

iFAST FINANCIAL (HK) LIMITED
CLIENT AGREEMENT FOR SECURITIES ACCOUNT

The following terms and conditions apply to all securities accounts opened and maintained with iFAST Financial (HK) Limited (CE No. AMY844), a company licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap. 571), and is situated at Suite 1305, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

1. INTERPRETATION

1.1. In this Agreement, the following words and expressions shall have the meanings set out hereunder unless the context otherwise requires: -

"Account" means the securities account of the Customer maintained with IFHK through which such Customer effects the Transactions pursuant to this Agreement or where applicable, the Discretionary Account as defined below;

"Agreement" means this client agreement, including the Account Application Form and the various schedules, appendices attached hereto, as originally executed or thereafter from time to time be amended or supplemented;

"Applicable Laws" means all relevant or applicable statutes, laws, rules, regulations, directives, notices and circulars (whether of governmental bodies or authorities or self-regulatory organisations in relation to which IFHK is a member) applicable in Hong Kong or elsewhere;

"Application Form" means the application form provided by IFHK to the Customer in accordance with its general operating procedures for the application by the Customer to open an Account;

"Brokerage" means a transaction cost which applies to the acquisition or disposal of exchange traded funds or other Securities traded on an exchange, as the case may be, chargeable by the IFHK for the provision of financial service and/or dealing services;

"Business Day" means a day on which IFHK is open for business;

"CIS" means a SFC-licensed representative appointed by IFHK to provide the investment advisory services in Clause 8;

"Codes" shall have the meaning ascribed to it in Clause 10.2;

"Custodian" means a custodian (whether in Hong Kong or otherwise) appointed by IFHK from time to time in respect of any Security subscribed for or purchased by the Customer through the Account;

"Customer", also known as "Client", means any person or persons who hold(s) and operate(s) an Account with IFHK and includes the successors in title or legal representatives, whichever is applicable, of the Customer;

"Dealing Day" means, in respect of any Security, a day on which dealings take place or may be effected in relation to the relevant Security;

"Discretionary Account" means the securities account of the Customer maintained with IFHK, where the Customer has granted a discretionary authority to IFHK to make investment decisions and execute Securities Transactions on behalf of the Customer through the securities account under the Discretionary Portfolio Management Services, and the operation of such account shall be in accordance with the provisions set out in the Supplemental Agreement (Discretionary Portfolio Management Services);

"Discretionary Portfolio Management Services" mean the asset management services provided by IFHK as described in the Supplemental Agreement (Discretionary Portfolio Management Services);

"Electronic Services" shall have the meaning ascribed to it in Clause 10.1;

"Fee Schedule" means the schedule containing the fees and charges as imposed by IFHK on the Customers from time to time as set out in the Fundsupermart.com.hk website;

"Fund" means any unit trust, investment fund, mutual fund or any other collective investment scheme authorised or recognised by the relevant authorities in Hong Kong for offer and distribution to the public in Hong Kong and distributed by or made available through IFHK from time to time;

"IA Services" means the investment advisory services provided by IFHK to the Customer for the provision of investment advices and investment recommendations on any Security which is transacted via the Account by taking into account the Customer's investment objectives, investment experience, financial background and other circumstances as set out in Clause 8;

"IFHK" means iFAST Financial (HK) Limited;

"IFS" means iFAST Securities (HK) Limited;

"Instruction" means any instructions or Orders, including but not limited to purchase and sale of Securities, communicated by the Customer to IFHK in specified means as agreed which may be amended from time to time given prior notice of IFHK;

"Loss" means any and all loss, damage, costs (including cost of funding), charges and expenses of whatsoever nature and howsoever arising, including legal fees on a full indemnity basis;

"Manager" means the manager and/or issuer of any Fund;

"Officer" means any officer or employee of IFHK;

"Order" means any authorisation, request, instruction or order (in whatever form and howsoever sent) given or transmitted to IFHK by the Customer or which IFHK or an Officer reasonably believes to be the authorisation, request, instruction or order of the Customer, and includes any authorisation, request, instruction or order to revoke, ignore or vary any previous authorisation, request, instruction or order;

"Parties" means IFHK and the Customer;

"Person" includes any individual, government, statutory body, business, firm, partnership, corporation or unincorporated body;

"Product Issuer" means the Manager, issuer, provider, secondary market dealer, or market maker of any Security;

"Relevant Regulator" means SEHK, SFC or any other exchanges, governmental or regulatory authority in Hong Kong or any other jurisdictions;

"Security" means debentures, stocks, shares, bonds, notes, rights, warrants, Units in any Fund, certificates of deposit issued by a government, body corporate or unincorporated or international body and includes any derivative instrument (including any warrant, option, transferable subscription right, loan stock and convertible right) in respect of any security;

"SEHK" means The Stock Exchange of Hong Kong Limited including, where the context so requires, its agents, nominees, representatives, officers and employees;

"Service Fee" has the meaning set out in Clause 11.1;

"SFC" means the Securities and Futures Commission of Hong Kong;

"Transaction" means any transaction effected under the Account in respect of any Security and includes applications for, subscription, switching, transferring and redemption of Units in any Security at or through IFHK's website at www.fundsupermart.com.hk or such other medium as IFHK may establish or permit from time to time;

"Unit" means a share or unit in a Security; and

"Upfront Fee" means a fee, charged at the time of purchase. This fee is the sales charge payable to IFHK. It is deducted upfront from the total subscription monies received and the net sum remaining shall be used to subscribe for Units in the relevant Securities.

- 1.2. Any reference to a statutory provision shall include such provision as may from time to time be modified, amended or re-enacted so far as such modification, amendment or re-enactment applies or is capable of applying to any Transaction.

2. SCOPE AND APPLICATION

- 2.1. The terms and conditions herein shall apply to the provision by IFHK to the Customer of all trading facilities and services in respect of all Securities under the Account and/or the Discretionary Account.
- 2.2. IFHK reserves the right to add to, amend or vary any the terms and conditions under this Agreement at any time in its sole and absolute discretion and any additions, amendments or variations (the "Amendments") shall take effect and bind each Customer from such date as IFHK may prescribe provided that IFHK gives prior written notice to the Customer by sending the Amendments to the Customer by post, fax, electronic mail or other means as may be agreed by the Customer.
- 2.3. The Customer acknowledges that Transactions effected by IFHK on the Customer's behalf are subject to the laws, regulations, by-laws, rules, customs, usage, rulings and interpretations and transaction levies of the relevant market, exchange, clearing house or jurisdiction as amended from time to time.

- 2.4. The Customer hereby gives IFHK absolute discretion to effect Transactions. IFHK may act on instructions given electronically which IFHK reasonably believes to have come from the Customer or to have been given on the Customer's behalf. IFHK will not be under any duty to verify the authority of the person(s) giving those instructions. IFHK will act as the execution agent and IFHK does not warrant to the Customer the value, merit or suitability of the Transactions save for the situations described below:
- (i) where the Customer is advised by our CIS via the IA Services set out in Clause 8 below;
 - (ii) where the Transaction involves the purchase of any complex products; or
 - (iii) where the Transaction is executed under the Discretionary Account via the Discretionary Portfolio Management Services.

3. GENERAL CONDITIONS/APPOINTMENT OF CUSTODIAN

- 3.1. The Customer authorises, consents and agrees to the disclosure by IFHK and/or any of its Officers or agents, at any time and from time to time, of any or all information in respect of any particulars of the Customer, the Transactions or the Account to any Person as IFHK may, in its sole and absolute discretion, deem fit, appropriate or necessary, or when such disclosure is made in accordance with Applicable Laws.
- 3.2. The Customer shall not, without the prior written consent of IFHK, assign, charge or encumber any Account or the Customer's rights therein, or create or permit to create, in favour of any Person (other than IFHK) any interest by way of trust or otherwise in any Account. IFHK shall not be required to recognise any Person other than the Customer as having any interest in any Account.
- 3.3. Without prejudice to Clause 3.4 but subject to compliance with Applicable Laws, IFHK may, when necessary and at its sole and absolute discretion, hold all Securities for which the Customer has subscribed or purchased, on behalf of the Customer as custodian. If so instructed by a Customer, IFHK shall also be entitled to place any redemption monies or other monies deposited by such Customer with IFHK in an omnibus account to be held on trust on behalf of such Customer. In acting as a custodian for the Customer, IFHK's sole duty shall be to act as bare trustee in respect of the Securities and cash and to take care of such Securities and cash as it would in respect of similar properties or assets belonging to IFHK. Without prejudice to the preceding, IFHK shall be under no responsibility or obligation to take any action or notify the Customer in respect of any Security and cash unless otherwise instructed by the Customer.
- 3.4. IFHK is hereby irrevocably authorised by the Customer to appoint a Custodian or more than one Custodian (in Hong Kong and/or outside Hong Kong) for any period of time to hold any and/or all of the Securities subscribed for or purchased on behalf of the Customer. As long as IFHK exercises good faith and uses reasonable care in the selection and continued appointment of the Custodian, IFHK shall have no responsibility for or obligation in respect of the performance by the Custodian of any of the duties delegated to it by IFHK in relation to the Account or any Security held by the Custodian on behalf of the Customer.
- 3.5. Where custody services are provided to the Customer either by IFHK or the Custodian, the Customer shall pay to IFHK such fees and other costs, charges and expenses as may be imposed by IFHK in its sole and absolute discretion from time to time in respect of these services provided IFHK gives prior written notice to the Customer by sending the relevant Fee Schedules to the Customer by post, fax, electronic mail or other means as may be agreed by the Customer, and hereby authorises IFHK to debit the Account for all such fees, costs, charges and expenses.
- 3.6. The Customer acknowledges and consents to the fact that any Securities and cash belonging to the Customer held with the Custodian or IFHK may be held with Securities and cash held for other customer of the Custodian or IFHK on an aggregate or omnibus basis (where not prohibited by law). The Customer understands that Securities and cash held on an aggregate or omnibus basis may not be specifically identifiable by separate certificates, other physical documents or equivalent electronic records and that the Customer shall not have any right to any specific Securities or cash held by IFHK or the Custodian but will be entitled, subject to the provisions in this Agreement, to delivery by IFHK or the Custodian of Securities of the same class, denomination and nominal amount and which rank pari passu with those accepted and held by IFHK or the Custodian for the Customer, notwithstanding any corporate actions (mergers or subdivisions, capital re-organisation, etc) which may have occurred. IFHK shall keep and maintain records of the respective Customer's interest in any Securities and cash which have been held on an aggregate or omnibus basis.
- 3.7. IFHK may engage or appoint any Person (who is not an Officer or related to IFHK) to carry out any Order or to exercise any authority granted to IFHK by the Customer whether under this Agreement or otherwise. In making such engagement or appointment, IFHK shall not be liable to the Customer for any Loss suffered or incurred by the Customer as a result of any act or omission of such Person.
- 3.8. The Customer's relationship with IFHK, the operation of the Account and the implementation of all Orders shall be subject at all times to the Applicable Laws. IFHK may take or refrain from taking any action whatsoever, and the Customer shall do all things required by IFHK, in order to procure or ensure compliance with Applicable Laws.
- 3.9. The Customer hereby agrees to ratify and confirm all Transactions and all acts and things done or caused to be done or effected by IFHK and/or the Custodian on the Customer's behalf in relation to the Account or the Securities held

on behalf of the Customer and agrees that such Transactions, acts and/or things done shall also be governed by this Agreement.

- 3.10. The Customer hereby irrevocably appoints IFHK through any of its directors or officers as the attorney of the Customer for each and all of the terms and conditions under this Agreement and authorises such directors or officers of IFHK to sign and execute all documents and perform all acts in the name and on behalf of the Customer in connection therewith, whether in respect of any Transaction relating to the Account or this Agreement or in respect of anything required to give effect and/or substance thereto. For the avoidance of doubt, nothing in this Clause shall impose any obligation on IFHK to take any action or exercise any rights as the Customer's attorney and IFHK shall at all times have the absolute discretion in determining whether or not to exercise any of its powers as the Customer's attorney hereunder.
- 3.11. The Customer agrees that all monies (including any redemption monies or cash placed into the Cash Account or omnibus account maintained with IFHK or the Custodian) and/or Securities and/or all other property of the Customer in IFHK or the Custodian's custody shall be subject to a general lien in favour of IFHK for the discharge of all or any indebtedness and other obligations of the Customer to IFHK. The Customer shall not be entitled to withdraw any monies or withdraw or dispose of such Securities held by IFHK pending the repayment or satisfaction in full to IFHK of any indebtedness or obligation of the Customer to IFHK.
- 3.12. IFHK shall be entitled, without notice to the Customer, to set-off any debts owing by the Customer against any amounts due to the Customer whether the debts are actual or contingent and irrespective of any differences in currency. IFHK shall be entitled to effect such currency conversions and at such rates of exchange as IFHK may in its sole and absolute discretion determine for the purposes of effecting such set-off.
- 3.13. The Customer acknowledges that as a general rule, excess monies of the Customer (unless refunded to the Customer), will be commingled with excess funds from other customers of IFHK in an omnibus trust account and that administratively, it would not be practical or feasible and is economically counter-productive to attempt to allocate the respective interest entitlement (if the trust account is interest-bearing) on an individual basis in view of the constant fluctuations in the value of the collective funds in such trust account. The Customer agrees to waive and relinquish in favour of IFHK any and all entitlements to interest accruing to the Customer's share of funds in such trust account. Where IFHK utilises a bank to deposit Customer's monies, IFHK's sole responsibility to the Customer as regards the utilisation of such bank shall be to exercise reasonable care in the selection of such bank. The Customer will not hold IFHK liable for any wilful action or omission, default, fraud or negligence by the bank.
- 3.14. Whenever the Customer receives any statements of account, contract notes (if applicable), confirmations or notifications in respect of any Order or any document (the "Statement") provided in relation to the Account from IFHK, the Customer agrees that it will inform IFHK of any mistakes or omission or disagreements within seven (7) days from the date of the relevant Statement. If the Customer fails to do so, the Customer is deemed to have agreed to the contents in such Statement and will no longer have the right to dispute the accuracy of the Statement. Nothing in this Clause shall prevent IFHK from unilaterally amending any such Statement for any inaccuracy it detects.
- 3.15. Any instructions (oral or otherwise) purported to be given by any person other than the Customer, need not be acted on by IFHK or the Custodian but IFHK and the Custodian are authorised to act on any and all such instructions which IFHK or the Custodian believes in good faith, or has reasonable ground to believe, to have come from the Customer as soon as such instructions have been received by IFHK or the Custodian without requiring written confirmation thereof. IFHK and the Custodian shall not be liable for any loss, damage, cost, charge and expense incurred by the Customer as a result of IFHK or the Custodian so acting.
- 3.16. IFHK shall have no responsibility or duty to the Customer to investigate, participate in or take any action whatsoever concerning proxies received, attendance at meetings and voting therein.

4. CASH ACCOUNT

- 4.1. A cash account (the "Cash Account") would be opened for the Customer, through which the Customer's investment monies under this Agreement could be transacted.
- 4.2. Unless otherwise instructed by the Customer, IFHK has the discretion to use the Cash Account to: -
 - (a) deposit the redemption proceeds and distribution income from the Customer's investments;
 - (b) pay the relevant Service Fees, the Loss stated in Clause 5.2 and any other fees and charges imposed by IFHK from time to time with the available funds in the Cash Account; and
 - (c) deposit any other monies of the Customer.
- 4.3. For the avoidance of doubt, if at any time the balance in the Cash Account is insufficient to make the required payments in Clause 4.2(b), the Customer irrevocably direct and authorize IFHK where applicable to, without prior notice to the Customer:

- (a) firstly, redeem or transfer out any Security invested by the Customer at the sole discretion of IFHK;
 - (b) secondly, combine or consolidate all or any of the Customer's other accounts with IFHK ("Other Accounts") in the Customer's name, and set-off or transfer any sum standing to the credit of any one or more of the Other Accounts, towards the satisfaction of any outstanding payments. Where such combination, set-off or transfer requires the conversion of one currency into another, such conversion shall be calculated at the spot rate of exchange (as conclusively determined by IFHK) prevailing in such foreign exchange market as IFHK shall determine to be relevant on the date of combination, set-off or transfer. The Customer shall pay any outstanding payments before being able to fully redeem the Securities held in the Account; and
 - (c) thirdly, to settle the outstanding payments by any other means as requested by IFHK where applicable.
- 4.4. The Customer acknowledges that the monies in the Cash Account may be deposited by IFHK where applicable into interest-bearing bank accounts. The interest accrues on a daily basis and IFHK may in its sole and absolute discretion, from time to time, pay a portion of the said interest back to the Customer's Cash Account each month where the portion will be set out clearly in the statement of accounts disseminated to the Customer. IFHK is entitled to retain the residuals of the said interest or in case of negative interest rate is charged, IFHK is entitled to deduct such fee from the cash account on a monthly basis.
- 4.5. IFHK reserves the right to impose minimum values for deposits into and/or withdrawals from the Cash Account. The said minimum values, if applicable, would be updated from time to time on IFHK's website.
- 4.6. IFHK reserves the right to return the balance monies in the Cash Account to the Customer if the balance monies fall below a minimum value to be determined by IFHK.
- 4.7. Client money of IFHK shall be treated and dealt with in compliance with the provisions of the Securities and Futures Ordinance (Cap. 571, laws of Hong Kong) and relevant rules made thereunder and relevant client money from time to time received on the Customer's behalf will be paid into a segregated account for client money maintained in Hong Kong with an authorised financial institution or any other person approved by the SFC, or will be paid into a segregated account for client money maintained overseas, which are subject to relevant rules and regulations on governing the custody of client assets from respective jurisdiction.

5. SECURITIES PROVISIONS

- 5.1. The Customer may instruct IFHK to execute any Transaction by placing an Order with IFHK. Upon the receipt of such Order, IFHK shall execute the Transaction by placing an order with the relevant Manager or Product Issuer. The Order becomes irrevocable immediately after IFHK has executed the Transaction by placing an order with the relevant Manager or Product Issuer. In the case of an Order for the subscription of Units, IFHK shall execute the Transaction by placing the Order with the relevant Manager or Product Issuer: -
- (a) where the subscription is settled by cheque payment, upon the receipt of the Order and cheque. IFHK may, at any time in its sole and absolute discretion, in certain circumstances require the clearance of the cheque before placing the Order; or
 - (b) where the subscription is settled by internet payment, upon the receipt of the Order and payment;
- 5.2. If, in accordance with Clause 5.1 above, IFHK has executed a subscription Transaction before the actual receipt of the necessary application monies and fees, the Customer shall procure that payment in cleared funds should be received by IFHK within such time period specified by IFHK in its sole and absolute discretion from time to time. If payment is not received within the time period specified by IFHK or where there is confirmation of insufficient funds in the Customer's bank account, the subscription may be cancelled forthwith or resold to the Manager or Product Issuer without any liability or responsibility on the part of IFHK, in which event the Customer shall be responsible for any Loss suffered by IFHK resulting from the failure by the Customer to make such payment. IFHK reserves the right to set off the said Loss against the available balance in the Customer's Cash Account.
- 5.3. Orders placed by the Customer with IFHK may be aggregated and consolidated either daily or from time to time by IFHK together with orders placed by IFHK's other customers or any other person whom IFHK deems fit, for the purposes of placement of the orders by IFHK with the relevant Manager or Product Issuer.
- 5.4. Orders (and monies) received by IFHK on any Dealing Day before the relevant cut-off time (as may be specified by IFHK in its sole and absolute discretion) shall be consolidated with other orders (and monies) for placement with the relevant Manager or Product Issuer on the same Dealing Day. Orders (and monies) received after the specified cut-off time shall be deemed to be an Order received by IFHK on the next Dealing Day and shall only be placed with the relevant Manager or Product Issuer on the next Dealing Day.
- 5.5. Where IFHK has placed a consolidated order for the subscription of Units or for the switching of Units with the relevant Manager or Product Issuer, the Manager or Product Issuer will (subject to the Manager or Product Issuer's right to refuse or reject any such order pursuant to the trust deed and/or prospectus of the relevant Fund or Security) issue the relevant Units to and register the Units in the name of the Custodian or the Customer (whichever is applicable). The Units

so issued will be allotted or allocated among the Customer and the other relevant Customers of IFHK in any order or manner as IFHK may in its sole and absolute discretion determine.

