



五礦金融服務有限公司  
MINMETALS FINANCIAL SERVICES LIMITED

## Client Agreement

### Schedules:

1. Client Agreement for Futures Contracts
2. Client-Based Delta Position Limits Imposed by HKFE Rule 632A
3. Standing Authority of Account
4. Personal Information Collection Statement
5. Online Trading Agreement
6. Risk Disclosure Statement
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## 1. Client Agreement for Futures Contracts

THIS AGREEMENT is made on the date stated in the Account Opening Information Form between:

- (1) Minmetals Financial Services Limited, a company incorporated in Hong Kong with its principal place of business at Room 1701 & 1718B, 17/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan. and a corporation licensed for Type 2 (dealing in futures contracts) and Type 5 (advising on futures contracts) regulated activities under the Securities and Futures Ordinance with CE no. BMV692 (the “Company”); and
- (2) The party whose name, address and details are set out in the Account Opening Information Form (the “Customer”).

## WHEREAS

### 1 Interpretation

1.1 In this Agreement, unless the context requires otherwise

“Account” means any one or more futures / derivatives trading account(s) opened, maintained and operated by the Client with the Company from time to time for use in connection with the purchases, sales, holdings or other dealing in futures / derivatives and other financial products effected through the Company on behalf of the Client;

“Account Opening Information Form” means Schedule 7;

“Agreement” means this agreement, including the Account Opening Information Form and the various Schedules attached hereto, as originally executed or as thereafter from time to time amended or supplemented;

“Collateral” means all monies and securities of the Client which are now or which shall at any time hereafter to be deposited with, transferred or caused to be transferred to or held by the Company or any Group Companies or Affiliate or nominees, or transferred to or held by any other person in circumstances where the Company accepts the same as security for the Client’s obligations under this Agreement. The Collateral shall include those monies and securities that shall come into the possession, custody or control of the Company or Group Companies or Affiliate from time to time for any purpose whatsoever (which shall include any additional or substituted securities and all dividends or interest paid or payable, rights, interest, monies or property accruing at any time by way of redemption, bonus, preference, options or otherwise on or in respect of any such securities or additional or substituted securities) ;

“Commodities” means any item and includes, without limitation, currencies, securities, indices of any kind (whether stock market or otherwise), interest rates, exchange rates, physical assets (including precious metals, agricultural produce, oil and land) or other investment traded, or rights or options in relation to which are traded, on any exchange and shall where the case requires include a Futures Contract in respect of any of the above and in each case whether or not the item is capable of being delivered;

“Exchange” means the Hong Kong Exchange and Clearing Limited (HKEX) or, where applicable, any other futures/commodities exchanges outside Hong Kong;

“FATCA” or “Foreign Account Tax Compliance Act” means (i) sections 1471 to 1474 of the US Internal Revenue

Code of 1986 or any associated regulations or other official guidance; (ii) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of the legislation or guidance referred to in (i) above; and (iii) any agreement pursuant to the implementation of the legislation or guidance referred to in (i) or (ii) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"Financial Products" refers to any "securities, futures contracts or leveraged foreign exchange contracts as defined under the Securities and Futures Ordinance, Chapter 571;

"Futures / Derivatives" include the meaning in Schedule 1 of the Securities and Futures Ordinance;

"Group Companies or Affiliate" means the ultimate holding company of the Company and each and every subsidiary of such holding company;

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China;

"Instructions" include instructions given by the Client, which in any way relate to purchases, sales, holdings or other dealings in futures contracts and other financial products effected through the Company on behalf of Client, arise out of and / or are in connection with the Account, whether such instructions are given orally, in writing, by facsimile, telex and / or by electronic means;

"Leveraged foreign exchange contracts" is only applicable to those traded by persons licensed for Type 3 regulated activity under Securities and Futures Commissions;

"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;

"SFC" means the Securities and Futures Commissions;

- 1.2 Where the Client consists of more than one individual or where the Client is a firm consisting of two or more individuals, the agreements by and the liabilities of the Client hereunder shall be joint and several of such individuals.
- 1.3 Words importing the singular number shall include the plural number and vice versa and words importing the masculine gender shall include the feminine gender and the neuter gender.
- 1.4 Words importing persons shall include limited company (including local and foreign).
- 1.5 "Client Acknowledgement" means the respective operation policy and procedures applicable to the operation of the Futures Trading Account or any other brokerage trading account which policy shall be binding and determined by Company from time to time and will be posted at the website of Company or its holding company.

## Whereas

1. The Client is desirous of opening one or more futures / derivatives trading accounts with the Company for the purpose of trading in futures / derivatives; and
2. The Company agrees that it will open and maintain such futures / derivatives trading account(s) and sale of futures / derivatives subject to the terms and conditions of this Agreement.

## NOW IT IS HEREBY AGREED as follows:

### 1 Account

- 1.1 The Client confirms that the information provided in the Account Opening Documents is complete and accurate. The Client will inform the Company of any changes to that information.
- 1.2 Whilst the Client expect the Company to keep confidential all matters relating to their account, the Client hereby expressly agree that the Company may be required to disclose their details to the relevant exchanges, the SFC, government agencies, or to any persons pursuant to any court orders or statutory provisions. The Company will comply with such requests without notices to or consent from the Client.
- 1.3 The Company is authorized to conduct credit enquiries on the Client and contact anyone including bankers, the Brokers or any credit agency of the Client to verify the information provided.
- 1.4 The Company's records shall, in the absence of manifest error, be conclusive and binding on the Client as to the amount standing to the debit or credit of the Account.

- 2 Laws and Rules - That all transactions with respect to futures made for and on the Client's behalf in Hong Kong or elsewhere shall be subject to the constitution, by-laws, rules, rulings, regulations, transactions levies, customs and usage prevailing from time to time of the exchange or market and its clearing house, if any, where make (including, without limitation, with respect to trading and settlement) and to all laws, regulations and orders of any governmental or regulatory authorities that may be applicable from time to time. For the avoidance of doubt, transactions executed on the Client's instructions on the floor of the HKFE or any futures/commodities exchange in another country shall be subject to a transaction levy and any other levies that the HKFE or the relevant overseas futures/commodities exchange from time to time may impose and the Company is hereby authorized to collect any such levies in accordance with the rules prescribed by the HKFE or the relevant overseas futures/commodities exchange from time to time and the Rules of the Exchange and the rules of the relevant overseas futures/commodities exchange and clearing house (in the event that the transactions are executed on a futures /commodities exchange in another country), in particular those rules which relate to trading and settlement, shall be binding on the Client and the Company in respect of transactions concluded on the Client's instructions.

