

8th January, 2026

Dear Valued Customer,

Re: Notice of Amendments to “Terms and Conditions for Securities Services”

Thank you for your continued trust in our Securities Services. Effective from 8th February 2026, our Terms and Conditions (“Terms”) for Securities Services shall be revised. The amendments are made mainly to incorporate new terms and conditions regarding two new product launched for our Bank’s Securities Services, Securities Margin Trading Services and the precious metal options. In the appendix, we have set out the details of amendments (the new contents within the existing provisions are in italics and underlined while the deleted contents are marked with strikethrough lines) to the “Terms” for your kind reference. Please reach out to branch staff for the appendix materials.

Part 1: GENERAL TERMS AND CONDITIONS

Clauses 2.16(j)(ii) and 2.16(j)(ix) have been updated to disclose additional sales-related information for Precious Metal Options.

Part 9: TERMS AND CONDITIONS FOR SECURITIES MARGIN TRADING SERVICES

(Only applicable to Margin Trading Services Customers)

Addition of Part 9 to outline the terms specific to the Securities Margin Trading Services.

Part 12 RISK DISCLOSURE STATEMENTS

Enhanced risk disclosure statements have been included to address the risks associated with margin trading activities.

Structural Updates:

The Terms have undergone global renumbering to accommodate the inclusion of Part 9.

The above changes constitute only a summary of (but not all) the amendments made to the Terms and Conditions. Please browse our website www.shacombank.com.hk or visit any of our branches to obtain a copy of the relevant Terms and Conditions, should you wish to view the full version.

Please note that the above amendments shall be binding on you if you continue to use or retain your account(s) after the amendments are effective. If you do not accept the above amendments, we shall not be able to continue providing services to you and you can notify us for termination of accounts or services before the above amendments are effective. Should you have any enquiries, please call our Customer Service Hotline on 2818 0282 or visit any of our branches.

Yours faithfully,

Shanghai Commercial Bank Limited

This is a computer-generated printout and no signature is required. In case of inconsistency between the English and Chinese versions of this letter, the English version shall prevail.

Appendix

Part 1: GENERAL TERMS AND CONDITIONS

2.16(j)(ii)	(Only applicable for Mutual Funds /Unit Trusts, Bond (Primary Market/ Re-offering), Preference Shares (Primary Market/ Reoffering), Certificate of Deposit (Primary Market/ Re-offering), Currency Linked Deposit, Currency Linked Principal Protected Investment, Equity Linked Notes, Equity Linked Investments, Structured Product, FX Accumulators, FX Options and <u>Precious Metals Options</u>) The Bank is NOT an independent intermediary because: (1) the Bank receives fees, commissions, or other monetary benefits from other parties (which may include product issuers) in relation to the Bank's distribution of investment products to you. For details, you should <i>refer to the Bank's disclosure on monetary benefits which the Bank is required to deliver to you prior to or at the point of entering into any transaction in investment products under Applicable Laws</i> ; and/or (2) the Bank receives non-monetary benefits from other parties, or has close links or other legal or economic relationships with issuers of products that the Bank may distribute to you.
2.16(j)(ix)	(Only applicable for FX Accumulators, FX Options and <u>Precious Metals Options</u>) You acknowledge and agree that the Bank is the issuer of these products and acts as a principal in the transaction(s) of these products with you. The Bank may receive trading profits which, together with any operating or administrative costs it may incur in providing these products, will be contained and subsumed in the trading price as accepted by you. Relevant details will be specified in related term sheet. The Bank may also conduct proprietary trading on these products separately and may be entitled to additional profit.

Part 9 TERMS AND CONDITIONS FOR SECURITIES MARGIN TRADING SERVICES (Only applicable to Margin Trading Services Customers)

	<p><i>The terms and conditions set out below are not intended to be exhaustive and must be read together with the other provisions of this Master Agreement, including (but not limited to) the General Terms and Conditions set out in Part 1 [and Terms and Conditions for Securities Trading Services set out in Part 2]. In the case of inconsistency between the terms of this Part 9 and any term of Part 1 [and Part 2] of this Master Agreement, the terms of this Part 9 shall prevail.</i></p>
1.	<p><u>INTERPRETATION</u></p> <p><u>In this Part 9:</u></p> <p><u>"Charged Securities"</u> means such Securities you charged to the Bank as continuing security for the Overdraft Facility and for performance of all of your obligations to the Bank from time to time, as more particularly described in Clause 8 of this Part 9.</p> <p><u>"Force-sale Percentage"</u> means such percentage in respect of the LTV Ratio or LTL Ratio from time to time specified by the Bank at its discretion (which the Bank will notify you upon your enquiry) for the purpose of determining when the Bank may exercise our rights under Clause 9.3 of this Part 9.</p> <p><u>"Indebtedness"</u> means all moneys, in any currency, other than the Overdraft Facility, which are due or owing by you to the Bank and from time to time in any place, capacity or manner (in each case whether alone or jointly with any other person, and whether as principal or guarantor), together</p>

with interest accruing up to the date of payment and all fees, charges and expenses at such rates and on such terms as may be payable by you from time to time.

