees and agents, including but not limited to any delays in the transmission of orders due to disruption, breakdown, failure or malfunction of transmission of communication facilities, failure of electronic or mechanical equipment, telephone or other interconnection problems, unauthorised use of Access Codes, prevailing fast market conditions, governmental agency or exchange actions, theft, war (whether declared or not), severe weather, earthquakes and strikes; or

16.1.3. the Company exercising or refraining from exercising or delaying the exercise of any or all of its rights conferred by the terms of this Agreement; or

16.1.4. any conversion of one currency to another pursuant to, in relation to or arising from this Agreement.

16.2. Without limiting the generality of Clause 16.1. above, neither the Company nor any of its directors, employees or agents shall have any liability whatsoever (whether in negligence or otherwise) for any loss, expense or damage suffered by the Client arising out of or alleged to arise out of or in connection with any inconvenience, delay or loss of use of the Electronic Services or any delay or alleged delay in acting or any failure to act on any instruction given by the Client to the Company, even if the Company has been advised of the possibility of such losses or damages.

16.3. The Client undertakes to indemnify and keep indemnified the Company in respect of any costs, claims, demands, damages and expenses whatsoever which may be reasonably suffered or incurred by the Company directly or indirectly arising out of or in connection with any transaction entered into by the Company as agent on behalf of the Client or otherwise whatsoever or howsoever arising out of anything done or omitted to be done by the Company in accordance with the terms of this Agreement or pursuant to any Client's instruction or communication. The Client also agrees to pay promptly to the Company all damages, costs and expenses (including legal expenses on a full indemnity basis) incurred by the Company in the enforcement of any of the provisions of this Agreement.

16.4. The Client undertakes to indemnify the Company and its officers, employees and agents for any loss, cost, claim, liability or expense arising out of or connected with any breach by the Client of its obligations hereunder, including any costs reasonably and necessarily incurred by the Company in collecting any debts due to the Company or in connection with the closure of the Account(s).

17. OMNIBUS ACCOUNT

The Client agrees that the following sub-clauses, the relevant provisions in the SFC Code of Conduct and any Rules stipulated by the Exchange on Omnibus Accounts shall apply where the Client declares that an Account shall be an Omnibus Account:

17.1. The Client shall keep the Company informed regarding its financial standing and shall immediately report to the Company any information that indicates that it is insolvent, or threatened with insolvency or guilty of any irregularities or practices affecting the good name of the Exchange.

17.2. In the case where the Client is not an Exchange Participant:

17.2.1. the Client shall in its dealings with the person(s) from whom it receives instructions with respect to the Account, comply with and enforce the margin and variation adjustment requirements and procedures as stipulated in the Rules and the Clearing House Rules as though it were an Exchange Participant and as though the person(s) for whose account or benefit such instructions are given were Clients as defined in the Rules;

17.2.2. the Client shall cause Exchange Contracts to be entered into in fulfillment of instructions with respect to the Omnibus Account, so that there shall in no circumstances be any dealing with the instructions in a manner which constitutes unlawful dealing in differences in market quotations of commodities under the laws of Hong Kong or any other applicable jurisdiction or in a manner which constitutes or involves betting, wagering, gaming or gambling with respect to such items in contravention of Hong Kong law or any other applicable laws;

17.2.3. the Client shall impose the requirements of sub-clauses 17.2.1, 17.2.2 and this Clauses 17.2.3. upon, and ensure that they are complied with by, the person(s) from whom it receives instructions including ensuring that such persons comply with the margin and variation adjustment requirements as stipulated in the Rules and the Clearing House Rules, with the result that, as between the Exchange and the Company, the Company shall be responsible for ensuring that such requirements are complied with by all persons through whom instructions pass with respect to the Omnibus Account as if each in turn was the Client for whom the Omnibus Account was operated.

17.3. The Client will disclose to the Company before dealing in any futures business details of persons who are ultimately beneficially interested in the Omnibus Account and those persons or entities who are ultimately responsible for originating the instruction in relation to a transaction or such other information as the Exchange or Commission may require from time to time. The Client acknowledges that in the event that it fails to comply with this disclosure requirement, the Chief Executive may require the Company to close out any or all of the open contracts held by the Company on behalf of the Client or request the Clearing House to effect such closing out on behalf of the Company, or the Chief Executive may impose such margin surcharge on any or all of the positions held by the Company on behalf of the Client as the Chief Executive thinks fit.

17.4. The Client hereby agrees to submit to the supervision of the Company to the same degree of supervision as if the Company were the Exchange and the Client were an Exchange Participant and to supply all information and do all acts to enable and facilitate the Company to comply with all the requirements of the relevant exchanges and clearing houses for the operation of the Omnibus Account by the Company.

17.5. For the avoidance of doubt, the Client shall maintain separate margin requirements for each of its customers, and in no case may it offset or net any of its customers' positions against those of another customer for margin purposes.

17.6. The Client hereby agrees to immediately notify the Company in writing when the Account ceases to be an Omnibus Account; such cessation shall not affect any liability whatsoever of the Client to the Company under this Agreement prior to the receipt by the Company of the written notice of such cessation.

18. NOTICES, CONFIRMATIONS AND STATEMENTS

18.1. Reports, written confirmations, notices, statements of the Client's Account(s), 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 the Account Opening Form) at the address, telephone, fax or telex number given in the Account Opening Form or Client Information Statement, or at such other address, telephone, fax or telex number as the Client hereafter shall notify the Company in writing; and all communications so transmitted, whether by mail, telegraph, telephone, 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.

18.2. Written confirmation of the execution of the Client's orders and statements of the Client's Accounts shall be conclusive and deemed to be accepted if not objected to in writing by the Client directed to the address stated in the Account Opening Form (or such other address communicated in writing by the Company) within 2 days after transmittal thereof to the Client, by mail or otherwise.

18.3. Any notice or other communications including, but not limited to, written confirmations and statements of the Client's Account(s) given to the Client by the Company under this Agreement if by electronic devices through Haitong International Mail or otherwise shall be deemed made or given upon transmission of the message by the Company.

19. WAIVER AND AMENDMENT

The Company may at its discretion waive, alter, modify, amend, delete or substitute any of the terms herein or add new terms to this Agreement by sending to the Client a notice in writing setting out such waiver, alteration, modification, amendment, deletion, substitution or addition. Such variation of this Agreement shall be deemed to have been accepted by the Client unless written notice of objection is received by the Company within fourteen (14) business days after despatch of such notification by the Company.

20. JOINT CLIENTS

20.1. Where the Client consists of more than one person:

20.1.1. the liability and obligations of each of them shall be joint and several and references to the Client shall be construed, as the context requires, to any or each of them;

20.1.2. the Company shall be entitled to but shall not be obliged to act on instructions or requests from any of them;

20.1.3. each of them shall be bound though any other Client or any other person intended to be bound is not, for whatever reason, so bound; and

20.1.4. the Company shall be entitled to deal separately with any of the Client on any matter including the discharge of any liability to any extent without affecting the liability of any others.

20.2. Where the Client consists of more than one person, on the death of any of such persons (being survived by any other such persons), this Agreement shall not be terminated and the interest in the Account(s) of the deceased will thereupon vest in and endure for the benefit of the survivor(s) provided that any liabilities incurred by the deceased Client shall be enforceable by the Company against such deceased Client's estate. The surviving Client(s) shall give the Company written notice immediately upon any of them becoming aware of any such death.

21. CONFLICTS OF INTEREST

21.1. The Client acknowledges that the Company, its directors and/or employees may trade on its/their own account or on the account of any of the Group Companies subject to any applicable regulatory requirements.

21.2. The Client consents that, without prior notice from the Company, when the Company executes sell or buy orders on behalf of the Client, on the Exchange or any other exchange or market anywhere in the world, the Company, its directors, officers, employees, agents, and/or any floor broker may buy or sell for an account in which any such person has a direct or indirect interest, subject to the limitations and conditions, if any, contained in the constitution, rules, regulations, usages, rulings, and interpretations then in force of the Exchange or other exchange or market upon which such buy or sell orders are executed, and subject to the limitations and conditions, if any, contained in any applicable regulations lawfully promulgated by the Exchange or other exchange or market.

21.3. The Client acknowledges that, subject to the provisions of the Securities and Futures Ordinance and any applicable laws, the Company may take the opposite position to the Client's order in relation to any exchange traded futures and options contract(s), whether on the Company's own account or for the account of any Group Company or other clients of the Company, provided that the trading is executed competitively on or through the facilities of the Exchange in accordance with the Rules, Regulations and Procedures of the Exchange or the facilities of any other commodity, futures or options exchange in accordance with the rules and regulations of such other exchange.