### 3 Transaction Practice and Dealing Instructions

- 3.1 All transactions shall be subject to the constitutions, rules, regulations, usages, rulings and interpretations, as amended from time to time or in force of 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 provision 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.

- 3.2 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](http://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.
- 3.3 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 thereof) to refuse to act for the Client in any particular transaction.
- 3.4 The Company may, wherever the Company considers it necessary, sell any commodities the Company 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.
- 3.5 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 authorized 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 expense (including legal costs) reasonably and properly incurred by the Company in reliance thereupon.
- 3.6 The Company may record all telephone conversation 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.
- 3.7 There may, on occasions, be a delay in making prices or in dealing by the Company due to 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.
- 3.8 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.
- 3.9 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 the Client for the acts and omissions of any such agent.

- 3.10 The Client acknowledges that due to the trading practices of the Exchange or other markets in which transactions are executed, the Company 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.
- 3.11 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 in DCASS.
- 3.12 If an instruction is operated through Electronic Service, the following provisions shall apply:
- (a) The Client shall be the only authorized user of the Electronic Service under the Account;
  - (b) The Client shall not, whether by himself or anybody on his behalf nor shall authorize or allow anybody to or attempt to tamper with, modify, decompile, reverse engineer and otherwise alter in any way, and shall not attempt to gain unauthorized access to, any part of the Electronic Service;
  - (c) Risks associated with electronic or online devices, including delays or failure in the transmission, receipt or execution of Instructions due to breakdown or failure or transaction or traffic congestion of communications or any other cause(s) beyond the control or anticipation of Company, may arise which may include a Client’s Instruction being executed before a Client’s revised or cancellation Instruction being validly placed and effected, delay in the execution of Instruction and/or price quoted being different from those prevailing at the time the Instruction is given and the Client shall be fully responsible for all such risks;
  - (d) All online quoted data and information provided by Company or any other third party is for reference purpose only and Company will not be liable for any inaccuracy thereof or any loss and damages whatsoever of the Client in reliance thereon.
- 4 Trading Recommendations - The Client acknowledges and agrees that the Client retains full responsibility for all trading decision in the Account(s) and the Company is responsible only for the execution, clearing, and carrying out of transactions in the Account(s); that the Company has no responsibility or obligation regarding any conduct, action, representation or statement of any introducing firm, investment advisor or other third party in connection with the Account(s) or any transactions therein; and that any advice or information provided by the Company, its employees or agents, whether or not solicited, shall not constitute an offer to enter into a transaction and the Company shall be under no liability whatsoever in respect of such advice or information.
- 5 Margin Requirements
- 5.1 Except for the purpose of closing out the Client’s open positions or as the exchange or markets in which the transactions are executed may prescribe from time to time, generally or otherwise, the Client agree that the Company shall not transact any Futures / Options Business for the Client until and unless the Company has received from the Client collateral adequate to cover the Client’s minimum margin requirements.
- 5.2 If the Company determines that additional margin is required, the Client agrees to deposit such additional margin immediately upon demand. The Company may change margin requirements at its sole discretion and at any time always subject to the Applicable Laws. No previous margin shall establish any precedent

and these requirements once established may apply to existing positions as well as to new positions in the transactions affected by such change.

- 5.3 The Client agrees to maintain margins in such form and as required by the Company from time to time in its sole discretion. Such margin requirements established by the Company may exceed the margin required of the Company by any exchange.
  - 5.4 All margin calls, demands for variation adjustments and Interest Rate Cash Adjustments (as defined in the Rules of the Exchange) must be met within 48 hours or within a period as Company may at Company's absolute discretion determine. Company may close out open positions in respect of which any margin calls and/or demands for variation adjustment and/or interest rate cash adjustment are not met within the period specified by Company or at the time of making such call(s) or demand(s).
  - 5.5 Unless otherwise agreed, the Client undertakes to pay interest to the Company in respect of any debit balance on the Account or any amount otherwise owing to the Company at any time 5% over the BOCHK's Hong Kong Dollar Best Lending Rate from time to time. The interest is payable on the last day of each calendar month or upon any demand being made by the Company.
  - 5.6 The Client hereby agrees that the Company shall be entitled to receive for its own benefit all sums derived by way of interest on all amounts held in the Account for or on account of the Client.
- 6 Commissions and Expenses
- 6.1 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.
  - 6.2 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 Ordinance 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.
  - 6.3 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).
- 7 Foreign Currency Transactions
- 7.1 If the Client gives Instructions to Company to enter into any Contract requiring a conversion from one currency to another, then:
    - (a) the costs thereof and any profit or loss arising as a result of fluctuations in the exchange rate of the relevant currency will be entirely for the account and risk of the Client;
    - (b) all initial and subsequent deposits for margin shall be made in such currency and in such amounts as Company may require in its discretion; and
    - (c) when such Contract is closed out, Company shall debit or credit the margin trading account in such currency (as Company may determine in its discretion) at such exchange rate as determined by Company in its discretion.
  - 7.2 The Client authorizes Company may at any time at such exchange rate and for such amount as Company deems fit convert monies into and from any currency at such rate of exchange as Company shall in its sole discretion determine as being the then prevailing market rate of exchange. Such conversion may be made for the purpose of any Transaction or for the calculation of any debit balance due from the Client or

debit balance owed to the Client.

- 7.3 The Client authorizes Companies to debit the margin trading account for any expenses incurred in effecting any currency conversion.
- 7.4 Company reserves the right at any time to refuse to accept any Instructions from the Client in relation to any currency conversion.
- 8 Set off, Lien and Combination of Accounts
- 8.1 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 laws or this Agreement, all securities, receivable, monies 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 favour of the Company as continuing security to offset and discharge all of Client's obligations arising from the Transactions to the Group Companies or Affiliate.
- 8.2 In addition and without prejudice to any general liens or other similar rights which the Company may be entitled under law or this Agreement, the Company for itself and as agent for any of its Affiliates, at any time without notice to the Client, may combine or consolidate any or all accounts, of any whatsoever and either individually or jointly with others, with the Company or any of its Affiliates and the Company may set off or transfer any monies, securities or other property in any such accounts to satisfy obligations or liabilities of the Client to the Company or any of its Affiliates, whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several.
- 8.3 Without limiting or modifying the general provisions of this Agreement, the Company may, without notice, transfer all or any such or properties interchangeably between any accounts now or hereafter opened in the name of the Client with the Company in connection with this Agreement and any other accounts of its Affiliates.
- 9 Authority
- 9.1 The Company shall be authorized by the Client to purchase and sell Commodity Futures for the account of the Client in accordance with the oral Instructions, either in person or by telephone, of the Client or its Authorised Person(s) (subsequently to be confirmed in writing but the absence of such written authority shall not affect the Company's authority to act in accordance with such oral Instructions) or written Instructions given by the Client or its Authorised Person(s) by post or delivered by hand or purported to be given by the Client or its Authorised Person(s) in such other form as from time to time accepted by the Company. The Company may act on any Instructions which it believes to be from the Client or its Authorised Person(s). Once given, Instructions may only be withdrawn or amended with the Client's consent.
- 9.2 The Company shall not be responsible for any delays or inaccuracies in the transmission of orders or other information due to any cause whatsoever beyond its reasonable control.
- 9.3 The Client shall upon the request of the HKFE or the SFC disclose the name, beneficial identity and such other information concerning the Client as the HKFE, the SFC or other regulators relating to Foreign Futures Exchanges may require. The Client undertakes to disclose such other information concerning itself to the Company within the time the Company specifies as may be required for the Company to comply with the Rules, the SFO and / or the requirements of the HKFE and / or Foreign futures Exchanges. The Client irrevocably authorizes the Company to make any such disclosure. In relation to transaction on HKFE, in the event that the Company fails to comply with the disclosure requirement under the HKFE