"Ineligible Securities" means an individual Security having zero Stock Margin Ratio as determined by the Bank at any relevant time.

"Loan" means the aggregate principal amount and interest owing to the Bank under the Overdraft Facility at any relevant time.

"LTL Ratio" means the loan-to-lending limit ratio expressed as a percentage, calculated in accordance with the following formula, or such other ratio as the Bank notifies to the client [30] days in advance:

Loan _____ X 100%

Maximum Principal Amount

"LTV Ratio" means the loan-to-valuation ratio expressed as a percentage, calculated in accordance with the following formula, or such other ratio as the Bank notifies to the client [30] days in advance :

Loan _____ X 100%

Security Value

"Margin Call" means the action of requiring you to reduce the Loan or increase the Security Value (or both) within a specified time by the Bank

"Maximum Principal Amount" means the maximum aggregate principal amount to be made available by the Bank to you under the Overdraft Facility to be the lesser of:

- (i) the aggregate amount of the Security Value of each specific security comprised in the Charged Securities (excluding Ineligible Securities) multiplied by its applicable Stock Margin Ratio; and
- (ii) a fixed limit as the Bank may determine from time to time which the Bank will notify you from time to time upon your enquiry.

"Overdraft Facility" means the revolving overdraft facility the Bank agree to make available from time to time to you for general purpose including the purchase of or subscription for securities subject to the terms and conditions of this Master Agreement and subject to the limit specified in Clause 7.1 of this Part 9 and the specific terms as the Bank may notify you on your application for the Securities Margin Trading Service Account and from time to time upon your enquiry, and includes all amounts debited to the Securities Margin Trading Service Account in accordance with the terms and conditions of this Master Agreement.

"Portfolio Margin Ratio" means the LTV Ratio or the LTL Ratio, or such other ratio as the Bank may determine at our discretion. The Bank will notify you of the applicable LTV Ratio or the LTL Ratio at any relevant time. For clarity, the Bank may from time to time switch from the LTV Ratio to the LTL Ratio and vice versa.

Securities Collateral means any Securities deposited with or otherwise provided by you or on your behalf to us or any other person, in the course of the conduct of any regulated activity for which the Bank is registered under the SFO which are deposited or provided as security for the Bank's

	<p><i>provision of financial accommodation</i></p> <p><u>“Securities Margin Trading Service Account”</u> means the securities margin account opened and maintained by you with the Bank pursuant to, and operated in accordance with the terms and conditions of this Master Agreement.</p> <p><u>“Securities Margin Trading Services”</u> means the services referred to in Clause 2.1 of this Part 9 which may be provided by the Bank to you in relation to Securities.</p> <p><u>“Security Value”</u> means with respect to any Charged Securities (excluding Ineligible Securities) at any given time, the market price (net of expenses) which the Bank determines in its discretion, could be obtained on a sale of such Charged Securities at such time and in such market on which Securities of the same type is normally dealt (for clarity, certain Charged Securities may be valued by the Bank at zero or no value).</p> <p><u>“Stock Margin Ratio”</u> means such loan ratio as determined by the Bank from time to time in its discretion (which the Bank will notify you upon your enquiry) as applicable to each specific security (i) to be purchased or subscribed in accordance with an instruction or (ii) comprised in the Charged Securities. The Bank may at any time and from time to time determine or re-determine the Stock Margin Ratio to be any ratio (including zero) for any specific Security. For clarity, a variation of the Stock Margin Ratio may result in the following (or any of them):</p> <ul style="list-style-type: none"> (a) <u>variation of the Maximum Principal Amount and the limit of the Overdraft Facility made available to you;</u> (b) <u>the Loan exceeding the Maximum Principal Amount;</u> (c) <u>a decrease in the Maximum Principal Amount and thereby affecting the LTL Ratio and triggering our exercise of rights under Clause 9 of this Part 9; and</u> (d) <u>a decrease in the Security Value and thereby affecting the LTV Ratio and triggering our exercise of rights under Clause 9 of this Part 9.</u> <p><u>“Top-up Percentage”</u> means such percentage in respect of the LTV Ratio or LTL Ratio from time to time specified by the Bank at its discretion (which the Bank will notify you upon your enquiry) for the purpose of determining when a Margin Call under Clause 9.2 of this Part 9 may be made by the Bank.</p> <p><u>Any transaction under the Securities Margin Trading Services falls into the definition of “Transaction” in the Master Agreement and the provisions in relation to “Transactions” apply in this Part 9 to the extent the context permits.</u></p>
2.	<p><u>SECURITIES MARGIN TRADING SERVICES</u></p> <p><u>2.1 The Bank may (but have no obligation to) provide the following Securities Margin Trading Services (or any of them) to you:</u></p> <ul style="list-style-type: none"> (a) <u>opening and maintaining the Securities Margin Trading Service Account;</u> (b) <u>an Overdraft Facility;</u>

