



Chuenman Securities Limited
川文證券有限公司

Client's Agreement
(Individual Account)

TRADING AGREEMENT

Terms and Conditions

BETWEEN

CHUENMAN SECURITIES LIMITED (the “Broker”) licensed by the Securities and Futures Commission for Type 1 regulated activities under the Securities and Futures Ordinance whose CE number is [BGP488] and a participant of The Stock Exchange of Hong Kong Limited (the “Exchange”), whose registered office is situate at 17/F Times Media Centre, 133 Wanchai Road, Wan Chai, Hong Kong of the one part; and

The client whose particulars are set out in the Client Information Statement hereto (the “Client”) of the other part.

WHEREAS

- (1) The Client intends to open one or more accounts (“Account”) (as indicated in the Client Information Statement) with the Broker for the purpose of trading in stocks, shares, other securities (collectively referred to as “securities”).
- (2) If the Broker 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 Broker may ask the Client to sign and no statement the Broker may ask the Client to make derogates from this clause.
- (3) The Broker has agreed to open and maintain the Account on the terms and conditions set out hereunder and the Client has agreed to observe, perform and comply with the said terms and conditions.
- (4) The terms and conditions herein and the Schedules hereto and the Client Information Statement are collectively referred to as the “Agreement”.

NOW IT IS HEREBY AGREED as follows:

1. Terms and Conditions and Schedules

The parties hereto agree to observe and perform the terms and conditions in the Agreement and in particular to the terms and conditions set out in the respective Schedules for the respective types of Account as set out hereunder:

Account	Schedule
Cash account in which no credit facility is provided for trading in securities on the Main Board or the Growth Enterprise Market of the Exchange or other Exchange (“Cash Account”)	1st
Account the operation of which is through the internet or such on-line or electronic or electronic service provided by the Broker or by such electronic means as may be approved, adopted or operated by the Broker from time to time (“On-line Trading Service”)	2nd

2. Information

- 2.1 The Client confirms that he has been explained the Information to Account Holders pursuant to the Personal Data (Privacy) Ordinance (Cap. 486) as set out in the 3rd Schedule hereto and agrees thereto.
- 2.2 The Client warrants that the information supplied by the Client as contained in the Client Information Statement is complete, true and accurate in each and every aspect. The Client undertakes promptly to inform the Broker in writing of any changes to those information. The Client authorizes the Broker to conduct credit enquiry on the Client and to verify the information from financial institutes including the Client’s bankers, brokers or any credit agency for the purpose of ascertaining the financial stipulation and investment objectives of the Client and if the consent of the Client is required for the release of information by such financial institutes, the consent of the Client is hereby given.
- 2.3 The Broker may provide such information to the Exchange, the Securities and Futures Commission (“SFC”), any other regulatory bodies or law enforcement authority including but not limited to police and Independent Commission Against Corruption to comply with their requirements or requests for information, or any member company of Chuenman Securities Limited, its subsidiaries, associated and related companies (“the Group”).
- 2.4 The Broker undertakes to notify the Client of material change to the name and address, the registration status with the SFC, the nature of services to be provided to or available to the Client, remuneration (and the basis for payment) to be paid by the Client.
- 2.5 If the Client is a company or a corporation (no matter whether duly incorporated in Hong Kong or elsewhere), the Client agrees to supply to the Broker the following documents:
 - a. Memorandum and Articles of Association;
 - b. Business Registration Certificate;
 - c. Certificate of Incorporation;
 - d. Copy Identity Cards / Passports of directors and authorized person(s); and
 - e. Latest Audited Financial Statements.

For B.V.I. and other non-Hong Kong company, the Client agrees to supply to the Broker the following documents:

- a. Latest (recent 3 months) bank account statement or utilities bill showing proof of address;
- b. Registered Agent's Certificate identifying the current directors and officers, verified or issued by the registered agent of the Company; and
- c. Information on the true beneficial ownership of the Company.

2.6 For a client which is a company or a corporation, the Client agrees to provide to the Broker, a certified extract of the resolution of the Client containing a "Limited Company Mandate" with words acceptable to the Broker.

3. Owner

The Client undertakes that the Client is the ultimate beneficial owner of the Account, and that the Client is not related to or associated with any of the Broker's employees or agents and agrees that if the Client shall hereafter become related to or associated with any of such employee or agent the Client shall promptly notify the Broker in writing of the existence and nature of such association and agree that the Broker may, upon receipt of such notice, at the absolute discretion of the Broker, close the Account.

4. Cash held for the client

Any cash held for the Client, other than cash received by the Broker in respect of all transactions in securities in which the Broker effects on the Client's instructions or for the Client ("Transaction(s)") and which is on-paid for settlement purposes or to the Client, shall be credited to a client trust account maintained with a licensed bank or such company or organization as required by applicable laws from time to time.

5. Suspension of account

Notwithstanding any provision of this Agreement, the Broker shall have the right exercisable at the absolute discretion of the Broker at any time to suspend operation of the Account or to close the Account without ascribing any reason and without any liability to the Client for such suspension or closure by terminating this Agreement.

6. Laws and Rules

All transactions shall be effected in accordance with and shall be subject to the relevant laws, rules, regulations, directions, customs and usage applying the Broker, including the rules to the Exchange and the Hong Kong Securities Clearing Company Limited and the HKFE Clearing Corporation Limited (the "Clearing House") as amended or supplemented from time to time. All actions taken by the Broker in accordance with such laws, rules, regulations and directions shall be binding on the Client.

7. Agency

The Broker shall act as the agent of the Client in effecting the Transaction unless the Broker indicates (in the contract note for the relevant Transaction or otherwise) that the Broker is acting as principal.

8. Client's own judgment

The Client undertakes that the Client shall solely make any rely upon the Client's own judgment and decisions with respect to each Transaction or with respect to refraining from making a Transaction, and will not rely upon any advice or information or suggestion rendered by any of the directors, officers, employees or agent of the Broker and hereby waives the Client's right (if any) to claim against the Broker, the Group, their directors, officers, employees or agent for loss or damages arising therefrom.

9. Commission

On all Transactions, the Client shall pay the Broker commissions and charges, as notified to the Client, as well as applicable levels imposed by the Exchange from time to time, all applicable stamp duties, bank charges, fees, and other expenses of or in respect of the Transactions and account maintenance fees at such rate as may be prescribed by the Broker and notified to the Client from time to time. The Broker is entitled to deduct such commissions, charges, levies, duties, fees and expenses of or in respect of the Transactions. The Broker may deduct such commissions, charges, levies, duties, fees and expenses from the Account.