- 5.6. Where the Customer gives an Order for the switching of Units, IFHK will subscribe for Units required by the Customer only after the confirmation and completion of the redemption of the relevant existing Units which are being switched.
- 5.7. The Customer acknowledges that any Manager, Fund or Product Issuer which receives the order from IFHK is not obliged to accept the order in part or whole. IFHK shall not be liable or responsible for any action or rejection on the part of any Manager, Fund or Product Issuer in respect of any order. IFHK or the Custodian shall have no responsibility nor liability for ensuring that the relevant Manager, Fund or Product Issuer allots the Units or for any Losses (including any loss of investment opportunity) which the Customer may suffer or incur as a result of any refusal to accept or delay in accepting such order by the Manager, Fund or Product Issuer.
- 5.8. The Customer acknowledges that the issue prices and redemption (realisation) prices are determined by the Manager or the Product Issuer in accordance with the constitutive document of the relevant Security or prescribed procedures on any Dealing Day. Accordingly, any price or value quoted by IFHK to the Customer in respect of any Unit in any Security is not conclusive and is indicative only. The Customer hereby agrees that in placing its Order, it is not relying on any such information provided to it by IFHK and acknowledges that the applicable issue or redemption price in relation to the Customer's Order may be different from the indicated or quoted prices.
- 5.9. The Customer acknowledges that IFHK shall collect and credit any dividend or other benefits arising in respect of Securities to the Account or make payment to the Customer as agreed with the Customer. Where the Securities form part of the holding of identical Securities held for IFHK's clients, the Customer is entitled to the same share of benefits arising from the holding as the Customer's share of the total holding. Where the dividend is distributed either in the form of cash dividend or in other forms, IFHK is authorized to elect and receive on behalf of the Customer the cash dividend in the absence of contrary prior written instruction from the Customer.
- 5.10. IFHK reserves the right to delay or refuse to process, and check or verify the Transaction and/or Order if, in its reasonable opinion, there are grounds for doing so.

6. RISKS

- 6.1. 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.
- 6.2. In relation to investments into Securities, the Customer acknowledges that it has read or will obtain from either IFHK or the relevant Manager, Fund or Product Issuer up-to-date versions of the prospectuses or any materials supplied by the relevant Manager, Fund or Product Issuer that might exist on the date of the Transaction and the date of the Order given by the Customer to IFHK prior to placing any Order with IFHK to subscribe for Units in such Securities. The Customer acknowledges and agrees that IFHK shall bear no liability or responsibility whatsoever to the Customer for any error, misstatement or omission in any Prospectus or report or any other material prepared by or issued by any Manager, Fund, Product Issuer or willful action or omission, default, fraud or negligence by the Manager, Fund or Product Issuer.
- 6.3. Save for the IA Services provided by IFHK under Clause 8 and the Discretionary Portfolio Management Services provided by IFHK under the Discretionary Account, IFHK accepts no responsibility and will bear no liability to the Customer for giving any recommendation or advice to the Customer as to whether to invest or not to invest in any Security, or in connection with the performance of any Fund. The Customer acknowledges the desirability and importance of seeking independent financial or professional advice with respect to any dealings or investments in Securities or investment opportunities. The Customer acknowledges that any dealings or investments under the Account in any such Security is solely and exclusively made by the Customer based on the Customer's own judgment and after the Customer's own independent appraisal and investigation into the risks associated with such dealings or investments have been made.
- 6.4. Customer acknowledges that his/her assets received or held by IFHK outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which are different from the laws of Hong Kong and the rules made thereunder. Consequently such assets may not enjoy the same protection as that conferred on the Customer's assets received or held in Hong Kong.
- 6.5. Internet: -
 - (a) Customer acknowledges that the internet is, due to unpredictable telecommunications traffic congestion and other reasons, an inherently unreliable medium of communication and that such unreliability is beyond the control of IFHK. Customer acknowledges that, as a result of such unreliability, there may be delays in the transmission and receipt of instructions and other information and this may result in delays in the execution of Orders and/or the execution of Orders at prices different from those prevailing at the time the Orders were given. Customer further acknowledges that and agrees that there are risks of misunderstanding or errors in any communication and that such risks shall be absolutely borne by the Customer.

- (b) IFHK shall not be responsible for delays in the transmission, receipt or execution of Orders due to a breakdown or failure of transmission of communication facilities, or to any other cause or causes beyond IFHK's control or anticipation.

- 6.6. The Customer acknowledges and agrees that the returns of any Security, in particular where its investments are denominated in a currency other than its reporting currency, may be affected by exchange rate fluctuations where there is a need to convert from the currency denomination of the investment to another currency
- 6.7. Relevant risks other than the risks stated in Clause 6.1 to 6.6 are included in the 'Risk Disclosure Statement – Securities Account' and 'Risk Disclosure Statement of the relevant Derivative Products' which may from time to time be revised or supplemented. The Customer should refer to the latest version from the website of Fundsupermart.com.hk for reference.

7. REGULAR SAVINGS PLAN

- 7.1. If the Customer at any time apply for and is accepted by IFHK to use the services that enable the Customer to make investments in Regular Savings Plan ("RSP"), the Customer shall be subject to the terms and conditions under this Clause 7.

- 7.2. The minimum RSP investment amounts shall be in accordance with the relevant prospectuses supplied by the relevant Manager (the "RSP Minimum Account Requirements").

- 7.3. The Customer acknowledges and agrees to at all times comply with the RSP Minimum Account Requirements.

7.4. Making Contributions

(a) Monthly Contributions

(A) Direct Debit Authorization ("DDA")

- (i) Contributions under the RSP may be made through DDA from a bank account in the Customer's name held through relevant banks in Hong Kong (the "RSP Bank Account") to the bank account prescribed by IFHK for such contributions. As the set up of the DDA facility for the Customer will take at least 4 to 6 weeks, the Customer may make contributions by cheque or electronic means as determined by IFHK until the DDA facility is set up.
- (ii) The Customer's RSP Bank Account will be debited by IFHK under the DDA four Business Days before each RSP dealing date.
- (iii) If a foreign exchange conversion is required, the Customer's contribution will be converted at market rates provided by such bank or person as IFHK may specify.
- (iv) The Customer's contributions will be invested by IFHK in accordance with the Customer's instructions to invest in one or more Securities nominated by the Customer from time to time.

(B) Cash Account

- (i) Contributions under the RSP may be made through the Customer's Cash Account.
- (ii) The Cash Account will be debited by IFHK on each RSP dealing date.
- (iii) If a foreign exchange conversion is required, the Customer's contribution will be converted at market rates provided by such bank or person as IFHK may specify.
- (iv) The Customer's contributions will be invested by IFHK in accordance with the Customer's instructions to invest in one or more Securities nominated by the Customer from time to time.

(b) Failed Contributions

(A) DDA

The Customer shall ensure that the Customer maintain sufficient funding in the RSP Bank Account to cover the monthly contributions that are debited from it under the DDA. Failed DDA contributions cannot be replaced by any other form of payment and will result in failure to make the relevant investment in accordance with the Customer's instruction.

(B) Cash Account

The Customer shall ensure that the Customer maintain sufficient funding in the Cash Account to cover the monthly contributions. Failed Cash Account contribution cannot be replaced by any other form of payment and will result in failure to make the relevant investment in accordance with the Customer's instruction.

7.5. Changing Contributions and Investment Selections

(a) Amount of Contribution

(A) DDA

If the Customer wishes to change the amount of contributions under the RSP, subject to the RSP Minimum Account Requirements, the Customer may do so provided that a written notice in the

prescribed form is given by the Customer to IFHK at least 7 Business Days before the 5th day of the month from which the change takes effect.

- (B) Cash Account
If the Customer wishes to change the amount of contributions under the RSP, subject to the RSP Minimum Account Requirements, the Customer may do so provided that a written notice in the prescribed form is given by the Customer to IFHK. Change can be made anytime except on the 15th of each month. Any change in RSP instructions received after the 15th of a particular month will only take effect on the next contribution date.

(b) Re-allocation of Investments

- (A) DDA
The Customer may change all or part of the investment selection under the RSP provided that a written notice in the prescribed form is given by the Customer to IFHK at least 7 Business Days before the 5th day of the month from which the change takes effect.

- (B) Cash Account
The Customer may change all or part of the investment selection under the RSP provided that a written notice in the prescribed form is given by the Customer to IFHK. Change can be made anytime except on the 15th of each month. Any change in RSP instructions received after the 15th of a particular month will only take effect on the next contribution date.

7.6. Redeeming Investments

- (a) The Customer may redeem any or all of the investments in Securities under the RSP or terminate the use of the RSP provided that a written notice in the prescribed form is given by the Customer to IFHK. The date of redemption will be the first dealing day for the selected Securities from the date of receipt of the redemption notice by IFHK.
- (b) Proceeds will be released pursuant to the settlement period of the selected Securities. The Customer may redeem part of the investments in a Security through the RSP provided that:
- (i) the Customer instructs IFHK in writing in the prescribed form; and
 - (ii) the remaining balance of the customer's investment in the Security meets: -
 - (A) the minimum investment requirement of the relevant Security; and
 - (B) the RSP Minimum Account Requirements.

7.7. Fees for the RSP

There is no additional fees payable by the Customer to IFHK for setting up and maintaining a regular investment contribution under the RSP. However, the Service Fees as set out in the Fee Schedule shall continue to apply to the Orders.

8. INVESTMENT ADVISORY SERVICES

- 8.1. If the Customer at any time requests and apply for investment advisory services ("IA Services") to be provided by CIS and is accepted by IFHK to provide such IA Services to the Customer, the Customer shall be subject to the terms and conditions under this Clause 8.
- 8.2. The Customer must reserve or make a booking in advance, with IFHK, for the provision of the IA Services. The IA Services will be conducted by CIS either via face to face meetings, telephone, electronic mail or such other means as may be agreed between IFHK and the Customer.
- 8.3. Prior to providing the IA Services, CIS will conduct the "Know Your Customer" ("KYC") procedures to gather and assess the Customer's personal background information which include but not limited to his/her investment objective, financial background, risk tolerance, and knowledge on derivatives in accordance with the Code of Conduct for Persons Licensed by or Registered with the SFC which may be amended by the SFC from time to time. Such KYC findings will be recorded in the prescribed form.
- 8.4. In providing the IA Services, CIS shall endeavour to ensure that any recommendations or advice on investments or Products made to the Customer are suitable and appropriate in light of the Customer's personal circumstances and risk tolerance. CIS shall explain to the Customer on the underlying rationale and risks associated with the relevant investments or Products being recommended and in the event that there is a mismatch between the recommended investments or Products with the Customer's risk tolerance, CIS shall notify the Customer of such mismatch and provide the necessary warnings to the Customer.

- 8.5. CIS shall provide the Customer with the regulatory required product related documents, including but not limited to the offering document, key fact statement and factsheet of the product either via hard copy or electronically.
- 8.6. The Customer is required to sign off and acknowledge his/her consent and acceptance of the findings and recommendations of the CIS in the prescribed form, and a copy of such form will be provided to the Customer.
- 8.7. There is no additional fees payable by the Customer to IFHK for the provision of the IA Services. However, IFHK may, in its sole and absolute discretion, impose such fees from time to time with respect to the IA Services provided IFHK gives prior written notice of the relevant fees and charges by sending the same to the Customer by post, fax, electronic mail or other means as may be decided by IFHK.

9. TRANSACTION LIMITS AND RESTRICTIONS

- 9.1. IFHK may, at any time in its sole and absolute discretion, impose upon the Customer any position or Transaction limits, or any trading or Transaction restrictions. Such limits may include minimum sizes for Transactions, specified times or procedures for communicating Orders to IFHK or otherwise. Such limits may also be set by a regulatory, statutory or such other body as may govern the Transactions. In placing Orders with IFHK, the Customer shall not exceed any limits or breach any restrictions, whether imposed by IFHK or any such body. IFHK shall have the absolute discretion whether to accept and partially execute any such Order to ensure that the relevant limit or restriction imposed is not breached or to entirely reject such Order.
- 9.2. If at any time there is no balance in the Account and Cash Account, the Customer irrevocably authorize IFHK at its sole discretion to close the Account and/or Cash Account and the Customer further consent to settle the outstanding payments (owing to IFHK) according to clause 4.3 above.

10. ELECTRONIC SERVICES

- 10.1. IFHK may, from time to time and at its sole and absolute discretion, provide to the Customer, such computer or telephone services or systems (including but not limited to services or information accessible through IFHK's proprietary software) (the "Electronic Services") for the purposes of placing Orders.
- 10.2. The Customer has the sole responsibility and shall be liable for the security and safe-keeping of the Customer's Account number as well as any and all passwords, identification and other codes issued to the Customer by IFHK or by any certification authority duly recognised by IFHK for the purpose of enabling the Customer to access the Electronic Services and the Account (the "Codes").
- 10.3. The Customer agrees that IFHK shall be entitled to rely on the correct entry of the Codes in order to ascertain whether any Order placed with IFHK is that of the Customer's and to act on that assumption. The Customer shall be fully responsible and liable for any Orders placed with IFHK through the use of the Electronic Services notwithstanding that such Order may have been given by a third party with or without authority to give such instructions or Order on behalf of the Customer.
- 10.4. In utilising the Electronic Services, the Customer agrees not to do anything that will violate, infringe, prejudice or in any way affect IFHK's or any third party's intellectual property rights ("IP Rights") and shall take all necessary measures to preserve and protect these IP Rights. All IP Rights (whether by way of copyright or otherwise) in the information or reports available from or generated by the Electronic Services vest solely in and will remain the exclusive property of IFHK.
- 10.5. IFHK shall not be liable to the Customer for any Loss whatsoever and howsoever caused or arising from the use by the Customer of the Electronic Services, including but not limited to: -
 - (a) the loss or unauthorised use of the Codes;
 - (b) the unauthorised use of or access to the Electronic Services;
 - (c) any delay, fault, failure or loss of access to, or unavailability of the Electronic Services for whatever reason.
- 10.6. In the use of the Electronic Services, the Customer shall not: -
 - (a) reproduce, retransmit, disseminate, sell, distribute, publish, broadcast, circulate, exploit (whether for commercial benefit or otherwise) the information and/or reports obtained from or through the Electronic Services in any manner whatsoever without the express written consent of IFHK and shall not use the information for any wrongful or illegal purpose or in contravention of Applicable Laws;
 - (b) make any additions, modifications, adjustments or alterations to, tamper any part or corrupt any information or services available on or through the Electronic Services;

- (c) permit any equipment or software to be linked to or communicate in any manner or be used in connection with any other service or system whereby any information and/or reports obtained from IFHK may be accessed, used, stored or redistributed by or through such other equipment or software; and
 - (d) use the facilities available under the Electronic Services otherwise than as stipulated under this Agreement or such other directions which may be issued by IFHK from time to time.
- 10.7. In providing the Electronic Services to the Customer, IFHK may in its sole and absolute discretion, from time to time and without notice to the Customer: -
- (a) amend, modify, suspend or terminate the operation of the Electronic Services;
 - (b) suspend or terminate the Customer's access to or use of the Electronic Services; or
 - (c) deactivate the Codes, and shall not be liable to the Customer for any Loss which may be suffered by the Customer consequent upon any of the above actions.
- 10.8. For corporate Accounts, the Customer acknowledges and consents that any Orders placed via the Electronic Services with a single login through the Codes, shall be considered as a valid and binding instruction from the Customer to IFHK, notwithstanding anything mentioned to the contrary in the board resolution of the corporate Customer.
- 10.9. Electronic systems, including but not limited to those use by IFHK, are inherently vulnerable to disruption, delay or failure. Customer must maintain alternative trading arrangements for execution of Customer's orders in the event that the Electronic Services provided by IFHK is unavailable. Customer represents that Customer maintains alternative trading arrangements.

11. FEES AND PAYMENT

- 11.1. The Customer shall promptly pay all of IFHK's fees and/or other charges at such rates and in such manner as IFHK may, in its sole and absolute discretion, impose and stipulate from time to time with respect to the execution of any Transaction or otherwise for the maintenance of the Account or the provision of any service or facility to the Customer in connection with the Account provided IFHK gives prior written notice of the relevant fees and charges by sending the same to the Customer by post, fax, electronic mail or other means as may be agreed by the Customer.
- 11.2. The Customer shall promptly pay to IFHK any outstanding sum on the due date of the relevant Transaction, or upon demand by IFHK as provided for under this Agreement.
- 11.3. IFHK shall be entitled to charge interest on any sum or payment due to IFHK from the Customer at such rate and calculated and/or compounded in such manner as IFHK may, in its sole and absolute discretion, impose and determine from time to time and to debit the Account in respect of the interest due.
- 11.4. All payments from the Customer to IFHK or from IFHK to the Customer shall be settled in the relevant Currency of the Fund or Security ("Fund Currency") whose Units are being subscribed for or redeemed unless otherwise agreed between IFHK and the Customer. In the event that monies accruing to the Account is received by IFHK in a currency other than the Fund Currency, such monies shall be converted to the Fund Currency at such rate of exchange as IFHK may, in its sole and absolute discretion decide, before IFHK credits the Account. Where IFHK and the Customer have agreed that the payments shall be settled in a currency other than the Fund Currency, such payments shall be settled at a rate of exchange as shall be determined by IFHK in its sole and absolute discretion. The Customer shall be fully responsible and liable for any Losses resulting from any currency conversion. If for any reason IFHK cannot effect payment or repayment to the Customer in the Fund Currency, or in the agreed currency between IFHK and the Customer, IFHK may effect payment or repayment in the equivalent of any other currency selected by IFHK based on the applicable rate of exchange at the time the payment or repayment is due.
- 11.5. All payments made by the Customer to IFHK shall be in free and clear funds and free of deductions or withholdings. If the Customer is obliged by law to make such deduction, the Customer shall pay to IFHK such greater amount which after deduction shall ensure that the net amount actually received by IFHK will equal the amount which would have been received by IFHK had no such deduction been required.
- 11.6. The Customer acknowledges that all payments for any subscription Transaction in relation to any Security shall be made payable to "iFAST Nominees (HK) Limited", or such Person as specified by IFHK from time to time.
- 11.7. Any taxes (excluding any tax as mentioned in the Supplemental Agreement on Tax Requirements), duties, disbursements, costs and/or other expenses incurred by IFHK in connection with the Account or otherwise in connection with the Customer shall be borne by the Customer who shall reimburse IFHK for any such said payments made by IFHK on behalf of the Customer. All interest, fees, commissions and other charges of IFHK are exclusive of any goods and services tax or any other applicable sales tax which shall be borne and separately charged to the Customer.

