



**雅利多證券**  
ARISTO SECURITIES LIMITED

**Securities Trading**

**Client Account Agreement**

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# SECURITIES CASH TRADING AGREEMENT

THIS AGREEMENT is made on the date stated in the "Client Account Agreement" or "Account Opening Form" BETWEEN the Client (whose name, address and details are set out in the Client Account Agreement or Account Opening Form) and Aristo Securities Limited (CE Number: BDH167) of Room 101, 1st Floor, On Hong Commercial Building, 145 Hennessy Road, Wanchai, Hong Kong (hereinafter referred to as "ARISTO").

Whereas:

- (A) ARISTO registered with the Securities and Futures Commission ("SFC") as a licensed corporation (CE Number: BDH167) for Type 1 regulated activity and an exchange participant of The Stock Exchange of Hong Kong Limited ("SEHK").
- (B) The Client wishes to appoint ARISTO as his broker and dealer in the purchase and sale of Securities (hereinafter defined) from time to time and wishes to open and maintain one or more Cash Account(s) (hereinafter defined) with ARISTO pursuant to which ARISTO shall purchase and sell Securities as agent on behalf of the Client.
- (C) ARISTO agrees that it will open and maintain such cash Account(s) and act for the Client in the purchase and sale of Securities subject to the terms and conditions of this Agreement.

**NOW IT IS HEREBY AGREED as follows:-**

## 1. INTERPRETATION

**In this Agreement, unless the context requires otherwise:**

"**Agreement**" means this Securities Cash Trading Agreement ;

"**Cash Account(s)**" means the cash trading account(s) which the Client established with ARISTO to govern the purchase and sale of Securities effected by ARISTO as agent of the Client ;

"**Securities**" means all kinds of instruments commonly known as securities including, but not limited to, shares, stocks, debentures, loan stocks, unit trusts, mutual funds, warrants, bonds or notes of, or issued by, anybody, whether incorporated or unincorporated, or of any government or local government authority, and rights to and options in respect Securities, as ARISTO may at its absolute discretion from time to time offer to deal in ;

"**Securities and Futures Ordinance**" means the Securities and Futures Ordinance (Cap.571), with effective on 1 April 2003, of the laws of Hong Kong.

"**Client Information Statement**" means the Account Opening Form for Individual Account, the Client Information Form for Corporate Account, the Account Opening Information Form for Institutional Professional Investor, any appendix entered into between ARISTO and the Client regarding the opening, maintenance and operation of the Account(s).

## 2. THE ACCOUNT

2.1 The Client confirms that the information provided in the "Client Information Statement" is complete and accurate. The Client will inform ARISTO of any changes to that information. ARISTO is authorized to conduct credit enquiries on the Client to verify the information provided.

2.2 ARISTO will keep information relating to the Client's Account confidential, but may provide any such information to the SEHK, the SFC and other regulatory bodies and/or any other relevant Stock Exchange (the "Exchange") to comply with their requirements or requests for information.

## 3. LAWS AND RULES

3.1 All transactions in Securities which ARISTO effect on the Client's instructions ("Transactions") shall be effected in accordance with all laws, rules and regulatory directions applying to ARISTO. This includes the rules of the Exchange and of the Hong Kong Securities Clearing Company Limited and/or any other relevant clearing house (the "Clearing House"). All actions taken by ARISTO in accordance with such laws, rules and directions shall be binding on the Client.

3.2 In the event that ARISTO or ARISTO's associated person commits a default in relation to securities listed or traded, or to be listed or traded, on a recognized stock market; and related assets of such securities and the Client thereby suffer a pecuniary loss, the Client acknowledge and accept that the liability of the Investor Compensation Fund will be restricted to valid claims as provided for in the Securities and Futures Ordinance and the relevant subsidiary legislation and will be subject to the monetary limits specified in the Securities and Futures (Investor Compensation – Compensation limits) Rules and accordingly there can be no assurance that any pecuniary loss sustained by reason of such a default will necessarily be recouped from the Investor Compensation Fund in full, in part or at all.

- 3.3 For Transaction(s) which are effected in an exchange other than the recognized stock market, the Client acknowledge and accept that the valid claims in the event of any default on the part of ARISTO or ARISTO's associated person will be subject to the rules of the relevant exchange.

#### 4. TRANSACTIONS

- 4.1 Unless ARISTO expressly indicate (in the contract note for the relevant Transactions or otherwise) that ARISTO is acting as principal. ARISTO will act as the Client's agent in effecting Transactions.
- 4.2 The Client acknowledges that ARISTO may, subject to applicable laws and regulations, effect Transactions for the Client with or through an affiliate of ARISTO. ARISTO or such affiliate of ARISTO may, subject to applicable laws and regulations, have a material interest in the Transactions effected for the Client, in particular, ARISTO and/or its affiliate may:
- effect Transactions with the Client as principal for ARISTO's or such affiliate's own account
  - effect Transactions in Securities where ARISTO or such affiliate has a position in the Securities or is involved with those Securities as underwriter, sponsor or otherwise ; or
  - match the Client orders with those of other Clients.
- 4.3 The Client shall notify ARISTO when a sale order relates to Securities which the Client do not own i.e. short selling.
- 4.4 On all Transactions, the Client will pay ARISTO commissions and charges, as well as applicable levies imposed by the SEHK from time to time, all applicable stamp duties, bank charges, fees, investor compensation fund levy and other expenses. ARISTO may deduct such commissions, charges, levies duties, fees, investor compensation fund levy and expenses from the Account.
- 4.5 Unless otherwise agreed, or, unless ARISTO is already holding cash or securities on the Client's behalf to settle the Transaction, the Client will
- pay ARISTO cleared funds or deliver relevant securities to ARISTO in deliverable form; or
  - otherwise ensure that ARISTO has received such funds or securities.
- By such time as ARISTO has notified the Client in relation to that Transaction. If the Client fails to do so, ARISTO may
- in the case of a purchase Transactions, sell the purchase securities and
  - in the case of a sale Transaction, borrow and/or purchase securities in order to settle the Transaction.
- 4.6 ARISTO may elect in respect of all its Clients to set-off, on a Client-by-Client basis, any amount receivable from, and amount payable to, a Client where such amounts arise from the purchase and sale of securities by the Client on a cash-against delivery basis, and the Client agrees to:
- set-off such amounts against each other; and
  - dispose of securities held for the Client for the purpose of setting any of the amounts payable by the Client to the licensed corporation
- 4.7 The Client will be responsible to ARISTO any losses and expenses resulting from the Client's settlement failures.
- 4.8 ARISTO shall not be under any liability whatsoever to the Client for any loss or damage howsoever suffered or incurred by the Client which arises directly or indirectly from the performance by ARISTO of its obligations under this Agreement unless such loss or damage results proven to be directly caused by ARISTO's gross negligence or willful default.
- 4.9 The Client hereby irrevocably agrees to indemnify and keep indemnified ARISTO and its directors, officers, employees and agents (collectively, the "Indemnified Parties") against any and all actions, claims, liabilities, losses, damages, costs and expenses whatsoever which any Indemnified Party may suffer or incur or which may be instituted against any Indemnified Party, arising out of any act or omission of any Indemnified Party or otherwise in connection with this Agreement (unless due to the proven gross negligence or willful default of such Indemnified Party) or arising out of or otherwise connected with the breach by the Client of any of his obligations hereunder.
- 4.10 ARISTO may, in its reasonable discretion, delegate the performance of all or any part of its obligations hereunder to any affiliate of ARISTO and/or any other third party. ARISTO is hereby authorized to disclose such information of the

Client to such third parties as ARISTO thinks fits for the purpose of such delegation. All reasonable expenses incurred by ARISTO and such third parties in connection with such delegation shall be for the account of the Client and may be deducted from the Cash Account at any time without prior notice to the Client.

- 4.11 The Client will pay interest on all overdue interest and all overdue balance owing to ARISTO (after as well as before any judgment), at such rate(s) as demanded by ARISTO and be charged from the due date. Such interest shall be payable on the last day of each calendar month or upon any demand being made by ARISTO, whichever is earlier.
- 4.12 In the case of a purchase Transaction, if the selling broker fails to deliver on the settlement date and ARISTO have to purchase securities to settle the Transaction, the Client shall not be responsible to ARISTO for the costs of such purchase.
- 4.13 The Client expressly acknowledges and agrees that ARISTO is not obliged to make or imply any representation or warranty as to the value, merit or suitability for the Client of any securities purchased by the Client.
- 4.14 The Client may from time to time instruct ARISTO to effect Transactions in securities for the Account, and ARISTO shall be entitled but not bound to act on such instructions.
- 4.15 The Client authorizes ARISTO to instruct overseas brokers and dealers to execute Transactions in overseas securities, and acknowledges that the terms and rules of business of such overseas brokers and dealers shall apply to such Transactions.
- 4.16 Unless otherwise specifically agreed between ARISTO and the Client, all instructions given by the Client for sale or purchase of Securities shall only be valid for the day for which such instructions are given and any instruction which remain unexecuted at the end of the official trading day of the relevant exchange for whatever reason beyond the reasonable control or anticipation of ARISTO shall be deemed to have been cancelled automatically.

## **5. SAFEKEEPING OF SECURITIES**

- 5.1 Any securities which are held by ARISTO for safekeeping may, at ARISTO's Discretion:
  - (in the case of registrable securities) be registered in the Client's name or in the name of ARISTO's nominee ; or
  - be deposited in safe custody in a designated account with ARISTO's authorized financial institutions or with any other institution which provides facilities for the safe custody of documents. In the case of securities in Hong Kong, such institution shall be acceptable to the SFC as a provider of safe custody services.
- 5.2 Where securities are not registered in the Client's name, any dividends or other benefits arising in respect of such securities shall, when received by ARISTO, be credited to the Client's Account or paid or transferred to the Client, as agreed with ARISTO. Where the securities form part of a larger holding of identical securities held for ARISTO'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.
- 5.3 ARISTO confirms that it do not have the Client's written authority under Securities and Futures (Client Securities Rule) to:
  - deposit any of the Client's securities with a banking institution as collateral for an advance or loan made to ARISTO, or with the Clearing House as collateral for the discharge of ARISTO's obligations under the clearing system ;
  - borrow or lend any of the Client's Securities ; or
  - otherwise part with possession (except to the Client or on the Client's instructions) of any of the Client's securities for any purpose.