21.4. The Client acknowledges that the Company is bound by the Rules of the Exchange which permit the Exchange to take steps to limit the positions or require the closing out of contracts on behalf of Clients who in the opinion of the Exchange are accumulating positions which are or may be detrimental to any particular Market or Markets, or which are or may be capable of adversely affecting the fair and orderly operation of any Market or Markets as the case may be.

22. ACKNOWLEDGEMENT

The Client acknowledges that the Exchange or the Clearing House may do all things necessary to transfer any open positions held by the Company on the Client's behalf and money and property standing to the credit of the Client's Account to another Exchange Participant in the event that the rights of the Company as an Exchange Participant are suspended or revoked.

23. ANTI-MONEY LAUNDERING AND SANCTIONS

23.1. Notwithstanding any other provision of this Agreement to the contrary, the Company is not obliged to do or omit to do anything if it would, or might in the Company's reasonable opinion, constitute a breach of any laws in respect of AML/CTF applicable to the Company.

23.2. The Client represents on a continuing basis that neither the Client nor any of its Related Persons (a) is a Restricted Party; or (b) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority; and (c) will promptly notify the Company in writing of any changes to your sanctions status or any sanctions-related activity in connection with this Agreement.

23.3. The Client shall (and shall procure each of its Related Persons to) ensure that (a) none of the transactions and services contemplated under this Agreement shall be used in connection with any Restricted Activity; and (b) none of the proceeds of any such transactions or services will be directly or indirectly paid, lent, contributed, used or otherwise made available to fund or support any Restricted Activity; and (c) all funds used in connection with this Agreement are derived from legitimate sources and not from any Restricted Activity.

23.4. Where (a) the Client or any of its Related Persons is or becomes a Restricted Party or (b) the Company reasonably believes that the dealings with the Client or any of its Related Persons (including but not limited to any transactions or services contemplated by this Agreement) has led or may lead to any Company's Group Companies being in breach of any Sanctions, the Company may immediately and without notice to the Client cease any further dealings with the Client and terminate this Agreement. The Company shall have no liability whatsoever for any liabilities, costs, expenses, damages and/or losses directly or indirectly incurred by the Client as a result of such cessation of dealings or termination of this Agreement under this clause.

23.5. Without prejudice to any other provisions in this Agreement, the Client shall upon demand indemnify the Company against any loss, claim, liability or expense, including legal and other professional fees, asserted against or incurred by the Company as a direct or indirect result of (a) any misrepresentation by the Client under Clause 23.2; or (b) any breach or alleged breach of the undertaking by the Client under Clause 23.3. This Clause 23.5 survives any termination of this Agreement.

- 23.6 The Client must provide to the Company upon request all information and documents that are within the Client's possession, custody or control and requested by the Company at its discretion to enable the Company to comply with applicable laws and relevant internal policies and procedures. The Client undertakes to notify the Company of such matter as may be prescribed or accepted by the Company of any change of contact details (including but not limited to address, telephone number, email address and fax number) or any change or addition of material information (including but not limited to directors, partners, beneficial owners, shareholders, controllers, legal status and constitutional documents).
- 23.7 Where the Client or any other person in connection with the Client and/or this Agreement fails to provide promptly information or documents reasonably requested by the Company, the Company may be unable to provide new, or continue to provide all or part of the services to the Client and the Company reserves the right to terminate the business relationship with the Client; and block or close the Client's accounts at its sole discretion to enable the Company to comply with applicable laws and relevant internal policies and procedures.
- 23.8 The Company and its affiliates are required to act in accordance with applicable laws and request of Government Authorities operating in various jurisdictions. These relate, amongst others, to the prevention of money laundering, terrorist financing and the provision of financial or other services to any persons or entities which may be subject to Sanctions. The Client agrees that the Company may take any action, in its sole and absolute discretion it considers appropriate including but not limited to disclosing any information concerning the Client, persons connected with the Client and/or this Agreement to any law enforcement entity, regulatory agency or court (in any jurisdiction) where required by such requests or any law.
- 23.9 Such action may include, but is not limited to, the interception and investigation of any payment messages and other information or communications sent to or by the Client or on the Client's behalf and making further inquiries as to whether a name which might refer to a person or entity subject to Sanctions and whether that name actually refers to that person or entity.
- 23.10 The Client agrees that the Company may take a sufficient time to consider, investigate, verify or to intercept a transaction, if the Client or any other person in connection with the Client and/or this Agreement becomes a person subject to Sanctions, or upon the occurrence of a match on the Company's Sanction or other AML/CTF-related filters. In certain circumstances, those aforesaid actions taken by the Company may prevent or cause a delay in the process of certain information, instructions and/or transactions.
- 23.11 The Company and no Group Company will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any party arising in connection with this Clause 23. In addition, the Client acknowledges that neither the Company nor any Group Company is required to provide reasons for any decisions it makes, including (without limitation) actions taken or not taken, or unless expressly required by applicable law.
- 23.12 The Client agrees to exercise its/his/her rights and perform its/his/her obligations under this Agreement in accordance with all applicable AML/CTF and other laws.
- 23.13 The Client declares that it/he/she is acting on its/his/her own behalf and not in a trustee or agency capacity, unless otherwise disclosed to the Company with details of the ultimate beneficiary for whom the Client is trading, and agrees to provide evidence of due authority and specimen signatures for each authorised person.

24. TERMINATION

- 24.1. Without prejudice to Clause 9, this Agreement shall continue in effect until terminated by either party giving not less than seven (7) business days prior written notice to the other.
- 24.2. Service of notice of termination by the Client pursuant to Clause 24.1 shall not affect any transaction entered into by the Company pursuant to this Agreement before the notice has actually been received by the Company.
- 24.3. Termination of this Agreement shall not affect any legal rights or obligations which may already have arisen.
- 24.4. Notwithstanding Clause 24.1, the Client shall have no right to terminate this Agreement if the Client has open positions or outstanding liabilities or obligations.
- 24.5. Clauses 2.4, 13.2, 16, 18.1, 18.3, 23.5, 28.4, 29 and 30 shall survive the termination of this Agreement.

25. SEVERABILITY

Each of the provisions of this Agreement is severable and distinct from the others and, if one or more of such provisions is or becomes illegal, invalid or unenforceable, the remaining provisions shall not be affected in any way. In the event that any provision would be invalid if part of the wordings thereof were not deleted, the provision shall apply as if the relevant wordings were deleted.

26. ASSIGNABILITY

The provisions of this Agreement shall be binding on and enure to the benefit of the successors and assigns, whether by merger, consolidation or otherwise, as well as the personal representatives (where applicable) of each party hereto provided that the Client may not assign, transfer, charge or otherwise dispose of rights or obligations hereunder without the prior written consent of the Company. The Company may assign all or a part only of its rights and obligations under this Agreement to any person without the prior consent or approval of the Client.

27. THIRD PARTY RIGHTS

- 27.1 Subject to Clause 26, a person who is not a party to this Agreement has no right under the Third Parties Ordinance to enforce or to enjoy the benefit of any term of the this Agreement.
- 27.2 This Agreement does not create or confer any rights or benefits enforceable by any person not a party to it except:
- a Group Company may enforce any rights or benefits in this Agreement;
 - a Group Company may enforce the rights or benefits of any indemnity, limitation or exclusion of liability in this Agreement; and
 - a person who is a permitted successor or assignee of the rights or benefits of this Agreement may enforce those rights or benefits.
- 27.3 No consent from the persons referred to in this Clause is required for the parties to vary or rescind this Agreement (whether or not in a way that varies or extinguishes rights or benefits in favour of those third parties).