- 11.8. Redemption proceeds received by IFHK will be paid or credited in accordance with this Agreement or the Customer's instructions or otherwise, as required by Applicable Laws, to the Customer's Cash Account. The redemption proceeds will be net of any fees, charges or expenses incurred in connection with the redemption.
- 11.9. The Customer acknowledges that in relation to investments in the Securities, the Manager, Fund and/or Product Issuer would pay monies (by way of commissions, discounts, fees or otherwise) to IFHK in connection with, or in relation to, the issue of Units to or for the Customer, or other dealings in connection with Units in any Security. The Customer agrees that IFHK may retain these monies for its sole benefit and is under no obligation to account to the Customer for such monies.
- 11.10. IFHK may at its full and absolute discretion charge an Upfront Fee on the total subscription monies received for the subscriptions of Units in any of the Securities. The Upfront Fee accrues to IFHK and is deducted upfront from the total subscription monies received and the net sum remaining shall be used to subscribe for Units in the relevant Security. Where an Upfront Fee is charged by IFHK, no other sales charge or initial sales charge may be charged by the Manager or Product Issuer of the relevant Security. Where no Upfront Fee is charged by IFHK, a sales charge or initial sales charge will be charged by the Manager or Product Issuer of the relevant Security. IFHK reserves the right to vary and increase the Upfront Fee from time to time as set out in the Fee Schedule.
- 11.11. The Fee Schedule specifies the fees and charges payable to IFHK by the Customer ("Service Fee"). Unless otherwise specified, no discount of fees and charges may be offered by IFHK to the Customer.
- 11.12. For the avoidance of doubt, if at any time the balance in the Cash Account is insufficient to pay the Service Fees due and payable, the Customer irrevocably direct and authorise IFHK to, without prior notice to the Customer:
- (a) firstly redeem or transfer out any Securities invested by the Customer at the sole discretion of IFHK;
 - (b) secondly, combine or consolidate all or any of the Customers' Accounts with IFHK ("Other Dealing Accounts") in Customers' name, and set-off or transfer any sum standing to the credit of any one or more of the Other Dealing Accounts, towards the satisfaction of any outstanding Service Fees. Where such combination, set-off or transfer requires the conversion of one currency into another, such conversion shall be calculated at the spot rate of exchange (as conclusively determined by IFHK) prevailing in such foreign exchange market as IFHK shall determine to be relevant on the date of the combination, set-off or transfer. The Customer shall pay the Service Fees before he/she fully redeem the investments held in his/her Account; and
 - (c) thirdly, to settle the outstanding Service Fees by any other means as requested by IFHK.
- 11.13. In event of default by product issuer(s), termination and/or merger of Security, IFHK may, in consideration of its obligations to act accordingly as a Custodian, decide to continue charging, or to waive, any relevant fees and charges stipulated in the Fee Schedule. The Customer acknowledges that any such decision shall be made by IFHK at its absolute discretion without prior notice to Customer.

12. BENEFICIARY ACCOUNTS (NOT APPLICABLE TO THE DISCRETIONARY ACCOUNT)

- 12.1. If an Account is opened or maintained in the name of more than one Person or in the name of a partnership: -
- (a) The term "Customer" shall refer to each Person or partner jointly and severally, and the liability of each such Person or partner to IFHK shall be joint and several; and
 - (b) IFHK shall be entitled to debit that Account at any time in respect of any sum howsoever due or owed to IFHK by any of the Persons in whose name the Account is opened or maintained or constituting the Customer.

No Person constituting the Customer shall be discharged, nor shall his liability be affected by, any discharge, release, time, indulgence, concession, waiver or consent given at any time by any one or more of the other such Persons constituting the Customer.

- 12.2. In respect of each Account referred to in Clause 12.1 above, there shall be designated a single Person, who is above 18 years of age, to instruct Orders in respect of such Account (the "Designate") and no Person other than such Designate shall place an Order. The Order of the Designate shall be deemed to be the Order of all the Persons constituting the Customer and any notice or communication addressed and sent by IFHK to the Designate shall be deemed to have been addressed and sent to all the Persons constituting the Customer and where the Designate shall have received or is deemed to have received any such notice or communication, all the Persons constituting the Customer shall be deemed to have received the same. Redemption proceeds received by IFHK or any other payments will be paid or credited into the Customer's Cash Account unless otherwise instructed by the Designate, subject at all times to the Applicable Laws.
- 12.3. The doctrine of survivorship shall apply to any Account opened in the joint names of more than one Person or in the name of a partnership. Accordingly, in the event of the death of such Person or any partner constituting the Customer, the Account shall immediately vest in the surviving Person(s) or partner(s) (as the case may be). If the surviving Person is a minor under law (i.e. below 18 years of age), IFHK shall, subject to Applicable Laws, act on the instructions of the legal guardian of the surviving minor provided the guardian agrees to indemnify IFHK in writing against any losses, damages and legal costs which may be incurred by IFHK as a result of acting on the guardian's instructions. In the absence of evidence to the contrary, IFHK shall regard the surviving minor's natural parents as the legal guardian.

13. CHANGE OF PARTICULARS

- 13.1. The Customer agrees and undertakes to notify IFHK immediately of any change in the particulars of the Customer, or any information relating to any Account or to this Agreement, supplied to IFHK or to update the changes online. IFHK shall at all times be entitled to rely on the records in the Application Form last submitted by the Customer unless any change in the particulars therein have been notified to IFHK or updated online by the Customer. IFHK is not obliged to verify any particulars furnished or updated online by the Customer and IFHK shall not be liable or responsible for any Loss suffered or incurred by the Customer or any other Person by reason of any error or omission in the completion of the Application Form or in the furnishing or online updating of the particulars by the Customer.
- 13.2. IFHK undertakes to notify client of any material change to information contained in this Agreement.

14. MONEY LAUNDERING

- 14.1. The Customer hereby warrants that: -
- (a) the Customer is the underlying principal of the Account;
 - (b) no person other than the Customer has or will have any interest in the Account; and
 - (c) all monies as may be paid to IFHK from time to time shall come from a legitimate (and not illegal) sources.
- 14.2. The Customer agrees to provide all such information and documents as may be necessary to verify the Customer's identity and do all such acts and things as may be necessary to enable IFHK to comply with all applicable anti-money laundering and know-your-customer laws, rules and regulations (whether in Hong Kong or elsewhere), including but without limitation to the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance ("AMLO"). The Customer agrees that IFHK shall not be liable or responsible in anyway whatsoever and shall be held harmless against any Loss arising as a result or in connection with any delay or failure to process any application or transaction if such information and document requested by IFHK have not been promptly provided by the Customer to IFHK.
- 14.3. IFHK shall upon the request of Relevant Regulators disclose the name, beneficiary identity and such other information concerning the Customer as they may request or require. The Customer undertakes to disclose such other information concerning itself to IFHK within the time IFHK specified as may be required for IFHK to comply with the Applicable Laws, rules, regulations and requirements of the Relevant Regulators. The Customer irrevocably authorizes IFHK to make any of such disclosure.

15. AUTHORITY OF PERSONAL REPRESENTATIVES

- 15.1. All acts performed by IFHK prior to receiving written notice of the Customer's death, incapacity of or incapability shall be valid and binding upon the Customer and the Customer's successors in title.
- 15.2. In the event of the Customer's death, IFHK shall be absolutely protected in acting under this Agreement until IFHK receives actual notice of death from the legal personal representatives or executors of the Customer. The legal personal representatives or executors will be recognised by IFHK as having the sole authority to act under this Agreement on behalf of the deceased Customer.

16. GENERAL INDEMNITY

- 16.1. In addition and without prejudice to any other right or remedy of IFHK (at law or otherwise) the Customer shall indemnify and hold IFHK harmless from and against any and all Loss suffered or incurred by IFHK as a result of: -
- (a) any failure by the Customer to comply with the terms and conditions under this Agreement;
 - (b) IFHK acting in accordance with the Orders or in any manner permitted under this Agreement;
 - (c) any change in any Applicable Laws; and/or
 - (d) any act or thing done or caused to be done by IFHK in connection with or referable to this Agreement or any Account or the instructions of the Customer.

The Customer's obligation to indemnify IFHK shall survive the termination of the Account, this Agreement or the Electronic Services.

17. GENERAL EXCLUSION AND LIMITATION OF LIABILITY

- 17.1. In addition and without prejudice to any other right or remedy which may be available (whether under this Agreement or under Applicable Laws), and in the absence of fraud on the part of IFHK, neither IFHK nor the Custodian nor their respective officers, servants, agents or employees shall be liable to the Customer in any respect for any Loss suffered by the Customer, including but not limited to any Loss arising out of any of the following: -
- (a) any reliance by the Customer on any information and/or reports which are incomplete, inaccurate, corrupted, untrue or out-of-date, notwithstanding that such information and/or reports may or may not have been customised for the use of the Customer, where such information and/or reports have been prepared, compiled or produced by any Manager or any third party, received by IFHK in good faith and forwarded to the Customer by IFHK or made available through the Electronic Services;
 - (b) any loss or unauthorised use of the Electronic Services or delay in the transmission or wrongful interception of any Order or contract through any equipment or system, including any equipment or system owned and/or operated by or behalf of IFHK;
 - (c) any delay, fault, failure or loss of access to or unavailability of the Electronic Services for whatever reason;
 - (d) any delay, failure or omission in the execution of the Orders of the Customer due to any reason beyond the control of IFHK
 - (e) any act or failure to act, in IFHK's discretion, on relaying, processing, checking or verification of a Transaction and/or Order. Notwithstanding the aforesaid, the aggregate liability of IFHK for any loss or damage arising from a delay or failure in processing, checking or verifying a Transaction and/or Order is limited to the direct loss or damage suffered by the Customer as a result of a movement in the market price of the relevant Security, up to a maximum of USD10,000 per Transaction and/or Order.

The Customer's obligation to indemnify IFHK shall survive the termination of the Account, this Agreement or the Electronic Services.

- 17.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, IFHK shall not in any event be liable to the Customer for any indirect or consequential loss, or for punitive damages.

18. TERMINATION

- 18.1. Either Party may terminate the Account by giving the other 7 Business Days' written notice.
- 18.2. Termination of the Account shall in no way prejudice or affect any rights IFHK may have against the Customer under this Agreement or under Applicable Laws.
- 18.3. Notwithstanding Clause 18.1 above, IFHK shall be entitled to terminate or suspend the Account, immediately and without notice to the Customer, on the happening of any of the following events: -
- (a) the Customer fails to comply with any of its obligations hereunder or under any Account or Transaction;
 - (b) an encumbrancer takes possession or a receiver or receiver and manager is appointed over any of the property or assets of the Customer;
 - (c) the Customer makes any voluntary arrangement with its creditors or becomes subject to an administration order;
 - (d) the Customer is the subject of a petition presented or an order made or a resolution passed to wind up the Customer, to place the Customer in bankruptcy, to place the Customer in judicial management or to take any similar or analogous action in respect of the Customer;
 - (e) where applicable, the Customer ceases, or threatens to cease, to carry on business;
 - (f) any of the Customer's representations, warranties or statements hereunder or in the Application Form or in any document delivered pursuant to the Account has not been complied with or is incorrect or incomplete in any respect; or
 - (g) IFHK forms the view, in good faith, that it should take action in order to preserve its rights or interests in relation to any Account or under its relationship with the Customer.
 - (h) where IFHK is unable, at any time or from time to time, to provide or to continue to provide its services as a result of circumstances beyond IFHK's control.
 - (i) the Customer dies or becomes mentally incapacitated.

19. CONSEQUENCES OF TERMINATION

- 19.1. In the event that the Account is terminated by either Party in accordance with Clause 18.1 above, the Customer shall immediately pay to IFHK all monies due from the Customer to IFHK under this Agreement or in connection with the Account or any Transaction effected thereunder.
- 19.2. In the event that the Account is terminated by IFHK pursuant to Clause 18.3 above, and without prejudice to any other right of IFHK hereunder or under Applicable Law, IFHK may (but is not obliged to) immediately or at any time thereafter, do any one or more of the following: -
- (a) suspend (indefinitely or otherwise) or terminate the Account, or IFHK's relationship with the Customer and accelerate any and all liabilities of the Customer to IFHK so that they shall become immediately due and payable;
 - (b) cancel any of the Customer's outstanding Order(s);
 - (c) apply any amounts of whatsoever nature standing to the credit of the Customer against any amounts which the Customer owes to IFHK (of whatsoever nature and howsoever arising, including any contingent amounts), or generally to exercise IFHK's right of set-off against the Customer;
 - (d) exercise its right of sale in respect of any of the Customer's Securities or call upon any security including but not limited to any guarantees and letters of credit which may have been issued to or in favour of IFHK as security for the Account;
 - (e) demand any shortfall after (c) or (d) above from the Customer, hold any excess pending full settlement of any other obligations of the Customer, or pay any excess to the Customer by way of cheque to the last known address of the Customer; and
 - (f) exercise such other authority and powers that may have been conferred upon IFHK by this Agreement.
- 19.3. If, during the process of termination and/or after termination, dividends (in any form not limited to cash, shares or units) or other interests are received by IFHK in respect of the Customer's holdings, IFHK will remit the amount due to the Customer by cheque or to the Customer's nominated bank account, provided that in aggregate it is equal to or more than HKD300. If the cash value or the current market value of such dividends or interests at the time of receipt by IFHK is less than HKD300 or equivalent in other currency, it will be deemed to have been forfeited by the Customer.

20. SOLICITATION AND RECOMMENDATION

- 20.1. If IFHK solicit the sale of or recommend any financial product to the client, the Financial Product must be reasonably suitable for you having regard to your financial situation, investment experience and investment objectives. No other provision of this agreement or any other document we may ask you to sign and no statement we may ask you to make derogates from this clause.
- 20.2. Financial Product in clause 20.1 means any securities, futures contracts or leveraged foreign exchange contracts as defined under the SFO. Regarding "leveraged foreign exchange contracts", it is only applicable to those traded by persons licensed for Type 3 regulated activity.

21. COMMUNICATIONS

- 21.1. The Customer acknowledges and agrees that any communication (including but not limited to the sending of notices, annual and semi-annual reports, performance statements, or confirmation notes or status of Orders (whichever may be applicable for the relevant Security in question)) to the Customer from IFHK may be sent at any electronic mail, facsimile, telex, or postal address of the Customer last known to IFHK. Any such communication shall be deemed to be received by the Customer (a) if given by electronic mail, facsimile or telex transmission at the same time it is dispatched; or (b) if given by post two days after the same has been posted.
- 21.2. Any communications from the Customer to IFHK, whether they be instructions relating to any of the Accounts or otherwise, shall be given in accordance with IFHK's general operating procedures.

22. STANDING AUTHORITY

- 22.1. The client money standing authority covers money held or received by IFHK in Hong Kong and/ or overseas in one or more segregated account(s) on behalf of the Customer ("Monies").
- 22.2. The Customer hereby expressly confirms and authorizes the client money standing authority granted by the Customer to IFHK to:
- (a) Combine or consolidate any or all segregated accounts, of any nature whatsoever and either individually or jointly with others, maintained by IFHK and/or any of its subsidiaries or associated entities from time to time ("iFAST Group") and IFHK may transfer any sum of Monies to and between such segregated account(s) to satisfy Customer's obligations or

liabilities to any member of IFHK, whether such obligations and liabilities are actual, contingent, primary or collateral, secured or unsecured, or joint or several; and

- (b) Transfer any sum of Monies interchangeably between any of the segregated accounts maintained at any time by any member of iFAST Group.

22.3. The Customer hereby expressly confirms and authorizes the client securities standing authority granted by the Customer to IFHK to:

- (a) Apply any of Customer's securities or securities collateral pursuant a securities borrowing and lending agreement;
- (b) Deposit any of Customer's securities collateral with an authorized financial institution as collateral for financial accommodation provided to Customer;
- (c) Deposit any of Customer's securities collateral with Hong Kong Securities Clearing Company Limited ("HKSCC") as collateral for the discharge and satisfaction of its settlement obligations and liabilities. Customer understands that HKSCC will have a first fixed charge over Customer's securities to the extent of IFHK's obligations and liabilities;
- (d) Deposit any of Customer's securities collateral with any other recognized clearing house, or another intermediary licensed or registered for dealing in securities, as collateral for the discharge and satisfaction of Customer's obligations and liabilities;
- (e) Apply or deposit any of Customer's securities collateral in accordance with clause 23.3 (a), (b), (c) and/or (d) above if IFHK provide financial accommodation to Customer in the course of any other regulated activity for which IFHK is licensed or registered.

22.4. IFHK may carry out any or all of the above acts without giving Customer prior notice. Customer acknowledges that this authority shall not affect IFHK's right to dispose or initiate a disposal by IFHK's associated entity of Customer's securities or securities collateral in settlement of any liability owed by or on behalf of Customer to IFHK, the associated entity or a third person.

22.5. Each of the client money standing authority, client securities standing authority or any other standing authorities shall be valid for a term of 12 months from the effective date of this Agreement subject to renewal by the Customer's instruction or deemed renewal under the Securities and Futures (Client Money) Rules or Securities and Futures (Client Securities) Rules or any other relevant statutory provisions (as the case may be).

22.6. Each of the client money standing authority, client securities standing authority or any other standing authorities may be revoked by giving IFHK a written notice addressed to IFHK's address specified in the Account Application Form or such other address which IFHK may notify the Customer in writing from time to time. Such notice shall take effect upon the expiry of 14 calendar days from the date of IFHK's actual receipt.

22.7. The Client understands that each of the client money standing authority, client securities standing authority or any other standing authorities shall be deemed to be renewed on a continuing basis without the Customer's written consent if IFHK issues to the Customer a written notice of renewal at least 14 calendar days prior to the expiry date of the relevant authority, and the Customer does not object to such deemed renewal before such expiry date.

22.8. The Client acknowledges that for any Monies, securities and/ or securities collaterals received or held by the standing authorities outside Hong Kong are subject to relevant rules and regulations on governing the custody of client assets from respective jurisdiction, which may be different from the Securities and Futures (Client Money) Rules or Securities and Futures (Client Securities) Rules. Consequently, client assets held overseas may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

23. INTERPRETATION AND GOVERNING LAW

23.1. This Agreement, any Account, and the relationship between the Customer and IFHK and the rights and obligations stipulated thereunder, shall be governed by and be construed in accordance with the laws of the Hong Kong. The Customer and IFHK submit to the non-exclusive jurisdiction of the courts of Hong Kong.

24. LANGUAGE

- 24.1. In case of any inconsistencies between the English version and the Chinese version of this Agreement, the Application Form or any other document or notice provided by IFHK to the Customer under or in connection with this Agreement, the English version shall prevail to the extent of such inconsistencies.

25. CAPACITY

- 25.1. IFHK is acting as an agent in distributing the investment products offered on the Fundsupermart.com.hk unless IFHK indicates in the transactional documents that it is acting as a principal.

26. INDEPENDENCY

- 26.1. IFHK is not an independent intermediary because IFHK receives fees, commissions, or other monetary benefits from other parties (which may include product issuers) in relation to IFHK's distribution of investment products to the Customers. For details, Customers should refer to IFHK's disclosure on monetary benefits which IFHK is required to deliver to the Customers prior to or at the point of entering into any transaction in investment products; and/ or
- 26.2. IFHK receives non-monetary benefits from other parties, or have close links or other legal or economic relationships with issuers or products that IFHK may distribute to you.

27. ASSIGNMENT AND NOVATION

- 27.1. IFHK may assign and/ or novate its full or partial rights and obligations in relation to any subject of the assignment, transfer and/ or novation of business(es) under the Agreement to any of the members of iFAST Group upon giving prior written notice to the Customer. Customer hereby consents to such assignment or novation. Customer may not assign any of his/ her rights and obligations hereunder without first obtaining the consent of IFHK in writing.