## **6. CASH HELD FOR THE CLIENT**

- 6.1 Any cash held for the Client, other than cash received by ARISTO in respect of Transactions 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 as required by applicable laws from time to time.
- 6.2 Client agrees that ARISTO will be entitled to receive for Client's account benefit all sum derived by way of interest from the payment into and retention of
  - All amounts in any trust account and

- All amounts received for or on account of the Client for the purchase of securities in any trust account maintained by ARISTO under Section 149 of Securities and Futures Ordinance.

Client hereby expressly waives all rights, claim and entitlements to such interest.

- 6.3 ARISTO may, at any time by written notice give to the Client notwithstanding any settlement of account for other matter whatsoever, set-off or transfer any sum standing to the credit of any one or more of Client accounts including the Cash Account with ARISTO or any of its branch towards satisfaction of any of the Client's indebtedness, obligations or liabilities to ARISTO pursuant to this Agreement or in any other respect whatsoever, whether such indebtedness, obligations or liabilities be present or future, actual or contingent, primary or collateral, several or joint and secured or unsecured. Where any such set-off, consolidation, combination or transfer requires the conversion of one currency into another, such conversion shall be calculated at the rate of exchange conclusively determined by ARISTO to be applicable.

## **7. CLIENT IDENTIFY RULE**

If the Client effect transaction for the account of his Clients, whether on a discretionary or non-discretionary basis, and whether as agent or by entering into matching transactions as principal with his Clients, the Client hereby agrees that, in relation to a transaction where ARISTO has received an enquiry from the Exchange and/or the SFC ("The Regulators"), the following provisions shall apply.

- 7.1 Subject to as provided below, the Client shall, immediately upon request by ARISTO (which request shall include the relevant contact details of the Regulators), inform the Regulators of the identity, address, occupation and contact details of his Client for whose account the transaction was effected and (so far as known to the Client) of the person with the ultimate beneficial interest in the transaction. The Client shall also inform the 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.
- 7.2 If the Client effected the transaction for a collective investment scheme, discretionary account or discretionary trust, the Client shall, immediately upon request by ARISTO (which request shall include the relevant contact details of the Regulators), inform the Regulators of the identity, address and contact details of the scheme, account or trust and, if applicable, the identity, address, occupation and contact details of the person who, on behalf of the scheme, account or trust, instructed the Client to effect the transaction.
- 7.3 If the Client effected the transaction for a collective investment scheme, discretionary account or discretionary trust, the Client shall, as soon as practicable, inform ARISTO when the Client's discretion to invest on behalf of the scheme, account or trust has been overridden. In the case where the Client's investment discretion has been overridden, the Client shall, immediately upon request by ARISTO (which request shall include the relevant contact details of the Regulators), inform the Regulators of the identity, address, occupation and contact details of the person(s) who has or have given the instruction in relation to the transaction.
- 7.4 If the Client is aware of 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 him to obtain the information set out in paragraph (7.1), (7.2) and/or (7.3) above from his Client immediately upon request or procure that it be so obtained ; and
  - (b) the Client will, upon request from ARISTO in relation to a transaction, promptly request the information set out in paragraph (7.1), (7.2) and/or (7.3) above from his Client on whose instructions the transaction was effected, and provide the information to the Regulators as soon as received from his Client or procure that it be so provided.

## **8. SALE OF OR RECOMMEND FINANCIAL PRODUCT**

If ARISTO solicit the sale of or recommend any financial product to the Client, the \*financial product must be reasonably suitable for the Client having regard to the Client's financial situation, investment experience and investment objectives. No other provision of this agreement or any other document ARISTO may ask the Client to sign and no statement ARISTO may ask the Client to make derogate from this clause.

\* "Financial product" refers to any securities, futures contracts or leveraged foreign exchange contracts as defined under the Securities and Futures Ordinance .

## 9. GENERAL

- 9.1 All securities held for the Client's Account shall be subject to a general lien in ARISTO's favour, for the performance of the Client's obligations to ARISTO arising in respect of dealing in securities for the Client.
- 9.2 If ARISTO fails to meet ARISTO's obligations to the Client under this Agreement, the Client shall have a right to claim under Compensation Fund established under the Securities and Futures Ordinance, subject to the terms of the Compensation Fund from time to time.
- 9.3 ARISTO will notify the Client of material changes in respect of its business which may affect the services ARISTO provided to the Client.
- 9.4 ARISTO may amend the terms of this Agreement by giving the Client not less than twenty-one days prior notice of the change in writing. The Client is hereby reminded of his right to terminate this Agreement under Clause 9.5.
- 9.5 This Agreement shall continue in force unless either party hereto notifies the other party hereto by not less than one week's prior written notice of its intention to terminate this Agreement.
- 9.6 All notice or communication to the Client shall be sent, at the Client's risk, to the Client's address on the Account Opening Form, or such other address as the Client shall notify in writing from time to time and by such means as ARISTO shall reasonably determine. All such communications shall be deemed effective on the date two days (if local) or seven days (if international) after dispatch.
- 9.7 The Client acknowledges that telephone calls between the Client and ARISTO may be taped and that the tape may be used in evidence of the contents of the call.
- 9.8 ARISTO is subject to the Hong Kong Personal Data (Privacy) Ordinance, which regulates the use of personal data concerning individuals. An individual Client is entitled, by written request to ARISTO, to assess the personal data held about him/her and, if applicable, to correct any inaccuracies in that area.
- 9.9 Where the Client comprises more than one person, the agreements and liabilities of such person therein contained or implied are joint and several and, as the content may require, words and phrases herein denoting the singular include the plural. Any notice hereunder to any one such person shall be deemed effective notice to all such persons.
- 9.10 Joint Signatories
- (a) Where this Agreement is signed by or on behalf of a firm or otherwise by or on behalf of more than one person, any liability arising hereunder shall be deemed to be the joint and several liabilities of the partners in the firm or of such persons as aforesaid.
  - (b) If this Agreement is signed by or on behalf of more than one person (such persons being hereinafter referred to as the "Original Signatories") and any one or more of the Original Signatories is not bound by this Agreement (whether by reason of his or their lack of capacity or improper execution of this Agreement or for any other reason whatever), the remaining Original Signatory or Signatories shall continue to be bound by this Agreement as if such other Original Signatory or Signatories had never been a party hereto.
  - (c) Where this Agreement is signed by or on behalf of more than one person, on the death of any such person the interest of the deceased in any of the securities in the Account held by ARISTO, the Client's agents or nominees will automatically ensure to the benefit of the survivors.
- 9.11 Force Majeure
- ARISTO shall not be liable for any losses in respect of the Account or, for any failure to comply with ARISTO obligations contemplated by this Agreement arising from or otherwise resulting directly or indirectly from any government restriction, exchange ruling, suspension of trading, war, strike, national disaster or any other event or circumstances beyond ARISTO control.
- 9.12 This Agreement is governed by, and may be enforced in accordance with, the laws of the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong").
- 9.13 The Client confirms that he/they has/have read the English or Chinese version of this Agreement and that the contents of this Agreement have been fully explained to him/them in a language which he/they understands, and that the Client

accepts this Agreement. In the event of any conflict between any provisions of the English version and the Chinese version of the Agreement, the English version prevails.

9.14 For inactive account, ARISTO reserves the rights to charge a maintenance fee as may be prescribed by ARISTO from time to time.



# SECURITIES MARGIN TRADING AGREEMENT

THIS AGREEMENT is made on the date stated in the Account Opening Form, BETWEEN:

- (1) **ARISTO SECURITIES LIMITED** (the “Company”) who registered with the Securities and Futures Commission (“SFC”) as Securities Dealer (CE NO.: BDH167) and an Exchange Participant of The Stock Exchange of Hong Kong Limited (the “Exchange”), whose principal office is located at ROOM 101, 1ST FLOOR, ON HONG COMMERCIAL BUILDING, 145 HENNESSY ROAD, WANCHAI, HONG KONG; and
- (2) (the “Client”), whose address and details are set out in the Account Opening Information Form.

## WHEREAS:

- (1) When a stockbroker provides a customer with credit facilities in respect of transactions in securities effected by the stockbroker on behalf of the customer, the account which the stockbroker establishes with the customer to record such transactions is said to be a margin securities trading account (“margin account”);
- (2) The Client is desirous of opening one or more margin accounts with the Company for the purpose of trading in securities; and
- (3) The Company agrees to open and maintain such margin account(s) and acts as an agent for the Client in the purchases and sales of securities subject to the terms and conditions of this Agreement.

**This Agreement sets out the terms and conditions to which the Client shall be subject upon the Client opening a margin account with the Company in relation to transactions carried out in connection therewith. NOW IT IS HEREBY AGREED as follows:-**

## 1. THE ACCOUNT

- 1.1 The Company will keep information relating to the Account confidential, but may provide any such information to the Exchange and the SFC to comply with their requirements or requests for information.
- 1.2 The information contained in the Account Opening Form or otherwise supplied by or on behalf of the Client to the Company in connection with the opening of account is complete, true and correct. The Company is entitled to rely on such information until written notice from the Client of any changes therein has been received.
- 1.3 The Client authorises the Company to conduct a personal credit enquiry or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client.
- 1.4 Where the Client is an individual, the Company is subject to the Hong Kong Personal Data (Privacy) Ordinance which regulates the use of personal data concerning individuals. The Company’s policies and practices relating to personal data are set out in Appendix to this Agreement and the Client acknowledges that he/she fully understands and accepts the provisions in Appendix.

## 2. LAWS AND RULES

- 2.1 All transactions in securities which the Company effects on the Client’s instructions (“Transactions”) shall be effected in accordance with all laws, rules, regulatory directions, by-laws, customs and usage applying to the Company. This includes the rules of the Exchange and of the Hong Kong Securities Clearing Company Limited (the “Clearing House”). All actions taken by the Company in accordance with such laws, rules and directions shall be binding on the Client.

## 3. TRANSACTIONS

- 3.1 On all Transactions, the Client shall pay Company commissions and charges, as notified to the Client, as well as all applicable levies imposed by the Exchange, or clearing houses, stamp duties, bank charges, transfer fees, interest and nominee or custodian expenses, immediately when due. The Company may deduct such commissions, charges, levies and duties from the Account.
- 3.2 Unless otherwise agreed, the Client agrees that when the Company has executed a purchase or sale transaction on the Client’s behalf, the Client will by the due settlement date make payment to the Company against delivery of or credit to the Client’s account for purchased securities, or make good delivery of sold securities to the Company against payment, as the case may be.