10. Client outside Hong Kong

If the Client resides or gives any order to the Broker outside Hong Kong, the Client undertakes to ensure and represents that such orders will have been given in compliance with any and all applicable law of the relevant jurisdiction from which the Client's orders are given, and the Client accepts that there may be taxes, duties, impositions or charges payable to the relevant authorities in respect of the Client residing or the giving of any order outside Hong Kong and the execution of such order, and the Client agrees to pay such taxes, duties, imposition or charges as are applicable. The Client further agrees to indemnify the Broker from any claims, demands, actions, costs and expenses the Client may suffer or incur in connection with or arising from the Client's residing or giving of any such order outside Hong Kong.

11. Obligation to settle the Transaction and consequences

11.1 Unless otherwise agreed, in respect of each Transaction unless the Broker is already holding cash or securities on behalf of the Client to settle the Transaction, the Client will:

- a. pay the Broker cleared funds or deliver to the Broker securities in deliverable form (as the case may be); or
- b. otherwise ensure that the Broker has received such funds or securities

by such time as the normal settlement time or such time as the Broker may notify the Client in relation to that Transaction, whichever is earlier. It is the duty of the Client to check what the normal settlement time is and in doubt to enquire and get confirmation from the Broker. If the Client fails to do so, the Broker may without any liability on the part of the Broker.

- I. in the case of a purchase Transaction, sell the purchased securities and/or any other securities which the Broker is already holding on behalf of the Client to satisfy the obligation of the Client to the Broker; and
- II. in the case of a sale Transaction, borrow and/or purchase securities in order to settle the Transaction.

11.2 The Client will be responsible to the Broker and indemnify the Broker against any losses, costs and expenses including

debt collecting agent's charges and legal costs on a full indemnity basis resulting from the Client's settlement failures.

- 11.3 The Client agrees to pay interest on all overdue balance (including interest on interest and also interest arising after a judgment is obtained against the Client) at such rates and on such other terms as the Broker may notify the Client from time to time.
- 11.4 In the case of a purchase Transaction, if the selling broker fails to deliver on the settlement date and the Broker has to purchase securities to settle the Transaction, the Client shall not be responsible to the Broker for the extra costs incurred by such purchase.
- 12. Short selling**

The Client will notify the Broker when a sale order relates to securities which the Client does not own, i.e. short selling.
- 13. Record of communication**

The Client agrees that the Broker may monitor and record any or all of the communications and/or orders sent or given by the Client over telephone or by electronic or other means of communication.
- 14. Statements etc. deemed to be correct**
 - 14.1 Every Transaction indicated or referred to in a notice, statement, confirmation or other communication shall be deemed as correct and confirmed by the Client unless the Broker shall receive from the Client written notice to the contrary within seven (7) days after the date of such notice, statement, confirmation or other communication is deemed to have been received by the Client.
 - 14.2 Every statement of account shall, in the absence of manifest error, be conclusive and binding on the part of the Client as to the amount standing to the debit or credit of the Account.
- 15. Risk Disclosure Statements**
 - 15.1 The Client confirms and acknowledges that the Broker has fully explained the Risk Disclosure Statement as set out below to the Client in a language of the Client's choice and the Client was invited to read the Risk Disclosure Statement and to ask questions and take independent advice if the Client wishes and the Client accepts such risks.

APPLICABLE TO ALL SECURITIES

The price of securities can and does fluctuate, and that any individual security may experience downward movements, and may under some circumstances even become valueless. There is an inherent risk that losses may be incurred rather than profit made, as a result of buying and selling securities.

There are risks in leaving securities in safekeeping of the Broker. For example, if the Broker is holding the Client's securities and the Broker becomes insolvent, the Client may experience significant delay in recovering the securities.

There are risks in leaving securities in the custody of the Broker or in authorizing the Broker to deposit securities as collateral for loans or advances made to the Broker or authorizing the Broker to borrow or loan securities.

ON GROWTH ENTERPRISE MARKET ("GEM") TRADING

1. I/We understand that GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, I/We understand that companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. I/We appreciate that there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate.
2. I/We am/are aware of the potential risks of investing in such companies and understand that I/We should make the decision to invest only after due and careful consideration. I/We understand the greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.
3. Given the emerging nature of companies listed on GEM, I/We understand there is a risk that securities traded on GEM may be susceptible to higher market volatility compared to securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.
4. I/We further understand that the principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Companies listed on GEM are not generally required to issue paid announcements in gazette newspapers. Accordingly, I/we acknowledge that I/we need to have access to up-to-date information on GEM-listed companies as published on the GEM website.
5. I/We acknowledge that this risk disclosure statement does not purport to disclose all the risks and other significant aspects of GEM. I/We understand that I/we should undertake my/our own research and study on the trading of securities on GEM before commencing any trading activities.
6. I/We understand that I/we should seek independent professional advice if I/we am/are uncertain of or have not understood any aspect of this risk disclosure statement or the nature and risks involved in trading of securities on GEM.

RISK OF TRADING NASDAQ-AMEX SECURITIES AT THE STOCK EXCHANGE OF HONG KONG LIMITED

The securities under the Nasdaq-Amex Pilot Program ("PP") are aimed at sophisticated investors. The Client should consult the licensed or registered person and become familiarized with the PP before trading in PP securities. The Client should be aware that the PP securities are not regulated as a primary or secondary listing on the Main Board or the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

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.

RISK OF PROVIDING AN AUTHORITY TO HOLD MAIL OR TO DIRECT MAIL TO THIRD PARTIES

If the Client provides the licensed or registered person with an authority to hold mail or to direct mail to third parties, it is important for the Client to promptly collect in person all contract notes and statements of the Client's account and review them in detail to ensure that any anomalies or mistakes can be detected in a timely fashion.

RISK OF TRADING IN RENMINBI (RMB) SECURITIES

1. Investment risk

Like any securities investment, the prices of RMB securities may fluctuate, sometimes dramatically. The price of a RMB security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling RMB securities. Investors may also suffer a loss even if RMB appreciates against Hong Kong dollars or other currencies.

2. Currency risk

Investing in RMB securities involves currency risk. RMB is not yet freely convertible in Hong Kong, and is subject to foreign exchange controls and restrictions. Particularly, conversion of RMB through banks in Hong Kong is subject to certain restrictions. It may be difficult for investors to convert RMB into Hong Kong dollars or other currencies or vice versa at any specific time, and conversion will be subject to conversion costs.