This Agreement is revised or supplemented from time to time. Clients should refer to its latest version on the website of Fundsupermart.com.hk for reference.

iFAST SECURITIES (HK) LIMITED
CLIENT AGREEMENT FOR STOCK BROKERING SERVICE IN SECURITIES ACCOUNT

The following terms and conditions (as may be supplemented from time to time) apply to all securities accounts opened and maintained with iFAST Securities (HK) Limited (CE No. ABQ890), a company licensed to conduct Type 1 (Dealing in Securities) regulated activity under the Securities and Futures Ordinance (Cap. 571) and situated at Suite 1303, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

1 INTERPRETATION

1.1 In this Agreement, the following words and expressions shall have the meanings set out hereunder unless the context otherwise requires:-

"Account" means the cash securities account of the Customer maintained with IFS through which such Customer effects the Transactions pursuant to this Agreement;

"Applicable Laws" means all relevant or applicable statutes, laws, rules, regulations, directives, notices and circulars (whether of governmental bodies or authorities or self-regulatory organisations in relation to which IFS is a member) applicable in Hong Kong or elsewhere;

"Application Form" means the application form provided by IFS to the Customer in accordance with its general operating procedures for the application by the Customer to open an Account;

"Agreement" means this client agreement, including the Account Application Form and the various schedules, appendices attached hereto, as originally executed or thereafter from time to time be amended or supplemented;

"Brokerage" means a transaction cost which applies to the acquisition or disposal of exchange traded funds or other Securities traded on an exchange, as the case may be, chargeable by IFS for the provision of financial service and/or dealing services;

"Business Day" means either a day on which IFS is open for business or any day on which the SEHK opens for trading other than Saturdays, Sundays, public holidays and any other days announced by the SEHK to be non-business days;

"Cash Account" means an account opened for the Customer, being a cash management tool, to offer the Customer greater ease and convenience when transacting. The Cash Account is to be used, to the greatest extent permitted by law or by the relevant regulatory authorities including the SFC, for the purpose of initial or new depositing of investible monies, crediting redemption proceeds, income and interest accruing from time to time to the Customer or any monies which are received by IFS on the Customer's behalf, debiting any relevant fees and charges from time to time imposed on, and due from, the Customer. For the avoidance of doubt, the Cash Account should not be construed or used as a normal banking account where monies are deposited for the purpose of earning interest (if interest is payable) on such monies;

"CCASS" means the Central Clearing and Settlement System operated by HKSCC;

"Clearing House" means HKSCC in relation to SEHK;

"Clearing Rules" means, as the case may be, the general rules, operational procedures and other applicable rules, procedures and regulations of CCASS from time to time in force;

"Client Money Standing Authority" means the Clause 8 in this Agreement (adjust from time to time) authorizes IFS to deal with the client monies by the Customer.

"Client Securities Standing Authority" means the Clause 8 in this Agreement (adjust from time to time) authorizes IFS to deal with the client securities by the Customer.

"Customer", also known as "Client", means any person or persons who hold(s) and operate(s) an Account with IFS and includes the successors in title or legal representatives, whichever is applicable, of the Customer;

"Custodian" means a custodian (whether in Hong Kong or otherwise) appointed by IFS from time to time in respect of any Securities subscribed for or purchased by the Customer through the Account;

"Dealing Day" means, in respect of any Securities, a day on which dealings take place or may be effected in relation to the relevant Securities;

"Electronic Services" shall have the meaning ascribed to it in Clause 10.1;

"ETFs" means exchange traded funds including leveraged and inverse products traded on the securities market of Hong Kong Exchanges and Clearing Limited (HKEx);

"Fee Schedule" means the schedule containing the fees and charges as imposed by IFS on the Customers as may be amended from time to time and communicated with Customers by whatever means of communication as agreed;

"HKSCC" means the Hong Kong Securities Clearing Company Limited including, where the context so requires, its agents, nominees, representatives, officers and employees;

"IFS" means iFAST Securities (HK) Limited;

"Instruction" means any instructions or Orders, including but not limited to purchase and sale of Securities, communicated by the Customer to IFS in specified means as agreed which may be amended from time to time given prior notice of IFS;

"Loss" means any and all loss, damage, costs (including cost of funding), charges and expenses of whatsoever nature and howsoever arising, including legal fees on a full indemnity basis;

"Officer" means any officer or employee of IFS;

"Order" means any authorisation, request, instruction or order (in whatever form and howsoever sent) given or transmitted to IFS by the Customer or which IFS or an Officer reasonably believes to be the authorisation, request, instruction or order of the Customer, and includes any authorisation, request, instruction or order to revoke, ignore or vary any previous authorisation, request, instruction or order;

"Parties" means IFS and the Customer;

"Person" includes any individual, government, statutory body, business, firm, partnership, corporation or unincorporated body;

"Relevant Regulator" means SEHK, SFC or any other exchanges, governmental or regulatory authority in Hong Kong or any other jurisdictions;

"Securities" means debentures, stocks, shares, bonds, notes, rights, warrants, units in any fund, certificates of deposit issued by a government, body corporate or unincorporated or international body and includes any derivative instrument (including any warrant, option, transferable subscription right, loan stock and convertible right) in respect of any Securities;

"SEHK" means The Stock Exchange of Hong Kong Limited including, where the context so requires, its agents, nominees, representatives, officers and employees;

"SEHK Rules" means the rules, regulations and procedures of or made by SEHK, and any amendments, supplements, variations or modifications thereto from time to time in force;

"Service Fees" has the meaning set out in Clause 11.1;

"SFC" means the Securities and Futures Commission of Hong Kong;

"Transaction" means any transaction effected under the Account in respect of any Securities and includes applications for purchase, subscription, switching, transferring, exchange and disposal of and dealings in any or all kinds of Securities on any exchange including but not limited to safe-keeping of securities and the provision of nominee or custodian service and other transactions effected under or pursuant to this Agreement;

1.2 Any reference to a statutory provision shall include such provision as may from time to time be modified, amended or re-enacted so far as such modification, amendment or re-enactment applies or is capable of applying to any Transaction.

2 SCOPE AND APPLICATION

2.1 The terms and conditions herein shall apply to the provision by IFS to the Customer of all trading facilities and services in respect of all Securities under the Account.

2.2 IFS reserves the right to add to, amend or vary any the terms and conditions under this Agreement at any time in its sole and absolute discretion and any additions, amendments or variations ("the Amendments") shall take effect and bind on each Customer from such date as IFS may prescribe provided that IFS gives prior written notice to the Customer by sending the Amendments to the Customer by post, fax, electronic mail or other means as may be agreed by the Customer.

2.3 The Customer acknowledges that Transactions effected by IFS on the Customer's behalf are subject to the laws, regulations, by-laws, rules, customs, usage, rulings and interpretations and transaction levies of the relevant market, exchange, clearing house or jurisdiction as amended from time to time.

2.4 The Customer hereby gives IFS absolute discretion to effect Transactions. IFS may act on instructions given by Customer which IFS reasonably believes to have come from the Customer or to have been given on the Customer's behalf upon the acceptance of IFS. IFS will not be under any duty to verify the authority of the person(s) giving the instructions. IFS will act as the execution agent and not warrant to the Customer the value, merit or suitability of the Transactions.

- 2.5 Unless IFS expressly agrees in writing to the contrary, no representation or warranty, express or implied, is given by IFS as to the value or suitability for the Customer of any Transaction entered into by the Customer.
- 2.6 The Customer hereby acknowledges that any information communicated to the Customer by IFS, although obtained from sources believed by IFS to be reliable, has not been independently verified by IFS and may be incomplete, inaccurate or changed without notice to the Customer. IFS makes no representation, warranty or guarantee with respect to the correctness of such information. IFS shall have no responsibility or liability whatsoever in respect of any information given, or views expressed by them or any of their directors, officers, employees or agents to the Customer, whether or not such information or views are expressed at the request of the Customer. The Customer shall make its own judgment and decision with respect to any Transaction which the Customer enters into.

3 GENERAL CONDITIONS / APPOINTMENT OF CUSTODIAN

- 3.1 Any Securities held in Hong Kong and/or outside Hong Kong by IFS for safekeeping on behalf of the Customer may at IFS's sole and absolute discretion:
- (a) be registered in the name of the Customer or in the name of the Custodian appointed by IFS; or
 - (b) Deposited in safe custody in a segregated account which is designated as a client trust account with an authorized institution in Hong Kong, as defined in the Securities and Futures Ordinance, an approved custodian or other intermediary licensed by SFC for dealing in securities in Hong Kong.
- 3.2 Where Securities are held by IFS for safekeeping pursuant to this Clause, IFS shall itself or shall procure any nominee or custodian appointed by it to:
- (a) Collect and credit any dividend or other benefits arising in respect of Securities to the Account or make payment to the Customer as agreed with the Customer. Where the Securities form part of the holding of identical Securities held for IFS's clients, the Customer is entitled to the same share of benefits arising from the holding as the Customer's share of the total holding. Where the dividend is distributed either in the form of cash dividend or other forms, IFS is authorized to elect and receive on behalf of the Customer the cash dividend in the absence of contrary prior written instruction from the Customer; and
 - (b) Comply with any directions received in sufficient time to enable IFS to make the necessary arrangement, and given sufficient time from the Customer, as to the exercise of any voting or other rights, attaching to or conferring on such Securities provided that if any payment or expenses is required to be made or incurred in connection with such exercise, neither IFS nor its nominee or custodian shall be required to comply with directions received from the Customer unless and until it receives all amounts necessary to fund such exercise.
- 3.3 Insofar as any such Securities do not constitute "Collateral" as defined in the Supplemental Agreement for Securities Margin Account entered into by IFS and the Customer, the Customer expressly authorizes IFS to dispose of such Securities for the purpose of settling any liability owed by the Customer (or by the beneficial owner of such Securities) to IFS for dealing in Securities or financial accommodation provided by IFS to the Customer which remains after IFS has disposed of all other assets designated as Collateral for securing the settlement of that liability.
- 3.4 The Customer authorises, consents and agrees to the disclosure by IFS and/or any of its Officers or agents, at any time and from time to time, of any or all information in respect of any particulars of the Customer, the Transactions or the Account to any Person as IFS may, in its sole and absolute discretion, deem fit, appropriate or necessary, or when such disclosure is made in accordance with Applicable Laws.
- 3.5 The Customer shall not, without the prior written consent of IFS, assign, charge or encumber any Account or the Customer's rights therein, or create or permit to create, in favour of any Person (other than IFS) any interest by way of trust or otherwise in any Account. IFS shall not be required to recognise any Person other than the Customer as having any interest in any Account.
- 3.6 IFS is hereby irrevocably authorised by the Customer to appoint a Custodian or more than one Custodian (in Hong Kong and/or outside Hong Kong) for any period of time to hold any and/or all of the Securities subscribed for or purchased on behalf of the Customer. As long as IFS exercises good faith and uses reasonable care in the selection and continued appointment of the Custodian, IFS shall have no responsibility or obligation in respect of the performance by the Custodian of any of the duties delegated to it by IFS in relation to the Account or any Securities held by the Custodian on behalf of the Customer.
- 3.7 Where custody services are provided to the Customer either by IFS or the Custodian, the Customer shall pay to IFS such fees and other costs, charges and expenses as may be imposed by IFS in its sole and absolute discretion from time to time in respect of these services provided IFS gives prior written notice to the Customer by sending the relevant Fee Schedule to the Customer by post, fax, electronic mail or other means as may be agreed by the Customer, and hereby authorises IFS to debit the Account for all such fees, costs, charges and expenses.
- 3.8 The Customer acknowledges and consents to the fact that any Securities and cash belonging to the Customer held with IFS or the Custodian may be held with Securities and cash held for other Customer of IFS or the Custodian on an aggregate or omnibus basis (where not prohibited by law). The Customer understands that Securities and cash held on an

aggregate or omnibus basis may not be specifically identifiable by separate certificates, other physical documents or electronic records and that the Customer shall not have any right to any specific Securities or cash held by IFS or the Custodian but will be entitled, subject to the provisions in this Agreement, to delivery by IFS or the Custodian of Securities of the same class, denomination and nominal amount and which rank pari passu with those accepted and held by IFS or the Custodian for the Customer, notwithstanding any corporate actions (mergers or sub- divisions, capital re-organisation, etc) which may have occurred. IFS shall keep and maintain records of the respective Customer's interest in any Securities and cash which have been held on an aggregate or omnibus basis.

- 3.9 IFS may engage or appoint any Person (who is not an Officer or related to IFS) to carry out any Instruction or to exercise any authority granted to IFS by the Customer whether under this Agreement or otherwise. In making such engagement or appointment, IFS shall not be liable to the Customer for any Loss suffered or incurred by the Customer as a result of any act or omission of such Person.
- 3.10 The Customer's relationship with IFS, the operation of the Account and the implementation of all Instructions shall be subject at all times to the Applicable Laws. IFS may take or refrain from taking any action whatsoever, and the Customer shall do all things required by IFS, in order to procure or ensure compliance with Applicable Laws.
- 3.11 The Customer hereby agrees to ratify and confirm all Instructions and all acts and things done or caused to be done or effected by IFS and/or the Custodian on the Customer's behalf in relation to the Account or the Securities held on behalf of the Customer and agrees that such Instructions, acts and/or things done shall also be governed by this Agreement.
- 3.12 The Customer hereby irrevocably appoints IFS through any of its directors or Officers as the attorney of the Customer for each and all of the terms and conditions under this Agreement and authorises such directors or Officers of IFS to sign and execute all documents and perform all acts in the name and on behalf of the Customer in connection with, whether in respect of any Transaction relating to the Account or this Agreement or in respect of anything required to give effect and/or substance thereto. For the avoidance of doubt, nothing in this Clause shall impose any obligation on IFS to take any action or exercise any rights as the Customer's attorney and IFS shall at all times have the absolute discretion in determining whether or not to exercise any of its powers as the Customer's attorney hereunder.
- 3.13 The Customer agrees that all monies and/or Securities and/or all other property of the Customer in IFS or the Custodian's custody shall be subject to a general lien in favour of IFS for the discharge of all or any indebtedness and other obligations of the Customer to IFS. The Customer shall not be entitled to withdraw any monies or withdraw or dispose of such Securities held by IFS pending the repayment or satisfaction in full to IFS of any indebtedness or obligation of the Customer to IFS.
- 3.14 IFS shall be entitled, without notice to the Customer, to set-off any debts owing by the Customer against any amounts due to the Customer whether the debts are actual or contingent and irrespective of any differences in currency. IFS shall be entitled to effect such currency conversions and at such rates of exchange as IFS may in its sole and absolute discretion determine for the purposes of effecting such set-off.
- 3.15 The Customer acknowledges that as a general rule, excess monies of the Customer (unless refunded to the Customer), will be commingled with excess funds from other Customers of IFS in an omnibus trust account and that administratively, it would not be practical or feasible and is economically counter-productive to attempt to allocate the respective interest entitlement (if the trust account is interest-bearing) on an individual basis in view of the constant fluctuations in the value of the collective funds in such trust account. The Customer agrees to waive and relinquish in favour of IFS any and all entitlements to interest accruing to the Customer's share of funds in such trust account. Where IFS utilises a bank to deposit Customer's monies, IFS's sole responsibility to the Customer as regards the utilisation of such bank shall be to exercise reasonable care in the selection of such bank. The Customer will not hold IFS liable for any wilful action or omission, default, fraud or negligence by the bank.
- 3.16 Whenever the Customer receives any statements of account, contract notes (if applicable), confirmations or notifications in respect of any Instruction or any documents (the "Documents") provided in relation to the Account from IFS, the Customer agrees that it will inform IFS of any mistakes or omission or disagreements within seven (7) days from the date of the relevant Documents. If the Customer fails to do so, the Customer is deemed to have agreed to the contents in such Documents and will no longer have the right to dispute the accuracy of the Documents. Nothing in this Clause shall prevent IFS from unilaterally amending any such Documents for any inaccuracy it detects.
- 3.17 IFS shall have no responsibility or duty to the Customer to investigate, participate in or take any action whatsoever concerning proxies received, attendance at meetings and voting therein.

4 CASH ACCOUNT

- 4.1 A Cash Account would be opened for the Customer, through which the Customer's investment monies under this Agreement could be transacted.

- 4.2 Unless otherwise instructed by the Customer, IFS where applicable has/have the discretion to use the Cash Account to:
- (a) deposit the redemption proceeds and distribution income from the Customer's investments; and
 - (b) pay the relevant Service Fees, the Loss stated in Clause 5.2 and any other fees and charges imposed by IFS from time to time with the available funds in the Cash Account
 - (c) deposit any other monies of the Customer.
- 4.3 For the avoidance of doubt, if at any time the balance in the Cash Account is insufficient to make the required payments in Clause 4.2(b), the Customer irrevocably direct and authorize IFS where applicable to, without prior notice to the Customer:
- (a) firstly, redeem or transfer out any Security invested by the Customer at the sole discretion of IFS where applicable;
 - (b) secondly, combine or consolidate all or any of the Customer's other accounts with IFS where applicable ("Other Accounts") in the Customer's name, and set-off or transfer any sum standing to the credit of any one or more of the Other Accounts, towards the satisfaction of any outstanding payments. Where such combination, set-off or transfer requires the conversion of one currency into another, such conversion shall be calculated at the spot rate of exchange (as conclusively determined by IFS where applicable) prevailing in such foreign exchange market as IFS where applicable shall determine to be relevant on the date of combination, set-off or transfer. The Customer shall pay any outstanding payments before being able to fully redeem the Securities held in the Account; and
 - (c) thirdly, to settle the outstanding payments by any other means as requested by IFS where applicable.
- 4.4 The Customer acknowledges that the monies in the Cash Account may be deposited by IFS where applicable into interest-bearing bank accounts. The interest accrues on a daily basis and IFS may in its sole and absolute discretion, from time to time, pay a portion of the said interest back to the Customer's Cash Account each month where the portion will be set out clearly in the statement of accounts disseminated to the Customer. IFS is entitled to retain the residuals of the said interest or in case of negative interest rate is charged, IFS is entitled to deduct such fee from the cash account on a monthly basis.
- 4.5 IFS reserve(s) the right to impose minimum values for deposits into and/or withdrawals from the Cash Account. The said minimum values, if applicable, would be updated from time to time.
- 4.6 IFS reserve(s) the right to return the balance monies in the Cash Account to the Customer if the balance monies fall below a minimum value to be determined by IFS where applicable.
- 4.7 Client money of IFS shall be treated and dealt with in compliance with the provisions of the Securities and Futures Ordinance (Cap. 571, laws of Hong Kong) and relevant rules made thereunder and relevant client money from time to time received on the Customer's behalf will be paid into a segregated account for client money maintained in Hong Kong with an authorized financial institution or any other person approved by the Commission, or will be paid into a segregated account for client money maintained overseas, which are subject to relevant rules and regulations on governing the custody of client assets from respective jurisdiction.

5 SECURITIES DEALING PROVISIONS

- 5.1 Any day order for purchase or sale of Securities placed by the Customer that has not been executed before the close of business of the SEHK or such later time shall be deemed cancelled automatically as agreed by the Customer and IFS.
- 5.2 The Customer authorizes IFS, at any time and at IFS's absolute discretion, for the purpose of obtaining a better execution price and/or reducing volume of instructions, to consolidate and/or disaggregate the Customer's instructions to purchase and/or sell Securities on the Customer's behalf with similar instructions received from IFS's other customers. The Customer agrees that in the event of insufficient Securities available to satisfy the purchase or sell so consolidated, the number of Securities actually purchased or sold shall be attributed to the relevant Customer in sequential order in which those orders were received by IFS.
- 5.3 The Customer acknowledges that due to the trading practices of the SEHK in which Transactions are executed, it may not always be able to execute orders at the prices quoted "at best" or "at market" and the Customer agrees in any event to be bounded by Transactions executed by IFS following instruction given by the Customer.
- 5.4 Relevant regulators or IFS may withdraw an order from IFS's order processing system. It is the Customer's responsibility to maintain sufficient contact with IFS while there is an outstanding order on the Customer's Account, so as to enable the Customer to identify and resubmit the withdrawn order. While IFS may endeavor to notify the Customer of a withdrawn order, IFS is under no obligation to do so and accepts no responsibility for any loss incurred directly or indirectly by the Customer as a result of the withdrawal or expiry of an order.
- 5.5 Subject to the Applicable Laws and regulations and market requirements, IFS may in its sole and absolute discretion determine the priority in the execution of its Customer's orders, having due regard to the sequence in which such instructions were received, and the Customer shall not have any claim in priority to another Customer in relation to the execution of any instruction received by IFS.