Unless otherwise agreed, the Client agrees that should the Client fails to make such payments or delivery of securities

by the due date as mentioned above, the Company is hereby authorised to:-

- (a) in the case of a purchase transaction, to transfer or sell any such purchased securities to satisfy the Client's obligations to the Company, or
- (b) in the case of a sale transaction, to borrow and/or purchase such sold securities to satisfy the Client's obligations to the Company.

The Client hereby acknowledges that the Client will be responsible to the Company for any loss, costs, fees and expenses in connection with the Client's failure to meet the Client's obligations by due settlement dates as described above.

3.3 In the event that the Company has to obtain securities which the Company has purchased on behalf of the Client, in the open market, following the failure of settling broker to deliver on the settlement date, the Company will be responsible for any difference in price and all incidental expenses in connection with such open market purchase.

3.4 The Client hereby undertakes to inform the Company when a sell order is in respect of securities, which the Client does not own i.e., is a short sale.

#### **4. CREDIT FACILITY**

4.1. The Client shall be granted a credit limit and/or a credit facility at such percentage as may be agreed from time to time of the market value of the collateral maintained with the Company.

4.2. The Client shall on demand (whether verbally or in writing) from the Company make payments of deposits or margins in cash, securities or otherwise in amounts agreed with the Company in such amount and at any time as the Company may determine from time to time at its sole discretion or as may be required by the rules of any Exchange.

4.3. If the Client commits a default in payment on demand of the deposits or margins or any other sums payable to the Company hereunder, on the due date therefore, or otherwise fails to comply with any of the terms herein contained, without prejudice to any other rights the Company may have, the Company shall have the right to close the margin account(s) without notice to the Client and to dispose of any or all securities held for or on behalf of the Client and to apply the proceeds thereof and any cash deposit(s) to pay the Company all outstanding balances owing to the Company. Any monies remaining after such application shall be refunded to the Client.

4.4. The Company has its absolute discretion not to provide credit facility to the Client or even to terminate the credit facility. In particular the Company may terminate the credit facility if any of the following circumstances should arise:-

- (a) the Client is in default of any provisions of this Agreement; or
- (b) the withdrawal or non-renewal of the Client's authorization to the Company as required by Section 7(2) of the Securities and Futures (Client Securities) Rules.

Upon termination of the credit facility, any outstanding indebtedness by the Client shall forthwith be repaid to the Company.

#### **5. INTEREST**

5.1 The Client agree to interest on overdue balances owing by him to the Company (after as well as before any judgment), at such rate(s) as demanded and determined by the Company and be calculated and payable on the last day of each calendar month or upon any demand being made by the Company.

5.2 Any cash held for the Client, other than cash received by the Company in respect of Transactions 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 as required by applicable laws from time to time.

The Company shall pay interest on the credit balance in the Account at such rate and under such conditions as the Company notifies the Client from time to time. The Client acknowledges and agrees that interest rates are subject to fluctuation and are determined by the Company.

## **6. SAFEKEEPING OF SECURITIES**

- 6.1 If in relation to any securities deposited with the Company which are not registered in the Client's name any dividends or other distributions or benefits accrue in respect of such securities, the Client's account with the Company shall be credited (or payment made to the Client as may be agreed) with the proportion of such benefit equal to the proportion of the total number or amount of relative securities which shall comprise securities held on behalf of the Client.
- 6.2 If, in relation to any securities deposited with the Company but which are not registered in the name of the Client, any loss is suffered by the Company there from, the margin account may be debited (or payment made by the Client as may be agreed) with the proportion of such loss equal to the proportion of the total number or amount of relative securities which shall comprise securities held on behalf of the Client.
- 6.3 The Company shall not, without the Client's prior written consent (Authorization Letter for Client Securities - Margin Account), deposit any of the Client's securities as security for any loans or advances made to the Company, or lend or otherwise part with the possession of any of the Client's securities for any purpose.

## **7. RISK DISCLOSURE STATEMENT**

- 7.1 The Company refers the Client to the Risk Disclosure Statement in Appendix.

## **8. GENERAL**

- 8.1 In the event that the Company commits a default as defined in the Securities and Futures Ordinance and the Client thereby suffers a pecuniary loss, the Client understands that the right to claim under the Compensation Fund established under the Securities and Futures Ordinance will be restricted to the extent provided for therein.
- 8.2 The Client undertakes to indemnify the Company and its officers, employees and agents for any loss, cost, claim, liability or expense arising out of or connected with any breach by the Client of its obligations hereunder including, any costs reasonably and necessarily incurred by the Company in collecting any debts due to the Company or in connection with the closure of the margin account(s).
- 8.3 The Client agrees to notify the Company in writing of any material changes in the information supplied in the Account Opening Information Form. The Company will notify the Client in writing of any material changes in the information contained in this Agreement and/or material changes in respect of the Company's business, which may affect the services the Company provides to the Client. Such material changes will be made by the Company of its sole discretion.
- 8.4 The Client confirms that he/she has read the English/Chinese version of this Agreement and that the contents of this Agreement have been fully explained to him in a language which he understands. The Client hereby agrees and consents to the terms and conditions herein contained.
- 8.5 This Agreement is governed by, and may be enforced in accordance with, the laws of the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong").
- 8.6 In the event of any conflict between any provisions of the English version and the Chinese version of the Agreement, the English version prevails.

## **9. SALE OF OR RECOMMEND FINANCIAL PRODUCT**

- 9.1 If ARISTO solicit the sale of or recommend any financial product to the Client, the \*financial product must be reasonably suitable for the Client having regard to the Client's financial situation, investment experience and investment objectives. No other provision of this agreement or any other document ARISTO may ask the Client to sign and no statement ARISTO may ask the Client to make derogate from this clause.

*\* "Financial product" refers to any securities, futures contracts or leveraged foreign exchange contracts as defined under the Securities and Futures Ordinance*

# **AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT INFORMATION (“AEOI”) COMPLIANCE**

## **1. DISCLOSURE, CONSENT AND WAIVER**

The Client shall provide to ARISTO, their agents or service providers, upon request, any documentation or other information regarding the Client and its beneficial owners that ARISTO, their agents or service providers may require from time to time in connection with their obligations under, and compliance with, applicable laws and regulations including, but not limited to, AEOI. The Client hereby agrees and consents that ARISTO 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 AEOI and/or other applicable law, including disclosures between ARISTO 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, 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 ARISTO and their agents and service providers with AEOI 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 ARISTO 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 ARISTO and their agents and service providers to collect, store, process and disclose his, her or its information as described in this Clause.

## **2. PROVISION OF INFORMATION**

- (a) The Client shall upon request by ARISTO confirm to ARISTO (i) whether the Client is a person who is entitled to receive payments free from any deduction or withholding as required by AEOI (the “AEOI Exempt Person”); and (ii) supply to ARISTO such forms, documentation and other information relating to the Client’s status under AEOI (including its applicable pass thru rate or other information required under the US Treasury Regulations or other official guidance including intergovernmental agreements) as ARISTO reasonably requests for the purposes of that ARISTO’s compliance with AEOI (and the compliance of any of GTJA Group).
- (b) If the Client confirm to ARISTO pursuant to the above that the Client is a AEOI Exempt Party and the Client subsequently becomes aware that the Client is not, or has ceased to be a AEOI Exempt Party, the Client shall notify ARISTO 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 AEOI Exempt Party then the Client will be treated as if the Client is not a AEOI Exempt Party; and
  - (ii) If the Client failed to confirm its applicable pass thru rate then the Client will be treated as if its applicable pass thru rate is 100%, until such time as the Client provide ARISTO the requested confirmation, form, documentation or other information.

## **3. WITHHOLDING OR DEDUCTION**

If ARISTO is required pursuant to AEOI or otherwise by law to withhold or deduct any AEOI 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, ARISTO may deduct such taxes and ARISTO will not be required to increase any payment in respect of which ARISTO 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 ARISTO such additional documentation reasonably requested by ARISTO to determine the amount to deduct and withhold from such payment.

## **MARGIN POLICIES**

### **1. MARGIN CALL POLICY**

When margin ratio of an account reached 120% above, our company will issue a margin call to Client and Client should deposit sufficient fund into the account to lower margin ratio below 100% before the margin call deadline\*. Otherwise, Aristo reserved the rights to sell Client's collateral (securities) without further notice to cover the outstanding balance. So Clients should always be pay attention on the margin level for their own account and should carefully consider whether trading or investment is suitable in light of the Client's own financial position and investment objectives.

*\*Note: Depends on different products and their characteristic, market and trading conditions, the company reserves the right to amend the deadline for fulfilling the margin call from time to time.*

### **2. AUTOMATIC CLOSE POSITIONS**

In the following circumstances,

1. Client failed to deposit sufficient fund to fulfill the margin call and notify us within the specified time limit;  
or
2. Highly volatile in Client's account and/or unstable markets during the margin call period,

Aristo reserved the rights to close partial or all position without issuing any prior notice to Client.

*Note: Depends on different products and their characteristic, market and trading conditions, the company reserves the right to amend the deadline for fulfilling the margin call from time to time.*

### **3. COMMUNICATION METHODS FOR MARGIN CALL/ CLOSE POSITION NOTICE**

Margin call and close position(s) notice will be issued to Client via phone, email, SMS (if applicable) or online trading system to provide details on additional amount of margin required and any other requirements required for the outstanding position(s).

# APPLICATION FOR NEW LISTING OF SECURITIES

## 1 APPLICATION OF THE TERMS

- 1.1 The provisions in these Additional Terms for New Listing of Securities apply only to any Account in respect of which the Client has requested The Broker to apply on the Client's behalf for securities in new issue for listing on SEHK (an "Application") on the terms and conditions of this Agreement.

## 2 TERMS FOR NEW LISTING OF SECURITIES

- 2.1 The Client authorizes The Broker to complete such application form as may be required, and represents and warrants to The Broker that all representations, warranties, confirmations and undertakings on the part of the applicant contained or incorporated in the application form are true and accurate in respect of the Client.

- 2.2 The Client agrees to be bound by the terms of the new issue and in particular, the Client hereby:

- (a) warrants and undertakes that the Application shall be the only application made by the Client or on the Client's behalf for the Client's benefit in respect of the same issue of securities and the Client shall make no other application in that issue;
- (b) authorises The Broker to represent and warrant to SEHK that no other application shall be made or shall be intended to be made by the Client or for the Client's benefit;
- (c) acknowledges that any application made by an unlisted company which does not carry on any business other than dealing in securities and in respect of which the Client exercises statutory control shall be deemed to be an application made for the benefit of the Client; and
- (d) acknowledges that The Broker will rely on the above warranties, undertakings and authorizations in making the Application.