the Chief Executive of the HKFE may require the closing out of such Client. Where the Client is an individual, the Company is subject to Hong Kong Personal Data (Privacy) Ordinance which regulates the use of personal data concerning individual.

- 9.4 In relation to transactions on the HKFE, the Client acknowledges that the Clearing House may do all things necessary to transfer any open positions held by the Company on the Client's behalf and any money and any futures/commodities contract standing to the credit of its account with the Company to another participant of the HKFE in the event the rights of the Company as exchange participant of the HKFE are suspended or revoked.
- 10 Default - If, in the Company's opinion, Client have breached any material terms of this Agreement; or any of Client's representations, warranties or undertakings to the Company was or become incorrect in any material respect; or the Client has defaulted in respect of any transactions with the Company or its Affiliates; or any warrant or order of attachment or distress or equivalent order is issued against any of the Client's accounts with the Company or its Affiliates; or a petition in bankruptcy is filed against the Client, or an order is made or resolution passed for the Client's voluntary or compulsory winding up; or a meeting is convened to consider a resolution that the Client should be so wound up, all amounts owing by the Client to the Company or its Affiliates together with interest will become immediately payable without notice or demand and the Company will be entitled at its absolute discretion without prejudice to any other rights or remedies that the Company may have against the Client to sell or realize all or any part of the Client's securities or assets held by the Company or its Affiliates and satisfy all the Client's obligations, towards the Company or its Affiliates with the net sale proceeds after deducting an fees, commissions, expenses and costs thereof; and / or to withdraw or to cancel all the Client's open order instructions; and / or to close out any / all the Client's open positions; and / or exercise any of the Company's rights under this Agreement. The Company and its Affiliates shall not be liable for any loss originated from taking the above actions and, due to the Client's default, the Client may suffer whereas the price obtained by the Company for the above actions will be conclusive.
- 11 Representations and Warranties
- 11.1 The Client hereby represents and warrants to the Company on a continuing basis that:
- (a) (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 authorized 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 Clients;
  - (b) neither the signing, delivery or performance of this Agreement nor any instructions given hereunder will contravene or constitute a default under any existing application law, status, 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;
  - (c) 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
  - (d) subject to any security interest of any of the Group Companies or Affiliate created pursuant to any agreement between the Client and that Group Companies or Affiliate, 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.

- 11.2 If the Client effects transactions for the account of clients, whether on 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, the following provisions shall apply:
- 11.3 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 Regulator), inform the Hong Kong Regulators of the identity, address, occupation and contact details of the Client for whose account the transaction was effected and 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.
- 11.4 If the Client effected the transaction for a collective investment scheme, discretionary account or discretionary trust:
- (a) 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
  - (b) the Client shall, as soon as practicable, inform the Company when 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 requested 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 transaction.
- 11.5 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 or such scheme, account of 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 transactions.
- 11.6 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:
- (a) the Client has arrangements in place with his Client which entitle the Client to obtain the information set out in sub-clauses 11.3 and / or 11.4(a) and / or 11.4(b) from his Client immediately upon request or produce that it be so obtained; and
  - (b) the Client will, upon request from the Company in relation to transaction, promptly request the information set out in sub-clauses 11.3 and / or 11.4(a) and / or 11.4(b) from his Client on whose instruction 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.
- 11.7 The Client confirms that, where necessary, it has obtained all relevant consents or waivers from clients,

collective investment schemes, discretionary accounts or discretionary trusts for whose account Transactions may be effected to release information to the Hong Kong Regulators of the identity and contact details of such clients, collective investment schemes, discretionary accounts of discretionary trusts, and of the person(s) with ultimate beneficial interest in any such Transactions, and (if different from the client / ultimate beneficiary) of the person(s) who originated the Transactions.

11.8 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.

## 12 Liability and Indemnities

12.1 Client agrees that neither the Company nor any of its officers, employees or agents shall have any liability whatsoever (other than those resulting from fraud or willful default on the Company part) for any loss, expense or damage which Client may incur as a result of the performance or failure to perform this Agreement.

12.2 Client undertakes to indemnify the Company and its officers, employees or agents for any loss, cost, claim, liability and expense (other than those resulting from fraud or willful default on the Company) incurred by the Company or its officers, employees or agents in performing its services under this Agreement, or arising directly or indirectly from a breach by Client of any of its obligations under this Agreement.

12.3 If any claim is made against the Company or Clients in connection with this Agreement, the Company may, at its discretion and without prejudice to clause 12.2, take all such steps as it considers advisable, including the withholding of payment of delivery to Client of any money or securities.

12.4 If the Client gives any Instruction to Company outside Hong Kong, the Client agrees to ensure and represent that such Instruction will have been given in compliance with any applicable laws of the relevant jurisdiction from which the Client's Instruction is given, and the Client further agrees that the Client shall, when, in doubt, consult legal advisers of the relevant jurisdiction. The Client accepts that there may be taxes or charges payable to relevant authorities in respect of any Instruction given outside Hong Kong, and the Client agrees to pay such taxes or charges as applicable. The Client agrees to indemnify Company on demand for any damage, loss, costs, actions, demands or claims Company may suffer in connection with or arising from the client's giving any instruction outside Hong Kong.

13 Omnibus Account - In the case that Client operates an omnibus account and is not an exchange participant of the HKFE, the Client shall, in relation to transactions on the HKFE:

13.1 in the Client dealing with the person(s) from whom the Client receives instructions with respect to the omnibus account, comply with and enforce the margin and Variation Adjustment requirements and procedures as stipulated in the Rules as though the Client were an exchange participant of HKFE and as though the person(s) for whose account or benefit such instructions are given were Clients;

13.2 cause the Exchange Contract to be entered into in fulfillment of such instructions, so that there shall, in no circumstances, be any dealing with 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 laws or any other applicable laws; and

13.3 ensure that the persons from whom the Client receives instructions comply with the margin and Variation Adjustment requirements as stipulated in the Rules, with the result that, as between HKFE and the Company, the Company should 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 such omnibus account was operated.