- 5.6 Unless otherwise agreed, in respect of each Transactions, unless IFS is already holding cash or Securities on the Customer's behalf to settle the Transactions, the Customer shall pay IFS cleared funds (including payment in a currency in Hong Kong dollars or any other currencies) or deliver to IFS Securities which is fully paid and in deliverable form by such time as IFS has notified the Customer in relation to the Transactions. The Customer shall be responsible to IFS for any losses and expenses resulting from the Customer's settlement failures.
- 5.7 The Customer shall promptly notify IFS after payment of funds to IFS by delivering IFS written evidence of such payment. The Customer acknowledges that payment of funds to IFS may not be accredited to the Customer's Account or reflected in any account statement until such notification is received by IFS. The Customer agrees that any interest payable to or receivable by IFS shall be calculated on this basis.
- 5.8 The Account shall be in Hong Kong dollars as IFS may agree from time to time with the Customer. In the event that the Customer instructs IFS to effect any Transactions in a currency other than Hong Kong dollars, any profits or loss arising as a result of fluctuations in the exchange rate of the relevant currencies will be solely on the account of the Customer. Any currency conversion required to be made for performing any action or step taken by IFS under this Agreement may be effected by IFS in such a manner and at such time as it may in its absolute discretion decide. The Customer authorizes IFS to debit the Customer's Account for any expenses incurred in effecting any currency conversion. IFS reserves the right at any time to refuse accepting any instructions from the Customer in relation to currency conversion.
- 5.9 The Customer acknowledges that telephone calls or other forms of communication between the Customer and IFS may be recorded or otherwise electronically monitoring without any warning messages that the record may be used as final or conclusive evidence of the instructions in case of any disputes.
- 5.10 The Customer acknowledges that he/she is aware of the arrangement in relation to claiming and receiving dividends and other entitlements accruing to the Customer. The arrangements are as determined by the Securities issuers.
- 5.11 IFS reserves the right to delay or refuse to process, and check or verify the Transaction and/or Instruction if, in its reasonable opinion, there are grounds for doing so.

6 INSTRUCTIONS

- 6.1 All instructions shall be given by the Customer orally either in person or by telephone, or in writing, delivered by hand, by post, or in such other form as from time to time accepted by IFS. Instructions in writing, whether faxed, emailed, or posted, are deemed to have been received when the instructions are acted on by IFS.
- 6.2 The Customer authorizes IFS upon its Instructions either in verbal or written form, to transfer funds to, from and between its Accounts at IFS and its designated bank accounts as specified and may be amended from time to time by the Customer. The Customer agrees to fully indemnify and keep indemnified IFS and its associated companies against any loss, cost, claim, liability or expense, including legal fees arising from this authorization of appointment.
- 6.3 The Customer acknowledges and agrees that any instructions given or purported to be given by any means to IFS by the Customer and which are acted on or relied on by IFS shall at all times be irrevocable and bind the Customer, whether or not such instructions are in fact given or authorized by the Customer. Under no circumstance should IFS have any duty to enquire or verify the identity or authority of the person giving instructions by any accepted means.
- 6.4 The Customer acknowledges that once an Instruction has been made it may not be possible to cancel or alter the instruction.
- 6.5 IFS may at its discretion and without assigning any reason to refuse to act for the Customer in any particular Transactions should IFS aware it potentially suspicious.

7 SHORT SELLING

- 7.1 The Customer acknowledges that Applicable Laws and regulations may prohibit IFS from placing a sale order on the Customer's behalf when the order relates to Securities which the Customer does not own ("Short Sell Order"). The Customer undertakes that:
- (a) Prior to placing a Short Sell Order, it will have entered an effective securities borrowing arrangement or other form of cover acceptable to IFS which will ensure that the Securities in question will be delivered on the designated settlement date; and
 - (b) Prior to execution of such Short Sell Order, it will provide IFS necessary documentary assurance that any such order is covered as IFS shall specify.
- 7.2 The Customer acknowledges that IFS has the right to request delivery of a copy of documentary evidence relating to the relevant Securities borrowing transaction, e.g. the lender's written confirmation.

8 STANDING AUTHORITY

- 8.1 The client money standing authority covers money held or received by IFS in Hong Kong and/ or overseas in one or more segregated account(s) on behalf of the Customer (“Monies”).
- 8.2 The Customer hereby expressly confirms and authorizes the client money standing authority granted by the Customer to IFS to:
- (a) Combine or consolidate any or all segregated accounts, of any nature whatsoever and either individually or jointly with others, maintained by IFS and/or any of its subsidiaries or associated entities from time to time (“iFAST Group”) and IFS may transfer any sum of Monies to and between such segregated account(s) to satisfy Customer’s obligations or liabilities to any member of IFS, whether such obligations and liabilities are actual, contingent, primary or collateral, secured or unsecured, or joint or several; and
 - (b) Transfer any sum of Monies interchangeably between any of the segregated accounts maintained at any time by any member of iFAST Group.
- 8.3 The Customer hereby expressly confirms and authorizes the client securities standing authority granted by the Customer to IFS to:
- (a) Apply any of Customer’s securities or securities collateral pursuant a securities borrowing and lending agreement;
 - (b) Deposit any of Customer’s securities collateral with an authorized financial institution as collateral for financial accommodation provided to Customer;
 - (c) Deposit any of Customer’s securities collateral with Hong Kong Securities Clearing Company Limited (“HKSCC”) as collateral for the discharge and satisfaction of its settlement obligations and liabilities. Customer understands that HKSCC will have a first fixed charge over Customer’s securities to the extent of IFS’s obligations and liabilities;
 - (d) Deposit any of Customer’s securities collateral with any other recognized clearing house, or another intermediary licensed or registered for dealing in securities, as collateral for the discharge and satisfaction of Customer’s obligations and liabilities;
 - (e) Apply or deposit any of Customer’s securities collateral in accordance with clause 8.3 (a), (b), (c) and/or (d) above if IFS provide financial accommodation to Customer in the course of any other regulated activity for which IFS is licensed or registered.
- 8.4 IFS may carry out any or all of the above acts without giving Customer prior notice. Customer acknowledge that this authority shall not affect IFS’s right to dispose or initiate a disposal by IFS’s associated entity of Customer’s securities or securities collateral in settlement of any liability owed by or on behalf of Customer to IFS, the associated entity or a third person.
- 8.5 Each of the client money standing authority, client securities standing authority or any other standing authorities shall be valid for a term of 12 months from the effective date of this Agreement subject to renewal by the Customer’s instruction or deemed renewal under the Securities and Futures (Client Money) Rules or Securities and Futures (Client Securities) Rules or any other relevant statutory provisions (as the case may be).
- 8.6 Each of the client money standing authority, client securities standing authority or any other standing authorities may be revoked by giving IFS a written notice addressed to IFS’s address specified in the Account Application Form or such other address which IFS may notify the Customer in writing from time to time. Such notice shall take effect upon the expiry of 14 calendar days from the date of IFS’s actual receipt.
- 8.7 The Client understands that each of the client money standing authority, client securities standing authority or any other standing authorities shall be deemed to be renewed on a continuing basis without the Customer’s written consent if IFS issues to the Customer a written notice of renewal at least 14 calendar days prior to the expiry date of the relevant authority, and the Customer does not object to such deemed renewal before such expiry date.
- 8.8 The Client acknowledges that for any Monies, securities and/ or securities collaterals received or held by the standing authorities outside Hong Kong are subject to relevant rules and regulations on governing the custody of client assets from respective jurisdiction, which may be different from the Securities and Futures (Client Money) Rules or Securities and Futures (Client Securities) Rules. Consequently, client assets held overseas may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

9 RISKS

- 9.1 IFS refers the Customer to the Risk Disclosure Statements contained in Appendices of this Agreement.
- 9.2 The prices of Securities fluctuate, sometimes dramatically. The price of Securities 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.

- 9.3 IFS accepts no responsibility and will bear no liability to the Customer for giving any recommendation or advice to the Customer as to whether to invest or not to invest in any Securities, or in connection with the performance of any Securities. The Customer acknowledges the desirability and importance of seeking independent financial or professional advice with respect to any dealings or investments in Securities or investment opportunities. The Customer acknowledges that any dealings or investments under the Account in any such Securities is solely and exclusively made by the Customer based on the Customer's own judgment and after the Customer's own independent appraisal and investigation into the risks associated with such dealings or investments have been made.
- 9.4 The Customer acknowledges that his/her assets received or held by IFS may be held outside Hong Kong subject to the Applicable Laws and regulations of the relevant overseas jurisdictions which are different from the laws of Hong Kong. Consequently such assets may not enjoy the same protection as that conferred on the Customer's assets received or held in Hong Kong.
- 9.5 The Customer acknowledges and agrees that the investment returns of any Securities, in particular to where the investments are denominated in a currency other than the reporting currency, may be affected by exchange rate fluctuations where there is a need for currency conversion.
- 9.6. Internet:
- (a) Customer acknowledges that the internet is, due to unpredictable telecommunications traffic congestion and other reasons, an inherently unreliable medium of communication and that such unreliability is beyond the control of IFS. Customer acknowledges that, as a result of such unreliability, there may be delays in the transmission and receipt of instructions and other information and this may result in delays in the execution of Orders and/or the execution of Orders at prices different from those prevailing at the time the Orders were given. Customer further acknowledges that and agrees that there are risks of misunderstanding or errors in any communication and that such risks shall be absolutely borne by the Customer.
 - (b) IFS shall not be responsible for delays in the transmission, receipt or execution of Orders due to a breakdown or failure of transmission of communication facilities, or to any other cause or causes beyond IFS's control or anticipation.
- 9.7. Relevant risks other than the risks stated in Clause 9.1 to 9.6 are included in the 'Risk Disclosure Statement – Securities Account' and 'Risk Disclosure Statement of the relevant Derivative Products' which may from time to time be revised or supplemented. The Customer should refer to the latest version from the website of FundsUPERmart.com.hk for reference.

10 TRANSACTION LIMITS AND RESTRICTIONS

- 10.1 IFS may, at any time in its sole and absolute discretion, impose upon the Customer any position or Transaction limits, or any trading or Transaction restrictions. Such limits may include minimum sizes for Transactions, specified time or procedures for communicating Orders to IFS. Such limits may also be set by a regulatory, statutory or such other body as may govern the Transactions. In placing Orders with IFS, the Customer shall not exceed any limits or breach any restrictions, whether imposed by IFS or any such bodies as the case may be. IFS shall have the sole and absolute discretion whether to accept and partially execute any such Order to ensure that the relevant limit or restriction imposed is not breached or to entirely reject such Order.
- 10.2 If at any time there is no balance in the Account, the Customer irrevocably authorize IFS at its sole discretion to close such dormant Account and the Customer further consent to settle all the outstanding payments which remains outstanding to IFS.

11. ELECTRONIC SERVICES

- 11.1 IFS may, from time to time and at its sole and absolute discretion, provide to the Customer, such computer or telephone services or systems (including but not limited to services or information accessible through IFS's proprietary software) (the "Electronic Services") for the purposes of placing Orders.
- 11.2 The Customer has the sole responsibility and shall be liable for the security and safe-keeping of the Customer's Account number as well as any and all passwords, identification and other codes issued to the Customer by IFS or by any certification authority duly recognised by IFS for the purpose of enabling the Customer to access the Electronic Services and the Account (the "Codes").
- 11.3 The Customer agrees that IFS shall be entitled to rely on the correct entry of the Codes in order to ascertain whether any Order placed with IFS is that of the Customer's and to act on that assumption. The Customer shall be fully responsible and liable for any Orders placed with IFS through the use of the Electronic Services notwithstanding that such Order may have been given by a third party with or without authority to give such instructions or Order on behalf of the Customer.
- 11.4 In utilising the Electronic Services, the Customer agrees not to do anything that will violate, infringe, prejudice or in any way affect IFS's or any third party's intellectual property rights ("IP Rights") and shall take all necessary measures to preserve and protect these IP Rights. All IP Rights (whether by way of copyright or otherwise) in the information or reports available from or generated by the Electronic Services vest solely in and will remain the exclusive property of IFS.

- 11.5 IFS shall not be liable to the Customer for any Loss whatsoever and howsoever caused or arising from the use by the Customer of the Electronic Services, including but not limited to: -
- (a) the loss or unauthorised use of the Codes;
 - (b) the unauthorised use of or access to the Electronic Services;
 - (c) any delay, fault, failure or loss of access to, or unavailability of the Electronic Services for whatever reason.
- 11.6 In the use of the Electronic Services, the Customer shall not: -
- (a) reproduce, retransmit, disseminate, sell, distribute, publish, broadcast, circulate, exploit (whether for commercial benefit or otherwise) the information and/or reports obtained from or through the Electronic Services in any manner whatsoever without the express written consent of IFS and shall not use the information for any wrongful or illegal purpose or in contravention of Applicable Laws;
 - (b) make any additions, modifications, adjustments or alterations to, tamper any part or corrupt any information or services available on or through the Electronic Services;
 - (c) permit any equipment or software to be linked to or communicate in any manner or be used in connection with any other service or system whereby any information and/or reports obtained from IFS may be accessed, used, stored or redistributed by or through such other equipment or software; and
 - (d) use the facilities available under the Electronic Services otherwise than as stipulated under this Agreement or such other directions which may be issued by IFS from time to time.
- 11.7 In providing the Electronic Services to the Customer, IFS may in its sole and absolute discretion, from time to time and without notice to the Customer: -
- (a) amend, modify, suspend or terminate the operation of the Electronic Services;
 - (b) suspend or terminate the Customer's access to or use of the Electronic Services; or
 - (c) deactivate the Codes, and shall not be liable to the Customer for any Loss which may be suffered by the Customer consequent upon any of the above actions.
- 11.8 For corporate Accounts, the Customer acknowledges and consents that any Orders placed via the Electronic Services with a single login through the Codes, shall be considered as a valid and binding instruction from the Customer to IFS, notwithstanding anything mentioned to the contrary in the board resolution of the corporate Customer.
- 11.9 Electronic systems, including but not limited to those used by IFS, are inherently vulnerable to disruption, delay or failure. Customer must maintain alternative trading arrangements for execution of Customer's orders in the event that the Electronic Services provided by IFS is unavailable. Customer represents that Customer maintains alternative trading arrangements.

12 FEES AND PAYMENT

- 12.1 The Fee Schedule specifies the fees and charges payable to IFS in connection with any Transactions effected for the Customer and all applicable levies imposed by the SEHK, HKSCC, brokerage, stamp duty, bank charges, transfer fees, interest and nominee or custodial expenses ("Service Fees"). Unless otherwise specified, no discount of fees and charges may be offered by IFS to the Customer.
- 12.2 The Customer shall promptly pay all Service Fees in such manner as IFS, SEHK or HKSCC may, in its sole and absolute discretion, impose and stipulate from time to time with respect to the execution of any Transaction or otherwise for the maintenance of the Account or the provision of any service or facility to the Customer in connection with the Account provided IFS gives prior written notice of the relevant fees and charges by sending the same to the Customer by post, fax, electronic mail or other means as may be agreed by the Customer.
- 12.3 The Customer shall promptly pay to IFS any outstanding sum on the due date of the relevant Transaction entered into, or upon demand by IFS as provided for under this Agreement.
- 12.4 The Customer irrevocably and unconditionally authorizes and directs IFS to, with or without notice, set-off and withhold from and apply the moneys or funds held in or for the Account or any other Account with IFS against, and in whole or partial payment, discharge or satisfaction of any indebtedness, obligation or liabilities owed by the Customer to IFS.
- 12.5 IFS shall be entitled to charge interest on any sum or payment due to IFS from the Customer at such rate and calculated and compounded in such manner as IFS may, in its sole and absolute discretion, impose and determine from time to time and to debit the Account in respect of the interest due.
- 12.6 The Customer shall pay interest on all debit balances on the Account (including any amount otherwise owing to IFS at any time) at such rates and on such other terms as IFS notifies the Customer from time to time. Such interest shall accrue on a daily basis and shall be payable on the last day of each calendar month or upon any demand made by IFS. Overdue interest shall be compounded monthly and shall itself bear interest.

- 12.7 All payments from the Customer to IFS and vice versa shall be settled in the relevant currency of the Securities ("Relevant Currency") unless otherwise agreed between IFS and the Customer. In the event that monies accruing to the Account is received by IFS in a currency other than the Relevant Currency, such monies shall be converted to the Relevant Currency at such rate of exchange as IFS may, in its sole and absolute discretion decide, before IFS credits the Account. Where IFS and the Customer have agreed that the payments shall be settled in a currency other than the Relevant Currency, such payments shall be settled at a rate of exchange as shall be determined by IFS in its sole and absolute discretion. The Customer shall be fully responsible and liable for any Losses resulting from any currency conversion. If for any reason IFS cannot effect payment or repayment to the Customer in the Relevant Currency, or in the agreed currency between IFS and the Customer, IFS may effect payment or repayment in the equivalent of any other currency selected by IFS based on the applicable rate of exchange at the time the payment or repayment is due.
- 12.8 All payments made by the Customer to IFS shall be in free and clear funds and free of deductions or withholdings. If the Customer is obliged by law to make such deduction, the Customer shall pay to IFS such greater amount which after deduction shall ensure that the net amount actually received by IFS will equal the amount which would have been received by IFS had no such deduction been required.
- 12.9 The Customer acknowledges that all payments for any Transaction in relation to any Securities shall be made payable to the segregated client trust account held by IFS, or such Person as specified by IFS from time to time.
- 12.10 Any taxes, duties, disbursements, costs and/or other expenses (including but not limited to charges levied by the remitting bank or any correspondent bank) incurred by IFS in connection with the Account or otherwise in connection with the Customer (including actions taken towards Account opening) shall be borne by the Customer who shall reimburse IFS for any such payments made by IFS on behalf of the Customer. All interest, fees, commissions and other charges of IFS are exclusive of any goods and services tax or any other applicable sales tax which shall be borne and separately charged to the Customer.
- 12.11 Redemption proceeds received by IFS will be paid or credited to the Account of the Customer in accordance with this Agreement or the Customer's instructions or otherwise, as permitted by the Applicable Laws. The redemption proceeds will be net of any fees, charges or expenses incurred in connection with the redemption.
- 12.12 The Customer acknowledges that in relation to investments in Securities, the product issuer may pay monies (by way of commissions, discounts, fees or otherwise) to IFS in connection with, or in relation to, the issue of Securities to or for the Customer, or other dealings in connection with any Securities. The Customer agrees that IFS may retain these monies for its sole benefit and is under no obligation to account to the Customer for such monies.
- 12.13 Classification of a given Security may change over time and a Security may have more than one classification. The Customer acknowledges that IFS, may at its absolute discretion, classify a given Security as such and impose the relevant fees and charges accordingly

13 JOINT ACCOUNTS

- 13.1 If an Account is opened or maintained in the name of more than one Person or in the name of a partnership:
- (a) the term "Customer" shall refer to each Person or partner jointly and severally, and the liability of each such Person or partner to IFS shall be joint and several; and
- (b) IFS shall be entitled to debit that Account at any time in respect of any sum howsoever due or owed to IFS by any of the Persons in whose name the Account is opened or maintained or constituting the Customer.
- No Person constituting Customer shall be discharged, nor shall his/her liability be affected by, any discharge, release, time, indulgence, concession, waiver or consent given at any time by any one or more of the other such Persons constituting the Customer.
- 13.2 In respect of each Account referred to in Clause 11.1 above, any of the Persons named in such Account is authorized to give Orders (i.e. purchase or sale of the relevant Securities) provided that such Person is of at least 18 years of age. All other instructions, other than new subscription including any purchase or sale of the relevant Securities, must be given by all joint applicants.
- 13.3 Any correspondence, mail, notice or communication addressed and sent by IFS to the Person named in respect of a Joint Account shall be deemed to have been addressed and sent to all the Persons named in respect of such Joint Account. Redemption proceeds received by IFS or any other payments will be paid or credited into the Customer's Account. For the avoidance of doubt, where the Customer has requested for the redemption proceeds or withdrawals from the Account to be made in cheque or other payment modes agreeable by IFS, the said cheque or other payment modes shall be made payable only to the main applicant of the Account.
- 13.4 In a Joint Account if IFS prior to acting on any instructions given by one signatory, receives contradictory Instructions from the other signatory, IFS may thereafter only act on the Instructions of all signatories for the Joint Account.