28. GENERAL

- 28.1. Provided always that a prior tender, demand for original or additional margin or call of any kind from the Company, or prior or outstanding demand or call from the Company, or notice of the time and place of a sale or purchase shall not be considered a waiver of any of the Company's rights under this Agreement.
- 28.2. The Client hereby authorises the Company to conduct a credit enquiry (or a personal credit enquiry in case of an individual client) or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client.
- 28.3. Nothing herein contained shall place the Company under any duty to disclose to the Client any fact or thing which comes to its notice in the course of acting in any capacity for any other person or in its own capacity.
- 28.4. Whenever the Company deals with the Client, it will always be on the basis that only the Client is the Company's client and is acting as principal in all respects and so, if the Client acts on behalf of another person, whether or not the Client identifies him to the Company, he will not be the Company's client and the Company does not and will not have or accept in any circumstances whatsoever any responsibility towards any person on whose behalf the Client may act and the Client hereby acknowledges and agrees that the Client shall be solely responsible for settling all liabilities resulting from transactions effected pursuant to and in accordance with this Agreement in connection with or on behalf of any such person.
- 28.5. The Company may obtain confidential information relating to the Account(s), the Client (including the Client's affiliates and subsidiaries (together with the Client, the "Client Group")) and the respective directors, shareholders, employees, officers, consultants and agents of the Client Group (each a "Representative") during the ordinary course of the Client's relationship with the Company. The Client hereby expressly agrees that:
- the Company may disclose any or all such information relating to the Account(s), the Client Group and/or the Representatives to any third party (including any Group Company), as it considers necessary to comply with any laws, regulations, orders, judgments, guidelines, policies, measures, arrangements, requests or other requirements issued by any legal, regulatory, governmental, tax, enforcement, administrative or statutory authority, stock exchange or clearing house, or other self-regulatory or industry bodies or associations both within and outside Hong Kong, including but not limited to, the PRC (collectively, the "Authorities" and each an "Authority"), without further consent from or notification to the Client in any case;
 - any Group Company may disclose any or all such information relating to the Account(s), the Client Group and/or the Representatives to any third parties, including but not limited to, an Authority, as may be required for such Group Company to comply with any laws, regulations, orders, judgments, guidelines, policies, measures, arrangements, requests or other requirements issued by such Authority, without further consent from or notification to the Client; and
 - the Company may disclose any or all such information relating to the Account(s), the Client Group and/or the Representatives to any Group Company as it considers necessary, without further consent from or notification to the Client.
- 28.6. Time shall in all respects be of essence in the performance of all of the Client's obligations under this Agreement.
- 28.7. A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or future exercise of that right, power or privilege.

28.8. In the event of any difference in interpretation or meaning between the Chinese and English versions of this Agreement, the Client and the Company agree that the English version shall prevail.

29. GOVERNING LAW

29.1. This Agreement and all rights, obligations and liabilities arising out of and in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.

30. JURISDICTION

30.1. The courts of Hong Kong have non-exclusive jurisdiction to resolve any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement).

30.2. The Client irrevocably waives any objection which it/he/she may have now or in future to the laying of the venue of any proceedings arising out of or in connection with this Agreement ("Proceedings") in the courts of Hong Kong and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any such Proceedings brought in such courts shall be conclusive and binding upon it/him/her and may be enforced in any other jurisdiction.

30.3. Nothing in this Clause 30 shall prevent the Company from taking or limit the rights of the Company to take Proceedings against the Client in any other courts of competent jurisdiction. To the extent allowed by law, the Company may take concurrent Proceedings in any number of jurisdictions, and the taking of Proceedings by the Company against the Client in one or more jurisdictions shall not preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

APPENDIX 1

To: Client of Haitong International Futures Limited

RISK DISCLOSURE STATEMENT FOR FUTURES AND OPTIONS

This brief statement does not disclose all of the risks and other significant aspects of trading in futures and options. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures and options is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

Risk of Trading Futures and Options

1. The risk of loss in trading futures contracts or options is substantial. In some circumstances, you may sustain losses in excess of your initial margin funds. Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily avoid loss. Market conditions may make it impossible to execute such orders. You may be called upon at short notice to deposit additional margin funds. If the required funds are not provided within the prescribed time, your position may be liquidated. You will remain liable for any resulting deficit in your account. You should therefore study and understand futures contracts and options before you trade and carefully consider whether such trading is suitable in the light of your own financial position and investment objectives. If you trade options you should inform yourself of exercise and expiration procedures and your rights and obligations upon exercise or expiry.

Futures

2. Effect of "Leverage" or "Gearing"

Transactions in futures carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit.

3. Risk-reducing orders or strategies

The placing of certain orders (e.g. "stop-loss" orders, or "stop-limit" orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions.

Options

4. Variable degree of risk

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarise themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs.

The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a futures contract, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a futures contract, the seller will acquire a position in a futures contract with associated liabilities for margin (see the section on Futures above). If the option is "covered" by the seller holding a corresponding position in the underlying interest or a futures contract or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

Additional Risks Common to Futures and Options

5. Terms and conditions of contracts

You should ask the firm with which you deal about the terms and conditions of the specific futures or options which you are trading and associated obligations (e.g. the circumstances under which you may become obliged to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

6. Suspension or restriction of trading and pricing relationships

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or "circuit breakers") may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the futures, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge "fair value".

7. Deposited cash and property

You should familiarise 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.

8. Commission and other charges

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

9. Transactions in other jurisdictions

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade you should enquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

10. Currency risks

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

11. Trading facilities

Electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or participant firms. Such limits may vary; you should ask the firm with which you deal for details in this respect.

12. Electronic trading

Trading on an electronic trading system may differ from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

13. Services provided through electronic means

Due to unpredictable traffic congestion and other reasons, electronic transmission may not be a reliable medium of communication. Transactions conducted via electronic means are subject to 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, transmission interruption or blackout. There are risks of misunderstanding or errors in communication. It is also usually not possible to cancel an instruction after it has been given.

14. Off-exchange transactions

In some jurisdictions, and only then in restricted circumstances, firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarise yourself with applicable rules and attendant risks.

15. Risk of providing an authority to hold mail or to direct mail to third parties

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 confirmations and statements of your Account and review them in detail to ensure that any anomalies or mistakes can be detected in a timely fashion.

16. Risk of client assets received or held outside Hong Kong

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.

17. External position transfer arrangement for the Client Offset Claim Account ("COCA") in DCASS under the Company's default situation

The Client acknowledges that as offset may be available between the positions pairs belonging to different clients maintained in the COCA, any request for external transfer of positions from the COCA under the Company's default situation must be for ALL but not part of the positions. As a result, in a default scenario, no position maintained in the COCA could be externally transferred to another company if one or more clients with positions in COCA do not wish to transfer out their positions for whatever reasons.

18. If the Client wishes to access trade documents ("e-Statement Service") through websites, the Client understands and accepts the following risks and matters:

- (a) appropriate computer equipment and software, internet access and a specific email; address provided and designated by the Client are required for using the "e-Statement Service";
- (b) Internet and email services may be subject to certain IT risks and disruption;
- (c) The Client may incur additional costs for using the "e-Statement service";
- (d) Email will only be our notice that trade documents have been posted on the Company's website, and the Client should check his designated email address regularly for such notice;
- (e) Revocation of consent to the provision of trade documents by access through websites will be subject to the giving of such advance notice by the Client as the Company may require;
- (f) The Client may be required to pay a reasonable charge for obtaining a hard copy of any trade document that is no longer available for access and downloading through the Company's website;
- (g) Inform the Company as soon as practicable upon a change in the designated email address;
- (h) Promptly review the trade documents posted on the Company's website upon receiving the notice from the Company to ensure that any errors are detected and reported to the Company as soon as practicable; and
- (i) Save an electronic copy in his own computer storage or print a hard copy of the trade documents for future reference.

APPENDIX 2

Data Privacy Policy of HTISG

1. Haitong International Securities Group Limited and its subsidiaries (together, "HTISG") want to provide the best service possible to customers and relevant individuals (namely "Data Subject(s)").
2. One way that HTISG does this is by using Data Subjects' information to provide Data Subjects with convenient access to the various products and services. HTISG also recognizes that Data Subjects have important expectations regarding the use of that information.
3. Safeguarding Data Subjects' information is a matter that HTISG takes seriously. That is why HTISG has set forth this Data Privacy Policy ("Policy") to affirm long-standing commitment to personal data protection.
4. From time to time, it is necessary for HTISG to collect, process, use, store, disclose and transfer the Data Subjects' personal data ("Data") as defined in the Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong) ("PDPO"), EU General Data Protection Regulation ("GDPR") or any other applicable laws.

HTISG collects, processes, uses, stores, discloses and transfers the Data in accordance with the laws, regulations, rules and ordinances of the jurisdiction where HTISG is incorporated, the jurisdiction where the Data Subjects reside and other relevant jurisdictions that are applicable to the collection and processing of Data under this Policy (collectively "Applicable Laws").

The term "Data Subject(s)", wherever mentioned in this Policy, includes the following categories of individuals:

- applicants for or customers, authorized signatories, policy holders, beneficiaries and other users of financial, insurance, securities, commodities, investment, credit and related services and products and facilities and so forth provided by HTISG;
- sureties, guarantors and parties providing security, guarantee or any form of support for obligations owed to HTISG;
- directors, shareholders, employees, officers, consultants and agents of any corporate applicants (and such corporate applicant's affiliates and subsidiaries) and data subjects/users; and
- suppliers, contractors, service providers, agents and other contractual counterparties of HTISG.

For the avoidance of doubt, "Data Subjects" shall not include any incorporated bodies.