#### 14 Notices, Confirmations and Statements

14.1 Reports, written confirmations, notices, statements of the Client's Account(s), and any other communications may be transmitted to the Credit (who, in the case of a joint account without nominating a person therefore, 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, email, fax or telex number as the Client hereafter shall notify the Company in writing; and all communications so transmitted, whether by mail, telegraph, telephone, email, messenger or otherwise, shall be deemed transmitted when telephoned or when deposited in the mail, or when received by a transmitting agent, whether agent, whether actually received by the Client or not.

14.2 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 direct to the address or email address stated in the Account Opening Form (or such other address or email address communicated in writing by the Company) within 2 days after the transmittal thereof the Client, by mail, email or otherwise.

14.3 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 through by electronic devices or otherwise shall be deemed made or given upon transmission of the message by the Company.

15 Waiver and Amendment – Company shall have absolute rights to amend, delete or substitute any of the terms herein or add new terms to the Agreement. An amendment notice and the revised Agreement will be sent to the Client. The Client may raise written objection after such amendment notice. Failing which, it shall be deemed an acceptance of such amendment, deletion, substitution or addition.

#### 16 Joint Clients

16.1 Where the Client consists of more than one persons:

- (a) the liability and obligations of each of them shall be joint and several and reference to the Client shall be construed to any or each of them;
- (b) the Company shall be entitled to but shall not be obligated to act on instructions or requests from any of them;
- (c) 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
- (d) the Company shall be entitled to deal separate with any of the Client on any matter including the discharge of any liability to any extent without affecting the liability of any others.

16.2 Where the Client consists of more than one persons, on the death of any such persons (being survived by any other such persons) this Agreement shall not be terminated and the interest in the Account(s) of deceased will thereupon vest in and ensure 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.

#### 17 Conflicts of Interest

17.1 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 or Affiliate subject to any applicable regulatory

requirement.

- 17.2 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 Company may buy or sell for an account in which may 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 order are executed, and subject to the limitations and conditions, if any, contained in any applicable regulations lawfully promulgated by the Exchange or other exchange market.
- 17.3 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 Companies or Affiliate 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.
- 17.4 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 detrimental to any particular Market or Markets, or which are or may capable of adversely affecting the fair and orderly operation of any Market or Markets as the case may be.
- 17.5 All monies, approved debt securities and other property received by Company from the Client or from any other person (including the Clearing House) for the account of the Client shall be held by Company as trustee, segregated from Company's own assets and paid into a Segregated Bank Account or a Segregated Debt Securities Account and that all money, approved debt securities or other property so held by Company shall not form part of the assets of 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 Company's business or assets.
- 17.6 The Client authorizes Company to apply any monies or approved debt securities received by Company from the Client or from any other person (including the Clearing House) to be held in the manner specified under paragraphs 7 to 12 of Schedule 4 of the Code of SFO and, in particular, the Client hereby authorizes Company to apply such monies, approved debt securities or approved securities (i) in the manner specified under paragraphs 14 to 15 of Schedule 4 of the Code of SFO, (ii) in or towards meeting Company's obligations to any party insofar as such obligations arise in connection with or incidental to the business of dealing in Futures/ Options Contracts transacted on the Client's behalf.
- 17.7 The Client acknowledges that in respect of any account of Company maintained with the Clearing House whether or not such account is maintained wholly or partly in respect of the business of dealing in Futures/ Options Contracts transacted on behalf of the Client and whether or not monies, approved debt securities or approved securities paid by the Client has been paid to or deposited with the Clearing House, 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 and approved securities paid to the Clearing House are thereby freed from the trust referred to in (17.5) above.

17.8 The Client acknowledge that Company is bound by the provision of Rule 631 of the HKFE or the Chief Executive (as defined in the HKFE Rules) of HKFE may take steps to limit the positions or require the closing out of any futures contract of the Client if, in the opinion of HKFE or the Chief Executive, the Client is accumulating positions which are or may be capable of adversely affecting the fair and orderly operation of any Market or Markets as the case may be.

17.9 The Client unconditionally and irrevocably authorizes Company at any time to transfer any available funds in the Account to any of the Client's account held with any other members of the Company's Group Companies or Affiliate in accordance with the procedures in the Company. The Client acknowledges and agrees that Company may transfer such amounts of funds from the Account to any accounts held by the Client with other members of the Company's Group Companies or Affiliate, provided that the available funds in the Account are not less than the amount of funds requested to be transferred. Any transfer of available funds from the Account in respect of the foregoing shall not be effected if the credit balance in the Account following the proposed transfer shall be insufficient to pay the amount of any payments due or owing to Company or any other party from the Client in respect of the Account or any Transaction.

17.10 The Client may also appoint Company as the Client's agent to pass on the Client's instruction to any other member of the Company's Group Companies or Affiliate to transfer, subject to the terms of the agreement between the Client and such member of the Company's Group Company, available funds in the Client's account held with such member of the Group Companies or Affiliate to the Client's accounts held with other members of the Group Companies or Affiliate. The Client shall affect such appointment by completing a form for the appointing of agent for transfer of funds accessible at Company's office or by notice to Company in writing via mail or facsimile (together with Client's signature).

(a) The Client represents and warrants to Company that the Client is not associated with any of the member of the Group Companies or Affiliate including without limitation as a spouse or as a child under the age of 18 of such employees or agents and agrees that if the Client is or become associated with any such employees or agents. The Client shall promptly notify Company of the existence and nature of such association and acknowledge that Company may, upon receipt of such notice, at Company's absolute discretion, choose to terminate the Account.

(b) The Client further represents and warrants to Company that the Client is not a connected person (as defined in the Listing Rules of the Stock Exchange) of the company's(ies') and the Commodities of which the Client shall place Instructions with Company for the purchase or disposal of or otherwise deal in the company's(ies) Commodities unless the Client specifically notify Company to the contrary prior to the placing of such orders or instructions.

(c) The Client further agrees to indemnify Company on demand for any losses, costs, damages, interests, expenses, claims or demands Company may incur or suffer in respect of Company's reliance on or the breach of paragraph(a) and/or (b)

(d) The Client agrees to indemnify Company and Company's officers, employees and agents on demand for any losses, costs, claims, damages, interests, liability or expenses arising out of or in connection with any breach by the Client of the Client's obligations hereunder including any reasonable costs incurred by Company in collecting any debts due to Company or in connection with the closure of the Account.