13.5 Where one party in a Joint Account is below 18 years of age (i.e. a minor), IFS will only act on the instructions given by the other party of at least 18 years of age listed in the Application Form ("Main Customer").

13.6 The doctrine of survivorship shall apply to any Account opened in the joint names of more than one Person or in the name of a partnership. Accordingly, in the event of the death of such Person or any partner constituting the Customer, the Account shall immediately vest in the surviving Person(s) or partner(s) (as the case may be). If the surviving Person is a minor under law (i.e. below 18 years of age), IFS shall, subject to Applicable Laws, act on the Instructions of the legal guardian of the surviving minor provided the guardian agrees to indemnify IFS in writing against any losses, damages and legal costs which may be incurred by IFS as a result of acting on the guardian's Instructions. In the absence of evidence to the contrary, IFS shall regard the surviving minor's natural parents as the legal guardian.

14 CHANGE OF PARTICULARS

14.1 The Customer agrees and undertakes to notify IFS immediately of any change in the particulars of the Customer, or any information relating to any Account or to this Agreement, supplied to IFS or to update the changes under which it is reasonably practicable to do so. IFS shall at all times be entitled to rely on the records in the Account Application Form and other relevant forms of documents last submitted by the Customer unless any change in the particulars have been notified to IFS by the Customer.

14.2 IFS is not obliged to verify any particulars furnished by the Customer and IFS shall not be liable or responsible for any Loss suffered or incurred by the Customer or any other Person by reason of any error or omission in the completion of the Account Application Form or in the furnishing of the particulars by the Customer.

14.3 IFS undertakes to notify client of any material change to information contained in this Agreement.

15 MONEY LAUNDERING

15.1 The Customer hereby warrants that:

- (a) the Customer is the underlying principal of the Account;
- (b) no person other than the Customer has or will have any interest in the Account; and
- (c) all monies as may be paid to IFS from time to time shall come from a legitimate (and not illegal) sources.

15.2 The Customer agrees to provide all such information and documents as may be necessary to verify the Customer's identity and do all such acts and things as may be necessary to enable IFS to comply with all applicable anti-money laundering and know-your-customer laws, rules and regulations (whether in Hong Kong or elsewhere), including but without limitation to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance ("AMLO"). The Customer agrees that IFS shall not be liable or responsible in anyway whatsoever and shall be held harmless against any Loss arising as a result or in connection with any delay or failure to process any application or transaction if such information and document requested by IFS have not been promptly provided by the Customer to IFS.

15.3 IFS shall upon the request of Relevant Regulators disclose the name, beneficiary identity and such other information concerning the Customer as they may request or require. The Customer undertakes to disclose such other information concerning itself to IFS within the time IFS specified as may be required for IFS to comply with the Applicable Laws, rules, regulations and requirements of the Relevant Regulators. The Customer irrevocably authorizes IFS to make any of such disclosure.

16 AUTHORITY OF PERSONAL REPRESENTATIVES

16.1 All acts performed by IFS prior to receiving written notice of the Customer's death, incapacity of or incapability shall be valid and binding upon the Customer and the Customer's successors in title.

16.2 In the event of the Customer's death, IFS shall be absolutely protected in acting under this Agreement until IFS receives an actual written notice of death from the legal personal representatives or executors of the Customer. The legal personal representatives or executors will be recognized by IFS as having the sole authority to act under this Agreement on behalf of the deceased Customer.

17 GENERAL INDEMNITY

17.1 In addition and without prejudice to any other right or remedy of IFS (at law or otherwise), the Customer shall indemnify and hold IFS harmless from and against any and all Loss suffered or incurred by IFS as a result of: -

- (a) any failure by the Customer to comply with the terms and conditions under this Agreement;
- (b) IFS acting in accordance with the Instructions or in any manner permitted under this Agreement;
- (c) any change in any Applicable Laws; and/or

- (d) any act or thing done or caused to be done by IFS in connection with or referable to this Agreement or any Account or the Instructions of the Customer. The Customer's obligation to indemnify IFS shall survive the termination of the Account.

18 EXCLUSION, LIMITATION OF LIABILITY AND INDEMNITY

18.1 IFS will use reasonable endeavors to comply with and carry out the Instructions given by the Customer and accepted by the IFS concerning the Account or Transactions but neither IFS nor any of its directors, officers, employees or agents shall have any liability whatsoever (whether in contract, tort or otherwise) for any loss, expenses or damages suffered by the Customer as a result of:

- (a) Any inability, failure or delay of IFS to comply with or carry out any such Instruction or any ambiguity or defect in any such Instruction; or
- (b) IFS in good faith acting or relying on any Instruction given by the Customer, whether or not such Instruction was given following any recommendation, advice or opinion given by IFS or any Associates or by any of its or their directors, officers, employees or agents; or
- (c) IFS failing to perform its obligations hereunder by reasons of any cause beyond its control, including any governmental or regulatory restrictions, closure of or ruling by any relevant exchange, suspension of trading, breakdown or failure of transmission or communication or computer facilities, postal or other strikes or similar industrial action, or the failure of the relevant exchange, clearing house, or other person to perform its obligations; or
- (d) Any relevant exchange or other person ceasing for any reason to recognize the existence or validity of Transaction entered into by IFS on behalf of the Customer, or failing to perform or close out any such contract provided that such cessation or failure shall not affect the Customer's obligations hereunder in respect of any such contracts or other obligations or liabilities of the Customer arising there from; or
- (e) The mis-understanding or mis-interpretation of any Instruction given or placed verbally, or delays or errors in transmission owing mechanical failure, malfunction, suspension or termination of the continued operation or availability and mechanical failure or inadequacy of IFS's telephone system or installation in connection with the receipt and processing of Instruction transmitted by any related equipment, facilities and services.

18.2 The Customer agrees fully indemnify and keep indemnified IFS and its associates and directors, officers, employees and agents ("Indemnified Persons") against any loss, cost, claim, liability or expense, including legal fees, that may be suffered or incurred by any and/or all of the Indemnified Persons, arising out of or in connection with any Transactions, or otherwise arising out of any action or omission by IFS in accordance with the terms of this Agreement, or arising out of any breach by the Customer of any of its obligations under this Agreement, including any costs reasonably incurred by IFS in collecting any debts due to IFS or any unpaid deficiency in the Account, in enforcing the right of IFS hereunder or in connection with the closure of the Account, and any penalty charged as a result of any Transaction to IFS by any relevant exchange and/or the HKSCC.

19 TERMINATION

19.1 Either Party may terminate the Account by giving the other 7 Business Days' written notice.

19.2 Termination of the Account shall in no way prejudice or affect any rights IFS may have against the Customer under this Agreement or under Applicable Laws.

19.3 Notwithstanding Clause 19.1 above, IFS shall be entitled to terminate or suspend the Account, immediately and without notice to the Customer, on the happening of any of the following events:

- (a) the Customer fails to comply with any of its obligations hereunder or under any Account or Transaction;
- (b) an encumbrancer takes possession or a receiver or receiver and manager is appointed over any of the property or assets of the Customer;
- (c) the Customer makes any voluntary arrangement with its creditors or becomes subject to an administration order;
- (d) the Customer is the subject of a petition presented or an order made or a resolution passed to wind up the Customer, to place the Customer in bankruptcy, to place the Customer in judicial management or to take any similar or analogous action in respect of the Customer;
- (e) where applicable, the Customer ceases, or threatens to cease, to carry on business;
- (f) any of the Customer's representations, warranties or statements hereunder or in the Application Form or in any document delivered pursuant to the Account has not been complied with or is incorrect or incomplete in any respect;
- (g) IFS forms the view, in good faith, that it should take action in order to preserve its rights or interests in relation to any Account or under its relationship with the Customer; or
- (h) where IFS is unable, at any time or from time to time, to provide or to continue to provide its services as a result of circumstances beyond IFS's control.

20 CONSEQUENCES OF TERMINATION

- 20.1 In the event that the Account is terminated by either Party in accordance with Clause 19.1 above, IFS shall deduct any outstanding sum from the Customer's Account of any relevant Service Fees, and where necessary redeem such Securities to satisfy any monies due from the Customer to IFS under this Agreement or in connection with the Account or any Transaction effected thereunder.
- 20.2 In the event that the Account is terminated by IFS pursuant to Clause 19.3 above, and without prejudice to any other right of IFS hereunder or under Applicable Laws, IFS may (but is not obliged to) immediately or at any time thereafter, do any one or more of the following:-
- (a) suspend (indefinitely or otherwise) or terminate the Account, or IFS's relationship with the Customer and accelerate any and all liabilities of the Customer to IFS so that they shall become immediately due and payable;
 - (b) cancel any of the Customer's outstanding order(s);
 - (c) apply any amounts of whatsoever nature standing to the credit of the Customer against any amounts which the Customer owes to IFS (of whatsoever nature and howsoever arising, including any contingent amounts), or generally to exercise IFS's right of set-off against the Customer;
 - (d) exercise its right of sale in respect of any of the Customer's Securities or call upon any Securities including but not limited to any guarantees and letters of credit which may have been issued to or in favour of IFS as Securities for the Account;
 - (e) demand any shortfall after (c) or (d) above from the Customer, hold any excess pending full settlement of any other obligations of the Customer, or pay any excess to the Customer by way of cheque to the last known address of the Customer; and
 - (f) exercise such other authority and powers that may have been conferred upon IFS by this Agreement.
- 20.3 If, during the process of termination and/or after termination, dividends (in any form not limited to cash, shares or units) or other interests are received by IFS in respect of the Customer's holdings, IFS will remit the amount due to the Customer by cheque or to the Customer's nominated bank account, provided that in aggregate it is equal to or more than HKD300. If the cash value or the current market value of such dividends or interests at the time of receipt by IFS is less than HKD300 or equivalent in other currency, it will be deemed to have been forfeited by the Customer.

21 COMMUNICATIONS

- 21.1 The Customer acknowledges and agrees that any communication (including but not limited to the sending of notices, annual and semi-annual reports, performance statements, or confirmation notes or status of Instructions (whichever may be applicable for the relevant Securities in question) to the Customer from IFS may be sent at any electronic mail, facsimile, telex, or postal address of the Customer last known to IFS. Any such communication shall be deemed to be received by the Customer (a) if given by electronic mail, facsimile or telex transmission at the same time it is dispatched; or (b) if given by post two days after the same has been posted.
- 21.2 Any communications from the Customer to IFS, whether they are the Instructions relating to any of the Accounts or otherwise, shall be given in accordance with IFS's general operating procedures.

22 INTERPRETATION AND GOVERNING LAW

- 22.1 This Agreement, any Account, and the relationship between the Customer and IFS and the rights and obligations stipulated thereunder, shall be governed by and be construed in accordance with the laws of Hong Kong. The Customer and IFS submit to the non-exclusive jurisdiction of the courts of Hong Kong.

23 SOLICITATION AND RECOMMENDATION

- 23.1 If IFS solicits the sale of or recommend any financial product to the client, the Financial Product must be reasonably suitable for you having regard to your financial situation, investment experience and investment objectives. No other provision of this agreement or any other document we may ask you to sign and no statement we may ask you to make derogates from this clause.
- 23.2 Financial Product in clause 23.1 means any securities, futures contracts or leveraged foreign exchange contracts as defined under the SFO. Regarding "leveraged foreign exchange contracts", it is only applicable to those traded by persons licensed for Type 3 regulated activity.

24 CAPACITY

- 24.1 IFS will act as the Customer's agent in effecting transactions pursuant to this Agreement unless IFS indicates in the transactional documents that it is acting as a principal.

25 LANGUAGE

25.1 In case of any inconsistencies between the English version and the Chinese version of this Agreement, the Application Form or any other document or notice provided by IFS to the Customer under or in connection with this Agreement, the English version shall prevail to the extent of such inconsistencies.

26. INDEPENDENCY

26.1. IFS is not an independent intermediary because IFS receives fees, commissions, or other monetary benefits from other parties (which may include product issuers) in relation to IFS's distribution of investment products to the Customers. For details, Customers should refer to IFS's disclosure on monetary benefits which IFS is required to deliver to the Customers prior to or at the point of entering into any transaction in investment products.

27. ASSIGNMENT AND NOVATION

27.1 IFS may assign and/ or novate its full or partial rights and obligations in relation to any subject of the assignment, transfer and/ or novation of business(es) under the Agreement to any of the members of iFAST Group upon giving prior written notice to the Customer. Customer hereby consents to such assignment or novation. Customer may not assign any of his/ her rights and obligations hereunder without first obtaining the consent of IS in writing.

This Agreement is revised or supplemented from time to time. Clients should refer to its latest version on Fundsupermart.com website for reference.

SUPPLEMENTAL AGREEMENT

(FSM SMART ACCOUNT)

1. Where applicable, this Agreement is supplemental to, and form part of the Client Agreement. Unless otherwise defined herein, terms defined in this Client Agreement shall have the same meanings when used or referred to herein. Save as specifically amended or superseded by these terms and conditions, the Client Agreement shall continue to have full force and effect.

FSM SMART ACCOUNT

2. The Customer has or will engage the services of IFHK to provide portfolio management services relating to the Customer's investments and the Customer agrees to pay the relevant Service Fees to IFHK. For such purpose, the Customer will consolidate his/her investments in the FSM Smart Account and the FSM Smart Account may be utilized for investments in Securities.
3. The Customer agrees and undertakes to forthwith notify IFHK in writing upon the termination, for any reason whatsoever, of the agreement between IFHK and the Customer in respect of the provision of Services mentioned in paragraph 2 above. Upon receipt by IFHK of the above notification and without prejudice to the rights of IFHK, the FSM Smart Account shall automatically be deemed terminated.
4. To facilitate the payment of the relevant Service Fees arising or incurred in connection with the operation of the FSM Smart Account, IFHK has the discretion to collect the relevant Service Fees through the methods as mentioned in Clause 11.12 of the Client Agreement.
5. In relation to Clause 11.12 of the Client Agreement, the Customer agrees, consents and authorizes IFHK to act on the Customer's behalf (at IFHK's sole discretion) to redeem or transfer out such number of Units on a quarterly basis, or on an ad hoc basis, due to any reason including but not limited to account termination or transfer out of the Customer's asset in the Account. Redemption of Units will be calculated on a NAV-to-NAV basis and the proceeds from such redemption will be used to pay the relevant Service Fees. Any realization proceeds in excess of the applicable relevant Service Fees shall be retained in the Cash Account.
6. In the event of a withdrawal of assets by the Customer which results in the value of the Customer's balance holdings being less than any outstanding relevant Service Fees, IFHK has the discretion to retain the necessary asset to pay the relevant Service Fees.
7. The Customer acknowledges and agrees that any money, including cash that is not utilized for investment and proceeds from any sale of the investments in the FSM Smart Account, may be deposited at IFHK's discretion into the Customer's Cash Account with IFHK, in accordance with the Agreement of the Account.

NO LIABILITY

8. The Customer hereby agrees and acknowledges that IFHK shall not be liable for any actions, claims, costs (including legal costs on a full indemnity basis), losses, charges, expenses and damages whatsoever as may be suffered, incurred or sustained by the Customer arising from or in connection with the operation of the FSM Smart Account or Cash Account by IFHK pursuant to this Agreement or by the acts, omissions, representations or advice given by the IFHK, if any.

SUPPLEMENTAL AGREEMENT

(TAX REQUIREMENTS)

1. Where applicable, this Agreement is supplemental to, and form part of the Client Agreement. Unless otherwise defined herein, terms defined in this Client Agreement shall have the same meanings when used or referred to herein. Save as specifically amended or superseded by these terms and conditions, the Client Agreement shall continue to have full force and effect.
2. This Agreement sets out terms relating to tax withholding and reporting and other tax-associated requirements that apply to and are binding on Customers of IFHK.
3. For the purpose of this Agreement, "IFHK" refers to iFAST Financial (HK) Limited and any of its branches, holding company, representative offices, subsidiaries and affiliates (including branches or offices of such subsidiaries or affiliates).
4. In this Agreement "Compliance Requirements" refer to obligations imposed on IFHK under or pursuant to:
 - a) any laws binding or applying to it within or outside Hong Kong existing currently and in the future;
 - b) any guidelines or guidance given or issued by any legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial service providers within or outside Hong Kong existing currently and in the future; and
 - c) any present or future contractual or other commitments with local or foreign legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial service providers that are assumed by or imposed on the IFHK by reason of its financial, commercial, business or other interests or activities in or related to the jurisdiction of the relevant local or foreign legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations.

5. Disclosure of Information

The Customer consents to and authorizes IFHK, its staff and any other person who by reason of their scope of work or capacity or office have access to IFHK's records, registers or any correspondences or materials with regard to the Customer's personal and account information ("Personal Information") to disclose any of the Personal Information, where such disclosure is required under any applicable Compliance Requirements, to:

- a) any of the IFHK's branches, holding companies, representative offices, subsidiaries and affiliates, wherever situated and which may be within or outside of Hong Kong; and
- b) any local or foreign legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial service providers, including but not limited to any settlement and clearing agencies, all of which may be within or outside Hong Kong and may be existing currently and in the future.

The Customer undertakes and agrees to obtain this consent and authorization from any person associated with the Customer, including its legal and equitable owners and payment recipients, in respect of which the disclosures may be required under any Compliance Requirements.

6. Cooperation with Enquiries

The Customer will cooperate fully in respect of any enquiries that IFHK may make for the purpose of compliance with any Compliance Requirements, including promptly providing all relevant information, details and/or documents as may be necessary to enable IFHK to comply with the same.

7. Notification on Change in Circumstances

The Customer will promptly notify IFHK in writing of any changes in:

- a) The Customer's particular(s), circumstance(s), status, including any changes in citizenship, residence, tax residency, address(es) on record, telephone or facsimile number and email address; and
- b) (where applicable) The Customer's constitution, shareholders, partners, directors or company secretary, or the nature of its business.

8. Withholding Payments

Any sum that may be payable by IFHK to the Customer shall be subject to all applicable laws and regulations, including Compliance Requirements and rules prescribed by the relevant settlement and clearing agencies, any withholding tax requirements, foreign exchange restrictions or control. The Customer agrees and acknowledges that pursuant to the foregoing, IFHK may, without notice or liability to the Customer, perform, or cause to be performed, withholding of any monies payable to the Customer, deposit any such monies into a sundry or other account and/or retain such monies pending determination of the applicability of such withholding tax requirements, foreign exchange restrictions or control. IFHK shall not be liable for any gross up or any losses that may be incurred by reason of such withholding, retention or deposit.

9. Account Termination

The Customer agrees that IFHK has the right to block transactions, transfer arrangements or terminate all or any of the Customer's accounts or the agreements or arrangements entered into between the Customer and IFHK at any time without having to give any reason or notice if the Customer fails to comply with any of the requirements under this Agreement.

10. Terms Inconsistency

If there is any inconsistency between the terms herein and any other terms in the Client Agreement and/or arrangements that the Customer has entered into with IFHK, the terms herein shall prevail insofar as they relate to IFHK's compliance with the Compliance Requirements.