5. HTISG may collect the Data from Data Subjects in connection with the opening or maintenance of accounts and the establishment or maintenance of credit facilities or provision of financial, insurance, securities, commodities, investment and related products and / or services or discharging duties under applicable contract or Applicable Laws. The Data may be collected through account opening process, using electronic service(s) provided by HTISG or when submitting other forms and materials to HTISG. KYC process, provision of financial products and services, etc. Typical information HTISG collects from Data Subjects may include but not limited to Data Subjects' name, age, occupation, marital status, e-mail address, telephone number, personal identity information, electronic signature, individuals' biometric data (including but not limited to fingerprint or facial images of a Data Subject which could be used to identify such Data Subject), address and other contact information, position within an organization, details of any affiliation with a professional body, financial information, credit history, source of wealth, risk tolerance, investment experiences and objectives relating to the products or services provided by HTISG. The abovementioned Data may include the Data Subjects' sensitive personal information (including but not limited to individuals' biometric data and financial account information).

HTISG undertakes that, for the sole purpose set out under Article 8 of this Policy, HTISG collects and processes the Data Subjects' sensitive personal information in a reasonable manner and have taken measures to safeguard the Data Subjects' personal information.

6. In the event that Data is provided by customer on behalf of a Data Subject, the customer must confirm and ensure that such provision of Data is in compliance with all Applicable Laws (including but not limited to ensuring that the Data Subject gives his/her consent to the reasonable use of such Data by each entity within HTISG, if required by Applicable Laws), and, upon the request of HTISG, provide evidence of the Data Subject's authorization or consent to the provision of his/her Data for record. The customer and the Data Subject (where applicable) understand and recognize that agreeing to provide the Data to HTISG under this Policy means agreeing to provide the Data to Haitong International Securities Group Limited and each of its subsidiaries. Haitong International Securities Group Limited and each of its subsidiaries will use it in a reasonable manner in accordance with the provisions under this Policy.
7. HTISG may also collect and use the Data Subjects' information when searching public information, generating unique internal identification numbers (for internal organizational and administrative purposes), formulating statistical analysis for internal purposes, retaining customers' information relating to accessing HTISG's research websites, retaining telephone conversation records and/or electronic media communications records, or from third party risk intelligence applications.
8. Subject to Applicable Laws, HTISG may reasonably use the Data (and other information) relating to Data Subjects for the following circumstances:
 - providing customers with products and services;
 - verifying customers' identity as part of initial and ongoing KYC (know your customer) due diligence process and performing HTISG's obligations under the anti-money laundry laws and regulations;
 - conducting certification services recognized by the Electronic Transactions Ordinance (Cap. 553) such as services provided by certification authorities in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong") or other jurisdictions for client identity verification purpose;

- conducting credit checks;
- assisting other institutions to conduct credit checks;
- maintaining credit history of Data Subjects for present and future reference;
- ensuring Data Subjects' ongoing credit worthiness;
- designing financial services or related products for Data Subjects' use;
- marketing financial services or related products to Data Subjects, provided HTISG has received Data Subjects' consent, directly or via HTISG's customers, to do so;
- determining the amount of indebtedness owed to or by Data Subjects;
- collecting of amount outstanding from Data Subjects and those providing security for Data Subjects' obligations;
- complying with any laws, regulations, orders, judgments, guidelines, policies, measures, arrangements, requests or other requirements issued by any legal, regulatory, governmental, tax, enforcement, administrative or statutory authority, stock exchange or clearing house or other self-regulatory or industry bodies or associations in different jurisdictions that are applicable to HTISG or any of its holding or affiliated companies;
- complying with any obligations, requirements, policies, procedures, measures or arrangements for sharing data and information within HTISG or among HTISG and its holding or affiliated companies for lawful purpose, and/or any other use of Data and information in accordance with any HTISG group-wide programmes for compliance with sanctions or prevention or detection of money laundering, terrorist financing or other unlawful activities; and
- any purposes relating to any of the foregoing.

In certain circumstances, even without obtaining separate consent from Data Subjects, HTISG may use the Data for the above purposes. This is because:

- HTISG has legal and/or regulatory obligations that HTISG has to discharge;
 - HTISG may need to establish, exercise or defend legal rights or for the purpose of legal proceedings; or
 - subject to Applicable Laws, the use of the Data as described above is necessary for HTISG's and its holding or affiliated companies' legitimate business interests.
9. Data (and other information) held by HTISG relating to Data Subjects will be kept confidential, but HTISG may disclose such Data to third parties in order to enable HTISG to provide its services and products as well as related information to Data Subjects. Without such Data, HTISG may not be able to provide such services, products and information to Data Subjects. In order to provide relevant services, products and information to Data Subjects, HTISG may disclose Data held by it to the following designated recipients:
 - any officer, employee, agent, contractor or third party who provides administrative, professional, credit information, debt collection, telecommunications, computer, payment, archiving or other services to HTISG in connection with the operation of their business;
 - any financial institution with which the Data Subjects has or proposes to have dealings;
 - any holding or affiliated company of HTISG located in different jurisdictions;
 - any legal, courts, regulatory, governmental, tax, enforcement, administrative or statutory authority, stock exchange or clearing house or other self-regulatory or industry body or association in different jurisdictions;
 - any certification authorities in different jurisdictions;
 - any relevant authorities in different jurisdictions in order to satisfy any applicable laws, regulation, rule or guideline existing currently and in the future concerning automatic exchange of financial account information or the Foreign Account Tax Compliance Act (FATCA) of the United States ("US");
 - any credit reference agency, and, in the event of default, debt collection agency;
 - any actual or proposed assignee of the relevant HTISG entity, any participant or sub-participant of the relevant HTISG entity's rights in respect of the customers, to evaluate the transaction that is the subject of the assignment, participation or sub-participation;
 - any other person under a duty of confidentiality to HTISG, including any holding or affiliated company of HTISG which has undertaken to keep such information confidential.

The recipients of the Data regarding Data Subjects may be located outside Hong Kong.

Data Subjects may contact HTISG at the contact information set out in Article 19 of this Policy to request (a) the contact information of the third-party recipient/recipient within HTISG; (b) if applicable, details on cross-border transfer of the Data; and (c) further details on how relevant recipients collect and process the Data.

HTISG only shares Data (and other information) regarding Data Subjects to the abovementioned parties when in compliance with strict internal security standards, confidentiality policies and Applicable Laws.

The parties located outside Hong Kong may not have in place data protection laws which are substantially similar to, or serve the same purpose as, the PDPO. This means that Data disclosed to such parties may not be protected to the same or similar level as in Hong Kong.

10. Although it might not be directly related to provision of relevant services, products and information to Data Subjects, HTISG may also share the Data with third parties (whether a holding or affiliated company of HTISG or not) in the following circumstances:
 - if HTISG sells any business or assets, in which case HTISG may disclose the Data to the prospective buyer for due diligence purposes;
 - if HTISG is acquired by a third party, in which case the Data held by HTISG will be disclosed to the third party buyer;
 - HTISG may disclose to third party agents or contractors (for example, the electronic data storage service providers) for the purposes of providing services to us. These third parties will be subject to confidentiality requirements and they will only use the Data in compliant with this Policy; and
 - to the extent required by Applicable Laws, for example if HTISG is under a duty to disclose the Data in order to comply with any legal obligation, establish, exercise or defend legal rights.

11. When providing Data of the Data Subjects to the designated recipients as described above, HTISG will comply with relevant requirements under Applicable Laws with respect to sharing personal data (including on a cross-border basis) and takes necessary measures to ensure that the processing of personal data carried out by relevant recipients meets the standards of personal data protection stipulated by Applicable Laws. Data Subjects may contact HTISG at the contact information set out in Article 19 of this Policy to request the contact information of the third party, and then contact such third party to exercise relevant rights provided under Applicable Laws.

When providing Data to the public authorities (listed out in the designated recipients) at their lawful request, HTISG will ensure that the disclosure and transfer of Data related to Data Subjects will be kept at a minimal and necessary level. To the extent permitted by Applicable Laws, HTISG will notify the Data Subjects of such lawful requests from relevant public authorities.

12. HTISG has established high standards for protecting Data regarding Data Subjects from unauthorized alteration or destruction. HTISG holds employees fully accountable for adhering to those standards, policies and laws. The Data should only be accessible to authorized staff on a "need-to-know" basis using secure means.

13. In the event of any default in payment by the Data Subjects, unless the amount in default is fully repaid or written off (otherwise than due to a bankruptcy order) before the expiry of 60 days as measured by HTISG from the date such default occurred, the Data Subject agrees that his/her account repayment data may be retained by the credit reference agency until the expiry of five years from the date of final settlement of the amount in default. In the event of any amount being written off due to a bankruptcy order being made against the Data Subject, the Data Subject agrees that his/her account repayment data may be retained by the credit reference agency, regardless of whether the account repayment data reveal any material default, until the expiry of five years from the date of final settlement of the amount in default or the expiry of five years from the date of discharge from a bankruptcy as notified by the Data Subject with evidence to the credit reference agency, whichever is earlier. The Data Subject's account repayment data include amount last due, amount of payment made during the last reporting period, remaining available credit or outstanding balance and default data (being amount past due and number of days past due, date of settlement of amount past due, and date of final settlement of amount in material default (if any)). Material default is a default in payment for a period in excess of 60 days.