18 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.

## 19 Suspension and Termination of Account

19.1 The Company reserves the right at any time and from time to time, without having to give any reason or explanation, to suspend the operation of the Account and / or any services to the Client under this Agreement.

19.2 The rights and obligations of the Client and the Company in respect of the Account may be terminated on at least seven (7) Business Days written notice given at any time by the Client to the Company (or vice versa) without prejudice to any rights, powers or duties of the Company of the Client in connection with the Account prior to receipt of such notice, and such rights, powers and duties will subject under the terms of this Agreement until they are discharged in full.

20 Severability - Any term, stipulation, provision, or undertaking in the Agreement which is illegal, void, prohibited or unenforceable in any jurisdiction shall be ineffective only to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining hereof, and any such illegality, voidness, prohibition or unenforceability in any jurisdiction shall not invalidate or render illegal, void or unenforceable any such term, condition, stipulation, provision, covenant or undertaking in any other jurisdiction.

21 Assignability - The provisions of this Agreement shall be binding on and inure 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.

22 Risk Disclosure Statement - The Company refers the Client to the Risk Disclosure Statements. The Client agrees to read, ask questions and if necessary, seek independent advice.

## 23 Amendments

23.1 The Company shall be entitled to make such amendments, additions, deletions or variations to the Agreement, as the Company consider necessary, and such amendments, additions, deletions, or variations shall take effect when such notice thereof is despatched to the Client.

23.2 No amendment made by the Company to the Agreement or by the Client to the Company in relation to the information supplied in the Margin Account Opening Documents, herewith, such as Account Opening Information, and the Schedules thereto will affect any outstanding order or Transaction or any legal rights or obligations which may have arisen prior thereto.

## 24 FATCA Compliance

24.1 Disclosure, Consent and Waiver: The Client hereby agrees and consents that the Company and their agents and service providers may collect, store and process information obtained from the Client or otherwise in connection with this Agreement and/or the Client's transactions for the purposes of complying with FATCA and/or other applicable law, including disclosures between the Company and any of them and to the governmental authorities of the United States of America, Hong Kong and/or other jurisdictions. To the extent permitted by law, the Client hereby waives any provision of any data protection, privacy, banking secrecy or other law or regulation of any jurisdiction and/or the terms of any confidentiality agreement, arrangement or understanding that would otherwise prevent compliance by the Company and their agents and service providers with FATCA and/or other applicable law. The Client acknowledges that this may include transfers of information to jurisdictions which do not have strict data protection, data

privacy laws or banking secrecy laws. The Client shall ensure that, before the Client or anyone on its behalf discloses information relating to any third party to the Company or their agents or service providers in connection with this Agreement or the Client's transactions that third party has been provided with such information and has given such consents or waivers as are necessary to allow the Company and their agents and service providers to collect, store, process and disclose his, her or its information as described in this Clause.

#### 24.2 Provision of Information:

- (a) The Client shall upon request by the Company confirm to the Company (i) whether the Client is a person who is entitled to receive payments free from any deduction or withholding as required by FATCA (the "FATCA Exempt Person"); and (ii) supply to the Company such forms, documentation and other information relating to the Client's status under FATCA (including its applicable passthru rate or other information required under the US Treasury Regulations or other official guidance including intergovernmental agreements) as the Company reasonably requests for the purposes of that the Company's compliance with the Company.
- (b) If the Client confirm to the Company pursuant to the above that the Client is a FATCA Exempt Party and the Client subsequently becomes aware that the Client is not, or has ceased to be a FATCA Exempt Party, the Client shall notify the Company as soon as reasonably practicable.
- (c) If the Client fails to confirm its status or to supply forms, documentation or other information requested in accordance with paragraph (a) above (including, for avoidance of doubt, where paragraph (b) above applies), then:
  - (i) If the Client failed to confirm whether the Client is (and/or remains) a FATCA Exempt Party then the Client will be treated as if the Client is not a FATCA Exempt Party; and
  - (ii) If the Client failed to confirm its applicable passthru rate then the Client will be treated as if its applicable passthru rate is 100%, until such time as the Client provide the Company the requested confirmation, forms, documentation or other information.

24.3 Withholding or Deduction: If the Company is required pursuant to FATCA or otherwise by law to withhold or deduct any FATCA withholding taxes (including any penalties or interest payable in connection with any failure to pay or any delay in paying any such taxes) on any payments to the Client, the Company may deduct such taxes and the Company will not be required to increase any payment in respect of which the Company makes such withholding. The Client shall be treated for all purposes of this Agreement as if the Client had received the full amount of the payment, without any deduction or withholding. The Client shall provide the Company such additional documentation reasonably requested by the Company to determine the amount to deduct and withhold from such payment.

#### 25 Risk Disclosure

The Client shall sign and date an acknowledgement confirming that:

- (a) the Risk Disclosure Statement at Schedule 6 was provided in a language of the Client's choice (English or Chinese); and
- (b) the Client was invited to read the Risk Disclosure Statement, to ask questions and take independent advice if the Client wishes.

#### 26 Miscellaneous

26.1 The Client agrees that the Client, independently and without reliance on the Company, make the Client's



own judgment and decisions with respect to each transaction. The Company shall be under no liability whatsoever in respect of any information or suggestion rendered by any of the Company's directors, officers, employees or agents irrespective of whether or not such suggestions was given at the Client's request.

- 26.2 The Client confirms that has read and agreed to the Terms and Conditions of this Agreement which have been explained to the Client in a language (English or Chinese) that Client understand.
- 26.3 Every transaction indicated or referred to in any notice, statement, confirmation or other communication and every statement of account shall be treated as authorized, correct, as ratified, confirmed by the Client unless the Company shall receive from the Client written notice to the contrary within seven days after the date of such notice, statement, confirmation or other communication is received by the Client pursuant to this Agreement
- 26.4 If the Company solicits the sale of or recommends any Financial Product to the Customer, the Financial Product must be reasonably suitable for the Customer having regard to the Customer's financial situation, investment experience and investment objectives. No other provision of this Agreement or any other document the Company may ask the Customer to sign and no statement the Company may ask the Customer to make derogates from this Clause.
- 27 Client accept and comply with contract limits and reportable open position requirements of the Exchange in different regions. Client accept the steps of reporting the positions to the Exchange in different regions. The Company hereby informs the Client about the steps and the relevant report forms are available to the client upon request and provide the relevant report form upon request.
- 28 Suitability - 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.
- 29 Law - This Agreement is governed and construed in accordance with the laws of Hong Kong Special Administrative Region and the parties hereby irrevocably submit themselves to the jurisdiction of the Hong Kong Special Administrative Region.
- 30 Effectiveness of Agreement - The Client understands that this Agreement shall not be effective until such time as it is accepted and agreed to by the Company, such acceptance and agreement to be evidenced by the signature of one of the executive directors or an authorized person of the Company in the Margin Client Agreement. In the event of any inconsistency or discrepancy between the English version and the Chinese version in any of this Agreement, the English version shall prevail.