- 2.3 In relation to a bulk application to be made by The Broker on behalf of The Broker, the Client and/or The Broker other Clients, the Client acknowledges and agrees:

- (a) that if such bulk application may be rejected for reasons which are unrelated to the Client, The Broker, in absence of fraud, gross negligence or wilful default, shall not be liable to the Client or any other person in consequence of such rejection; and
- (b) to indemnify The Broker in accordance with below Terms and Conditions if such bulk application is rejected because of any breach of representations and warranties or otherwise arising from factors relating to the Client:
  - (i) The Client agrees to indemnify the Relevant Persons against and hold the Relevant Persons harmless from all expenses, liabilities, claims and demands arising out of the following, in the absence of bad faith or wilful default of or by the Relevant Persons:
    - (a) anything lawfully done or omitted to be done by the Relevant Persons in connection with this Agreement;
    - or
    - (b) any breach by the Client of its obligations under this Agreement.

- 2.4 The Client may at the same time request The Broker to provide a loan to finance the Application (the "Loan"), the following provisions shall apply:

- (a) The Broker has discretion to accept or reject the request for the Loan.
- (b) Upon the acceptance of the request for the Loan, the employee or representative of The Broker will verbally or in writing confirm the terms of the Loan ("Agreed Loan Terms") as agreed between The Broker and the Client, which shall be conclusive and binding on the Client.
- (c) Before the provision of the Loan, the Client shall provide The Broker a deposit, which shall form part of the proceeds

for the Application, in the amount and within the time in accordance with the Agreed Loan Terms.

- (d) Unless contrary to the Agreed Loan Terms:
  - (i) the Loan amount is the total price of the securities (including applicable charges) applied under the Application less the amount of deposit in Clause 2.4(c); and
  - (ii) the Client has no right to repay the Loan, in part or full, before the date of repayment in accordance with the Agreed Loan Terms.
- (e) The interest rate applicable to the Loan shall be determined under the Agreed Loan Terms.
- (f) When The Broker receives any refund in respect of the Application, The Broker has the right, at its discretion, to apply the same or part of it towards the discharge of the Loan including any interest accrued thereon and/or return the same or the remaining balance (if any) to the Client, whether before or after the repayment date in accordance with the Agreed Loan Terms.
- (g) In consideration for The Broker's granting of the Loan to the Client, the Client charges to The Broker by way of first fixed charge as a continuing security for the full repayment of the Loan and the accrued interest thereon, all the securities acquired on behalf of the Client under the Application in respect of which the Loan is provided. The Client has no right to the possession of the aforesaid securities until the full repayment of the Loan (including interest accrued thereon). The Client authorises The Broker to dispose of the aforesaid charged securities without prior notice to the Client for discharge of the liabilities owing to The Broker under the Loan so long as the Loan (including interest thereon) has not been repaid in full.

#### **2.5 RISKS & ISSUES TO PAY ATTENTION FOR INITIAL PUBLIC OFFERING (" IPO") MARGIN FINANCING**

- (a) *During IPO, the stock price can be volatile which will be involving certain risks. Before making any investment decision, the Client should understand the business nature & background of the company. Read the IPO Prospectus and the financial reports. In addition, if oversubscription in the IPO process is lower than expected, investors may be allotted more shares, that required additional fund to be deposited.*
- (b) *Highly recommended to read the IPO Prospectus when considering a subscription.*

## **RISK DISCLOSURE STATEMENT**

The following risk disclosure statements are provided pursuant to the Code of Conduct for Persons Registered with the SFC.

### **1. RISK OF SECURITIES TRADING**

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

### **2. RISK OF TRADING GEM STOCKS**

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

### **3. 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 his dealer and become familiarized with the PP before trading in the PP securities. The Client should be aware that the PP securities are not regulated as primary or secondary listing on the Main Board or the GEM of The SEHK.

### **4. EXCHANGE TRADED FUNDS AND ITS RISK**

- 4.1 Exchange Traded Funds (“ETFs” or individually “ETF”) are typically designed to replicate the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities, ETF managers may use different strategies to achieve this objective, but in general they do not have the discretion to take defensive positions in declining markets. The Client must be prepared to bear the risk of loss and volatility associated with the fluctuation of the underlying indices/assets caused by the influence of political, economic, currency and other risks.
- 4.2 ETF may be traded at a discount or premium to its Net Asset Value (NAV). This price discrepancy is caused by supply and demand of the market. Where the reference index or market that an ETF tracks has restricted access, units in the ETF may not be created or redeemed freely and efficiently. This imbalance in supply and demand may result in the ETF trading at a higher premium or discount to its NAV than may normally be for a traditional ETF with no such restriction. Client who buys an ETF at a premium may not be able to recover the premium from the fund in the event of termination.
- 4.3 Clients trading ETFs with underlying assets not denominated in Hong Kong dollars are exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the ETF price.
- 4.4 Synthetic ETFs invest in over-the-counter derivative issued by counterparties will subject to counterparty risk. The Client may suffer losses equal to the full value of the derivatives issued by the counterparty upon its default. Some synthetic ETF invest in financial derivatives issued by a number of different counterparties in order to diversify the counterparty credit risk concentration. However, the more counterparties an ETF has, the higher the probability of the ETF being affected by a counterparty default. Counterparty risk involved in ETFs will be subject to different replication strategies adopted. Swap-based ETFs are exposed to counterparty risk of the swap dealers and may suffer losses if such dealers default or fail to honor their contractual commitments. Derivative embedded ETFs are subject to counterparty risk of the derivative instruments’ issuers and may suffer losses if such issuers default or fail to honor their contractual commitments. Potential contagion and concentration risks of the derivative issuers should be taken into account (e.g. since derivative issuers are predominantly international financial institutions, the failure of one derivative counterparty of a synthetic ETF may have a “knock-on” effect on other derivative counterparties of the synthetic ETF). Even where collateral is obtained by an ETF, the Client is still subject to the counterparty risk if the collateral provider fails to fulfill its obligations. There is a further risk that when the right against the collateral is exercised, the market value of the collateral could be substantially less than the amount secured resulting in significant loss to the ETF.
- 4.5 There would be disparity between the performance of the ETF (as measured by its NAV) and the performance of the underlying index. Tracking error may arise caused by various factors including, failure of the ETF’s tracking strategy,



the impact of fees and expenses, foreign exchange differences between the base currency or trading currency of an ETF and the currencies of the underlying investments, or corporate actions such as rights and bonus issues by the issuers of the ETF's underlying securities. The performance of the securities underlying the ETF as measured by its NAV may outperform or under-perform the index.

- 4.6 Listing or trading on the Hong Kong Exchanges and Clearing Limited ("HKEX") does not by itself guarantee that a liquid market exists for an ETF. Besides, a higher liquidity risk is involved if an ETF uses financial derivative instruments, including structured notes and swaps, which are not actively traded in the secondary market and whose price transparency is not as easily accessible as physical securities. This may result in a bigger bid and offer spread. Financial derivative instruments also are susceptible to more price fluctuations and higher volatility. Hence, they can be more difficult and costly to unwind early.

## **5. DERIVATIVE PRODUCTS**

- 5.1 Uncollateralised derivative products are not asset backed. In the event of issuer bankrupted, the Client can lose his entire investment. The Client should read the listing documents to determine if a product is uncollateralised.
- 5.2 Derivative products such as derivative warrants and callable bull/bear contracts (CBBCs) are leveraged products and can change in value rapidly according to the gearing ratio relative to the underlying assets. The Client should be aware that the value of a derivative product may fall to zero resulting in a total loss of the initial investment.
- 5.3 Derivative products such as derivative warrants have an expiry date after which the derivatives may become worthless. The Client should be aware of the expiry time and choose a product with an appropriate duration to suit for their investment strategy.
- 5.4 The price of a derivative product may not match its theoretical price due to outside influences such as market supply and demand factors. As a result, actual traded prices can be higher or lower than the theoretical price.
- 5.5 Clients trading derivative products with underlying assets not denominated in Hong Kong dollars are also exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the Derivative product price.
- 5.6 HKEX requires all derivative product issuers to appoint a liquidity provider for each individual issue. The role of liquidity providers is to provide two way quotes to facilitate trading of their products. In the event that a liquidity provider defaults or ceases to fulfill its role, the Client may not be able to buy or sell the product until a new liquidity provider has been assigned.
- 5.7 If all conditions remain unchanged, the value of a derivative warrant will decay over time as its approaches its expiry date. Derivative warrants should therefore not be viewed as long term investments. Prices of derivative warrants can increase or decrease in line with the implied volatility of underlying asset price.
- 5.8 Clients trading CBBCs should be aware of their intraday "knockout" or mandatory call feature. CBBC will cease trading when the underlying asset value equals the mandatory call price/level as stated in the listing documents. The Client will only be entitled to the residual value of the terminated CBBC as calculated by the product issuer in accordance with the listing documents. The Client should also note that the residual value can be zero. Once the CBBC is called, even though the price of the underlying asset bounces back, such CBBC will not be listed in the market for trading and the Client will not be able to profit from the bounce-back.
- 5.9 The issue price of a CBBC includes funding costs. Funding costs are gradually reduced over time as the CBBC moves towards expiry. The longer the duration of the CBBC, the higher the total funding costs. In the event that a CBBC is called, the Client will lose the funding costs for the entire lifespan of the CBBC.
- 5.10 Derivative Products are imbedded with options. Transactions in options carry a high degree of risk. The risk of loss in trading options can be substantial. The Client should have prior knowledge of, or experience in option markets. The Client should therefore carefully consider whether such trading is suitable in the light of his own financial position and investment objectives.

## **6. DERIVATIVE PRODUCTS: GENERAL RISK DISCLOSURE STATEMENT**

- 6.1 In the event that a derivative product issuer becomes insolvent and/or defaults, the Client will be considered as unsecured and will have no preferential claims to any assets held by the issuer. The Client should therefore pay special attention to the financial strength and credit worthiness of the issuer.
- 6.2 The market price of derivative product is also affected by the same investment risks that affect the stock market, such as movements in domestic and international markets, the present and anticipated economic environment, investor sentiment, interest rates and fluctuation. An ETF may be exposed to the economic, political, currency, legal and other risks of specific sector or market or the index that ETF is seeking to replicate.
- 6.3 The Client acknowledges that this risk disclosure statement does not purport to disclose all the risks and other significant aspects of derivative product. The Client should conduct his own research on the derivative product before any investment activities.
- 6.4 The Client understands that he should seek independent professional advice if he is uncertain of or has not understand any aspect of this risk disclosure statement or the nature and risks involved in trading of derivative product.
- 6.5 The Client understands that the signing of this risk disclosure statement is mandatory under the requirement of the SFC. ARISTO may not able to effect instructions to deal in exchange traded derivative product if this statement is not signed and acknowledged by the Client.