11. Should there be any inconsistencies between the English and Chinese versions, the English version shall prevail.

SUPPLEMENTAL AGREEMENT

(DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES)

1. Where applicable, this Agreement is supplemental to, and forms part of, the Client Agreement. Unless otherwise defined herein, terms defined in the Client Agreement shall have the same meanings when used or referred to herein. Save as specifically amended or superseded by these terms and conditions, the Client Agreement shall continue to have full force and effect.

DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES

2. The Customer shall open and maintain a Discretionary Account with IFHK to subscribe the Discretionary Portfolio Management Services ("DPMS") of IFHK. The Customer hereby appoints IFHK as the Discretionary Account Manager to provide DPMS. With the said subscription, the Customer has duly agreed and authorised IFHK with the full discretionary authority to execute Securities Transactions and generally do all acts and things on behalf of the Customer for the purpose of providing the services in connection with the management of the Investment Assets in the iFAST Discretionary Account in accordance with the terms and conditions set out in this Agreement and as determined by the Customer on the online application or the offline application form. The Customer undertakes not to, nor authorize anyone to, make transaction requests, including but not limited to purchase, sale, subscription, redemption, switching, transfer-in or transfer-out, about any of the Securities in the iFAST Discretionary Account of the Customer, except subscribing and redeeming the iFAST Managed Portfolio(s). Investment Assets herein means all cash (in whatsoever currency), Securities and other assets. The discretionary authority shall also include the rights of IFHK to decide on the appropriate actions or inactions with respect to each of the corporate actions of the underlying Securities on the Customer's behalf. For the execution of such Transactions, IFHK has the discretion to deduct the relevant amount from the Customer's Cash Account. Such discretionary authority granted by the Customer does not extend to any transfers out, redemption where proceeds are not deposited in the Customer's Cash Account or disposal of Securities due to cancellation or termination of the Customer's Account or withdrawal from the Account to a bank account.
3. The Customer shall subscribe DPMS through online application or offline application form. The Customer shall read and understand the Portfolio Description and Key Risk Statement which contains the investment objective, the proportion of the asset classes, markets, and corresponding risk profile of the selected portfolio prior to subscription of the DPMS. IFHK shall endeavour to ensure that the Transactions executed in the portfolio(s) are consistent with the investment strategies and objectives of the respective portfolio(s), and that any investment decision made under the DPMS is in accordance with the relevant regulations of the SFC.
4. IFHK confirms that the opening of the Discretionary Account of the Customer will be reviewed and approved by IFHK's senior management.
5. The Customer agrees and acknowledges that due to the operation of the Discretionary Account by IFHK, it will not be practical to provide the product information or offering documents of the Securities transacted by IFHK on behalf of the Customer.
6. The Customer acknowledges that no confirmation note/contract note will be provided for the Securities Transactions executed by IFHK on behalf of the Customer via the Discretionary Account as the said provision is exempted for a Discretionary Account under SFC regulations. IFHK shall provide the Customer a monthly statement with regards to the current position of the portfolio(s).
7. The DPMS shall be provided by IFHK to the Customer for a period not exceeding twelve (12) months from the effective date as notified by IFHK and IFHK will send a notification of renewal fourteen (14) Business days before the expiry of the twelve (12) months either via email or by post to the Customer. Unless the Customer specifically revokes the discretionary authority under the DPMS in writing before the said expiry date, the said discretionary authority shall be automatically renewed and IFHK will send a confirmation of the said renewal within seven (7) business days of the said renewal.
8. The DPMS herein shall immediately terminate upon the closure of the relevant Discretionary Account of the Customer.
9. The account under DPMS will be designated as "Discretionary Account" in all transaction forms and account opening forms.

10. The Customer hereby acknowledges the investment risks involved in providing the DPMS herein and that derivative financial products and/or unauthorised products may be transacted by IFHK on behalf of the Customer if IFHK considers the products suitable and matched with the investment strategies and objectives of the relevant portfolio(s).
11. The Customer hereby agrees that IFHK shall be entitled to receive the fees as set out in the Fee Schedule for the provision of DPMS for the Customer's Discretionary Account. The Customer acknowledges and consents that in relation to the Transactions of Securities executed by IFHK on the Customer's behalf in the Customer's Discretionary Account, IFHK may be entitled from the Managers or the Product Issuers monetary benefits by way of rebate of any part of, or calculated based on, any management, distribution or other administration fee calculated by reference to the value or number of units of any holding in such funds held by the Customer whether calculated or payable annually or otherwise periodically. The Customer acknowledges and consents to the receipt of such monetary benefits by IFHK and the detail of the monetary benefits below.

Type of investment product	Monetary benefits receivable or trading profits made by IFHK and/or its associate
Mutual Funds/ Unit Trusts	Trailer Commission: Up to 60% of a Mutual Fund's/ Unit Trust's annual management fees and/or other equivalent fees as ongoing commission every year throughout the term of investment from the Product Issuers. Switch Fee: Up to 100% of the specified Switch Fee, as prescribed in the Fee Schedule, from the Product Issuers.
Bonds	Up to 3% of your invested amount from the Product Issuers.

12. The Customer acknowledges and consents that IFHK and/or its associates may receive from Product Issuers non-monetary benefits, including but not limited to services, analysis, travel, accommodation, entertainment as IFHK and/or its associates may deem appropriate, for effecting a transaction and/ or maintaining the Investment Assets for the Customer.
13. The Customer acknowledges that IFHK may enter into soft commission arrangements with the Managers or the Product Issuers through which Transactions are executed for the Customer's Discretionary Account. IFHK will enter into such an arrangement only where the goods or services are of demonstrable benefit to the Customer. IFHK will ensure that brokerage rates are not in excess of customary full-service retail rates and IFHK agrees that the quality of Transaction executed will be consistent with the best execution standards. The Customer consents to the receipt by IFHK of the benefits from the said soft commission arrangements.
14. For the purpose of paragraph 12 above, such goods and services may include: research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; computer hardware and software incidental to such goods and services; clearing and custodian services and investment-related publications. The goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.
15. IFHK shall provide the Valuation Report of the Discretionary Account to the Customer on a monthly basis. The Valuation Report at least contains all income received, all charges levied, the cash, the investment holdings, total value and the movements in the value of the Discretionary Account. The Valuation Report will be provided in electronic format on the post-login page of IFHK's designated website.
16. IFHK is hereby irrevocably authorised by the Customer to appoint IFHK and/or its associated entity(ies), as defined in the Securities and Futures Ordinance (CAP. 571), as the Custodian(s) for any period of time to hold any and/or all of the assets, including but not limited to money and Securities, on behalf of the Customer. The associated entity(ies) shall receive and hold money from the Customer in the segregated account(s) established and maintained with authorized financial institutions in accordance with Securities and Futures (Client Money) Rules (CAP. 571I).
17. The discretionary authority herein remains effective until the completion of iFAST Discretionary Account Termination. The Customer agrees that IFHK may arrange for the settlement or closing of any transactions and obligations to make transactions outstanding as at the date of termination upon the completion of this Agreement.

18. The Customer must redeem the iFAST Managed Portfolios and withdraw all the cash from iFAST Discretionary Account to complete the iFAST Discretionary Account termination.
19. The Customer undertakes to keep his/her risk profile updated. IFHK will periodically review the Customer's risk profile and send reminders on risk profile renewal by email, post, or any other means to the Customer. Unless the Customer updates IFHK his/her risk profile, such latest risk profile will remain unchanged.
20. Either IFHK or the Customer may elect to terminate the iFAST Discretionary Account by giving not less than sixty (60) days' prior written notice to each other. The written notice to revoke the discretionary authority according to clause 7 in this Supplemental Agreement is regarded as the written notice to terminate the iFAST Discretionary Account. Notwithstanding the foregoing, the Customer has no right to terminate either the Agreement or iFAST Discretionary Account if the Customer has sums owing to IFHK, open position(s) or any other outstanding liabilities or obligations.
21. Notwithstanding Clause 20 above, IFHK shall be entitled to terminate the iFAST Discretionary Account, immediately and without notice to the Customer, on any breach of the Agreement by the Customer.

Portfolio Description and Key Risk Statement

Aggressive Portfolio

Investment Objective: This portfolio aims at achieving high, long-term capital appreciation primarily through investment in a diversified portfolio of mutual funds, which mainly invests in equity funds with the remaining balance invested in fixed income funds. The portfolio may invest in balanced funds, alternative investment funds and money market funds. It may also invest in index funds and exchange traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Key Features: This portfolio is suitable for aggressive investors who are able to handle higher risks and understand the fluctuations that come with being invested in stock markets. It is also suitable for investors who have a long-term horizon and can bear temporary market setbacks. Specific examples include singles with no near-term commitments and couples saving for long-term retirement.

Suggested Investment Horizon: 3–5 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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Moderately Aggressive Portfolio

Investment Objective: This portfolio aims at achieving higher long-term capital appreciation primarily through investment in a diversified portfolio of mutual funds, which mainly invests in equity funds with the remaining balance invested in fixed income funds. The portfolio may invest in balanced funds, alternative investment funds and money market funds. It may also invest in index funds and exchange traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Key Features: This portfolio is suitable for investors who are moderately aggressive, want good returns and are willing to withstand some short-term fluctuations in their portfolio to achieve this goal. Specific examples include singles, young couples building wealth and middle-aged persons who are saving for retirement.

Suggested Investment Horizon: 3–5 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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Balanced Portfolio

Investment Objective: This portfolio aims at achieving moderate, long-term capital appreciation primarily through investment in a diversified portfolio of mutual funds, which mainly consists of equity funds and fixed income funds. The portfolio may invest in balanced funds, alternative investment funds and money market funds. It may also invest in exchange traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Key Features: This portfolio is suitable for investors who want reasonably good returns and are able to bear some risk. Specific examples include middle-aged persons who have no immediate cash commitments and those preparing for medium- to long-term retirement planning. This portfolio is also suitable for investors who have medium- to long-term financial goals like saving for children’s education or upgrading a home.

Suggested Investment Horizon: 3 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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Moderately Conservative Portfolio

Investment Objective: This portfolio aims at achieving moderately low, long-term capital appreciation primarily through investment in a diversified portfolio of mutual funds, which mainly consists of equity funds and fixed income funds. The portfolio may invest in balanced funds, alternative investment funds and money market funds. It may also invest in exchange traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Key Features: Offering an option of quarterly distributions at 3% p.a., this portfolio is suitable for investors who want reasonably good returns and are able to bear some risk. Specific examples include those preparing for medium-term retirement planning. The portfolio is also suitable for investors who have medium-term financial goals.

Suggested Investment Horizon: 2 to 3 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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Conservative Portfolio

Investment Objective: This portfolio aims at achieving moderately low, long-term capital appreciation primarily through investment in a diversified portfolio of mutual funds, which mainly invests in fixed income funds with the remaining balance invested in equity funds. The portfolio may invest in balanced funds, alternative investment funds and money market funds. It may also invest in exchange traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Key Features: Offering an option of quarterly distributions at 2% p.a., this portfolio is suitable for conservative investors who want a stable, low-risk portfolio. Specific examples include retirees and risk-averse investors. The portfolio is also suitable for investors who require a shorter-term investment horizon.

Suggested Investment Horizon: 2 to 3 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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RSP – Growth Portfolio

Investment Objective: This portfolio invests a fixed amount of capital monthly in a disciplined manner via the dollar cost averaging strategy to achieve long-term capital appreciation. The portfolio primarily invests in equity funds. It may also invest in fixed income funds, balanced funds, alternative investment funds and money market funds. The portfolio may also invest in exchange-traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Portfolio Features: This portfolio is suitable for investors who are moderately aggressive, want good returns and are willing to withstand some short-term fluctuations in their portfolio to achieve this. It is also suitable for investors who want to hedge against market volatility where the risk of lump-sum investment is relatively high and who have low startup investment amount. This portfolio is also suitable for investors who have long-term financial goals like saving for their children's education or retirement.

Suggested Investment Horizon: 3 to 5 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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RSP – Balanced Portfolio

Investment Objective: This portfolio invests a fixed amount of capital monthly in a disciplined manner via the dollar cost averaging strategy to achieve long-term capital appreciation. The portfolio tends to apply similar weightage on equity funds and fixed income funds. It may also invest in balanced funds, alternative investment funds and money market funds. The portfolio may also invest in exchange-traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Portfolio Features: This portfolio is suitable for investors who want reasonably good returns and are able to bear some risk. It is also suitable for investors who want to hedge against market volatility where the risk of lump-sum investment is relatively high and who have low startup investment amount. This portfolio is also suitable for investors who have long-term financial goals like saving for their children’s education or retirement.

Suggested Investment Horizon: 3 to 5 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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RSP – Defensive Portfolio

Investment Objective: This portfolio invests a fixed amount of capital monthly in a disciplined manner via the dollar cost averaging strategy to achieve long-term capital appreciation. The portfolio primarily invests in fixed income funds. It may also invest in equity funds, balanced funds, alternative investment funds and money market funds. The portfolio may also invest in exchange-traded funds (ETFs) with the aim of gaining exposure to a particular sector, market or asset.

Markets: This portfolio can invest across the global market.

Portfolio Features: This portfolio aims at achieving moderately low, long-term capital appreciation through investment in a diversified portfolio of mutual funds, which mainly consists of fixed income funds and equity funds. It is also suitable for investors who want to hedge against market volatility where the risk of lump sum investment is relatively high and who have low startup investment amount. This portfolio is also suitable for investors who have long-term financial goals like saving for their children’s education or retirement.

Suggested Investment Horizon: 3 to 5 years or more

Portfolio Risk Profile:

Low	Low to Medium	Medium	Medium to High	High
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Key Risk Related to Unit Trusts/ Mutual Funds

Different investment strategies carry different levels of risk depending on the underlying securities invested via the strategies, and I understand that the following associated risks will be included:

- The value of the portfolio will vary;
- Investment returns will vary and future returns may differ from past returns;
- No returns are guaranteed and the Customer may lose some of the money he/she invests;
- Dividends and other income may be lower than expected or the Customer may receive none;
- Laws of overseas jurisdictions can affect returns on international investments; and
- Laws affecting the portfolio may change from time to time.

Portfolio might invest in fixed income securities, equities, securities investing in emerging markets, securities with derivative instruments, unauthorized securities and alternative asset classes. Depending on the underlying securities and investment strategy, the investments will be exposed to the following significant risks:

Investment risk—Past performance may not be a reliable guide to future performance. The value of the underlying investments and the return derived from them can fluctuate and go down as well as up. There can be no assurance, and no assurance is given, that the portfolio will achieve its investment objectives. There is also no guarantee of repayment of capital.

Market risk—Risks that affect the entire equity markets, including investor sentiment, economic impacts, regulatory conditions, political and catastrophic events.

Emerging-market risk—The portfolio might invest in equities and fixed income securities across emerging markets, thereby providing exposure to emerging markets that tend to be more volatile than developed markets, and its value could move sharply up or down. Political risks and adverse economic circumstances are more likely to arise, putting the value of the Customer's investment at risk.

Single-country/sectorial risk—The portfolio may invest in securities that may have concentrated holdings in a single country or sector, and thus may have greater exposure to the market, political, legal, economic and social risks of that particular country or sector than securities that diversify country risk across a number of countries. As a result, the value of the single-country or -sectorial securities may be more volatile than securities that diversify across a larger number of countries or investment.

Volatility risk—The price of investments in the Customer's portfolio may vary, sometimes markedly and over a short period of time. Generally the higher the potential return, the higher the risk and the greater the chance of substantial fluctuations in returns over a short period of time. In particular, investments in equity securities are traditionally towards the higher end of the risk-return spectrum. This may lead to fluctuations in the value of the Customer's investments, including fluctuation over the period between a withdrawal request being made and the time of payment. Markets are volatile and indeed volatility in some markets can often be very high.

Currency risk—The risk that fluctuations in exchange rates between the Hong Kong dollar and foreign currencies may cause the value of international investments to decline significantly. If the Customer's Account includes exposure to international investments or companies with foreign investments or exposure, they may not be hedged back to Hong Kong dollar and therefore the Customer's portfolio may be exposed to currency risk.

Currency-hedging risk—The portfolio may invest in securities with a currency-hedged share class. While potentially reducing the currency risks to which the funds would otherwise be exposed, currency-hedging instruments may involve the risk of default by a counterparty (counterparty risk).

Interest rate risk—Movements in domestic and international interest rates may cause the value of the Customer's investments to decline.

Implementation risk—The performance of the Customer's portfolio may differ from the performance of the relevant portfolio due to a number of factors such as cash flows, liquidity of instruments, portfolio reweighting and timing differences.

Investment manager risk—The risk that an investment manager will not achieve the performance objectives or produce returns that compare favourably against its peers. Additionally, there is the risk that a manager's investment strategy may not prove to be effective. Many factors can negatively impact the manager's ability to generate acceptable returns from his/her investment management process, including the loss of key staff. Furthermore, portfolios may be discontinued, altered or terminated by iFAST.

Counterparty risk—The risk of loss due to a counterparty not honouring a commitment, which may cause the value of the Customer's Account to fall. Counterparties include custodians, brokers and settlement houses.

Fixed income securities and downgrade risk— The portfolio may invest in fixed income securities. Fixed income securities are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk), and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). The portfolio may invest in fixed income securities that are interest rate sensitive. An increase in interest rates will generally reduce the value of fixed income

securities, while a decline in interest rates will generally increase the value of fixed income securities. The performance of the portfolio will therefore depend in part on the ability to anticipate and respond to such fluctuations on market interest rates, and to utilise appropriate strategies to maximise returns while attempting to minimise the associated risks to investment capital. Fixed income securities are also exposed to the risk of being downgraded, which can cause a significant drop in the value of the portfolio.

Credit and sovereign debt risk—The portfolio may invest in government/sovereign and corporate fixed income securities. Investment in sovereign debts issued or guaranteed by governments as well as corporate-issued securities involves a high degree of risk as default can occur if the government or corporate entity is not able or willing to repay the principal and/or interest when due.

Lower-rated securities risk—The portfolio may invest in lower-rated or unrated (i.e. non-investment grade or high-yield) securities. Such securities are more likely to react to developments affecting market and credit risk than are more highly-rated securities, which primarily react to movements in the general level of interest rates. Investors should carefully consider the relative risks of investing in high-yield securities and understand that such securities generally are not meant for short-term investment. The risk of loss due to default by the issuers is significantly greater because lower-rated and unrated securities of comparable quality generally are unsecured and frequently subordinated to the prior payment of senior indebtedness. The portfolio may therefore find it more difficult to sell such high-yield securities or may be able to sell these securities only at prices lower than if such securities were widely traded. Furthermore, the portfolio may experience difficulty in valuing certain securities at certain times.

Key Risk Related to Fixed Income Instruments

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

Liquidity risk - some bonds may not have active secondary markets and it would be difficult or impossible for investors to sell the bond before its maturity. The bond may have limited liquidity and may not be actively traded and/or quoted by brokers in the market. As such, (i) The value of bond and/or indicative bid/offer price will depend on market liquidity and conditions and may not be available at all times; (ii) It may take a longer time or it may be impossible to sell the bond to the market; and; (iii) The executable sale price may differ unfavourably by large amounts from the indicative bid price quoted.

Interest rate risk - bonds are more susceptible to fluctuations in interest rates and generally prices of bonds will fall when interest rates rise.

Exchange rate risk - If the bond is denominated in a foreign currency, a Customer will face an exchange rate risk. Any fall in the foreign currency will reduce the amount he will receive when he converts a payment of interest or principal back into his local currency.

Event risk - A corporate event such as a merger or takeover may lower the credit rating of the bond issuer. In case the corporate restructurings are financed by the issuance of a large amount of new debt-burden, the company's ability to pay off existing bonds will be weakened.

Market Risk - The value of investments may fluctuate due to changing political, legal and, economic conditions and changes in interest rates. This is common to all markets and asset classes. Investor's return may be substantially less than the initial investment.