In addition, the value of RMB against Hong Kong dollars or other foreign currencies may be affected by a wide range of factors. There is no guarantee that RMB will not depreciate. A depreciation of RMB may result in a decrease in the market value of the RMB securities and the realization price of the RMB securities. For non-RMB based investors who are trading in RMB securities, they may also sustain loss in the event that they subsequently convert any RMB proceeds back to Hong Kong dollars or other base currencies.

There are also significant restrictions on the remittance of RMB into and out of the PRC. If the issuer of the RMB securities is not able to remit RMB to Hong Kong or make distributions in RMB due to exchange controls or other restrictions, the issuer may make distributions (including dividends and other payments) in other currencies. Investors may therefore be exposed to additional foreign exchange risk.

3. Liquidity risk

The liquidity and trading price of RMB securities may be adversely affected by the limited availability of RMB outside the PRC and the restrictions on the conversion of RMB. These factors may affect the amount of liquidity in RMB for investors and accordingly adversely affect the market demand for RMB securities.

In addition, RMB securities are a new type of investment product in Hong Kong and there is no assurance that there will be a liquid secondary market in RMB securities. Investors may therefore not be able to dispose of the RMB securities at such prices, in such amounts and/or at such times at which they would wish to, or which they may otherwise be able to in respect of Hong Kong dollar denominated securities listed on The Stock Exchange of Hong Kong Limited. As a result of such liquidity risk, the trading price may not fully reflect the intrinsic value of the RMB securities.

4. Other risks

The above represents only some of the risks generally associated with trading in RMB securities. RMB securities are also exposed to risk that are inherent in all investments such as default risk, counterparty risk, credit risk, market risk, interest rate risk etc. (where applicable). An investor should read the relevant prospectus or offering document for detailed information about the proposed offer and risk associated with the relevant RMB securities and consider if the investment is suitable in light of his/her financial position, risk profile and other circumstances before deciding whether to invest in the relevant RMB securities. Where in doubt, investors should consult their legal, financial or other professional advisor before making any investment decision.

5. Settlement demand

As requested by the Client, the Broker, as an agent, will provide currency exchange service for facilitating the settlement of RMB denominated securities. In the event that there is insufficient RMB fund in the Client's account(s) for settlement of RMB denominated securities transactions (including IPO Application and IPO Financing Loan), the Client irrevocably authorizes the Broker to, at its sole and absolute discretion, without notice to the Client:

- (1) debit from the Client's non-RMB account an amount denominated in other currency which is equivalent to the settlement amount in RMB;
- (2) confirm the RMB foreign exchange rate ("FX Rate") on behalf of client; and
- (3) convert the such amount into RMB.

Further, in the event of debit or insufficient credit balance in the Client's account(s), the Broker reserves the right to cancel the Client's orders. The Broker will take into consideration exchange rate of RMB conversion offered and quoted by the Broker nominated bank(s) and/or major banks in Hong Kong providing RMB currency exchange service, on the same trade day basis. The Broker reserves sole and absolute discretion to confirm the FX rate on the Client's behalf. However, the Broker cannot guarantee that every request made by the Client for currency exchange service will be satisfied in full or in part, or at all. The Client should also be aware of the risks of currency mismatch, FX Rate fluctuations, FX Rate bid-ask spread from converting from one currency to another currency and re-converting back into the original currency, restriction on RMB convertibility, and liquidity risk of RMB products.

In case of the cancellation of the Client's trade order, the Client hereby irrevocably agrees to authorize the Broker to re-convert same amount of RMB back into the original currency where the original currency is other than RMB on the closest business day. The Broker will take into consideration the FX Rate of RMB conversion quoted by the Broker nominated bank(s) and/or major banks in Hong Kong. The Broker reserves sole and absolute discretion to confirm the FX Rate on the Client's behalf.

SPECIFIC RISKS RELATING TO SECURITIES TRADING THROUGH SHANGHAI-HONG KONG STOCK CONNECT

A. Not protected by Investor Compensation Fund

The Customer should note that any Northbound or Southbound trading under Shanghai-Hong Kong Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. As far as Hong Kong investors participating in Northbound trading are concerned, since they are carrying out Northbound trading through securities brokers in Hong Kong and these brokers are not Mainland brokers, they are not protected by China Securities Investor Protection Fund on the Mainland.

B. Quotas used up

When the respective aggregate quota balance for Northbound and Southbound trading is less than the daily quota, the corresponding buy orders will be suspended on the next trading day (sell orders will still be accepted) until the aggregate quota balance returns to the daily quota level. Once the daily quota is used up, acceptance of the corresponding buy orders will also be immediately suspended and no further buy orders will be accepted for the remainder of the day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted. Depending on the situation of aggregate quota balance, buying transactions will be resumed on the following trading day.

C. Difference in trading day and trading hours

The Customer should note that, due to differences in public holidays between Hong Kong and Mainland China or other reasons such as bad weather conditions, there may be differences in trading days and trading hours in the two markets. Shanghai-Hong Kong Stock Connect will only operate on days when both markets are open for trading and when banks in both markets are open on the corresponding settlement days. Therefore it is possible that there are occasions when it is a normal trading day for the Mainland market but Hong Kong investors cannot trade A-shares. The Customer should take note of the days and the hours which Shanghai-Hong Kong Stock Connect is open for business and decide according to his own risk tolerance capability whether or not to take on the risk of price fluctuations in A-shares during the time when Shanghai-Hong Kong Stock Connect is not trading.

D. Restrictions on selling imposed by front-end monitoring

For the Customer who deposits his A-shares with securities companies other than CHUENMAN, if he wishes to sell certain A-shares he holds, he must transfer such A-shares to his account with CHUENMAN before the day of selling (T day). If he fails to meet this deadline, he will not be able to sell such A-shares on T day.

E. The recalling of eligible stocks and trading restrictions

A stock which is on the list of eligible stocks for trading via Shanghai-Hong Kong Stock Connect may be recalled from the list for various reasons and, in such event, the stock can only be sold but cannot be bought. This may affect the investment portfolio or strategies of the Customer. The Customer should therefore pay close attention to the list of eligible stocks as provided and updated from time to time by Shanghai Stock Exchange ("SSE") and Hong Kong Exchanges and Clearing Limited ("HKEx").

Under the following circumstances, purchase of A shares via Northbound trading will be suspended temporarily (but sale is permitted): (i) the A-shares cease to be constituent stocks of the relevant indices; (ii) the A-shares are put under "risk alert"; and/or (iii) the corresponding H shares of the A-shares cease to be traded on SEHK. The Customer should also note that such A-shares may be subject to the restriction of price fluctuation limits.