(c) hold or to arrange for Securities to be held in safe custody and to register Securities in such name(s) as the Bank consider appropriate in compliance with all Applicable Laws;

(d) hold Securities which are not fully paid, subject to such conditions as the Bank may specify;

(e) purchase or subscribe for any type of Securities or other investments in accordance with your instructions subject to the availability of funds required for such purpose;

(f) sell or otherwise dispose of Securities and to deal with the proceeds and to enter into any agreement or instrument on your behalf in connection with Securities, in each case either in accordance with instructions or pursuant to the provisions of the terms and conditions of this Master Agreement;

(g) deliver the documents of title and any other instruments relating to Securities to you or to your order in accordance with your instructions at your risk;

(h) request, collect, receive and make payments or distributions attributable to Securities arising from any call, subscription, offer, acquisition, ownership, exchange, conversion, redemption, disposal or other dealing and to take any action as regards any merger, consolidation, reorganisation, receivership, bankruptcy or insolvency proceedings, compromise or arrangement; and

(i) any other services as we may agree with you from time to time.

2.2 Without limiting or reducing the Bank's general authority and powers, you hereby expressly authorise the Bank and Affiliates to deal with Registered Securities and Securities Collateral from time to time received or held by or on behalf of the Bank or any Affiliates in the following manner without further notice to or consent from you:

(a) to sell any Registered Securities or Securities Collateral in any manner in accordance with any instruction whether the instruction is given in writing or by any other means;

(b) as regards any action (including any rights or new issues or any consolidation, split or redenomination of funds, stocks or shares or any other routine event) in connection with any Registered Securities or Securities Collateral which affects you as the owner of such Registered Securities or Securities Collateral, (1) to subscribe, take up or dispose of any rights, benefits, interests or entitlements arising from them or to deal or act in any manner in accordance with your instruction whether given in writing or by any other means (except that any applicable provisions in the constitutional or offering documents under which such Registered Securities or

Securities Collateral were issued, offered or sold will always prevail and you authorise the Bank to deal or act or refrain from dealing or acting in accordance with such provisions despite any instruction) or (2) in the absence of or delay in receiving your instruction, to act in such manner as the Bank consider appropriate to preserve your interests;

(c) subject to any Applicable Laws, to deposit and hold any Registered Securities or Securities Collateral with one or more custodians or nominees (including any custodian or nominee acting for any exchange or Clearing House) and transfer any Registered Securities or Securities Collateral among them for any purpose;

(d) to deposit any Securities Collateral with any Clearing House or with any securities dealer as collateral for the discharge and satisfaction of our settlement obligations and liabilities;

(e) to sell, dispose of or otherwise deal with any Registered Securities or Securities Collateral on prevailing market conditions if such sale, disposal or dealing is required by any Applicable Laws or is otherwise for your or our protection. The Bank will credit the proceeds of such sale or disposal (after deducting reasonable expenses) to the Securities Margin Trading Service Account. Where reasonably practicable, the Bank will notify you before any such sale or disposal;

(f) to deal with any Registered Securities or Securities Collateral in such manner as the Bank consider appropriate to facilitate our provision of the Securities Margin Trading Services to you having regard to Applicable Laws and prevailing market practice from time to time;

(g) to withdraw or deal with any Registered Securities or Securities Collateral in any other manner in accordance with written instructions subject to Applicable Laws; and

(h) to do all acts and things which are necessary for or incidental to the performance of the above activities or any of them.