Currency Risk - For bonds denominated in a foreign currency, there may be an exchange loss when converting the redemption amount back to the local or base currency.

Risk of Odd-Lot Transaction - If iFAST acts as the principal in conducting the bond transaction(s), please note that this transaction amount may be lower than minimum denominations stated in the Offering Circular, there may be no or only a limited secondary market in the bond(s). Therefore the Customer may not be able to sell the bond(s) easily or at prices that will provide him with a yield comparable with similar investments that have a developed secondary market. iFAST or its affiliates may be the only liquidity provider for the bonds where a Customer would like to sell the bond(s) before its maturity. Investing in these bonds may involve higher liquidity risk. And the Customer may not enjoy the same rights as other bond holders of the same issue.

Higher credit risk - since they are typically rated below investment grade or are unrated and as such are often subject to a higher risk of issuer default.

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

Bonds with special features

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

That are perpetual in nature and interest pay-out depends on the viability of the issuer in the very long term;

That have subordinated ranking and in case of liquidation of the issuer, investors can only get back the principal after other senior creditors are paid;

That are callable and investors face reinvestment risk when the issuer exercises its right to redeem the bond before it matures;

That have variable and/or deferral of interest payment terms and investors would face uncertainty over the amount and time of the interest payments to be received;

That have extendable maturity dates and investors would not have a definite schedule of principal repayment;

That are convertible or exchangeable in nature and investors are subject to both equity and bond investment risk; and/or

That have contingent write down or loss absorption feature and the bond may be written-off fully or partially or converted to common stock on the occurrence of a trigger event.

Risk Disclosure Statement – Securities Account

The following risk disclosure statement is provided by iFAST Financial (HK) Limited, iFAST Platform Services (HK) Limited and iFAST Securities (HK) Limited pursuant to the Code of Conduct for Persons Licensed by or Registered with the Securities or Futures Commission and/or the Listing Rules of Hong Kong Exchange:

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 GROWTH ENTERPRISE MARKET STOCKS

Growth Enterprise Market (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.

You 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.

You should seek independent professional advice if you are uncertain of or do not understand any aspect of this risk disclosure statement or the nature and risks involved in trading of GEM stocks.

3. RISKS INVOLVED IN TRADING CALLABLE BULL/BEAR CONTRACTS (“CBBC”)

Mandatory call

CBBC are not suitable for all types of investors and investors should consider their risk appetite prior to trading. In any case, one should not trade in CBBC unless he/she understands the nature of the product and is prepared to lose the total amount invested since a CBBC will be called by the issuer when the price of the underlying asset hits the Call Price and trading in that CBBC will expire early. Payoff for Category N CBBC will be zero when they expire early. When Category R CBBC expire early the holder may receive a small amount of Residual Value payment, but there may be no Residual Value payment in adverse situations. Brokers may charge their clients a service fee for the collection of the Residual Value payment from the respective issuers.

In general, the larger the buffer between the Call Price and the Spot Price of the underlying asset, the lower the probability of the CBBC being called since the underlying asset of that CBBC would have to experience a larger movement in the price before the CBBC will be called. However at the same time, the larger the buffer, the lower the leverage effect will be.

Once the CBBC is called, even though the underlying asset may bounce back in the right direction, the CBBC which has been called will not be revived and investors will not be able to profit from the bounce-back.

Besides, the Mandatory Call Event (MCE) of a CBBC with overseas assets as underlying may be triggered outside the Exchange's trading hours.

Gearing effects

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

Limited life

A CBBC has a limited life, as denoted by the fixed expiry date, with a lifespan of 3 months to 5 years. The life of a CBBC may be shorter if called before the fixed expiry date. The price of a CBBC fluctuates with the changes in the price of the underlying asset from time to time and may become worthless after expiry and in certain cases, even before the normal expiry if the CBBC has been called early.

Movement with underlying asset

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

Liquidity

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

Funding costs

The issue price of a CBBC includes funding costs and issuers will specify the formula for calculating the funding costs of their CBBC at launch in the listing documents. Since the funding costs for each CBBC issue may be different as it includes the issuer's financing /stock borrowing costs after adjustment for expected ordinary dividend of the stock (if the underlying is a Hong Kong stock since the CBBC will not be adjusted for ordinary dividend) plus the issuer's profit margin, investors are advised to compare the funding costs of different issuers for CBBC with similar underlying assets and terms. The funding costs will gradually be reduced over time along with the CBBC in the secondary market as the CBBC moves towards expiry. In general, the longer the duration of the CBBC, the higher the total funding costs will be since it is similar to investors borrowing for a longer tenure to trade in the underlying asset. When a CBBC is called, the CBBC holders (investors) will lose the funding cost for the full period since the funding cost is built into the CBBC price upfront at launch even though with the MCE, the actual period of funding for the CBBC turns out to be shorter. In any case, investors should note that the funding costs of a CBBC after launch may vary during its life and the Liquidity Provider is not obliged to provide a quote for the CBBC based on the theoretical calculation of the funding costs for that CBBC at launch.

Trading of CBBC close to Call Price

When the underlying asset is trading close to the Call Price, the price of a CBBC may be more volatile with wider spreads and uncertain liquidity. CBBC may be called at any time and trading will terminate as a result.

However, the trade inputted by the investor may still be executed and confirmed by the investors after the MCE since there may be some time lapse between the MCE time and suspension of the CBBC trading. Any trades executed after the MCE (i.e. Post MCE Trades) will not be recognized and will be cancelled. Therefore, investors should be aware of the risk and ought to apply special caution when the CBBC is trading close to the Call Price.

Issuers will announce the exact call time within 1 hour after the trigger of MCE, and HKEx will also send the list of Post MCE Trades to the relevant Exchange Participants (brokers) who in turn will inform their clients accordingly. For avoidance of doubt on whether their trades have been cancelled (i.e. whether they are Post MCE Trades), the investors may check with their brokers.

CBBC with overseas underlying assets

Investors trading CBBC with overseas underlying assets are exposed to an exchange rate risk as the price and cash settlement amount of the CBBC are converted from a foreign currency into Hong Kong dollars. Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets which are affected by various factors.

Besides, CBBC issued on overseas underlying assets may be called outside the Exchange's trading hours. In such case, the CBBC will be terminated from trading on the Exchange in the next trading session or soon after the issuer has notified the Exchange about the occurrence of the MCE. There will be no automatic suspension of the CBBC by AMS/3. For Category R CBBC, valuation of the residual value will be determined on the valuation day according to the terms in the listing documents

4. RISKS INVOLVED IN TRADING DERIVATIVE WARRANTS

Derivative warrant trading involves high risks and is not suitable for every investor. Investors should understand and consider the following risks before trading in derivative warrants.

Issuer Risk

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

Gearing Risk

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

Limited Life

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

Time Decay

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

Volatility

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

Market Forces

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

5. RISKS INVOLVED IN TRADING EXCHANGE TRADED FUNDS (“ETFs”)

Market risk

ETFs are typically designed to track 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 goal, but in general they do not have the discretion to take defensive positions in declining markets. Investors must be prepared to bear the risk of loss and volatility associated with the underlying index/assets.

Tracking errors

Tracking errors refer to the disparity in performance between an ETF and its underlying index/assets. Tracking errors can arise due to factors such as the impact of transaction fees and expenses incurred to the ETF, changes in composition of the underlying index/assets, and the ETF manager's replication strategy. (The common replication strategies include full replication/representative sampling and synthetic replication which are discussed in more detail below.)

Trading at discount or premium

An ETF may be traded at a discount or premium to its Net Asset Value (NAV). This price discrepancy is caused by supply and demand factors, and may be particularly likely to emerge during periods of high market volatility and uncertainty. This phenomenon may also be observed for ETFs tracking specific markets or sectors that are subject to direct investment restrictions.

Foreign exchange risk

Investors trading ETFs 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 ETF price.

Liquidity risk

Securities Market Makers (SMMs) are Exchange Participants that provide liquidity to facilitate trading in ETFs. Although most ETFs are supported by one or more SMMs, there is no assurance that active trading will be maintained. In the event that the SMMs default or cease to fulfill their role, investors may not be able to buy or sell the product.

Counterparty risk involved in ETFs with different replication strategies

(a) Full replication and representative sampling strategies

An ETF using a full replication strategy generally aims to invest in all constituent stocks/assets in the same weightings as its benchmark. ETFs adopting a representative sampling strategy will invest in some, but not all of the relevant constituent stocks/assets. For ETFs that invest directly in the underlying assets rather than through synthetic instruments issued by third parties, counterparty risk tends to be less of concern.

(b) Synthetic replication strategies

ETFs utilising a synthetic replication strategy use swaps or other derivative instruments to gain exposure to a benchmark. Currently, synthetic replication ETFs can be further categorized into two forms:

i. Swap-based ETFs

- Total return swaps allow ETF managers to replicate the benchmark performance of ETFs without purchasing the underlying assets. (total return swaps)
- 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.

ii. Derivative embedded ETFs

- ETF managers may also use other derivative instruments to synthetically replicate the economic benefit of the relevant benchmark. The derivative instruments may be issued by one or multiple issuers.
- Derivative embedded ETFs are subject to counterparty risk of the derivative instruments' issuers and may suffer losses if such issuers default or fail to honour their contractual commitments.

Even where collateral is obtained by an ETF, it is subject to the collateral provider fulfilling 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.

It is important that investors understand and critically assess the implications arising due to different ETF structures and characteristics.

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

Client assets received or held by the licensed or registered person outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap.571) and the rules made

therein. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

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

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

8. RISK OF MARGIN TRADING

The risk of loss in financing a transaction by deposit of collateral is significant. You may sustain losses in excess of your 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. You 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, your collateral may be liquidated without your consent. Moreover, you will remain liable for any resulting deficit in your account and interest charged on your account. You should therefore carefully consider whether such a financing arrangement is suitable in light of your own financial position and investment objectives.

9. RISK OF PROVIDING AN AUTHORITY TO REPLEDGE YOUR SECURITIES COLLATERAL ETC.

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

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

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

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

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

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

10. ADDITIONAL TRADING RISKS

Deposited cash and property

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

Commission and other charges

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

Transactions in other jurisdictions

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

Currency risks

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

Trading Facilities

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

Electronic trading

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

You acknowledge and bear the risk that messages sending over the internet may be delayed due to internet traffic jam or other reasons. The licensed or registered person shall not be responsible for any consequences of these delays, including without limitation delays in the transmission of instructions/orders to the place of execution or the transmission of reports of execution to you due to any failure of communication facilities, or any other delays beyond the reasonable control of the licensed or registered person.

Communications over the internet may be subject to transmission blackout, interruption, interception, or incorrect data transmission due to the public nature of the internet or other reasons that are beyond the licensed or registered person's control. Messages sent over the internet cannot be guaranteed to be completely secure. You shall be aware of and bear the risk of any delay, loss, diversion, alteration, corruption or virus infection of any messages/instructions either sent to or received from the licensed or registered person's systems. The licensed or registered person shall not be responsible for any losses or damages incurred or suffered as a result thereof.

Risk of E-Statement Service

Access to the internet or other electronic medium may be limited or unavailable during periods of peak demand, market volatility, systems upgrades or maintenance or for other reasons. Any communication through the internet or other electronic medium may be subject to interruption, transmission blackout, and delayed transmission due to unpredictable traffic congestion and other reasons beyond the licensed or registered person's control. Internet is, due to technical limitation, an inherently unreliable medium of communication. As a result of such unreliability, there may be delays in the transmission and receipt of information. The statements may not be sent to the designed email address at all. Moreover, communications and personal data may be accessed by unauthorized third parties, and there are risks of misunderstanding or error in any communication and that such risks shall be absolutely borne by you.

Off-exchange transactions

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

Overseas Markets

You should acknowledge that trading securities, options, futures, or any investment products on an overseas market is speculative and involves high risks. You may have varying level and type of protection in relation to transactions on different markets and exchanges.

Risk disclosure

This Risk Disclosure Statement may not disclose all exposed risks. You should gather information before making trade and investment. You should consider your investing premise according to your own financial status and investment objectives. You should seek or consult professional advice and be aware of your exposed risks before making any trade and investment

This Risk Disclosure Statements is revised or supplemented from time to time. Clients should refer to its latest version on the website of Fundsupermart.com.hk for reference.

This Risk Disclosure Statement is for your information only. If you have any queries in regard of the contents of this Risk Disclosure Statement, please refer to the website of HKEx (<http://www.hkex.com.hk>) and/or SFC (<http://www.sfc.hk>) for more information.

Risk Disclosure Statement of the relevant Derivative Products

The following risk disclosure statement is provided by iFAST Financial (HK) Limited, iFAST Platform Services (HK) Limited and iFAST Securities (HK) Limited pursuant to the Code of Conduct for Persons Licensed by or Registered with the Securities or Futures Commission and/or the Listing Rules of Hong Kong Exchange:

1. RISKS INVOLVED IN TRADING CALLABLE BULL/BEAR CONTRACTS (“CBBC”)

Mandatory call

CBBC are not suitable for all types of investors and investors should consider their risk appetite prior to trading. In any case, one should not trade in CBBC unless he/she understands the nature of the product and is prepared to lose the total amount invested since a CBBC will be called by the issuer when the price of the underlying asset hits the Call Price and trading in that CBBC will expire early. Payoff for Category N CBBC will be zero when they expire early. When Category R CBBC expire early the holder may receive a small amount of Residual Value payment, but there may be no Residual Value payment in adverse situations. Brokers may charge their clients a service fee for the collection of the Residual Value payment from the respective issuers.

In general, the larger the buffer between the Call Price and the Spot Price of the underlying asset, the lower the probability of the CBBC being called since the underlying asset of that CBBC would have to experience a larger movement in the price before the CBBC will be called. However at the same time, the larger the buffer, the lower the leverage effect will be.

Once the CBBC is called, even though the underlying asset may bounce back in the right direction, the CBBC which has been called will not be revived and investors will not be able to profit from the bounce-back.

Besides, the Mandatory Call Event (MCE) of a CBBC with overseas assets as underlying may be triggered outside the Exchange's trading hours.

Gearing effects

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

Limited life

A CBBC has a limited life, as denoted by the fixed expiry date, with a lifespan of 3 months to 5 years. The life of a CBBC may be shorter if called before the fixed expiry date. The price of a CBBC fluctuates with the changes in the price of the underlying asset from time to time and may become worthless after expiry and in certain cases, even before the normal expiry if the CBBC has been called early.

Movement with underlying asset

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

Liquidity

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

Funding costs

The issue price of a CBBC includes funding costs and issuers will specify the formula for calculating the funding costs of their CBBC at launch in the listing documents. Since the funding costs for each CBBC issue may be different as it includes the issuer's financing /stock borrowing costs after adjustment for expected ordinary dividend of the stock (if the underlying is a Hong Kong stock since the CBBC will not be adjusted for ordinary dividend) plus the issuer's profit margin, investors are advised to compare the funding costs of different issuers for CBBC with similar underlying assets and terms. The funding costs will gradually be reduced over time along with the CBBC in the secondary market as the CBBC moves towards expiry. In general, the longer the duration of the CBBC, the higher the total funding costs will be since it is similar to investors borrowing for a longer tenure to trade in the underlying asset. When a CBBC is called, the CBBC holders (investors) will lose the funding cost for the full period since the funding cost is built into the CBBC price upfront at launch even though with the MCE, the actual period of funding for the CBBC turns out to be shorter. In any case, investors should note that the funding costs of a CBBC after launch may vary during its life and the Liquidity Provider is not obliged to provide a quote for the CBBC based on the theoretical calculation of the funding costs for that CBBC at launch.

Trading of CBBC close to Call Price

When the underlying asset is trading close to the Call Price, the price of a CBBC may be more volatile with wider spreads and uncertain liquidity. CBBC may be called at any time and trading will terminate as a result.

However, the trade inputted by the investor may still be executed and confirmed by the investors after the MCE since there may be some time lapse between the MCE time and suspension of the CBBC trading. Any trades executed after the MCE (i.e. Post MCE Trades) will not be recognized and will be cancelled. Therefore, investors should be aware of the risk and ought to apply special caution when the CBBC is trading close to the Call Price.

Issuers will announce the exact call time within 1 hour after the trigger of MCE, and HKEx will also send the list of Post MCE Trades to the relevant Exchange Participants (brokers) who in turn will inform their clients accordingly. For avoidance of doubt on whether their trades have been cancelled (i.e. whether they are Post MCE Trades), the investors may check with their brokers.

CBBC with overseas underlying assets

Investors trading CBBC with overseas underlying assets are exposed to an exchange rate risk as the price and cash settlement amount of the CBBC are converted from a foreign currency into Hong Kong dollars. Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets which are affected by various factors.

Besides, CBBC issued on overseas underlying assets may be called outside the Exchange's trading hours. In such case, the CBBC will be terminated from trading on the Exchange in the next trading session or soon after the issuer has notified the Exchange about the occurrence of the MCE. There will be no automatic suspension of the CBBC by AMS/3. For Category R CBBC, valuation of the residual value will be determined on the valuation day according to the terms in the listing documents

2. RISKS INVOLVED IN TRADING DERIVATIVE WARRANTS

Derivative warrant trading involves high risks and is not suitable for every investor. Investors should understand and consider the following risks before trading in derivative warrants.

Issuer Risk

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

Gearing Risk

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

Limited Life

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

Time Decay

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

Volatility

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

Market Forces

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

3. RISKS INVOLVED IN TRADING EXCHANGE TRADED FUNDS ("ETFs")

Market risk

ETFs are typically designed to track 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 goal, but in general they do not have the discretion to take defensive positions in declining markets. Investors must be prepared to bear the risk of loss and volatility associated with the underlying index/assets.

Tracking errors

Tracking errors refer to the disparity in performance between an ETF and its underlying index/assets. Tracking errors can arise due to factors such as the impact of transaction fees and expenses incurred to the ETF, changes in composition of the underlying index/assets, and the ETF manager's replication strategy. (The common replication strategies include full replication/representative sampling and synthetic replication which are discussed in more detail below.)

Trading at discount or premium

An ETF may be traded at a discount or premium to its Net Asset Value (NAV). This price discrepancy is caused by supply and demand factors, and may be particularly likely to emerge during periods of high market volatility and uncertainty. This phenomenon may also be observed for ETFs tracking specific markets or sectors that are subject to direct investment restrictions.

Foreign exchange risk

Investors trading ETFs 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 ETF price.

Liquidity risk

Securities Market Makers (SMMs) are Exchange Participants that provide liquidity to facilitate trading in ETFs. Although most ETFs are supported by one or more SMMs, there is no assurance that active trading will be maintained. In the event that the SMMs default or cease to fulfill their role, investors may not be able to buy or sell the product.

Counterparty risk involved in ETFs with different replication strategies

(a) Full replication and representative sampling strategies

An ETF using a full replication strategy generally aims to invest in all constituent stocks/assets in the same weightings as its benchmark. ETFs adopting a representative sampling strategy will invest in some, but not all of the relevant constituent stocks/assets. For ETFs that invest directly in the underlying assets rather than through synthetic instruments issued by third parties, counterparty risk tends to be less of concern.

(b) Synthetic replication strategies

ETFs utilising a synthetic replication strategy use swaps or other derivative instruments to gain exposure to a benchmark. Currently, synthetic replication ETFs can be further categorized into two forms:

i. Swap-based ETFs

- Total return swaps allow ETF managers to replicate the benchmark performance of ETFs without purchasing the underlying assets. (total return swaps)
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ii. Derivative embedded ETFs

- ETF managers may also use other derivative instruments to synthetically replicate the economic benefit of the relevant benchmark. The derivative instruments may be issued by one or multiple issuers.
- Derivative embedded ETFs are subject to counterparty risk of the derivative instruments' issuers and may suffer losses if such issuers default or fail to honour their contractual commitments.

Even where collateral is obtained by an ETF, it is subject to the collateral provider fulfilling 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.

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