F. Transaction costs

In addition to paying trading fees and stamp duties in connection with trading of A-shares, the Customer carrying out Northbound trading via Shanghai-Hong Kong Stock Connect should also take note of any new portfolio fees, dividend tax and tax concerned with income arising from stock transfers, which may be levied by the relevant authorities.

G. Mainland China's laws and regulations, foreign shareholding restrictions and disclosure obligations

Under Shanghai-Hong Kong Stock Connect, A-share listed companies and trading thereof are subject to the laws and regulations and disclosure obligations of the A-share market. Any changes in relevant laws or regulations may affect share prices. The Customer should also take note of the foreign shareholding restrictions and disclosure obligations applicable to A-shares. The Customer may be subject to restrictions on trading and retention of proceeds as a result of his interests and shareholdings in A-shares. The Customer himself is responsible for compliance with the requirements of all relevant notifications, reports and disclosure of interests.

Under the current Mainland rules, when an investor holds up to 5% of the shares of a company listed on SSE, the investor is required to disclose his interest within three working days during which he cannot trade the shares of that company. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with the Mainland laws.

According to existing Mainland practices, Hong Kong and overseas investors as beneficial owners of A-shares traded via Shanghai-Hong Kong Stock Connect cannot appoint proxies to attend shareholders' meetings on their behalf.

H. Currency risks

Northbound investments via Shanghai-Hong Kong Stock Connect will be traded and settled in Renmibi. If the Customer invests in A-shares with a local currency other than RMB, the Customer will be exposed to a currency risk due to the need for the conversion of the local currency into RMB. During the conversion, the Customer will also incur currency conversion costs. Even if the price of the RMB asset remains unchanged, the Customer will still incur an exchange loss if RMB depreciates during the process of currency conversion.

If the Customer invests in A-shares without converting the local currency which he holds, into RMB and this results in a RMB debit balance of his account, our Company will charge debit interest on that outstanding balance. (Please refer to the notice on our Company's website for information of the debit interest rate)

The above summary only covers part of the risks related to Shanghai-Hong Kong Stock Connect and any above mentioned laws, rules and regulations are subject to change from time to time. The Customer should visit the website of HKEx for updates and details for Shanghai-Hong Kong Stock Connect.

If the aforesaid provisions are inconsistent with the rules and regulations of HKEx and SSE, the rules and regulation of HKEx and SSE shall prevail.

7. RISKS OF CLIENT ASSETS RECEIVED OR HELD OUTSIDE HONG KONG

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8. RISK OF TRADING NASDAQ-AMEX SECURITIES AT THE STOCK EXCHANGE OF HONG KONG LIMITED

The securities under the Nasdaq-Amex Pilot Program (“PP”) are aimed at sophisticated investors. You should consult a licensed or registered person and become familiarised with the PP before trading in the PP securities. You should be aware that the PP securities are not regulated as a primary or secondary listing on the Main Board or the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited.

RISK IN TRADING DERIVATIVE WARRANTS (“DW”)

1. Issuer risk

Derivative warrant holders are unsecured creditors of an issuer and they have no preferential claim to any assets an issuer may hold. Therefore, investors are exposed to the credit risk of the issuer.

2. Gearing risk

Although derivative warrants may cost a fraction of the price of the underlying assets, a derivative warrant may change in value more or less rapidly than the underlying asset. In the worst case, the value of the derivative warrants falls to zero and holders lose their entire investment amount.

3. Limited life

Unlike stocks, derivative warrants have an expiry date and therefore a limited life. Unless the derivative warrants are in-the-money, they become worthless at expiration.

4. Time decay

One should be aware that other factors being equal the value of derivative warrants will decrease over time. Therefore, derivative warrants should never be viewed as products that are bought and held as long term investments.

5. Volatility

Other factors being equal an increase in the volatility of the underlying asset should lead to a higher warrant price and a decrease in volatility lead to a lower derivative warrant price.

6. Market forces

In addition to the basic factors that determine the theoretical price of a derivative warrant, derivative warrant prices are also affected by all other prevailing markets forces including the demand for and supply of the derivative warrants. Supply and demand forces may be greatest when a derivative warrant issue is almost sold out and when issuers make further issues of an existing derivative warrant issue.

7. Liquidity risk

Although derivative warrants have liquidity providers, there is no guarantee that investors will be able to buy or sell derivative warrants at their target prices any time they wish.

RISK IN TRADING CALLABLE BULL/BEAR CONTRACTS (“CBBC”)

1. Mandatory call

CBBC are not suitable for all investors and investors should consider their risk appetite prior to trading. A CBBC may be called by the issuer when the price of the underlying asset hits the Call price and that CBBC will expire early. Payoff for Category N CBBC will be zero when they expire early. When Category R CBBC expire early the holder may receive a small amount of Residual Value payment, but there may be no Residual Value payment in adverse situations. Once the CBBC is called, even though the underlying asset may bounce back in the right direction, the CBBC which has been called will not be revived and investors will not be able to profit from the bounce back.

2. Gearing effects

Since a CBBC is leveraged product, the percentage change in the price of a CBBC is greater compared with that of the underlying asset. Investors may suffer higher losses in percentage terms if they expect the price of the underlying asset to move one way but it moves in the opposite direction.

3. Limited life

A CBBC has a limited lifespan of three months to five years. The life of a CBBC may be shorter if called before the fixed expiry date. The price of a CBBC fluctuates with the change in the price of the underlying asset from time to time and may become worthless after expiry and in certain cases, even before the normal expiry if the CBBC has been called early.

4. Movement with underlying asset

Although the price change of a CBBC tends to follow closely the price changes of its underlying asset, but in some situations it may not (i.e. delta may not always be close to one). Prices of CBBC are affected by a number of factors, including its own demand and supply, funding costs and time to expiry.

5. Liquidity

Although CBBC have liquidity providers, there is no guarantee that investors will be able to buy/sell CBBC at their target prices any time they wish.

6. Funding costs

The issue price of a CBBC includes funding costs charged upfront for the entire period from launch to normal expiry. When a CBBC is called, the CBBC holders (investors) will lose the funding cost for the remaining period even though the actual period of funding for the CBBC turns out to be shorter. Investors should also note that the funding costs of a

CBBC after launch may vary during its life.

7. Trading of CBBC close to Call Price

When the underlying asset is trading close to the Call Price, the price of a CBBC may be more volatile with wider spreads and uncertain liquidity. CBBC may be called at any time and trading will terminate as a result. However, the trade inputted by investor may still be executed and confirmed by the investors after the Mandatory Call Event (“MCE”) since there may be some time lapse between the MCE time and suspension of the CBBC trading. Any trades executed after the MCE will not be recognized and will be cancelled. Therefore, investors should be aware of the risk and ought to apply special caution when the CBBC is trading close to the Call Price.