## **7. RISK OF TRADING OVER-THE-COUNTER**

The Client should only undertake trading on the over-the-counter ("OTC") trading facilities provided by ARISTO if he understands the nature of such trading and such trading facilities and the extent of his exposure to risks. By trading OTC through ARISTO the Client is exposed to the credit, settlement and other risks of the counterparty to the relevant OTC transactions, including (but not limited to) transactions of Securities before their listing on the Exchange. Settlement of the relevant transactions is not guaranteed and the Client will be responsible for any losses or expenses resulting from his and/or his counterparty's settlement failures.

Trades executed in OTC through ARISTO may be cancelled and void if that particular Securities subsequently fails to list on the Exchange. Furthermore, the Client's order may only be partially executed, or not at all, as a result of the lower liquidity of the OTC market as compared to regular market hours of the Exchange. There may also be greater volatility in OTC market than in regular market hours of the Exchange. The lower liquidity and higher volatility of the OTC market may then result in wider than normal spreads for a particular type of Securities.

The prices of Securities in the OTC market may differ significantly from their opening or traded prices transacted during the regular market hours upon the listing of the Securities on the Exchange. The prices displayed in OTC market may not reflect the prices in other concurrently operating automated trading systems dealing in the same Securities. News announcements made by the issuers may affect the price of their Securities after regular market hours. Similarly, important financial information is often announced outside regular market hours. These announcements may occur during trading and may cause an exaggerated and unsustainable effect on the price of a particular type of Securities.

In particular, OTC market is not regulated by the Exchange and will not be covered by the Investor Compensation Fund until the relevant transaction is properly recorded on the trading system of the Exchange upon the listing of the Securities on the Exchange.

The Client should therefore carefully consider whether such trading is appropriate for him in the light of his experience, risk profile and other relevant circumstances and seek independent professional advice if he is in doubt.

## **8. RISK OF CURRENCY CONVERSION IN THE EVENT THAT THE CLIENT INSTRUCTS THE COMPANY TO EFFECT ANY TRANSACTIONS IN A CURRENCY OTHER THAN HONG KONG DOLLARS**

The Account shall be in Hong Kong dollars or such other currencies as ARISTO may agree from time to time with the Client. In the event that the Client instructs ARISTO to effect any Transactions in a currency other than Hong Kong dollars, any profit or loss arising as a result of fluctuations in the exchange rate of the relevant currencies will be for the account of the Client solely. Any conversion from one currency into another required to be made for performing any action or step taken by ARISTO under this Agreement may be effected by ARISTO in such manner and at such time as it may in its absolute discretion decide. The Client authorizes ARISTO to debit the Client's Account for any expenses incurred in effecting the currency

conversion. ARISTO reserves the right at any time to refuse to accept any Instructions from the Client in relation to currency conversion.

#### **9. RISK 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 jurisdictions which may be different from the Securities and Futures Ordinance (Cap. 571) and the rules made thereunder. Consequently, such my/our assets may not enjoy the same protection as that conferred on Client assets received or held in Hong Kong.

#### **10. RISK ON DEPOSIT AND SECURITIES**

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

#### **11. RISK OF HOLD MAIL**

The Client hereby acknowledges that there may be risk in providing ARISTO with an authority to hold mail or direct his mail to third parties and that it is important for the Client to promptly collect in person all execution reports, daily and/or monthly statements of his account and review them in detail to ensure that any anomalies or mistakes can be detected in a timely manner.

ARISTO should confirm with the Client at least on an annual basis whether that Client wishes to revoke the authority. For the avoidance of doubt, it will be acceptable for ARISTO to send a notification to the Client before the expiry date of the authority and inform the Client that it is automatically renewed unless the Client specifically revokes it in writing before the expiry date.

## 首次公開招股股票 – 暗盤下單條款 (IN CHINESE ONLY)

若客戶要求及授權，雅利多證券可能會(惟沒有義務)在首次公開招股股票(「新股」)於香港聯合交易所(「聯交所」)首日正式上市的交易日期(「上市日」)前接受客戶的買賣新股指令，俗稱暗盤(「暗盤指令」)，惟前提是客戶同意以下的條款及風險。如果客戶不同意以下的條款，或者不完全認識包括但不限於以下所述暗盤指令的風險，雅利多證券建議客戶不應該在上市日之前發出任何買賣新股暗盤指令；如果客戶沒有意欲作出暗盤指令，以下的條款並不適用於客戶已同意的客戶聲明及賬戶協議，倘若客戶向雅利多證券發出賬戶的暗盤指令時，則會被視為接受及同意以下的條款。

客戶同意及明白：

1. 客戶的暗盤指令並非即時通過聯交所進行，而是屬於場外的協議，因此並沒有得到聯交所的保障落實。雅利多證券不會承擔任何有關交收及其他的責任或風險，意指「已執行及成交」的暗盤交易可能因交易對手違約或錯誤等原因而不能完成交易及成交。同時，雅利多證券擁有絕對酌情權在上市日真正通過聯交所成交前取消客戶「已執行及成交」的暗盤交易及指令而不會獲得任何賠償，客戶不可因此而向雅利多證券追討任何損失。客戶亦同意及接受額外的風險，包括但不限於場外進行的協議、交易或「成交」不受香港監管機構所監管，所以客戶的暗盤指令並沒有得到保障。倘若客戶在暗盤交易出錯，場外未必有足夠的交易對手作交易，場外「成交量」亦可能會很少，「以執行及成交」的暗盤交易價格並不一定具有參考價值及可能不能求證，而且可能十分波動，與上市日在聯交所的價格亦可以相差很大。
2. 除非得到雅利多證券同意，客戶不可撤銷或修改客戶的暗盤指令。雅利多證券根據客戶的暗盤指令尋找其他交易對手(可能是多於一個)承接，交易對手確認後所稱的「已執行及成交」，只是指協議完成，此協議及指令縱使不是即時經過聯交所的確認，也是不可被客戶撤銷的。待暗盤交易的所有細節在上市日進入聯交所的自動對盤系統及沒有被拒絕後，暗盤交易的細節才算得到聯交所的確認及完成交易，而交易的結算細則依照聯交所的規定進行。所以暗盤的正式交易日是指新股上市日，而不是此日期之前。如果新股上市日被延遲，交易日亦會因而延遲。雅利多證券有權要求客戶在協議日期前存放所需的股票或資金作交收用途。
3. 客戶作出暗盤指令後必須履行雅利多證券根據指令所「執行及已成交」之暗盤交易，而雅利多證券同時擁有絕對酌情權根據暗盤指令或交易，代客戶在新股上市日通過聯交所與交易對手完成交易及結算。
4. 客戶同意向雅利多證券支付暗盤交易的額外佣金費用，而雅利多證券擁有絕對權利可隨時作出更改此額外的交易佣金。
5. 客戶同意就雅利多證券由於接受或進行暗盤指令或交易而蒙受或招致的任何損失、第三者的訴訟、投訴、索償、相關成本及費用(包法律費用)彌償雅利多證券，使雅利多證券免受此等的損害或損失，並向雅利多證券迅速賠償並支付雅利多證券所要求支付的任何損害或損失。雅利多證券有權修改以上所有的條款而不作另行通知。

## **ADDITIONAL RISK DISCLOSURE STATEMENT – MARGIN ACCOUNT**

### **1. RISK OF MARGIN TRADING**

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

### **2. RISK OF PROVIDING AN AUTHORITY TO REPLEDGE THE CLIENT'S SECURITIES COLLATERAL ETC.**

There is risk if the Client provide the licensed or registered person with an authority that allows it to apply the Client's securities or securities collateral pursuant to a securities borrowing and lending agreement, repledge the Client's securities collateral for financial accommodation or deposit the Client's securities collateral as collateral for the discharge and satisfaction of its settlement obligations and liabilities.

If the Client's securities or securities collateral are received or held by the licensed or registered person in Hong Kong, the above arrangement is allowed only if the Client consent in writing. Moreover, unless the Client are a professional investor, the Client's authority must specify the period for which it is current and be limited to no more than 12 months. If the Client are a professional investor, these restrictions do not apply.

Additionally, the Client's authority may be deemed to be renewed (i.e. without the Client's written consent) if the licensed or registered person issues the Client a reminder at least 14 days prior to the expiry of the authority, and the Client do not object to such deemed renewal before the expiry date of the Client's then existing authority.

The Client are not required by any law to sign an authority. But an authority may be required by licensed or registered persons, for example, to facilitate margin lending to the Client or to allow the Client's securities or securities collateral to be lent to or deposited as collateral with third parties. The licensed or registered person should explain to the Client the purposes for which an authority is to be used.

If the Client sign an authority and the Client's securities or securities collateral are lent to or deposited with third parties, those third parties will have a lien or charge on the Client's securities or securities collateral. Although the licensed or registered person is responsible to the Client for securities or securities lent or deposited under the Client's authority, a default by it could result in the loss of the Client's securities or securities collateral.

A cash account not involving securities borrowing and lending is available from most licensed or registered persons. If the Client do not require margin facilities or do not wish the Client's securities or securities collateral to be lent or pledged, do not sign the above authority and ask to open this type of cash account.

## **DISCLOSURE OF SPECIFIC RISK RELATING TO SHANGHAI-HONG KONG / SHENZHEN-HONG KONG STOCK CONNECT**

### **1. NOT PROTECTED BY INVESTOR COMPENSATION FUND**

The Client should note that any Northbound or Southbound trading under Shanghai-Hong Kong / Shenzhen-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.

### **2. QUOTAS**

Trading under Shanghai and Shenzhen Connect will be subject to a Daily Quota. Northbound trading and Southbound trading are respectively subject to a separate set of Daily Quota, which is monitored by SEHK, SSE and SZSE respectively. The Daily Quota is applied on a "net buy" basis. Based on that principle, investors are always allowed to sell their cross-boundary securities regardless of the quota balance.