14. Any Data Subject who is subject to the rules under General Data Protection Regulation ("GDPR") of the European Union ("EU") shall be aware of and agree to the transfers of the Data outside the European Economic Area ("EEA") as follows:

- The Data that HTISG collects from a Data Subject may be transferred to, and stored at, a destination outside the EEA, including but not limited to being transferred to affiliates which are located outside the EEA.
- Data may also be processed by individuals operating outside of the EEA who work for affiliates or for suppliers of HTISG.
- Where HTISG transfers the Data outside the EEA, HTISG will ensure that it is protected in a manner that is consistent with how the Data will be protected by HTISG in the EEA. This can be done in a number of ways, for instance:
 - a. the country that HTISG sends the Data to might be approved by the European Commission as offering a sufficient level of protection;
 - b. the recipient might have signed up to a contract based on "model contractual clauses" approved by the European Commission, obliging them to protect the Data; or
 - c. where the recipient is located in the US, it might be a certified member of the EU-US Privacy Shield scheme.
- In other circumstances the law may permit HTISG to otherwise transfer the Data outside the EEA. In all cases, however, HTISG will ensure that any transfer of the Data is compliant with Applicable Laws.

Data Subjects can obtain more details about the protection given to the Data when it is transferred outside the EEA (including a copy of the standard data protection clauses which HTISG has entered into with recipients of the Data) by contacting HTISG in writing or calling Customer Service Department as set out in Article 19 of this Policy.

15. Use of Data in Direct Marketing

In addition to the purposes set out above, HTISG may use the Data in direct marketing provided that HTISG has obtained the Data Subject's explicit consent not bundled up as a condition of service (which includes an indication of no objection) before HTISG can use the Data for this purpose. In this connection, please note that:

- Data Subject's name, contact details, products and services portfolio information, transaction pattern and behaviour, financial background and demographic data held by HTISG from time to time ("Marketing Personal Data") may be used by HTISG in direct marketing;
- The following classes of services, products and subjects may be marketed:
 - a. financial, insurance, securities, commodities, investment and related services and products and facilities;
 - b. reward, loyalty or privileges programmes in relation to the class of marketing subjects as referred to above;
 - c. services and products offered by HTISG's co-branding partners (the names of such co-branding partners can be found in the application form(s) for the relevant services and products, as the case may be) in relation to the class of marketing subjects as referred to above; and
 - d. donations and contributions for charitable and/or non-profit making purposes.
- The above services, products and subjects may be provided or (in the case of donations and contributions) solicited by HTISG and/or:
 - a. any member of HTISG;
 - b. third party financial institutions, insurers, securities, commodities and investment services providers;
 - c. third party reward, loyalty, co-branding or privileges programme providers;
 - d. co-branding partners of HTISG (the names of such co-branding partners can be found in the application form(s) for the relevant services and products, as the case may be); and
 - e. charitable or non-profit making organisations;

In addition to marketing the above services, products and subjects itself, HTISG may also provide the Marketing Personal Data described above, whether such provision is for gain or not, to third parties described above for use by them in marketing those services, products and subjects described above (in cases where HTISG is remunerated for such provision of data, the Data Subject must be explicitly informed in writing that the data is to be so provided), and HTISG requires the Data Subject's written consent (which includes an indication of no objection) for that purpose;

If the Data Subject gives his/her consent but subsequently changes his/her mind and no longer wishes HTISG to use or provide to other persons the Marketing Personal Data for use in direct marketing as described above, the Data Subject may exercise his/her opt-out right by notifying HTISG in writing or call Customer Service Department (the mailing addressing and contact number are set out in Article 19 of this Policy).

Please note however that if the direct marketing is addressed to the Data Subject in his/her capacity as a representative of a company or business meant for the exclusive use of the company or business and is not sent to the Data Subject in his/her individual or personal capacity, then this Article does not apply.

16. Any customers who accept HTISG's services in relation to Northbound Trading of China Connect Securities shall be aware of and agree to the following provisions¹:

- HTISG may need to use the Data for the following purposes: (a) tag each of the customers' orders submitted to the CSC (as defined in the Rules of SEHK) with a Broker-to-Client Assigned Number ("BCAN") that is unique to each customer or the BCAN that is assigned to a joint account, as appropriate;
- and (b) provide to appropriate regulatory authorities, including but not limited to the Hong Kong Exchanges and Clearing ("HKEX"), the Hong Kong Stock Exchange Limited ("SEHK") and any of their subsidiaries from time to time (the "SEHK Subsidiaries"), the customers' assigned BCAN and such identification information relating to the customers ("Client Identification Data" or "CID") as HKEX, SEHK or any SEHK Subsidiaries may from time to time request under any applicable laws or regulatory rules and requirements.
- Without limitation to any notifications HTISG has given to customers or consent which HTISG has obtained from customers, HTISG may collect, store, use, disclose and transfer personal data relating to customers as follows (defined terms shall have the meaning under the Rules of SEHK, unless otherwise indicated):
 - a. to disclose and transfer customers' BCAN and CID to HKEX, SEHK or any SEHK Subsidiaries from time to time, including by indicating customers' 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 HKEX, SEHK or the SEHK Subsidiaries to: (i) collect, use and store customers' 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 SEHK; (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 Clause 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 customers' 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, HKEX, SEHK and any SEHK Subsidiary; (ii) use customers' BCAN and CID for the performance of its regulatory functions of securities account management; and (iii) disclose such information to the People's Republic of China regulatory authorities and law enforcement agencies having jurisdiction so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the People's Republic of China financial markets;
 - d. to allow the relevant China Connect Market Operator to: (i) collect, use and store customers' 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 People's Republic of China regulatory authorities and law enforcement agencies so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the People's Republic of China financial markets.
- By instructing HTISG in respect of any transaction relating to China Connect Securities (as defined in the Rules of SEHK), customers acknowledge and agree that HTISG may use their personal data for the purposes of complying with the requirements of HKEX, SEHK or any SEHK Subsidiaries and their rules as in force from time to time in connection with Stock Connect Northbound Trading. Customers also acknowledge that despite any subsequent purported withdrawal of consent by customers, customers' personal data (which was provided before such withdrawal) may continue to be stored, used, disclosed, transferred and otherwise processed for the above purposes, whether before or after such purported withdrawal of consent.
- Please also note that HTISG will not, or no longer be able to, as the case may be, carry out customers' trading instructions or provide customers with Stock Connect Northbound Trading service if customers fail to provide HTISG with their personal data or consent as described above.

17. The Data Subject acknowledges and agrees that HTISG may collect, store, process, use, disclose and transfer personal data relating to the Data Subject (including the Data Subject's CID and BCAN(s)) as required for HTISG to provide services to the Data Subject in relation to securities listed or traded on 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:

- disclosing and transferring the Data Subject'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;
- allowing SEHK to: (i) collect, store, process and use the Data Subject's personal data (including CID and BCAN(s)) for market surveillance and monitoring purposes and enforcement of the Rules 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;
- allowing the SFC to: (i) collect, store, process and use the Data Subject'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; and
- providing BCAN to Hong Kong Securities Clearing Company Limited ("HKSCC") allowing HKSCC to: (i) retrieve from SEHK (which is allowed to disclose and transfer to HKSCC), process and store the Data Subject's CID and transfer the Data Subject's CID to the issuer's share registrar to enable HKSCC and/or the issuer's share registrar to verify that the Data Subject has not made any duplicate applications for the relevant share subscription and to facilitate IPO balloting and IPO settlement; and (ii) process and store the Data Subject's CID and transfer the Data Subject's CID to the issuer, the issuer's share registrar, the SFC, SEHK and any other party involved in the IPO for the purposes of processing the Data Subject's application for the relevant share subscription or any other purpose set out in the IPO issuer's prospectus.

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

Failure to provide HTISG with the Data Subject's personal data or withholding or withdrawing consent as described above may mean that HTISG will not, or will no longer be able to, as the case may be, carry out the Data Subject's trading instructions or provide the Data Subject with securities related services (other than to sell, transfer out or withdraw the Data Subject's existing holdings of securities, if any).

For the purposes of this Policy, "**BCAN**" shall mean a "Broker-to-Client Assigned Number", being a unique identification code in the format prescribed by SEHK, generated by a relevant licensed or registered person in accordance with SEHK's requirements and "**CID**" shall mean the following information in relation to a Data Subject to whom a BCAN is assigned: (i) the full name of the Data Subject as shown in the Data Subject's identity document; (ii) the issuing country or jurisdiction of the identity document; (iii) the identity document type; and (iv) the identity document number.