RISK ASSOCIATED WITH EXCHANGE TRADED FUNDS (“ETF”)

1. Counterparty risk

Synthetic ETF are subject to counterparty risk associated with the derivatives issuers and may suffer losses if the derivatives issuers default or fail to honour their contractual commitments. Further, potential contagion and concentration risks of the derivatives issuers should be taken into account (e.g. since derivative issuers are predominantly international financial institutions, the failure of one derivative counterparty of a synthetic ETF may have a “knock-on” effect on the other derivative counterparties of the synthetic ETF. Although synthetic ETF have collateral from their counterparties, it may not completely remove the counterparty risk so they are still subject to the collateral providers fulfilling their obligations. There is a further risk when the right against the collateral is exercised because the market value of the collateral could be substantially less than the amount secured, resulting in significant losses to the ETF.

2. Market risk

ETF are exposed to the economic, political, currency, legal and other risks of a specific sector or market related to the index that it is tracking. ETF managers do not have the discretion to take defensive positions in declining markets. Investors must be prepared to bear the risk of loss and volatility associated with the underlying benchmarks.

3. Tracking error risk

Tracking error is the difference between the performance of an ETF and its underlying benchmark. Tracking error can arise due to factors such as the impact of the Total Expense Ratio (TER), changes in the composition of the underlying benchmark and type of ETF (physical vs synthetic). The TER of an ETF may include management fee and other fees and costs (e.g. transaction costs, stamp duties, costs for preparing financial reports and other prescribed documentation, legal and auditing fees, insurance costs, fees for custody services, etc) – there is no universal definition. An ETF’s estimated TER is stated in the prospectus. The estimated TER of an ETF does not necessarily represent the fund’s tracking error because the fund’s NAV may be affected by other factors, e.g. dividends and other income from the portfolio, and in the case of a synthetic ETF, the indirect costs borne by the fund may only be reflected in the market value of the derivatives it holds.

4. Trading at discount or premium to NAV

The market price of an ETF may be at a discount or premium to its NAV. This price discrepancy is caused by supply and demand factors and may be more likely to emerge during periods of high market volatility and uncertainty. This phenomenon may also be observed in ETF tracking specific markets or sectors that are subject to direct investment restrictions. As a result, investors who buy at a premium may suffer losses even if the NAV is higher when they sell and they may not fully recover their investment in the event of termination of the ETF.

5. Liquidity risk

Although ETF usually have market makers (known as Securities Market Makers, or SMMs) to help provide liquidity, there is no assurance that active trading will be maintained at all times. In the event that the SMMs are unable to fulfill their obligations, investors may not be able to buy or sell the ETF or may find the market price of the ETF is at a discount or premium to NAV.

6. Stock lending risk

Physical ETF which engage in stock lending face the risk of the borrower not returning the ETF’s securities as agreed and thus may experience some losses due to their stock lending.

Risks of Fixed Income Products

Key risks of investing in bonds

Bonds are not necessary risk-free. Holders of bonds, including plain-vanilla bonds, are subject to various risks, including but not limited to:

1. Credit risk

Bonds are subject to the risk of the issuer defaulting on its obligations. It should also be noted that credit ratings assigned by credit rating agencies do not guarantee the creditworthiness of the issuer;

2. Liquidity risk

Some bonds may not have active secondary markets and it would be difficult or impossible for investors to sell the bond before its maturity; and

3. Interest rate risk

Bonds are more susceptible to fluctuations in interest rates and generally prices of bonds will fall when interest rise.

Key risks of investing in high-yield bonds

In addition to the generic risks listed above, investments in high-yield bonds are subject to risks such as:

1. Higher credit risk

Since they are typically rated below investment grade or are unrated and as such are often subject to higher risk of issuer default; and/or

2. Vulnerability to economic cycles

During economic downturns such bonds typically fall more in value than investment grade bonds as (i) investors become more risk averse and(ii) default risk rises.

Risks of bonds with special features

Some bonds may contain special features and risks that warrant special attention. These include bonds:

1. That are perpetual in nature

Interest pay-out depends on the viability of the issuer in very long term;

2. That have subordinated ranking
In case of liquidation of the issuer, investors can only get back the principal after other senior creditors are paid;
3. That are callable
Investors face reinvestment risk when the issuer exercises its right to redeem the bond before it matures;
4. That have variable and/or deferral of interest payment terms
Investors would face uncertainty over the amount and time of the interest payments to be received;
5. That have extendable maturity dates
Investors would not have a definite schedule of principal repayment;
6. That are convertible or exchangeable in nature
Investments are subject to both equity and bond investment risk; and/or
7. That have contingent write down or loss absorption feature
The bond may be written-off fully or partially or converted to common stocks on the occurrence of a trigger.

Risk of funds investing in high-yield bonds

Those funds will be subject to the risks associated with investments in bonds as described above; and the net asset value of a fund that invests in high-yield bonds may decline or be negatively affected if there is a default of any of the high-yield bonds that it invests in or if interest rates change. The special features and risks of high-yield bond funds may also include the following:

1. Capital growth risk
Some high-yield bond funds may have fees and/or dividends paid out of capital. As a result, the capital that the fund has available for investment in the future and capital growth may be reduced.
2. Dividend distributions
Some high-yield bond funds may not distribute dividends, but instead reinvest the dividends into the fund or alternatively, the investment manager may have discretion on whether or not to make any distribution out of income and/or capital of the fund. Also, a high distribution yield does not imply a positive or high return on the total investment; and
3. Other key risks that may relate to the relevant fund including concentration of investments in particular types of specialized debt or a specific geographical region or sovereign securities.

16. Compensation Fund

- 16.1 In the event that the Broker commits a default as defined in the Securities and Futures Ordinance (Cap. 571) and the Client thereby suffers a pecuniary loss, the Client understands and acknowledges that the right to claim under the Securities and Futures (Investor Compensation – Claims) Rules established under the Securities and Futures Ordinance will be restricted to the extent provided for therein.
- 16.2 For Transactions which are effected in an exchange other than the Exchange, the Client acknowledges and accepts that the right (if any) to compensation in the event of any default on the part of the Broker will be subject to the rules and regulations of the relevant exchange.