The Daily Quota limits the maximum net buy value of cross-boundary trades under each of Shanghai and Shenzhen Connect each day. The Northbound Daily Quota is set at RMB 52 billion for each of Shanghai Connect and Shenzhen Connect, and the Southbound Daily Quota is set at RMB 42 billion for each of Shanghai Connect and Shenzhen Connect.

Daily Quota Balance = Daily Quota – Buy Orders + Sell Trades + Adjustments

The Daily Quota will be reset every day. Unused Daily Quota will NOT be carried over to next day's Daily Quota.

If the Northbound Daily Quota Balance drops to zero or the Daily Quota is exceeded during the opening call auction session, new buy orders will be rejected. However, as order cancellation is common during opening call auction, the Northbound Daily Quota Balance may resume to a positive level before the end of the opening call auction. When that happens, SEHK will again accept Northbound buy orders.

Once the Northbound Daily Quota Balance drops to zero or the Daily Quota is exceeded during a continuous auction session, no further buy orders will be accepted for the remainder of the day. SEHK will resume the Northbound buying service on the following trading day. The same arrangement will be applied to the closing call auction of SZSE. It should be noted that buy orders already accepted will not be affected by the Daily Quota being used up and will remain on the order book of SSE and SZSE respectively unless otherwise cancelled by relevant SEHK Participants.

### **3. SHORT SELLING**

In investing in A-share via the Northbound trading, Hong Kong and overseas investors are prohibited from naked short selling in A-shares. In selling A-shares via the Northbound trading, Hong Kong and overseas investors are not allowed to participate in any securities lending on the Mainland.

### **4. DIFFERENCE IN TRADING DAY AND TRADING HOURS**

The Client should note that, due to differences in public holiday between Hong Kong and Mainland China or other reasons such as bad weather conditions, there may be difference in trading days and trading hours in the two markets. Shanghai-Hong Kong / Shenzhen-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. So it is possible that there are occasions when it is a normal trading day for the Mainland market but Hong Kong investors cannot carry out any A-share trading. The Client should take note of the days and the hours which Shanghai-Hong Kong / Shenzhen-Hong Kong Stock Connect is open for business and decides according to their 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 / Shenzhen-Hong Kong Stock Connect is not trading.

## **5. RESTRICTIONS ON SELLING IMPOSED BY FRONT-END MONITORING**

For Clients who keeps their A-shares outside of Aristo Securities Limited, if they want to sell certain A-shares they hold, they must transfer those A-shares to the respective accounts of Aristo Securities Limited before the market opens on the day of selling (T day). If they fail to meet this deadline, they will not be able to sell those A-shares on T day.

## **6. THE RECALLING OF ELIGIBLE STOCKS AND TRADING RESTRICTIONS**

A stock may be recalled from the scope of eligible stocks for trading via Shanghai-Hong Kong / Shenzhen-Hong Kong Stock Connect for various reasons, and in such event the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Customer. The Client should therefore pay close attention to the list of eligible stocks as provided and renewed from time to time by SSE / SZSE and SEHK. Under Shanghai-Hong Kong / Shenzhen-Hong Kong Stock Connect, the Client will only be allowed to sell A-share but restricted from further buying if: (i) the A-share subsequently ceases to be a constituent stock of the relevant indices; (ii) the A-share is subsequently under "risk alert"; and/or (iii) the corresponding H share of the A-share subsequently ceases to be traded on SEHK. The Client should also note that price fluctuation limit would be applicable to A-shares.

## **7. TRADING COSTS**

In addition to paying trading fees and stamp duties in connection with A-share trading, the Client carrying out Northbound trading via Shanghai-Hong Kong / Shenzhen-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 would be determined by the relevant authorities.

## **8. LOCAL MARKET RULES, FOREIGN SHAREHOLDING RESTRICTIONS AND DISCLOSURE OBLIGATIONS**

Under Shanghai-Hong Kong / Shenzhen-Hong Kong Stock Connect, A-shares listed companies and trading of A-share are subject to market rules and disclosure requirements of the A-share market. Any changes in laws, regulations and policies of the A-share market or rules in relation to Shanghai-Hong Kong / Shenzhen-Hong Kong Stock Connect may affect share prices. The Client should also take note of the foreign shareholding restrictions and disclosure obligations applicable to A-shares. The Client will be subject to restrictions on trading (including restriction on retention of proceeds) in A-shares as a result of its interest in the A-shares. The Client is solely responsible for compliance with all notifications, reports and relevant requirements in connection with its interests in A-shares.

According to the Law of the PRC on Securities, when an investor holds or controls up to 5% of the issued shares of a Mainland listed company, the investor is required to report in writing to the CSRC and the relevant exchange, and inform the listed company within three working days. The investor is not allowed to continue purchasing or selling shares in that listed company during the three days.

For such investor, every time when a change in his shareholding reaches 5%, he is required to make disclosure (in the same manner as mentioned above) within three working days. From the day the disclosure obligation arises to two working days after the disclosure is made, the investor may not buy or sell the shares in the relevant Mainland listed company.

If a change in shareholding of the investor is less than 5% but results in the shares held or controlled by him falling below 5% of the relevant Mainland listed company, the investor is required to disclose the information within three working days. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with the Mainland rules. According to existing Mainland practices, Hong Kong and overseas investors as beneficial owners of A-shares traded via Shanghai-Hong Kong / Shenzhen-Hong Kong Stock Connect cannot appoint proxies to attend shareholders' meetings on their behalf.

## **9. CURRENCY RISKS**

Northbound investments in the SSE / SZSE securities will be traded and settled in Renminbi. If the Client holds a local currency other than RMB, the Client will be exposed to currency risk if the Client invests in a RMB product due to the need for the conversion of the local currency into RMB. During the conversion, the Client will also incur currency conversion costs. Even if the price of the RMB asset remains the same when the Client purchases it and when the Client redeems / sells it, the Client will still incur a loss when they convert the redemption / sale proceeds into local currency if RMB has depreciated. The above may not cover all risks related to Shanghai-Hong Kong / Shenzhen-Hong Kong Stock Connect and any above mentioned laws, rules and regulations are subject to change.

## PERSONAL INFORMATION COLLECTION STATEMENT CONCERNING NORTHBOUND STOCK CONNECT ORDERS

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

The Client acknowledge and agree that in providing our Stock Connect Northbound Trading Service to the Client, Aristo Securities Limited will be required to:

- (i) tag each of the Client's orders submitted to the China Stock Connect ("CSC") with Broker-to-Client Assigned Number ("BCAN") that is unique to the Client; and
- (ii) provide to the Exchange the Client's assigned BCAN and such identification information ("Client Identification Data" or "CID") relating to the Client as the Exchange may request from time to time under the Rules of the Exchange.

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

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

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

### Consequences of failing to provide Personal Data or Consent

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

**In case of discrepancy between the English version and Chinese version of this statement, the English Version shall prevail.**



## **Hong Kong Investor Identification Regime (HKIDR) and Over-the-counter Securities Transactions Reporting Regime (OTCR) Agreement**

You acknowledge and agree that Aristo Securities Limited (“Aristo”) may collect, store, process, use, disclose and transfer personal data relating to you (including your CID and BCAN(s)) as required for us to provide services to you in relation to securities listed or traded on the Stock Exchange of Hong Kong (“SEHK”) and for complying with the rules and requirements of SEHK and the Securities and Futures Commission (“SFC”) in effect from time to time. Without limiting the foregoing, this includes –

- (a) disclosing and transferring your personal data (including CID and BCAN(s)) to SEHK and/or the SFC in accordance with the rules and requirements of SEHK and the SFC in effect from time to time;
- (b) Allowing SEHK to: (i) collect, store, process and use your personal data (including CID and BCAN(s)) for market surveillance and monitoring purposes and enforcement of the Rules of the Exchange of SEHK; and (ii) disclose and transfer such information to the relevant regulators and law enforcement agencies in Hong Kong (including, but not limited to, the SFC) so as to facilitate the performance of their statutory functions with respect to the Hong Kong financial markets; and (iii) use such information for conducting analysis for the purposes of market oversight; and
- (c) Allowing the SFC to: (i) collect, store, process and use your personal data (including CID and BCAN(s)) for the performance of its statutory functions including monitoring, surveillance and enforcement functions with respect to the Hong Kong financial markets; and (ii) disclose and transfer such information to relevant regulators and law enforcement agencies in Hong Kong in accordance with applicable laws or regulatory requirements.
- (d) Providing BCAN to Hong Kong Securities Clearing Company Limited (“HKSCC”) allowing HKSCC to: (i) retrieve from SEHK (which is allowed to disclose and transfer to HKSCC), process and store your CID and transfer your CID to the issuer’s share registrar to enable HKSCC and/ or the issuer’s share registrar to verify that you have not made any duplicate 3 applications for the relevant share subscription and to facilitate IPO balloting and IPO settlement; and (ii) process and store your CID and transfer your CID to the issuer, the issuer’s share registrar, the SFC, SEHK and any other party involved in the IPO for the purposes of processing your application for the relevant share subscription or any other purpose set out in the IPO issuer’s prospectus.

You also agree that despite any subsequent purported withdrawal of consent by you, your personal data may continue to be stored, processed, used, disclosed or transferred for the above purposes after such purported withdrawal of consent.

Failure to provide us with your personal data or consent as described above may mean that Aristo will not, or will no longer be able to, as the case may be, carry out your trading instructions or provide you with securities related services (other than to sell, transfer out or withdraw your existing holdings of securities, if any).

Note: The terms “BCAN” and “CID” used in this clause shall bear the meanings as defined in paragraph 5.6 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission.

**In case of discrepancy between the English version and Chinese version of this statement, the English Version shall prevail.**

## PERSONAL INFORMATION COLLECTION STATEMENT

This Statement is made by Aristo Securities Limited (“ARISTO”) in accordance with the Personal Data (Privacy) Ordinance of the Hong Kong Special Administrative Region (‘the Ordinance’). The Statement is intended to notify customers of why personal data is collected, how it will be used and to whom data access requests are to be addressed.