18. HTISG may, in accordance with Applicable Laws:
- match, compare or exchange any Data or other information provided by, or in respect of, a Data Subject with Data (or other information) held by HTISG or any other person for the purpose of:
 - a. credit checking;
 - b. Data (and other information) verification;
 - c. otherwise producing evidence or verifying Data (and other information) which may be used for the purpose of taking adverse action against the Data Subject or any other person at any time;
 - cross-border transfer such Data (and other information).
19. Data Subjects have a number of legal rights in relation to the Data that HTISG holds regarding Data Subjects. These rights include:
- the right to obtain information regarding the processing of the Data and access to the Data which HTISG holds about the Data Subject;
 - the right to withdraw the consent to processing of the Data at any time. Please note, however, that HTISG may still be entitled to process the Data if HTISG has another legitimate reason (other than consent) for doing so.
 - in some circumstances, the right to receive some Data in a structured, commonly used and machine-readable format and/or request that HTISG transmits those data to a third party where this is technically feasible. Please note that this right only applies to the Data which the Data Subject have provided to us;
 - the right to request that HTISG rectifies the Data if it is inaccurate or incomplete;
 - the right to request that HTISG deletes the Data in certain circumstances. Please note that there may be circumstances where the Data Subject asks HTISG to delete the Data but HTISG is legally entitled to retain it;
 - the right to object to, and the right to request that HTISG, restricts HTISG's processing of the Data in certain circumstances. Again, there may be circumstances where the Data Subject objects to, or asks HTISG to restrict, HTISG's processing of the Data but HTISG is legally entitled to continue processing the Data and / or to refuse that request;
 - the right to lodge a complaint with the data protection regulator if the Data Subject thinks that any of his/her data privacy rights have been infringed by HTISG;
 - in relation to consumers' credit record, to be informed on request which items of Data are routinely disclosed to credit reference agencies or debt collection agencies, and be provided with further information to enable the marking of an access and correction request to the relevant credit reference agency or debt collection agency; and
 - upon satisfactory termination of the credit by full repayment and on condition that there has been, within five years immediately before such termination, no material default under the credit as determined by HTISG, to instruct HTISG to make a request to the relevant credit reference agency to delete from its database any account data relating to the terminated credit.

Data Subjects acknowledge and understand that, any such request must be raised in accordance with Applicable Laws. For unreasonable requests which may bring risk to others' legitimate rights or are not operationally/technically feasible, HTISG reserves the right to decline the Data Subjects' requests in accordance with Applicable Laws.

Data Subjects acknowledge and understand that, in certain circumstances and to the extent permitted by Applicable Laws, HTISG may process the Data regarding the Data Subjects without the Data Subjects' consent.

Request for access and/or correct any Data that the Data Subject has submitted and request for changing personal contact information shall be sent to the following address:

Haitong International Securities Group Limited
15/F, One Island South,
2 Heung Yip Road, Wong Chuk Hang, Hong Kong
Customer Service Department
or phone to: +852 3583 3388

20. In accordance with the terms of the Personal Data (Privacy) Ordinance, HTISG has the right to charge a reasonable fee for the processing of any Data access request.

21. If (a) (i) the scope of, or (ii) the purpose of processing, the sensitive personal data referred to in Article 5 of this Policy and/or (b) the designated recipients referred to in Article 9 of this Policy changes, HTISG will inform the Data Subjects separately and obtain the consent from the Data Subjects in accordance with Applicable Laws.

22. Retention of the personal data

HTISG will keep the Data Subjects' personal Data for as long as HTISG reasonably needs it for the purposes in Article 8 of this Policy or on a longer term basis in accordance with Applicable Laws and policies and procedures of HTISG, or until receipt of the customer's request to delete such personal Data, subject to limitations on technical feasibility.

23. At HTISG, unless otherwise provided by Applicable Laws, information regarding the Data Subjects is used solely in the legitimate conduct of business, to deliver superior service and to design products and special offers that demonstrate HTISG's understanding of the Data Subjects and their needs.

24. As HTISG moves forward in developing new products and services in an era of vast technological change, HTISG will continue to maintain dedication to assuring that Data Subjects' information is properly used and appropriately safeguarded.

25. HTISG updates this Policy from time to time and ask that customer regularly check HTISG's website to make sure customer is familiar with the most recent version.

If there is any discrepancy between the English and Chinese versions, the English version shall apply and prevail.

¹ Article 16 of the Data Privacy Policy of Haitong International Securities Group Limited is not applicable as Haitong International Asset Management (HK) Limited and Haitong International Investment Managers Limited does not provide services in relation to Northbound Trading of China Connect Securities.

APPENDIX 3

CLIENT-BASED DELTA POSITION LIMITS IMPOSED BY HKFE RULE 632A

HKFE Rule 632A imposes a limit on the positions in HSI Futures, HSI Options, Mini-HSI Futures and Mini-HSI Options combined held by a person or group of persons. This Rule is intended to avoid potentially destabilizing market conditions arising from an over concentration of positions accumulated by a single person or group of persons. Details of the said rule are set out as follows. If you are in any doubt about this document or the risks involved in non-compliance with Rule 632A, you should consult your dealer or independent professional. (In the event of any difference in interpretation or meaning between the Chinese and English version of this document, the English version shall be prevailed.)

1. No person shall own or control positions in HSI Futures, HSI Options Mini-HSI Futures and Mini-HSI Options Markets combined that exceed a position delta of 10,000 long or short in all contract months combined, or own or control positions in the Mini-HSI Futures Market or Mini-HSI Options that exceed a position delta of 2,000 long or short in all contract months combined. For this purpose, the position delta of one Mini-HSI Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract ("Position Limit").
2. In determining the position delta for a person, the positions of all accounts under the direct or indirect common control or management of a person, and the positions of all accounts of persons acting pursuant to an express or implied agreement or understanding, shall be subject to aggregation.
3. Where different accounts or groups of accounts are managed by the same person or follow the investment strategies of the same person, the positions in such accounts shall be considered to be under the direct or indirect common control or management of the person and shall be aggregated for the purpose of Exchange Rule 632A. These include, but not limited to, mutual funds, discretionary accounts or trusts advised or managed by the same investment adviser, strategist or fund manager.
4. If a client holds positions of an account or aggregated accounts which exceed the Position Limit, HKFE will request our Company to liquidate the client's positions necessary to bring the account or aggregated accounts into compliance with the Position Limit.
5. In addition, our Company will not execute client's order when the Company has knowledge that such client's aggregated positions approach the Position Limit and that the execution of such order will result in a breach of the Position Limit.

APPENDIX 4

FATCA and Common Reporting Standard Policies of Haitong International Securities Group Limited and its subsidiaries (together "HTISG")

Under Foreign Account Tax Compliance Act ("FATCA"), financial institutions in Hong Kong are required to report certain information of their clients to tax and/or other governmental authorities and withhold on clients' U.S. source Fixed, Determinable, Annual, or Periodical income in certain circumstances.

Hong Kong has also agreed to implement the Common Reporting Standard under which financial institutions must report information about their clients to the Hong Kong Government Authority, which may be shared with offshore Government Authorities.

For compliance of the regulatory requirement in relation to FATCA, the Common Reporting Standard and other related regulations, HTISG implemented the terms and conditions of this Appendix to govern the relevant rights and obligations between the clients and HTISG.

1. Privacy Waiver

- 1.1 The Client hereby irrevocably authorises HTISG to disclose and submit such information provided by the Client, including without limitation to personal information, to the competent regulatory or Government Authority in the relevant jurisdiction (including without limitation to U.S. Internal Revenue Service, U.S. Department of the Treasury and the Hong Kong Inland Revenue Department) for the purpose of compliance of the requirements under FATCA, the Common Reporting Standard and other related laws, regulations, codes and rules.
- 1.2 The Client further acknowledges that HTISG may not notify the Client such disclosure or submission as required by the applicable laws or regulations, and agrees that it/he/she will not require HTISG to make such notification to the Client before or after the disclosure or submission of the information to the relevant authorities.