17. Variation of terms

- 17.1 The Broker is entitled at any time and from time to time at its absolute discretion vary, modify, add or delete any terms and conditions of this Agreement and the Client agrees to be bound by such change and to observe, perform and comply with such change. Upon notification to the Client of such change and the effective date of such change (including change which may have retrospective effect), the Client shall be bound by such change from such effective date. After notification being given, if no written objection is received by the Broker within seven days or the operation of the Account by the Client (including but not limited to the checking of the balance, depositing or withdrawing or transferring of funds or securities to or from the Account) shall amount to acceptance by the Client that the Client has agreed to such change.
- 17.2 Whenever any law or legislation shall be enacted or amended, or any rules, regulations, by-laws, directions, policy or policies shall be made by any lawful authority or under any law which shall be applicable to effect in any manner or be inconsistent with any of the provisions hereof, the provision so affected shall be deemed to be modified or suspended, as the case may be, by such act, statute, ordinance, sub-legislation, by-law, rule, regulation or direction and all other provisions of this Agreement and the provisions so modified shall in all respect continue and be in full force and effect.

18. Severance of terms

If any provision of this Agreement is invalid or unenforceable, then such provision shall be deemed to be severed from this Agreement and this Agreement shall be construed as if not containing the invalid or unenforceable provision and the validity and enforceability of the other provisions of this Agreement shall not be affected.

19. Termination

The Broker may, notwithstanding anything herein contained, at any time without prior notice close, suspend the operation of, or terminate the Account or, if the Account shall consist of more than one account, any of them and/or terminate this Agreement. Such termination shall not affect any transaction entered into by the Broker prior to the termination and shall be without prejudice to the accrued rights of the parties hereto, and any obligations of the party contained in any provision of this Agreement shall remain in full force and effect and shall be enforceable notwithstanding such termination.

20. General Interpretation

Words denoting the singular shall include the plural and vice versa, reference to one gender shall include all genders and words denoting person shall include a firm or sole proprietorship, partnership, syndicate and corporate (whether registered or otherwise and whether in Hong Kong or elsewhere) and vice versa and any reference to a party shall include his executor and administrator.

21. Lien and Right to Set Off

- 21.1 All securities purchased or acquired for or on behalf of the Client, or in which the Client has an interest (either individually or jointly with others) and which are held for the Client's Account, including all rights, dividends or interest thereon, and all monies and other property at any time held by the Broker on behalf of the Client, shall be subject to a general lien in favour of the Broker for the performance of the Client's obligation to the Broker arising in respect of dealing in securities for the Client and also subject to a general lien in favour of the Group for the performance and settlement of any of the Client's obligation or liability to the Group. In the event of any failure by the Client with such obligations or in payment on demand or on the due date therefor of any of the Client's indebtedness to

the Broker hereunder or to the Group, the Broker may without liability on the part of the Broker sell or otherwise realize the whole or any part of such security as when and how and at such price and on such terms as the Broker may think fit and to apply the net proceeds of such sale or realization and any monies for the time being held by the Broker in or towards discharge of the Client's obligations and indebtedness to the Broker or to the Group.

- 21.2 The Broker shall be entitled without notice to the Client at any time combine or consolidate any or all of the account(s) of the Client of whatever nature and no matter whether in the name of the Client or held jointly with any other person(s) and no matter whether maintained by the Broker or the Group or transfer any money, securities or other property in any one or more of such accounts to set off or to satisfy any of the indebtedness, obligations or liability of the Client to the Broker or the Group no matter whether such indebtedness, obligations or liabilities be primary or collateral, secured or unsecured.
- 21.3 The Broker may hold as security and subject to a general lien in favour of the Broker all or any of the Client's money, securities and other property held by the Broker until the Client has fully paid the Broker or the Group any amount due.

22. Indulgence

Any indulgence granted or waiver by the Broker of any time or strict compliance with any of the terms or condition of this Agreement or any continued course of such conduct on the part of the Broker shall in no event constitute or be considered as a waiver by the Broker of any of the power, rights, remedies or privileges of the Broker.

23. Right to assign

The Client shall not assign any of the Client's rights, interests and/or obligations under this Agreement to any other person except with the prior written consent of the Broker. The Broker shall have the right to assign or transfer any of its rights, interests and/or obligations under this Agreement to any other person as it may think fit without having to notify the Client or to seek or obtain the consent of the Client.

24. Joint Account

- 24.1 Where the Client consists of more than one person, the Account shall, unless otherwise expressly stated, be a joint account with the right of survivorship.
- 24.2 The liability of each one shall be joint and several and references to the Client shall be construed, as the context requires, to any or each of them and to their respective executor and administrator (if applicable).
- 24.3 The Client agrees to be bound by instructions given by any one of them to the Broker and request the Broker to accept for collection any cheques or order or other documents payable to any one of the account owners and to credit the proceeds thereof to the Account even though such cheque or order or document has not been duly endorsed.
- 24.4 The death of any one of the owners of the Account shall not terminate this Agreement.
- 24.5 Subject to any claim or objection on the part of the Estate Duty Commissioner or other appropriate authority, the Broker is entitled to hold on the death of any one of the account owners any credit balance to the order of the survivor or survivors or the executors or administrator of the last survivor without prejudice to any of the Broker's rights.
- 24.6 The Broker is entitled to deal separately with any of the account owners including the discharge of any liability to any or such extend without affecting the liability of the other(s).
- 24.7 In the event that any one of them is incapacitated or if a bankruptcy order is made against any one of them or if the operation of the Account is affected by any order made by the Court or notice from any competent authority against any one of them, the operation of the Account (including the withdrawal or transfer of funds or securities) will be suspended until administrator or receiver is appointed or the consent of the receiver or Official Receiver is obtained or the Court order is discharged or the relevant notice is removed (as the case may be).

25. Notices

All notices and communications to the Client may be effectively given by mailing the same by post addressed to the Client (if more than one, to any one of them) at the address for correspondence and forwarding of confirmation and statements indicated in the Client Information Statement or subsequent amendment thereto, or by delivering the same to the Client (if more than one, to any one of them) or at any such address, or by facsimile or telephone or electronic mail to any number or address notified to the Broker from time to time for the purpose and shall be deemed to be received (a) on the second business day after such notice is mailed (in the case of post), and (b) when delivered (in the case of personal delivery), or communicated (in the case of telephone) and upon receipt of the message confirming transmission or receipt (in the case of facsimile transmission or electronic mail) and that no such notice or communication need be signed on behalf of the Broker.

26. Time is of essence

Time shall be of the essence in respect of all matters under this Agreement.