2.3 In order to use the Securities Margin Trading Services, you must at a minimum open and maintain with the Bank a Securities Margin Trading Service Account, and operate them in accordance with the terms and conditions of this Part 9, and, for the avoidance of doubt, the provisions of the Master Agreement.

2.4 In addition to the terms and conditions of the Master Agreement, the Securities Margin Trading Service Account is governed by the Bank's specific account rules from time to time in effect. For clarity, (i) only cleared funds deposited into and available in the Securities Margin Trading Service Account will be taken into account in determining the Loan, the LTV Ratio, the

	<p><u>LTL Ratio and whether you have satisfied a Margin Call, and (ii) any other deposit or cash account you maintain with the Bank will not be taken into account.</u></p> <p><u>2.5 The Bank will not issue ATM cards and cheque books and will not accept direct debit instructions, autopay or standing instructions in respect of the Securities Margin Trading Service Account.</u></p>
3.	<p><u>INSTRUCTIONS TO PURCHASE SECURITIES</u></p> <p><u>3.1 Without limiting or reducing the effect of any other provision of the terms and conditions of this Master Agreement, where the Bank receives an instruction to purchase or subscribe for Securities, the Bank will inform you as soon as practicable whether the relevant Securities are Ineligible Securities. The Bank has the right and discretion to refuse to : (i) accept any instruction to purchase or subscribe for Securities, and/or (ii) finance a purchase or subscription of any Securities.</u></p> <p><u>3.2 Where an instruction does not relate to Ineligible Securities, the Bank will inform you of the Stock Margin Ratio of each of the relevant securities. Subject to Clause 9 of this Part 9, the Bank has the right not to act on an instruction unless at the time of receipt and execution of the instruction:</u></p> <p><u>(i) the Loan does not exceed the Maximum Principal Amount; and</u></p> <p><u>(ii) the aggregate of (1) the cleared funds available in the Securities Margin Trading Service Account and (2) the unutilised Overdraft Facility exceeds the amount calculated in accordance with the following formula:</u></p> <p><u>[Purchase Price x (1 - Stock Margin Ratio)] + Expenses</u></p> <p><u>For the above purpose:</u></p> <p><u>Expenses means all charges and expenses to be incurred in connection with the purchase or subscription of Securities, including stamp duties, commissions and exchange levies; and</u></p> <p><u>Purchase Price means the price for purchasing or subscribing the relevant Securities in accordance with the instruction.</u></p> <p><u>3.3 If or whenever the credit balance of the Securities Margin Trading Service Account is insufficient to discharge your payment obligation in respect of a purchase or subscription of Securities as at the settlement date, the Bank will make an advance under the Overdraft Facility</u></p>

	<p><u>to you in respect of the shortfall as long as (a) the Securities to be purchased or subscribed are not Ineligible Securities, and (b) the advance will not cause the Maximum Principal Amount to be exceeded. The settlement date for your payment obligation will be shown on the relevant contract note.</u></p> <p><u>3.4 The Bank has no obligation to execute an instruction to take up a rights issue by subscribing for the requisite shares unless (a) the Bank has received sufficient amount of immediately available cleared funds within the time limit set by the Bank, or (b) the Bank agrees to make an advance to you under the Overdraft Facility as long as the Loan will not cause the Maximum Principal Amount to be exceeded. All shares allotted pursuant to a rights issue taken up by you or on your behalf (but excluding those which you have renounced in our favour) will form part of the Securities deposited by you with the Bank.</u></p>
4	<p><u>INSTRUCTIONS TO SELL SECURITIES</u></p> <p><u>4.1 Without limiting or reducing the effect of any other provision in the terms and conditions of this Master Agreement, the Bank shall have the right to refuse an instruction for sale of Securities unless: (a) you have deposited the relevant Securities with the Bank; and (ii) in a case where the relevant Securities are registered in your name or in the name of a third party, you have duly signed or caused to be signed the appropriate instruments of transfer and sold notes relating to such securities and have delivered them to the Bank.</u></p> <p><u>4.2 In order to effect an instruction to sell Securities and complete the sale, the Bank is authorised to appropriate and apply the relevant quantity of the relevant Securities from the pool of Securities you deposited with the Bank in the Designated Account.</u></p> <p><u>4.3 The Bank will credit the net proceeds of sale after deducting all brokerages, commissions, stamp duties, exchange levies, and other fees and expenses incurred in selling the relevant Securities pursuant to an instruction into the Securities Margin Trading Service Account and apply such proceeds towards payment and discharge (whether in full or in part) of the Loan (if any).</u></p>
5	<p><u>DEBITS AND CREDITS TO THE SECURITIES MARGIN TRADING SERVICE ACCOUNT</u></p> <p><u>5.1 You irrevocably authorise and instruct the Bank to:</u></p> <p><u>(a) debit the following amounts (or any of them) from the Securities Margin Trading Service Account from time to time:</u></p>