## **2. Client-Based Delta Position Limits Imposed by HKFE Rule 632A**

HKFE Rule 632A imposes a limit on the position 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 follow. If you are in any doubt about this document or the risks involved in non-compliance with Rule 632A, you should consult your dealer to 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 futures and Mini-HSI Options Markets combined that exceed a position delta of the provisions of the Futures Exchange for long or short in all contract months combined.
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 limit 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 the Company to liquidate the Client's position necessary to bring the account or aggregated accounts into compliance with the Position Limit.
5. In addition, the Company will not execute Client's order when the Company has knowledge that such Client's aggregated position approach the Position Limit and that the execution of such order will result in a breach of the Position Limit.

### 3. Standing Authority of Account

1. Standing Authority for Account (Client Money)
  - 1.1. 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"). Unless otherwise defined, all the terms used in this Authorization Letter shall have the same meanings as defined in the Securities and Futures Ordinance and the Securities and Futures (Client Money) Rules as amended from time to time. Segregated account(s) include any account(s) designated as client account(s) established and maintained in Hong Kong in accordance with the Securities and Futures (Client Money) Rules or account(s) designated as client account(s) established and maintained outside Hong Kong.
  - 1.2. Clients authorizes the Company to:
    - (a) combine and consolidate any or all segregated accounts, of any nature whatsoever and either individually or jointly with others, maintained by the Company and / or any company or companies within the group of companies (as defined in the Companies Ordinance) (the "Group Companies") from time to time, and transfer any sum of Monies to and between such segregated account(s) to satisfy Client's obligations or liabilities to the Group Companies, whether such obligations or liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several; and
    - (b) transfer any sum of Monies interchangeably between any of the segregated accounts maintained at any time by any company or companies within Group Companies in or outside Hong Kong.
  - 1.3. The Client acknowledges and agrees that the Company may do any of the things mentioned in the above without giving the Client notice.
  - 1.4. This authority is given without prejudice to other authority or rights which Group Companies may have in relation to dealing in Monies in the segregated accounts.
    - (a) The Client Money Standing Authority is valid for a period of 12 months from the date of Agreement, subject to renewal by the Client or deemed renewal under the Client Money Rules.
    - (b) 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 14 days from the date of the Company's actual receipt of such notice.
    - (c) The Client understands that each of the Client Money Standing Authority shall 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 relevant authority, and the Client does not object to such deemed renewal before such expiry date.
    - (d) Client undertakes to indemnify the Company against all costs, expenses, liabilities, losses or damages arising out of or suffered by the Company and/or any of the Group Companies as a result of their acting in accordance with this standing authority.

#### 4. Personal Information Collection Statement

This Statement is provided to the Client as an individual Client of the Company in accordance with the requirements of the Hong Kong Personal Data (Privacy) Ordinance, Chapter 486 of The Laws of Hong Kong (the “Ordinance”). Terms defined in this statement have the same meaning as in the Cash Client Agreement.

##### 1 Disclosure Obligation

Unless otherwise stated the Client must supply the personal data requested on the Account Opening Information Form to the Company. If the Client does not supply this data, it will not be possible for the Client to open an Account with the Company as the Company will not have sufficient information to open and administer the Account.

##### 2 Use of Personal Data

###### 2.1 Users

All personal data concerning the Client (whether provided by the Client or any other person, and whether provided before or after the date the Client receives the Client Agreement containing this information) may be used by any of the following companies or persons (each, a “User”):

- (i) The Company and/or any of its Associates (the “Group”);
- (ii) any director, officer or employee or agent of the Group;
- (iii) any person (such as lawyers, advisers, nominee, custodian etc.) authorized by the Group when carrying out the Client’s Instructions and/or the business of the Group;
- (iv) any actual or proposed assignee of any rights and obligations of the Group in relation to the Client; and
- (v) any governmental, regulatory or other bodies or institutions, whether as required by law or regulations applicable to any member of the Group.

###### 2.2 Purposes

All personal data concerning the Client may be used by any User for the following purposes:

- (i) carrying out new or existing client verification and credit checking procedures and assisting other financial institutions to do so;
- (ii) ongoing Account administration, including the collection of amounts due, enforcement of security, charge or other rights and interests ;
- (iii) designing further products and services or marketing a Group product to the Client;
- (iv) transfer of such data to any place outside Hong Kong;
- (v) comparison with the Client’s personal data (irrespective of the purposes and sources for which such data were collected, and whether collected by a User or any other person) for the purpose of: (A) credit checking; (B) data verification; and/or (C) otherwise producing or verifying data which may be used for the purpose of taking such action that a User or any other person may consider appropriate (including action that may relate to the rights, obligations or interest of the Client or any other person);
- (vi) providing on the terms of any other agreements and services relating to the Client;
- (vii) any purpose relating to or in connection with compliance with any law, regulation, court order or order of any regulatory body; and
- (viii) any other purpose relating to the execution of the Client’s Instructions or in connection with the business or dealings of the Group.

##### 3 Rights of Access and Correction

The Client has the right to have access to and correction of the Client's personal data as set out in the Ordinance. In general, and subject to certain exemptions, the Client is entitled to:

- (i) enquire whether the Company holds personal data in relation to the Client;
- (ii) request access to the Client's personal data within a reasonable time, at a fee which is not excessive, in a reasonable manner and in a form that is intelligible;
- (iii) request the correction of the Client's personal data; and
- (iv) be given reasons if a request for access or correction is refused, and object to any such refusal.

#### 4 Contact Person

If the Client request to access to and/or correct and/or obtain personal data concerning the Client and requirements like policies related to the data, or to refuse direct marketing, the Client may make his request to the Customer Services Officer of the Company.

Address: Room1701 & 1718B, Shun Tak Centre (China Merchants Tower), 168-200 Connaught Road Central, Sheung Wan, Hong Kong

Tel : (852) 2856 0118

Fax : (852) 2856 3011

Email : [help@mjfins.hk](mailto:help@mjfins.hk)

## 5. Online Trading Agreement

This Online Trading Agreement is supplemental to the Client Agreement entered into between the Company and the Client to which this Online Trading Agreement is annexed whereby the Company agrees to provide to the Client Online Trading Services which enable the Client to give Online Trading Instructions and to obtain quotations and other information via internet that can connect to a telecommunication network (“**Online Trading Services**”). Where any conflict arises between the Client Agreement and the provisions of this Online Trading Agreement, the provisions of the latter shall prevail.