2. Further Assurance for Provision of Information

- 2.1 The Client undertakes that it/he/she will promptly provide HTISG such information, including without limitation to the personal/institutional information in the Client Information Statement and the relevant account opening forms designated by HTISG from time to time and the relevant tax forms completed by the Client, for the purpose of compliance of the requirements under FATCA, the Common Reporting Standard and other related laws, regulations, codes and rules.
- 2.2 The Client shall ensure that the information provided to HTISG under section 2.1 shall always be true, complete and accurate without misleading in all material aspects.
- 2.3 The Client further undertakes that it/he/she will promptly (in any event, within 30 days) notify HTISG whenever any information provided to HTISG under section 2.1 is changed or becomes untrue, incomplete, inaccurate or misleading and provide HTISG the necessary updated information.
- 2.4 Upon HTISG's request, the Client shall promptly (in any event, within 30 days) provide HTISG such additional or substitute certificates and forms and other documentary evidences, including without limitation to the substitute tax forms of expired tax forms (if any), the Client's written nationality statement, certificate of loss of U.S. nationality and privacy waivers.
- 2.5 The Client acknowledges and agrees that failing to provide HTISG information as required under this Section 2 will entitle HTISG to change the FATCA or the Common Reporting Standard status of the Client's account, suspend the trading activities under the Client's account, withhold the assets in the Client's account, close the Client's account, or sell the assets in the account to produce withholdable payments at HTISG's sole and absolute discretion.
- 2.6 HTISG will keep and use the Client's personal data in compliance with the Personal Data (Privacy) Ordinance and other applicable data privacy policy.

3. Withholding Authorisation

- 3.1 The Client hereby authorises HTISG to withhold any part of or all assets in the Client's account (in cash or other forms) or sell the assets in the account to produce withholdable payments if, at HTISG's sole and absolute discretion:
 - (a) The Client do not provide HTISG with the information or documents requested in a timely manner or if any information or documents provided are not up-to-date, accurate or complete such that HTISG are unable to ensure its ongoing compliance or adherence with the requirements under FATCA;
 - (b) the FATCA status of the Client is identified as recalcitrant or non-participating foreign financial institutions;
 - (c) there is no reliable evidence to treat the Client as exempted from withholding requirement under FATCA or other relevant regulations;
 - (d) the withholding is required by competent regulatory or Government Authorities in the relevant jurisdiction; or
 - (e) the withholding is otherwise necessary or appropriate for the compliance of the requirements under FATCA and other related laws, regulations, codes and rules.

4. Indemnification

- 4.1 The Client hereby agree to hold HTISG and its directors, officers, employees and agents (the "Indemnified Persons") indemnified against all losses, liabilities, costs, claims, actions, demands or expenses (including but not limited to, all reasonable costs, charges and expenses incurred in disputing or defending any of the foregoing) which the Indemnified Persons may incur or which may be made against the Indemnified Persons arising out of, or in relation to or in connection with:
- (a) any breach or alleged breach of the terms and conditions hereunder, whether by act or omission, of the Client; and
 - (b) any non-compliance of FATCA, the Common Reporting Standard or any other applicable laws, regulations, codes, and orders in relation to the Client and/or the Client's account,
- except where such loss or damages arise from wilful default, fraud or negligence of the Indemnified Persons.
- 4.2 The Client undertakes to assist HTISG in any proceeding or investigation arising in any matter out of or in connection with the compliance with the requirements under FATCA, the Common Reporting Standard and other applicable laws, regulations, codes, and orders. In such case, HTISG will notify the Client when HTISG become aware of such proceedings, unless prohibited by applicable laws and regulations.
- 4.3 If any payment to be made by the Client to the Indemnified Persons under the clauses hereunder is subject to deduction or withholding tax, the sum payable by the Client in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction or withholding, the Indemnified Persons receive on the due date and retain (free from any liability in respect of such deduction, withholding or payment) a net sum equal to what the Indemnified Persons would have received if no such deduction, withholding or payment been made or required to be made.
- 4.4 The Client shall continue to be bound by the provisions of this Clause despite the Client ceasing to be an Accountholder or the termination of any account.

5. Incorporation with the Terms and Conditions

- 5.1 This Appendix shall be deemed to be incorporated as a part of the Terms and Conditions in relation to the Client's Account and subject to amendments made by HTISG from time to time at HTISG's sole and absolute discretion. In case of conflict or inconsistency between the Terms and Conditions and this Appendix, the terms of this Appendix shall prevail.
- 5.2 Unless otherwise defined, capitalized terms in this Appendix shall have the same meaning as defined under the Terms and Conditions in relation to the Client's Account.

6. Language

- 6.1 This Appendix is prepared in both English and Chinese. If there is any conflict or inconsistency, the English version shall prevail.

APPENDIX 5

ADDENDUM IN RELATION TO THE TRADING OF SPECIAL PURPOSE ACQUISITION COMPANIES ("SPAC") LISTED IN THE HKEX

This Addendum shall apply to all transactions related to the trading of any shares and/or warrants of a SPAC and shall be supplemented to the margin account terms and conditions, cash account terms and conditions, future account terms and conditions and options trading account terms and conditions (each, and collectively, the "Terms and Conditions"). Terms not defined in this Addendum shall have the same meaning as defined under the Terms and Conditions.

1. Definition and Interpretation

In this Addendum, except where the context otherwise requires, the following words and phrases shall have the following meanings:

"**CWUMPO**" means the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Cap. 32 of the Laws of Hong Kong, as amended from time to time;

"**De-SPAC Target**" means the target of a De-SPAC Transaction;

"**De-SPAC Transaction**" means an acquisition of, or a business combination with, a De-SPAC Target by a SPAC that results in the listing of a Successor Company;

"**Eligible SPAC Investor**" means a "professional investor" within the meaning of the definition of "professional investor" in section 1 of Part I of Schedule 1 to the SFO;

"**HKEX**" means the Hong Kong Exchanges and Clearing Limited;

"**IPO**" means initial public offering, including in the context of the proposed SPAC listing regime in Hong Kong, initial offering of SPAC Shares by a SPAC to professional investors;

"**Listing Document**" means a Prospectus, a circular or any equivalent document (including a scheme of arrangement and introduction document) issued or proposed to be issued in connection with an application for listing;

"**PIPE**" means a third party investment, for the purposes of completing a De-SPAC Transaction, that has been committed prior to the De-SPAC announcement;

"**Prospectus**" means a prospectus as defined in Part 1, Division 2 of the CWUMPO;

"**Successor Company**" means the listed issuer resulting from the completion of a De-SPAC Transaction;

"**SFC**" means the Securities and Futures Commission;

"**SPAC**" means Special Purpose Acquisition Companies listed on the HKEX; and

"**SPAC Securities**" means SPAC Shares and SPAC Warrant.

2. Service

- 2.1. Haitong International Securities Company Limited provides to the Client the trading service of shares and/or warrants of a SPAC subject to and upon the Terms and Conditions and the provisions in this Addendum.
- 2.2. Haitong International Securities Company Limited may vary, modify, reduce or revoke the scope of the trading service of shares and/or warrants of a SPAC in whole or in part from time to time without prior notice or reference to the Client.
- 2.3. In the event that the Client fails to demonstrate that it/he/she/they comply with the requirements as "professional investor" or are suitable to participate in SPAC Securities trading in the manner and within the time limited specified by Haitong International Securities Company Limited, the Client's access to the trading services of SPAC Securities shall be immediately terminated without prior notice. Any settled SPAC Securities in the account may immediately be subject to mandatory unwinding within 3 days, or such other time as specified by the SFC or HKEX or Haitong International Securities Company Limited as the case may be, prescribed by the Relevant Regulator(s).

3. Eligible SPAC Investor

- 3.1. The Client shall be qualified as an Eligible SPAC Investor to participate in the trading of shares and/or warrants of a SPAC.
- 3.2. SPAC Securities trading is limited to professional investors only. The Client should be aware of any potential risks of trading of SPAC Securities.

4. Compliance with Laws and Rules

- 4.1. Any trading in SPAC Securities will be subject to all applicable constitution, rules, laws, by-laws, and regulations in relation to SPAC and all such other applicable constitution, laws, by-laws, rules and regulations as may be supplemented, amended and revised from time to time. The Client agrees to be bound by all of the above as they are in force from time to time and at any time, and the Client acknowledges that there is a risk of prohibition from trading SPAC Securities and that the Client's instructions to trade SPAC Securities may not be accepted.

- 4.2. The Client should understand that the subscription and trading of SPAC Securities is restricted to professional investors only. The Client undertakes before the subscription or trading of SPAC Securities that he/she/it/they should be familiar with the rules stipulated by HKEX, as amended or supplemented from time to time, and any potential risks of trading SPAC Securities. Once Haitong International Securities Company Limited receives notice (a "Mandatory-Unwind Notice") from relevant regulator(s) to sell and liquidate a specified number of SPAC Securities pursuant to the Law, Haitong International Securities Company Limited shall have the right to issue a corresponding notice (a "Client Mandatory-Unwind Notice") to the Client requiring the Client to sell and liquidate any number of such SPAC Securities that the Client holds in his/her/its/their account with Haitong International Securities Company Limited within the 3 days' period, or such other time as specified by the SFC or HKEX or Haitong International Securities Company Limited as the case may be, as prescribed by the Relevant Regulator(s). The Client undertakes to comply with any such Client Mandatory-Unwind Notice and understands there may be a potential loss as a result of forced-sale, and waives all and any of his/her/its/their right to challenge the enforceability, legality and validity of the Mandatory-Unwind Notice and/or Client Mandatory-Unwind Notice.
- 4.3. In regard to any Mandatory-Unwind Notice, Haitong International Securities Company Limited is authorised to sell or arrange for the sale or transfer of or carry out any other actions of such SPAC Securities on the Client's behalf at such price and on such terms as Haitong International Securities Company Limited may, in its absolute discretion, determine.