27. Authorization and Indemnity in respect of Telephone, Fax, Telex and electronic means Instructions

- 27.1 The Client hereby authorizes the Broker to accept and act on (but the Broker not obliged so to do) any instructions, oral or written, whether by telephone, facsimile transmission, telex or other electronic means regarding payment or transfer of funds from any of the Client's account(s) with the Broker to the bank account stated in the Client Information Statement upon the Client's payment/transfer instruction. Any transaction effected by the Broker on the basis of instructions, oral or written, given or purported to be given by the Client or the Authorized Representative(s) by telephone, facsimile transmission, telex or other electronic means as aforesaid (collectively referred to as "Payment/Transfer Instructions") shall be binding upon the Client whether made with or without the Client's authority, knowledge or consent.
- 27.2 In consideration of the Broker agreeing to act in accordance with the above authorization, the Client undertakes to keep the Broker indemnified at all time against, and to save the Broker harmless from, all actions, proceedings, claims, loss, damage, costs and expenses which may be brought against the Broker or suffered or incurred by the Broker and which shall have arisen either directly or indirectly out of or in connection with the Broker accepting the Client's Payment/Transfer Instructions and acting thereon.

28. Personal Data (Privacy) Ordinance

The Client confirms that the Broker has duly informed and explained to the Client and that the Client has read and understood the “Information to Account Holder pursuant to the Personal Data (Privacy) Ordinance (Cap. 486)” (which for identification purpose is set out in the 3rd Schedule) before furnishing to the Broker personal data relating to the Client. The Client consents to the use of such data and all personal data which may be or have been previously supplied, if any, to the Broker for the purpose of discharging all or any of its functions described in the said “Information to Account Holder pursuant to the Personal Data (Privacy) Ordinance (Cap. 486)” and for any other purpose directly related to those purposes.

29. English and Chinese versions

The Client confirms that the Client has read the English/Chinese version of this Agreement and that the contents of this Agreement have been fully explained to the Client in a language which the Client understands. In the event of any inconsistency or conflict in the interpretation of this Agreement, the English language version shall prevail. The Client hereby agrees and consents to the terms and conditions herein contained.

30. Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region of the People’s Republic of China and the parties hereby submit to the non-exclusive jurisdiction of the Hong Kong Courts.

THE 1st SCHEDULE ABOVE REFERRED TO CASH ACCOUNT

1. Safekeeping of Securities

- 1.1 Any securities which are held by the Broker for safekeeping may, at the absolute discretion of the Broker:
 - a. (in the case of registrable securities) be registered in the name of the Client or in the name of the nominee of the Broker; or
 - b. be deposited in safe custody in a designated account with the Broker’s bankers or with any other institutions which provides facilities for the safe custody of documents. In the case of securities in Hong Kong, such institutions shall be acceptable to the SFC as a provider of safe custody services.
- 1.2 Where securities are not registered in the name of the Client, any dividends or other benefits arising in respect of such securities shall, when received by the Broker, be credited to the Account or paid or transferred to the Client, as agreed with the Broker. Where the securities form part of a larger holding of identical securities held for the Broker’s clients, the Client shall be entitled to the same share of the benefits arising on the holding as the Client’s share of the total holding.

THE 2nd SCHEDULE ABOVE REFERRED TO ON-LINE TRADING SERVICE

1. On-line Service

- 1.1 The Client may access the Account through the Internet Website and service or on-line or electronic service established by the Broker or such electronic means or device as may be approved, adopted or operated by the Broker from time to time for the purpose of and in connection with the sale and purchase of securities (the “on-line service”).
- 1.2 The Client understands that the on-line service does or may make available to the Client from time to time various services which allow the Client through the internet or other electronic means to access and obtain information concerning the Account, to use electronic means to place order for the purchase and sale of securities, to access an electronic mail or messaging facility operated by the Broker for the delivery and receipt of confirmations, statements, notices and other documents and to receive market information and data.
- 1.3 The client consents to the use of the on-line service as a medium of communication with the Broker and to transmit or receive information, data and documentation to the Client and agree to be bound by any of the instructions given to the Broker no matter whether the instruction is actually given by the Client personally or not.
- 1.4 The Client acknowledges that information concerning the use, operation, policy and procedures of the on-line service and the Account applicable at all times has been made available to the Client on the service web site, and the Client has read and understood the terms of which may be amended from time to time and which shall be deemed to be binding on the Client in respect of the Client’s use of the on-line service and the Account. In the event of inconsistencies between the terms of this Agreement and the information, the terms of this Agreement shall prevail.
- 1.5 The Client agrees to use the on-line service only in accordance with the terms of this Agreement and the terms of the website (www.chuenman.com.hk).
- 1.6 The Client will be the only authorized user of the on-line service, and acknowledges that the service may require the Client to use various identification and access codes, including password, personal identification number and other user identification to access the service and the Account and that the Client will be responsible for the confidentiality and proper use at all times of the password, personal identification number, user identification and account number for all transaction initiated through the on-line service.
- 1.7 The Client agrees to notify the Broker immediately of the Client becoming aware of any loss, theft or unauthorized use of the Client’s password, personal identification number and other user identification, Account or account number, or any unauthorized use of the on-line service or any of the market information or data provided.
- 1.8 The Client acknowledges that any information and data (including news and real time quotes) provided through the on-line service or otherwise by telephone, electronic or other means, relating to securities and the securities markets has been obtained from securities exchanges and markets and from other third party service providers appointed by the Broker from time to time and who may or may not be related to the Broker. The Client further acknowledges and accepts that:
 - a. such information and data are or may be protected by copyright laws, and are provided for the Client’s personal non-commercial use only, and the Client may not use, reproduce, retransmit, disseminate, sell, distribute, publish, broadcast, circulate or commercially exploit any such information or data in any way without the consent of such service providers; and
 - b. such information and data are received by the Broker from sources that are believed to be reliable, however the accuracy, completeness, timeliness or sequence of any of the information or data cannot be guaranteed either by

the Broker or by such service provider.

- 1.9 The Client acknowledges and agrees that neither the Broker nor any of the service providers will be liable to the Client for any reliance by the Client on any of the information or data provided through the on-line service, nor for the availability, accuracy, completeness or timeliness of such information or data nor for any action taken or decisions made by the Client in reliance of such information or data.
- 1.10 The Client acknowledges that all proprietary and copyright and other intellectual property rights in or subsisting in the on-line service are the exclusive property of the Broker or of the relevant service providers, and agrees and undertakes that the Client shall not, and shall not at any time attempt to, tamper with, modify, or otherwise alter in any way, or otherwise access or attempt to gain access to any part of the on-line service other than as authorized under this Agreement. The Client further undertakes to notify the Broker immediately if the Client becomes aware that any of such unauthorized use or access to the on-line service by any other person.
- 1.11 The Client agrees to pay all subscription, service and user fees, if any, that the Broker may charge from time to time for the use of the on-line service.
- 1.12 Notwithstanding any provision of this Agreement, the Broker shall have the right exercisable at the absolute discretion of the Broker at any time to terminate, without any liability to the Client, the Client's access to the on-line service or to any information or data from any service provider or any part of it, without notice and without limitation, for any reason whatsoever, including any improper or unauthorized use by the Client of the service and/or any of the information or data, or any password, personal identification number and other user identification or account number.
- 1.13 The Client will be responsible to the Broker and indemnify the Broker on demand against any and all claims, demands, actions, losses, damages, costs (including legal costs on full indemnity basis) and expenses resulting from any unauthorized use by the Client of the on-line service and/or any of the information or data.