### 1 Interpretation

1.1 Terms defined in this Online Trading Agreement have the same meanings as in the Client Agreement unless stated otherwise. In this Agreement the following expressions shall have the following meanings: “Login ID” means the Client’s identification, used in conjunction with the Password, to gain access to the Online Trading Services;

“Information” means any transaction or market data, bid and ask quotations, news reports, third party analysts’ reports, research and other information relating to securities and the securities markets;

“Password” means the Client’s password, used in conjunction with the Login ID, to gain access to the Online Trading Services.

1.2 References to “Instructions” in the Client Agreement are deemed to include Online Trading instructions given by means of the Online Trading Services.

### 2 Online Trading

2.1 When using the Online Trading Services, the Client warrants that the Client is the only authorized user and will be solely responsible for all instructions placed and all transactions conducted with the use of Login ID and Password. Any Instructions so received by the Company shall be deemed to be made by me/us at the time received by the Company and in the form received.

2.2 The Client will be responsible for the confidentiality, security and use of my/ our Login ID and Password. The Client also undertakes to use Login ID and password with caution.

2.3 The Client will immediately inform the Company if the Client has acknowledgment of an instruction or execution of it, which has not been given by me/us. The Client will immediately inform the Company if it becomes aware of any loss, theft or unauthorized use of its Login ID or Password.

2.4 The Client agrees to review every order before placing it as it may not be possible to cancel orders once given.

2.5 The Company is not obliged to execute my/our instructions until there are sufficient cleared funds or securities in account to settle my/our transactions.

2.6 After the giving of an Instruction via the Online Trading Services, the Client shall check via the Online Trading Services that the Company has correctly acknowledged its Instruction. The Client consents that instructions placed via the Online Trading Service will not be valid until corresponding confirmation is received from the Company.

2.7 The Client will log off the Online Trading Services immediately following the completion of each Online Trading Services session.

2.8 In the case the Online Trading Services is not available or if the Client experiences any problems in giving Instructions through it, the Client shall place Instructions through telephone.

- 2.9 The Company may in its absolute discretion impose restrictions on the types of orders, and the range of prices for orders, which can be placed through the Online Trading Services.
- 2.10 Without limiting the generality of the foregoing, the Client acknowledges and agrees that it may not be possible to amend or cancel an instruction after it has been given through the Online Trading Services and that an Instruction may only be amended or cancelled if it has not been executed by the Company. In such circumstances the Company will use its best efforts to amend or cancel the Instruction but, notwithstanding an acknowledgement by the Company in relation to the amendment or cancellation, there is no guarantee that the amendment or cancellation will occur. If the amendment or cancellation does not occur, the Client shall remain liable for the original Instruction.

### 3 Provision of Information

- 3.1 The Company may convey Information to me/us by Online Trading Services. The Client may be charged a fee for Information the Company provides that has been obtained from Exchanges, markets and from other third parties that transmit Information (collectively referred to as the “**Information Providers**”). The Client agrees to authorize the Company to debit its Account with the same.
- 3.2 The Information is the sole property of the Company, the Information Providers or others and is protected by copyright. The Client shall use the Information for my/our personal use and reference only, the Client shall not use the Information for any unlawful purpose. The information must not be reproduced, duplicated, sub-listed, or transmitted or used for commercial purpose; the Client shall not furnish it to any other person or entity for any reason.

### 4 Intellectual Property Rights

The Client agrees that the Online Trading Services, and any software comprised in it, is proprietary to the Company and/or third party service providers. The Client agrees not to tamper with, modify, decompile, reverse engineer or otherwise alter in any way or gain unauthorized access to, any part of the Online Trading Services or any of the software comprised in it, and will not attempt to do any of the above. The Company may suspend or terminate the Client’s Login ID and Password and/or close any of my/our Accounts immediately with giving me/us prior notice if the Client breach this provision or if the Company reasonably suspects that the Client have breached this provision. The Client undertakes to notify the Company immediately if the Client becomes aware that any other person is doing any of the above.

### 5 Limitation of Liability and Indemnification

- 5.1 The Company, its Correspondent Agents and the Information Providers shall not be responsible for any losses, costs, expenses or liabilities suffered by the Client resulting from circumstances beyond their reasonable control including, without limitation:
- (i) delays in the transmission, receipt or execution of Instructions due to either a breakdown or failure of transmission of communication facilities or unreliable medium of communication or due to any other cause or causes beyond the Company’s reasonable control; and
  - (ii) delays, inaccuracies or omissions in or unavailability of research, analysis, market data and other Information prepared by Information Providers; and
  - (iii) real-time quote of stock prices is provided by the Information Providers, any losses, costs, expenses,

damages, or claims which may suffer as a result of in connection with or arising out of any aspect of such real-time quote including reliance on such quote; and

- (iv) unauthorized access to communications systems, including unauthorized use of the Client's Login ID, password(s) and/or account numbers; and
- (v) war or military action, government restrictions, labour disputes or closure of or disruption to orderly trading on any market or exchange, severe weather conditions and acts of god.

5.2 The Client agrees to defend, indemnify and hold the Company, its Corresponding Agents and the Information Providers harmless from and against any and all claims, losses, liability, costs and expenses (including but not limited to attorneys' fees) arising from my/our violation of the Client Agreement (including this Online Trading Agreement), applicable securities laws or regulations, or any third party's rights, including but not limited to infringement of any copyright, violation of any proprietary right and invasion of any privacy rights. This obligation will survive the termination of this Online Trading Agreement.

5.3 The Client accepts that while the Company endeavors to ensure the accuracy and reliability of the Information provided, the Company does not guarantee its accuracy or reliability and accepts no liability (whether in tort, contract or otherwise) for any loss or damage from any inaccuracies or omission.

## 6 Termination of Electronic Services

The Company reserves the right to terminate my/our access to Online Trading Services or any portion of them in its sole discretion, without notice and without limitation, for any reason whatsoever, including but not limited to the unauthorized use of the my/our Login ID(s), password(s) and/or account number(s), breach of this Online Trading Agreement or the Client Agreement, discontinuance of the Company's access to any Information from any Information Provider or termination of one or more agreements between the Company and Information Providers.

## 7 Risk Disclosure

The Client shall sign and date an acknowledgement confirming that:

- (a) the Risk Disclosure Statement was provided in a language of the Client's choice (English or Chinese); and
- (b) the Client was invited to read the Risk Disclosure Statement, to ask questions and take independent advice if the Client wishes.