	<p><u>(i) the Purchase Price, the Expenses and all advances under the Overdraft Facility (including all such amounts required by the Bank for purchasing or subscribing for Securities on your behalf) together with all interest accruing and payable by you in accordance with the terms and conditions of this Master Agreement;</u></p> <p><u>(ii) all transaction commissions and custodian fees and all other moneys and sums payable to the Bank or its nominee under the terms and conditions of this Master Agreement; and</u></p> <p><u>(iii) all other fees, levies, charges, disbursements, taxes and out-of-pocket expenses which the Bank may incur on your behalf whether in connection with any Transaction, the Securities Margin Trading Service Account, the Charged Securities or other matters pursuant to the terms and conditions of this Master Agreement;</u></p> <p><u>(b) credit the Securities Margin Trading Service Account with a pro-rata share of any dividends or other distributions or benefits received by the Bank or its nominee that is attributable to the amount of Securities held on your behalf; and</u></p> <p><u>(c) debit the Securities Margin Trading Service Account with a pro-rata share of any loss suffered by the Bank or its nominee that is attributable to the amount of Securities held on your behalf.</u></p>
6	<p><u>CONTRACT NOTES, STATEMENT OF ACCOUNTS AND OTHER RECORDS</u></p> <p><u>6.1 In providing the Securities Margin Trading Services, the Bank will maintain records in compliance with all Applicable Laws. Such records will segregate your Securities from other assets held by the Bank for itself or for its other customers.</u></p> <p><u>6.2 After effecting a Transaction, the Bank will provide you with a contract note in accordance with the Applicable Laws. If the contract note refers to a settlement date and if settlement cannot take place on that date due to suspension of business or trading for any reason, the settlement date will be deferred to the next trading day. Reasons for suspending business or trading may include hoisting of typhoon signal No. 8 or above or black rainstorm warning.</u></p> <p><u>6.3 The Bank will provide to you with statements of account and transaction advices relating to the Securities Margin Trading Service Account at such intervals as the Bank may determine from time to time in accordance with all Applicable Laws. Where the Applicable Laws do not require the Bank to provide statements or advices, we may provide statements and advices at our discretion if the Bank considers appropriate whether or not you have opted not to receive statements and advices.</u></p>

	<p><u>6.4 The Bank may charge reasonable fees for providing specific contract notes, statements or advice at your request</u></p>
7	<p><u>TERMS AND LIMIT OF THE OVERDRAFT FACILITY</u></p> <p><u>7.1 Subject to Clause 7.3 of this Part 9 and the other provisions of the terms and conditions of this Master Agreement, the Bank agrees to grant you the Overdraft Facility up to the Maximum Principal Amount, to be used through the Securities Margin Trading Service Account.</u></p> <p><u>7.2 The Bank has the right, in its discretion by giving you notice at any time, to modify the facility limit of or to cancel or terminate the Overdraft Facility and to demand immediate payment of all moneys and sums (including principal, interest or expenses), then due or owing from you in respect of the Overdraft Facility or any other liabilities under the terms and conditions of this Master Agreement. The Bank also has the right to refuse to make available to you any advance under the Overdraft Facility at any time even if the facility limit applicable at that time has not been exceeded. Unless otherwise agreed with you, the Bank will normally refuse to finance the Purchase Price of any Ineligible Securities.</u></p> <p><u>7.3 No advance under the Overdraft Facility will be made if it will cause the Maximum Principal Amount to be exceeded. Whenever the Loan exceeds the Maximum Principal Amount, the Bank will not make any further advance to you and you are required to pay the Bank at its election either (i) a fee in respect of the excess Overdraft Facility amount at such rate as the Bank may set from time to time, or (ii) interest on the excess portion of the Overdraft Facility at such rate as the Bank may set from time to time.</u></p> <p><u>7.4 You may re-borrow (in full or in part) any amount of advance after it has been repaid as long as:</u></p> <p><u>(a) the re-borrowing will not cause the Maximum Principal Amount to be exceeded; and</u></p> <p><u>(b) the Bank has not cancelled or terminated the Overdraft Facility.</u></p> <p><u>7.5 Where a subscription of new Securities is financed by the Bank and you or the Bank receives any refund of the subscription amount (in full or in part) paid for that subscription, you or the Bank (as appropriate) will deposit such refund in the Securities Margin Trading Service Account upon receipt. Where a refund is received by the Bank's nominee, the Bank is entitled to direct its nominee to deposit such refund in the Securities Margin Trading Service Account upon receipt. The amount of refund will be applied in reduction of the Loan.</u></p>