2. Transaction

- 2.1 The Client acknowledges and agrees that the Client shall be solely responsible for all orders communicated through the on-line service, and neither the Broker nor any other Broker's directors, officers or employees or agents shall be liable to the Client, or to any other person claiming under or through the Client, for any claims made with respect to the receipt and execution of any such orders.
- 2.2 Any order communicated to the Broker through the on-line service will be considered to have been sent by the Client. The Client agrees to notify the Broker immediately if the Client:
 - a. does not receive any confirmation (whether by hard copy, electronic or verbal means) that any order communicated by the Client through the on-line service has been received or executed.
 - b. receives a written confirmation of an order or its execution which is not accurate or which the Client did not place.
- 2.3 The Client agrees that the Broker and its directors, officers, employees and agents shall not be responsible or liable for any loss suffered or which may be suffered by the Client arising from any delay or failure to perform any of the Broker's obligations hereunder or in the transmission, receipt, execution or confirmation of orders due to any breakdown, interruption or failure of transmission of the electronic service or any communication equipment or facilities or to any unauthorized access, tampering, modification or alternation of the service and/or the data and information contained therein or to any other cause or causes beyond the control of the Broker including but not limited to government restriction, exchange or market rulings, suspension of trading, severe weather, earthquakes and strikes, and should the Client experience any problems in communicating with the Broker through the electronic service, the Client shall use all other alternative means available to the Client to communicate with the Broker.

3. Risk Disclosure Statement

The Client confirms and acknowledges that the Broker has fully explained the Risk Disclosure Statement as set out below to the Client and the Client accepts such risks.

RISK DISCLOSURE STATEMENT ON ON-LINE TRADING SERVICE

Electronic means of communication is an inherently unreliable medium of communication and provision of information services due to the public nature of the communication and that the accuracy, reliability and soundness of such means of communication and provision of services depends upon, amongst others, the service providers and the telephone, modem, cables, systems, facilities and the like used and operated from time to time by such providers and other participants. As a result of such unreliability, there are risks associated in using such means of communication including the congestion, breakdown, interruption or failure of transmission of the electronic service or any communication equipment or facilities, errors, omission or delays in the transmission and receipt of orders and other data and information and in the execution and confirmation of orders and/or the execution of orders at prices which may be different from those indicated on the service or prevailing at the time the orders were given. There are also other risks involved such as in the unauthorized access, tampering, modification or alteration of the service and/or the system, components and software used or comprised in the service which may result in the use, manipulation, retrieval or the theft or loss of data and information, including personal data.

THE 3rd SCHEDULE ABOVE REFERRED TO Information to Account Holders pursuant to the Personal Data (Privacy) Ordinance (Cap. 486)

This Notice sets out the policy and practices of the Company in relation to the collection of personal data from individual clients for or in relation to the purposes set out hereunder and the Personal Data (Privacy) Ordinance ("the Ordinance").

From time to time, it is necessary for clients to supply the Company with personal data in connection with the opening or continuation of accounts.

Failure to supply such data may result in delay or inability of the Company in opening or continuing a client's account.

The purposes for which data relating to a client may be used are as follows:

- opening, administering and continuation of a client's account;
- recovery of any monies owed from or liabilities incurred by clients and those providing security for clients' obligations;
- meeting the requirements, including the requirement to make disclosure, under of any law, rules or regulations binding

- on the Group;
 - assist other financial institutions to conduct credit checks and collect debts;
 - designing financial services or related products for clients;
 - marketing current and future financial services or related products to clients;
 - direct marketing*and
 - for purposes relating or incidental thereto.
- * "Direct Marketing" in this Information to Account Holders pursuant to the Personal Data (Privacy) Ordinance means -
- (a) the offering of goods, facilities or services;
 - (b) the advertising of the availability of goods, facilities or services; or
 - (c) the solicitation of donations or contributions for charitable, cultural, philanthropic, recreational, political or other purposes, by means of:
 - (i) information or goods sent to any person by mail, facsimile transaction, electronic mail, or other similar means of communication, where the information or goods are addressed to a specific person or specific persons by name; or
 - (ii) telephone calls made to specific persons.

Data held by the Company relating to a client will be kept confidential but the Company may provide, transfer, disclose or exchange such personal data to:

- any agent, contractor or third party service provider who provides administrative, telecommunications, computer, payment or securities clearing or other services to the Company in connection with the operation of its to their business;
- any other person under a duty of confidentiality to the Company;
- any bank or financial institution with which the client has or proposes to have dealings;
- any actual or proposed assignee of the Company or participant or sub-participant or transferee of the Company's rights in respect of the client;
- any legal, accounting or professional person, firm or body;
- assisting other financial institutions to conduct credit checks and collect debts; and
- any government, law enforcement or other regulatory authority, body or entity under any applicable law, rules or regulations.

The Company may transfer the client's data (including but not limited to name, gender, telephone number, fax number, address, email address, financial background and statistical data) to parties not members of the Company, whether in return for money or other benefits, for their use in direct marketing of financial / investment insurance or other services / products.

A client may opt out from receiving any promotional materials by contacting the Company by

Email: cs@chuenman.com.hk

Post : 10A, Sang Woo Building,227-228Gloucester Road, Wan Chai, Hong

Under and in accordance with the terms of the Ordinance any individual has the right to:

- check whether the Company holds data about him or her and the right of access to such data;
- require the Company to correct any data relating to him or her which is inaccurate;
- ascertain the Company's policies and practices in relation to data and to be informed of the kind of personal data held by the Company.

In accordance with the terms of the Ordinance, the Company has the right to charge a reasonable fee for the processing of any data access request.

The person to whom requests for access to data or correction of data or for information regarding policies and practices and kinds of data held are to be addressed is as follows:

The Compliance Officer
 10A, Sang Woo Building,227-228Gloucester Road, Wan Chai, Hong
 Telephone: 3579 4444
 Facsimile: 3576 3399
 Email: cs@chuenman.com.hk