1. From time to time, it is necessary for customers to supply ARISTO with data in connection with the opening or continuation of accounts and the establishment or continuation of trading or credit facilities or provision of financial, securities, commodities, derivatives, investment, financing, insurance, MPF/ORSO, wealth management, investor education and related services, products and facilities.
2. Failure to supply such data may result in ARISTO being unable to open or continue accounts or establish or continue trading or credit facilities or provide the services, products or facilities mentioned in clause 1 above.
3. It is also the case that data are collected from customers in the ordinary course of the continuation of the business relationship between customers and ARISTO.
4. The purposes for which data relating to customers may be used (whether within or outside Hong Kong) are as follows:
  - (i) the daily operation of the services and facilities provided to customers;
  - (ii) conducting credit checks;
  - (iii) assisting other financial institutions to conduct credit checks;
  - (iv) ensuring ongoing credit worthiness of customers;
  - (v) designing the services, products or facilities mentioned in clause 1 above for customers' use;
  - (vi) marketing the services, products and facilities mentioned in clause 1 above (details of the use or provision of personal data by ARISTO for direct marketing purposes are set out in clause 6 below);
  - (vii) determining the amount of indebtedness owed to or by customers;
  - (viii) collection of amounts outstanding from customers and those providing guarantee or security for customers' obligations;
  - (ix) meeting the requirements to make disclosure under the requirements of any legal and/or regulatory requirements or court orders binding on ARISTO;
  - (x) enabling ARISTO to comply with any applicable industry practices; and
  - (xi) purposes relating to any of the above.

ARISTO may from time to time transfer customers’ data outside of Hong Kong for any of the above purposes.

5. Data held by ARISTO relating to a customer will be kept confidential but ARISTO may provide such data to the following parties (whether within or outside Hong Kong):
  - (i) any agent, contractor or third party service provider who provides administrative, telecommunications, computer, financial, trade execution, cash, securities and/or contracts clearing or settlement or other services to ARISTO in connection with the operation of its business;
  - (ii) any other person under a duty of confidentiality to ARISTO including but not limited to any member of ARISTO Group which has undertaken to keep such information confidential;
  - (iii) any financial institution or dealer with which the customer has or proposes to have dealings;
  - (iv) any credit reference agency and in the event of default, any debt collection agency;
  - (v) any actual or proposed assignee of ARISTO;
  - (vi) any person providing or proposing to provide guarantee or security for customers’ obligations; and
  - (vii) any exchange, entity, agency, regulatory or government body in any jurisdiction if required by law or pursuant to any court orders, rules or regulations to which ARISTO is subject. In such cases, ARISTO is usually under a duty of secrecy and will not be able to notify a customer or seek his/her consent in relation to such release of information.

6. ARISTO may use a customer's personal data in direct marketing with the customer's consent (which includes an indication of no objection) for that purpose. In this connection, please note that:
- (i) the customer's personal data such as the customer's name, telephone number, email address, correspondence address, account number, products and services portfolio information, transaction pattern and behaviour, risk profile, financial background and investment objectives and experience may be used by ARISTO in direct marketing;
  - (ii) the following classes of services, products, facilities and marketing subjects may be marketed:
    - (1) financial, securities, commodities, derivatives, investment, financing, insurance, MPF/ORSO, wealth management, investor education and related services, products and facilities;
    - (2) reward, loyalty or privileges programmes and related services, products and facilities;
    - (3) services, products and facilities offered by business partners of any member of ARISTO Group providing any of the services, products and facilities referred to in clause 6(ii)(1) above; and
    - (4) donations and contributions for charitable and/or non-profit making purposes;
  - (iii) the above services, products, facilities and marketing subjects may be provided or (in the case of donations and contributions) solicited by ARISTO and/or any of the following persons:
    - (1) any member of ARISTO Group;
    - (2) third party financial institutions and providers of any of the services, products and facilities referred to in clause 6(ii)(1) above;
    - (3) third party reward, loyalty, co-branding or privileges programme providers;
    - (4) business partners of any member of ARISTO Group providing any of the services, products and facilities referred to in clause 6(ii)(1) above; and
    - (5) charitable or non-profit making organisations;
  - (iv) ARISTO may, with the customer's written consent (which includes an indication of no objection), also provide the personal data described in clause 6(i) above to any of the persons referred to in clause 6(iii) above for use by any of them in direct marketing of the services, products, facilities and marketing subjects referred to in clause 6(ii) above. ARISTO may so provide the personal data to such persons for direct marketing purposes for gain.

If a customer wishes ARISTO to cease to use and provide his/her personal data to other persons for use in direct marketing, the customer may notify ARISTO in writing by mailing or faxing the written notification to the postal address or fax number provided in clause 10 below. ARISTO shall then cease to use and provide his/her personal data for direct marketing purposes without any charge.

7. There may be instances where customers elect to provide personal information to ARISTO through electronic means (such as Internet or voice recording system). Whilst ARISTO generally uses best endeavors to maintain the security and integrity of its systems, due to many unpredictable traffic or other reasons, electronic communication may not be a reliable medium of communication. Customers should take heed of such weaknesses and communicate personal information through electronic devices with caution.
8. Under and in accordance with the terms of the Ordinance, an individual has the right to:
- (i) check whether ARISTO holds data about him/her and the right of access to such data;
  - (ii) require ARISTO to correct any data relating to him/her which is inaccurate; and
  - (iii) ascertain ARISTO's policies and practices in relation to data and to be informed of the kind of personal data held by ARISTO.
9. In accordance with the terms of the Ordinance, ARISTO has the right to charge a reasonable fee for the processing of any data access request.

10. The person to whom requests for ceasing to use of personal data in direct marketing, access to data, correction of data or information regarding policies and practices and kinds of data held are to be addressed as follows:

The Data Protection Officer

Aristo Securities Limited

Room 101, 1st Floor, On Hong Commercial Building, 145 Hennessy Road, Wanchai, Hong Kong

Tel : (852) 5313 9888

Fax : (852) 3622 1488

11. This Statement may be revised, amended or supplemented from time to time by ARISTO. The most up-to-date statement can be found in ARISTO's website at <http://www.aristo.hk> or available from ARISTO upon written request.

12. In this Statement, all references to "customers" include prospective and existing customers, visitors to ARISTO's website and individuals who participate in promotion, contest or game.

In case of discrepancies between the English and Chinese versions, the English version shall prevail.

# ELECTRONIC SECURITIES TRADING SERVICE AGREEMENT

THIS ELECTRONIC STOCK TRADING SERVICES AGREEMENT (“Agreement”) is made on the date stated in the “Account Opening Form/ Client Account Agreement”, BETWEEN :

- (1) Aristo Securities Limited (CE Number: BDH167) of Room 101, 1st Floor, On Hong Commercial Building, 145 Hennessy Road, Wanchai, Hong Kong. (hereinafter referred to as “ARISTO”); and
- (2) (the “Client”), whose address and details are set out in the “Account Opening Form/ Client Account Agreement”.

## Whereas

In consideration of ARISTO’s agreeing to open an electronic trading account and operating the electronic trading account through the electronic trading services provided by ARISTO, in the Client’s name(s) or on Client’s behalf for the purpose of and in connection with the sale and purchase of securities, Client agrees that the electronic trading account shall be operated in accordance with and subject to the following terms and conditions and to the terms and conditions of the “Securities Cash Trading Agreement” signed between ARISTO and the Client.

## 1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the following terms shall bear the following meanings:

- (a) “Account” means Client’s trading account(s) maintained with ARISTO;
- (b) “Access Code” means together the pin and the login Account No;
- (c) “Account No” means the account number of the trading account opened with ARISTO, used in conjunction with the PIN to gain access to the Electronic Trading Services;
- (d) “Electronic Trading Services” means the mobile phone / touch tone or internet securities trading service and facility provided by ARISTO or other service providers through ARISTO under this Agreement which enables Client to trade securities through ARISTO and give electronic instructions to purchase, sell and otherwise deal with securities through Client’s securities trading account maintained with ARISTO and/or its nominees or agents;
- (e) “GEM Listing Rules” means the Rules Governing the Listing of Securities on the GEM of the Stock Exchange;
- (f) “Hong Kong Exchange and Clearing Limited” means The Stock Exchange of Hong Kong Limited;
- (g) “Instruction” means any instruction for the buying or selling of or otherwise dealing in any securities and any instruction to check the portfolio and fund position in the Account;
- (h) “Listing Rules” means the Rules Governing the Listing of Securities on the Stock Exchange;
- (i) “Password” means Client’s personal identification number, which may be changed by Client at any time, used when instructing ARISTO in the electronic trading services;
- (j) “SMS” means Short Messaging Service messages that are sent to Client by ARISTO or other service providers through ARISTO.

## 2. ELECTRONIC TRADING SERVICES

- 2.1 Client understands that the Electronic Trading Services is a facility operated through mobile phone, touch tone phone, internet or mobile app, which enables Client to send Instructions, and send or receive other information relating to any Instructions.
- 2.2 Client shall be the only authorized user of the Electronic Trading Services under the Account. Client shall be responsible for the confidentiality, use and application of the Password / Access Code. Client acknowledges and agrees that Client shall be solely responsible for all Instructions entered through the Electronic Trading Services using the Password as received by ARISTO and neither ARISTO nor ARISTO’s directors, officers, employees or agents shall have owe any liability to Client, or to any other person whose claim may arise through Client for any claims with respect to the handling or loss of any Instruction.
- 2.3 Client acknowledges that the electronic trading service is proprietary to ARISTO. Client warrants and undertakes that Client shall not, and/or shall not attempt to, tamper with, modify, decompile, reverse, engineer or otherwise alter in any way, and shall not, and/or shall not attempt to gain unauthorized access to, any part of the electronic trading services. Client acknowledges that ARISTO may take legal action against Client, if Client at any time breaches this warranty and undertaking or if ARISTO at any time has reason to suspect that Client has breached the same. Client undertakes to notify ARISTO immediately if Client becomes aware that any of the actions described above in this paragraph is being perpetrated by any other person.

- 2.4 In any event, ARISTO shall not be liable for Client's failure in observing the aforesaid obligations and Client shall fully indemnify ARISTO in respect of any direct or indirect loss or cost of whatsoever nature that ARISTO may suffer or incur as a result thereof. Client acknowledges that ARISTO offers Client two ways of accessing the Account, through the Electronic Trading Services and by telephone. Client agrees that, should Client experience any problems in reaching ARISTO through either method, Client will use the alternative method to communicate with ARISTO and inform ARISTO of the difficulty Client is experiencing.
- 2.5 Client acknowledges that the real-time quote service and the message alert service (to receive message alert when the share prices of such securities as specified by Client reach a preset target price) that may be available through the Electronic Trading Services is provided by a third party appointed by ARISTO from time to time. Client agrees that ARISTO shall not be responsible for any losses Client or any other person may suffer for the failure of sending out the message alert and/or as a result of relying on any real time quote on prices of securities which may be available to Client through the Electronic Trading Services.