## 8 General

8.1 In the event of any dispute between the parties, the Client agrees that the records of the Company (including Online Trading records) shall prevail.

8.2 The Company may change the terms in this Online Trading Agreement from time to time by giving me/us reasonable notice in writing or via Online Trading Services.



## 6. Risk Disclosure Statement

### **Risk of trading futures and options**

*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.*

### **Risks of client assets received or held outside Hong Kong**

*Client assets received or held by the licensed or registered person 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 (Cap.571) 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.*

**The following additional risk disclosure concerning futures and options trading may be provided to clients if licensed or registered persons so desire.**

### **Additional risk disclosure for futures and options trading**

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.

### **Futures**

#### 1. 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.

## 2. 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**

### 3. 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**

### 4. 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.

#### 5. 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".

#### 6. 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.

#### 7. 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.

#### 8. 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.

#### 9. 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.

#### 10. 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.

#### 11. 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.

#### 12. 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.

### **Risks of Renminbi (RMB) Securities or RMB Investments**

#### 1. Exchange risks and Daily Conversion Limit, etc.

Renminbi (RMB) is currently not freely convertible and there may at any given time be limited availability of RMB outside Mainland China. There is conversion risk in RMB denominated securities, and daily or other limits may apply to conversion amounts. If converting to or from RMB in Hong Kong, you may have to allow sufficient time to avoid exceeding such limits.

In addition, there is a liquidity risk associated with RMB denominated securities, especially if such securities do not have an active secondary market and their prices have large bid/offer spreads. Investment in RMB denominated securities is subject to exchange rate risks. The value of the RMB against any other foreign currencies fluctuates and is affected by changes in Mainland China and international political and economic conditions and by many other factors. The value of RMB settlement amounts compared to other currencies will vary with the prevailing exchange rates in the market.

## 2. Limited availability of underlying investments denominated in RMB

For RMB products that do not have access to invest directly in Mainland China, their available choice of underlying investments denominated in RMB outside Mainland China may be limited. Such limitation may adversely affect the return and performance of the RMB products.

## 3. Projected returns which are not guaranteed

If the RMB investment product is attached with a statement of illustrative return which is (partly) not guaranteed, you should pay particular attention to any disclosure relating to the return (or the part of the return, as the case may be) which is not guaranteed and the assumptions on which the illustrations are based, including, e.g., any future bonus or dividend declaration.

## 4. Long term commitment to investment products

For RMB products which involve a long period of investment, you should pay particular attention to the fact that if you redeem your investment before the maturity date or during the lock-up period (if applicable), you may incur a significant loss of principal where the proceeds may be substantially lower than their invested amount. You should beware of the early surrender/withdrawal fees and charges, if any, as well as the loss of bonuses (where applicable) as a result of redemption before the maturity date or during the lock-up period.

## 5. Credit risk of counterparties

You should pay particular attention to the credit risk of counterparties involved in the RMB products. To the extent that the RMB products may invest in RMB debt instruments not supported by any collateral, such products are fully exposed to the credit risk of the relevant counterparties. Where a RMB product may invest in derivative instruments, counterparty risk may also arise as the default by the derivative issuers may adversely affect the performance of the RMB product and result in substantial loss.

## 6. Interest rate risk

For RMB products which are, or may invest in, RMB debt instruments, you should pay attention to the fact that such instruments may be susceptible to interest rate fluctuations, which may adversely affect the return and performance of the RMB products.

## 7. Liquidity Risk

You should pay attention to the liquidity risk associated with the RMB products, and where applicable, the possibility that the RMB products may suffer significant losses in liquidating the underlying investments, especially if such investments do not have an active secondary market and their prices have large bid/offer spreads.

## 8. Possibility of not receiving RMB upon redemption

For RMB products with a significant portion of non-RMB denominated underlying investments, you should pay attention to the possibility of not receiving the full amount in RMB upon redemption. This may be the case if the issuer is not able to obtain sufficient amount of RMB in a timely manner due to the exchange controls and restrictions applicable to the currency.

#### 9. Additional risks associated with leveraged trading

Prior to conducting leveraged trading of RMB products, you should make sure that you understand and accept the risks and the terms and conditions of the borrowing arrangement. Leveraging heightens the investment risk by magnifying prospective losses. You should pay attention to the circumstances under which you will be required to place additional margin deposits at short notice and that your collateral may be liquidated without your consent. You should beware of the risk that market conditions may make it impossible to execute contingent orders, such as “stop-loss” orders. In addition, you should be mindful of your exposure to interest rate risk, and in particular, your cost of borrowing may increase due to interest rate movements.”

## **7. HKFE Disclaimers**

### **Disclaimer delivered pursuant to Circular Ref CIR/LEGAL/980141 issued by the Hong Kong Futures Exchange Limited dated 8th May 1998**

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

HSI Services Limited ("HSI") currently publishes, compiles and computes a number of stock indices and may publish, compile and compute such additional stock indices at the request of Hang Seng Data Services Limited ("HSDS") from time to time (collectively, the "Hang Seng Indices"). The marks, names and processes of compilation and computation of the respective Hang Seng Indices are the exclusive property of and proprietary to HSDS. HSI has granted to the Exchange by way of licence the use of the Hang Seng Index and the four Subindices of the Hang Seng Index, the Hang Seng China-Affiliated Corporations Index and the Hang Seng China Enterprises Index solely for the purposes of and in connection with the creation, marketing and trading of futures contracts based on such indices respectively and may from time to time grant to the Exchange corresponding use of any other Hang Seng Indices for the purposes of and in connection with futures contracts based on such other Hang Seng Indices (collectively, "Futures Contracts"). The process and basis of compilation and computation of any of the Hang Seng Indices and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSI without notice and the Exchange may at any time require that trading in and settlement of such of the Futures

Contracts as the Exchange may designate be conducted by reference to an alternative index or alternative indices to be calculated. Neither the Exchange nor HSDS nor HSI warrants or represents or guarantees to any Member or any third party the accuracy or completeness of the Hang Seng Indices or any of them and the compilation and computation thereof or any information related thereto and no such warranty or representation or guarantee of any kind whatsoever relating to the Hang Seng Indices or any of them is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange, HSDS or HSI in respect of the use of the Hang Seng Indices or any of them for the purposes of and in connection with the Futures Contracts or any of them and/or dealings therein, or for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspension, changes or failures (including but not limited to those resulting from negligence) of HSI in the compilation and computation of the Hang Seng Indices or any of them or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any Member or any third party dealing with the Futures Contracts or any of them. No claims, actions or legal proceedings may be brought by any Member or any third party against the Exchange and/or HSDS and/or HSI in connection with or arising out of matters referred to in this disclaimer. Any Member 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 HIS

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