5. Risks Associated With SPAC Investments

- 5.1. Below is a brief summary of certain risk factors related to investing in the shares and/or warrants of SPAC and is not meant to be exhaustive. The client must perform their own evaluation of whether investing in any SPAC Securities is aligned with their investment objectives, risk tolerance and financial situation. Some of these factors include:
- 5.1.1. Risk of Price Volatility
As a SPAC has no operation, it is unable to report performance factors (e.g. revenue, profit / loss and cash flow) that investors would normally rely upon to determine the value of its shares. The share price of a SPAC is therefore likely to be driven by speculation and rumour instead, particularly with regards to the potential outcome of the SPAC's efforts to find a suitable De-SPAC Target.
- 5.1.2. Risk of Market Manipulation
Sensitivity of a SPAC's share price to rumour makes them relatively more susceptible to share price manipulation. This could be attempted, for example, by fraudsters deliberately spreading rumours of a forthcoming De-SPAC Transaction to raise the value of their shareholdings to a level at which it is advantageous for them to sell.
- 5.1.3. Risk of Insider Dealing
For SPACs, inside information may arise in several circumstances but particularly in relation to the negotiations with a possible De-SPAC Target. Any movement in a SPAC's share price following the announcement of a De-SPAC agreement would be solely the result of that announcement. This means that someone in possession of inside information regarding such a transaction prior to its announcement would have greater certainty of making a gain from insider dealing than he would have if he was contemplating doing so in the shares of an ordinary listed issuer negotiating an identical acquisition. Consequently, the probability of insider dealing occurring in a listed SPAC would be higher than for an ordinary listed issuer.
- 5.1.4. Lack of information disclosure
As a SPAC is subject to less rigorous regulatory requirements during the IPO stage, it may result in a higher chance of misinformation. In a traditional IPO, a listing applicant is required to provide in-depth information disclosure. However, there is no such information disclosure by a SPAC since the SPAC has yet to identify a specific target business at the time of listing, investors are not able to make full assessment on their investment as they are restricted by the limited information and broadly defined acquisition strategy and criteria. Although substantive disclosure will be made once a De-SPAC Target has been identified and acquisition terms have been agreed, in timing terms this will be well after the IPO, leaving investors with only the option of staying invested throughout the merger process or cashing out at an earlier stage.
- 5.1.5. Uncertainty on the quality of the De-SPAC Target
The faster and simpler route to listing for SPACs may incentivise companies that have not reached market standards and quality to take advantage of this quick access to public funding by circumventing the stringent approval process normally required in a traditional IPO. This issue is coupled with the time pressure faced by the sponsors to complete the De-SPAC Transaction within specified timeframe. It may result in the underperformance or failure of the combined business entity.
- 5.1.6. Potential conflict of interest
The sponsors may be financially motivated to proceed with the De-SPAC Transaction regardless of the quality of the De-SPAC Target as they are entitled to stake in the SPAC with a minimal investment upon the De-SPAC Transaction. This potential conflict of interests between the sponsors and the shareholders raises concerns on the influx of poorly managed or operated companies merging with the SPACs.
- 5.1.7. Potential Equity Dilution
There is uncertainty on the amount of funds available to the SPAC to complete an acquisition of De-SPAC Target and also whether the sponsors can secure additional funds from the PIPE or other investors to complete such acquisition. The availability and costs of such additional funds highly depend on the market and economic conditions and it may have a dilution effect on the shareholding structure of the SPAC.

- 5.1.8. Risk of Mandatory-Unwind
The Client acknowledges that as a result of implementing a Client Mandatory-Unwind Notice he/she/it/they can suffer heavy losses on his/her/its/their investment in SPAC Securities.
- 5.1.9. SPAC Warrant Risk
The terms of the warrants of a SPAC may vary greatly across different SPACs and it is important to understand the terms when investing. To learn more about the specific terms of the warrants of a SPAC, investors should review the Listing Documents of the particular SPAC. The warrant of a SPAC provides the holder with the right to purchase the share of a SPAC (or a fraction of a SPAC Share) at a set exercise price at a set time. The warrant of a SPAC are typically exercisable on the later of 30 days after the completion of a De-SPAC Transaction or 12 months from the SPAC IPO closing or as mention in the Prospectus or Listing Document or any other applicable document; therefore, the holder of a warrant of a SPAC will not be able to get the share of the SPAC before such exercise date. In addition, if an investor misses the notice of redemption and fails to exercise within the given period, the warrants of the SPAC held by the investor can become essentially worthless. Further, there may be some circumstances where warrants of a SPAC can be forced to be exercised early and the SPAC may redeem those warrants for essentially nothing and the holders of the warrants of the SPAC may get nothing.
- 5.1.10. Additional Risk of Volatility of Warrants
The warrants of a SPAC prior to De-SPAC Transaction may experience higher price volatility soon after a SPAC is listed and this price volatility gradually may increase as the deadline for a De-SPAC Transaction approaches. If a SPAC is liquidated, investors will receive a pro rata amount of the funds held in the SPAC's trust account and their warrants of the SPAC will become worthless.

DISCLAIMER

DISCLAIMER delivered pursuant to the relevant provisions of the regulations for trading Futures and Options Contract based on existing & subsequent indices developed by the Hong Kong Futures Exchange Limited.

Stock indices and other proprietary products upon which contracts traded on Hong Kong Futures Exchange Limited ("Exchange") may be based 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 from time to time be developed by the Exchange ("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 the 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 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 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 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 participant or any third party engages in transactions in futures and options contracts based on any of the 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.

DISCLAIMER in Relation to Trading of Stock Index Futures Contracts

Hang Seng Indexes Company Limited ("HSIL") currently publishes, compiles and computes a number of stock indexes and may publish, compile and compute such additional stock indexes at the request of Hang Seng Data Services Limited ("HSDS") from time to time (collectively, the "Hang Seng Indexes"). The marks, names and processes of compilation and computation of the respective Hang Seng Indexes are the exclusive property of and proprietary to HSDS. HSIL has granted to the Exchange by way of licence the use of the Hang Seng Indexes solely for the purposes of and in connection with the creation, marketing and trading of futures contracts based on any of the Hang Seng Indexes respectively (collectively, "Futures Contracts"). The process and basis of compilation and computation of any of the Hang Seng Indexes and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSIL 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 indexes to be calculated. Neither the Exchange nor HSDS nor HSIL warrants or represents or guarantees to any participant of any third party the accuracy or completeness of the Hang Seng Indexes 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 Indexes or any of them is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange, HSDS or HSIL in respect of the use of the Hang Seng Indexes 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 HSIL in the compilation and computation of the Hang Seng Indexes or any of them or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any 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 participant or any third party against the Exchange and/or HSDS and/or HSIL in connection with or arising out of matters referred to in this disclaimer. Any 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 HSIL. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any participant or third party and HSIL and/or HSDS and must not be construed to have created such relationship.

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Hang Seng Indexes Company Limited ("HSIL") currently publishes, compiles and computes a number of stock indexes and may publish, compile and compute such additional stock indexes at the request of Hang Seng Data Services Limited ("HSDS") from time to time (collectively, the "Hang Seng Indexes"). The marks, names and processes of compilation and computation of the respective Hang Seng Indexes are the exclusive property of and proprietary to HSDS. HSIL has granted to the Exchange by way of licence the use of the Hang Seng Indexes solely for the purposes of and in connection with the creation, marketing and trading of option contracts based on any of the Hang Seng Indexes respectively (collectively, the "Option Contracts"). The process and basis of compilation and computation of any of the Hang Seng Indexes and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSIL 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 indexes to be calculated. Neither the Exchange nor HSDS nor HSIL warrants or represents or guarantees to any participant of any third party the accuracy or completeness of the Hang Seng Indexes 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 Indexes or any of them is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange, HSDS or HSIL in respect of the use of the Hang Seng Indexes 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, changes or failures (including but not limited to those resulting from negligence) of HSIL in the compilation and computation of the Hang Seng Indexes or any of them or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any 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 participant or any third party against the Exchange and/or HSDS and/or HSIL in connection with or arising out of matters referred to in this disclaimer. Any 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 HSIL. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any participant or third party and HSIL and/or HSDS and must not be construed to have created such relationship.

(Note: In the event of any difference in interpretation or meaning between the Chinese and English version of this disclaimers, the English version shall be prevailed.)