### **3. IMPORTANT NOTICE TO CLIENT**

- 3.1 There is no subscription fee/charge (neither monthly nor annually) for using this Electronic Trading Service. However, ARISTO reserves the right to impose subscription fee/charge.
- 3.2 On all transactions, Client agrees to and will pay ARISTO commissions notified to Client, as well as applicable levies imposed by the Stock Exchange, and all applicable stamp duties incurred. ARISTO may deduct such commissions, other charges, levies and duties from the Account.

### **4. INSTRUCTION**

- 4.1 Client shall submit Client's Instructions to ARISTO through the Electronic Trading Service provided by ARISTO. ARISTO shall so far as it considers reasonably practicable sell and/or purchase securities in accordance with those Instructions as received, provided always that ARISTO shall have an absolute discretion to accept or reject any Instructions.
- 4.2 Client understands that each participating securities exchange or association asserts a proprietary interest in all of the market data it furnishes to the parties who disseminate such data. Client also understands Client that no party guarantees the timeliness, sequence, accuracy or completeness of market data or any other market data or any other market information. Neither ARISTO nor any disseminating party shall be liable in any way for any loss or damage arising from or caused by any inaccuracy, error or delay in or omission from any such data, information or message, or the transmission or delivery of the same, non-performance or interruption of any such data, message or information due to any reasonable act of ARISTO or any disseminating party, or the any force majeure event, or any other cause beyond ARISTO's control or the reasonable control of any disseminating party.
- 4.3 Client acknowledges and agrees that ARISTO shall have full discretion not to execute any Instruction, in particular, but not limit to, if (as applicable):
- (a) i. there are insufficient cleared funds in the Account(s); and/or
  - ii. there are insufficient securities in the Account(s);
- for settlement of the relevant Instructions; and/or
- (b) the funds required for the relevant Instruction when aggregated with the funds required for the execution of all other outstanding Instructions render the Account(s) to exceed the day trade limit as agreed between ARISTO and Client.
- 4.4 Client acknowledges and agrees that the Electronic Trading Services may be open to unpredictable transmission congestion and other reasons, an inherently unreliable medium of communication and that such unreliability is beyond ARISTO's control. Client acknowledges that, as a result of such unreliability, there may be delays, technical errors and failure and/or incompleteness in the transmission and receipt of Instructions and other information and that this may result in delays, and/or incompleteness in the execution of Instructions and/or the execution of Instructions at prices different from those prevailing at the time the Instructions were given. Client further acknowledges and agrees that there are risks of misunderstanding or errors or incompleteness in any communication and that such risks shall be absolutely borne by Client. Client acknowledges and agrees that it may not usually be possible to cancel an Instruction after it has been given.

#### 4.5 SMS Order Confirmation Service

- (a) This condition shall apply to Client if Client uses SMS Order Confirmation Service. Each account or service is also subject to general terms and conditions which apply from time to time to such account and service. The terms under this condition shall prevail, if they conflict with the general terms and conditions governing Client's relevant account and service.
- (b) Client agrees to accept information sent by ARISTO to Client's mobile phone and other telecommunications equipment that Client notified and accepted by ARISTO. If Client places his order via telephone trading hotlines designated by ARISTO (not including order initiated through Internet and modified via phone hotlines), and has registered to receive SMS order confirmation, Client will receive notification from ARISTO by SMS when an order has been partially or fully executed on the Exchange.
- (c) The type of order confirmation to be sent through SMS will be determined by ARISTO from time to time.
- (d) Client will obtain and maintain equipment of the type, and a connection with a telecommunications company for the purposes of the SMS. Client is responsible for the cost of Client's equipment and the charges of Client's telecommunications company and any other charges in connection with the SMS. We may restrict the number of equipment that Client registers for the SMS. Different restrictions may apply to different customers.
- (e) Client will promptly notify ARISTO of any change of Client's information on our record including any change of Client's equipment or contact details. Client authorizes ARISTO to provide the SMS according to the information Client provided to ARISTO, until we have received Client's notice of a change. Telecommunications to Client through the SMS will be regarded as having been received by Client when dispatched by ARISTO.
- (f) We may vary the scope or operation of the SMS, the types of information to be sent, and the types of equipment and telecommunications companies to be used, without notice or liability. We may suspend or withdraw the SMS without notice or liability.
- (g) Without prejudice to ARISTO's Personal Information Collection Statement, Client authorizes ARISTO to disclose Client's information to our affiliates, the telecommunications companies and their agents (in or outside Hong Kong) for all purposes connected with the SMS.
- (h) Information provided through the SMS is for Client's reference only, and not evidence of its contents. Formal advices and statements will be sent to Client in accordance with the terms and conditions for the relevant account or service. Meanwhile, information sent through the SMS is not an offer.
- (i) In the absence of willful misconduct, ARISTO is not responsible for any failure or delay in sending any information to Client, or for any error, misdirection, corruption or interception of any information sent through the SMS. ARISTO is not responsible for any event beyond our control including any error, malfunctioning or failure of any software, equipment or system. Telecommunications companies are not our agent. They do not accept any responsibility in relation to the SMS.

#### 5. OTHERS

- 5.1 Client agrees that ARISTO and its directors, officers, employees and agents shall not be liable for any delay or failure to perform any of ARISTO's obligations hereunder or for any losses caused directly or indirectly by any condition or circumstances over which ARISTO, its directors, officers, employees or agents do not have absolute control, including but not limited to government restriction, exchange or market rulings, suspension of trading, failure of electronic or mechanical equipment or communication lines, telephone or other interconnect problems, power supply problem, unauthorized access, theft, war (whether declared or not), severe weather, earthquakes and strikes.
- 5.2 Client agrees and acknowledges that Client shall, independently and without reliance on any information and/or advice as provided by ARISTO, make Client's own judgments and decisions with respect to each transaction. ARISTO shall be under no liability whatsoever in respect of any information or suggestion rendered by any of its directors, officers, employees or agents irrespective of whether or not such suggestion was given at Client's request.
- 5.3 This Agreement may be terminated at any time by not less than one week's prior written notice given by either party to this Agreement provided that this Agreement shall not be deemed to be terminated by Client until ARISTO has advised Client in writing (which notice may not be unreasonably withheld) that ARISTO accepts Client's termination notice on the basis that Client does not have any outstanding balances in the Account or the other accounts with any member of the ARISTO Group. Such notice shall not affect any transaction entered into by ARISTO on Client's behalf prior to ARISTO's receipt of such written notice and shall be without prejudice to any of the rights, powers or duties of ARISTO or Client's prior to such receipt.
- 5.4 This Agreement is governed by, and may be enforced in accordance with the laws of the Special Administrative Region of Hong Kong. ARISTO may amend the terms of this Agreement by giving Client not less than one week prior notice of the change in writing. Client is hereby reminded of Client's right to terminate this Agreement under clause 5.4.

- 5.5 Notices and other communications delivered to Client through the Electronic Trading Services shall be deemed to have been personally delivered to Client when it is sent.
- 5.6 Instructions sent by Client will be treated as a valid and final electronic record by ARISTO upon ARISTO has sent an acknowledgement of receipt of the Instruction to Client.
- 5.7 Client confirms that Client or Client's representative has read the English or Chinese version of this Agreement and the "Securities Cash Trading Agreement" and/or "Securities Margin Trading Agreement" and that the contents of this Agreement and the "Securities Cash Trading Agreement" and/or "Securities Margin Trading Agreement" have been fully explained to Client or Client's representative in a language which Client or Client's representative understand(s), and that Client accepts each of the terms and conditions of this Agreement and the "Securities Cash Trading Agreement" and/or "Securities Margin Trading Agreement". In the event of any conflict between any provisions of the English version and the Chinese version of the Agreement, the English version prevails.

## **6. CLIENT DECLARES**

- 6.1 Client agrees that ARISTO shall not have any liability or responsibility of whatsoever nature in respect of the Electronic Trading Services under any circumstances, unless the aforesaid is directly caused by the gross negligence or willful default of ARISTO, as the case may be, including but without limitation,
- (a) any failure or delay in transmission of information to and/or from Client's telecommunication equipment;
  - (b) any failure or delay in the processing of Client's requests or Instructions and/or the returning of the responses to Client's requests or Instructions executed using the electronic trading services;
  - (c) any error or inaccuracy in such requests, responses, or generally such information or the transmission thereof;
  - (d) any consequences arising from any cause beyond the reasonable control of ARISTO.
- 6.2 Client hereby declares and confirms that Client understands and agrees that, in addition to the terms and conditions applicable to and governing the use of the Electronic Trading Services, it is Client's primary responsibility to immediately contact ARISTO through Client's respective account executive or the hotline of the electronic services by telephone in the event that,
- (a) Client does not receive any response of whatsoever nature to any request or Instruction that Client has executed on any one or more of Client's account(s) maintained with the same using the Electronic Trading Services within the designated time (as shall be specified by ARISTO from time to time) of the execution of such requests or Instructions to confirm the status of the related transactions; or
  - (b) Client has received a confirmation (no matter by means of hard copies, electronic means or verbal confirmation) relating to any Instructions or request not given by Client; or such confirmation being inconsistent with the Instructions and/or request given by Client; or
  - (c) Client becomes aware that the Password has been used by any person except the Client.

In any event, ARISTO shall not be liable for Client's failure in observing the aforesaid obligations and Client shall fully indemnify ARISTO in respect of any direct or indirect loss or cost of whatsoever nature that ARISTO may suffer or incur as a result thereof.

- 6.3 Client understands and acknowledges that ARISTO's records on requests and Instructions actually received and responses actually sent by the same shall be binding, final and conclusive unless and until the contrary is judicially established.
- 6.4 Client hereby declares and represents that the information and representation provided and/or made by Client in this Agreement is true, complete and correct, and that ARISTO is entitled to reply fully on such information and representations for all purposes, unless ARISTO receives notice in writing of any change. ARISTO is authorized at any time to contact anyone, including Client's banks, brokers or any credit agency, for purposes of verifying the information provided in this Agreement. Where Client comprises more than one person, the agreement and liabilities of such persons therein contained or implied are joint and several and, as the content may require, words and phrases herein denoting the singular include the plural. Any notice hereunder to any one such person shall be deemed effective notice to all such persons.
- 6.5 Client understands that there is inherent risk in investing in the financial market; the price of investment instrument may experience upward or downward movements.