	<p><u>7.6 Payments without deduction</u></p> <p>(a) <u>All payments to the Bank under or in connection with an Overdraft Facility (including outstanding amount on the Securities Margin Trading Service Account, interest, fees and charges) must be paid in full. You shall not deduct any sums owed by the Bank to you from any payments made or to be made by you under or in connection with an Overdraft Facility. If a deduction on account of tax or a similar charge or any other reason is required by Applicable Laws, or the Bank is later obliged under Applicable Laws to return any money received by the Bank in payment of the amount owing, you must make up the payment so that the Bank receive the full amount owing under or in connection with the Overdraft Facility.</u></p> <p>(b) <u>You agree that any termination of an Overdraft Facility is subject to the condition that no money that the Bank received in payment of the amount owing will subsequently be returned or reduced under any Applicable Laws. If after the termination of an Overdraft Facility, the Bank later obliged under Applicable Laws to return any money received by the Bank in payment of the amount owing, or if an Overdraft Facility is terminated without receiving full payment of the amount owing, you will remain liable for making up the shortfall or the remaining balance so that the Bank will receive the full amount owing under or in connection with the Overdraft Facility, and the Bank have a right to claim against you for the shortfall or the remaining balance as if the Bank had never terminated the Overdraft Facility.</u></p> <p>(c) <u>You hereby confirm that any withholding tax obligation or other obligations to make deduction or withholding (whether on account of tax or for any other reason), in respect of an Overdraft Facility under Applicable Laws is your responsibility. You will, upon our request, deliver promptly evidence satisfactory to the Bank that you have complied with applicable deduction or withholding obligations. You hold the Bank harmless and agree to fully indemnify the Bank on demand for all consequences of any failure to comply with such obligations including any claim which may be made against the Bank by any authorities.</u></p> <p>(d) <u>This Clause 7.6 of this Part 9 will continue to be effective after the termination of the Overdraft Facility.</u></p>
8	<p><u>SECURITY, SET-OFF AND LIEN</u></p> <p><u>8.1 Security</u></p> <p>(a) <u>In consideration of our granting or continuing to make available the Overdraft Facility to you, you, as beneficial owner hereby charge, pledge and assign to the Bank (i) the Charged Securities in the Securities Margin Trading Service Account which are held by our nominee or</u></p>

CCASS Nominee for you or on your account from time to time pursuant to this Part 9 and the provisions of the Master Agreement (including any Securities deposited with the Bank pursuant to Clause 9.2 of this Part 9 or other reason), and (ii) all rights and benefits attaching or accruing to the Charged Securities.

(b) The security created by Clause 8.1 of this Part 9 is a continuing security to secure (i) the punctual payment to the Bank on the respective due dates of the Indebtedness, all amounts outstanding under the Overdraft Facility and all other moneys and sums due or owing by you to the Bank from time to time under the terms and conditions of this Master Agreement, and (ii) the performance of all of your obligations under the terms and conditions of this Master Agreement.

(c) If at any time the Bank re-determines the Stock Margin Ratio of any Securities comprised in the Charged Securities to be zero, such securities will become Ineligible Securities and will be excluded for the purpose of calculating the Security Value and the Maximum Principal Amount. In that case, the Bank is entitled to exercise our rights under Clause 9 of this Part 9. For clarity, such Ineligible Securities will be excluded for the purpose of calculating the Security Value and the Maximum Principal Amount only and will for all other purposes be included as Charged Securities.

(d) You irrevocably authorize the Bank (i) to hold the Charged Securities in the name of our nominee, (ii) to do and execute any and all acts and documents necessary to transfer, complete and vest the title to any of the Charged Securities to the Bank's nominee, and (iii) to do all other things and execute all other documents as the Bank may reasonably require in order to perfect the security created by Clause 8.1(a) of this Part 9.

(e) The Bank will credit all dividends, interests, income, payments or other distributions received by it in respect of the Charged Securities to the Securities Margin Trading Service Account upon receipt.

(f) The Security created by Clause 8.1(a) of this Part 9 is (i) in addition to and may be enforced by the Bank even if the Bank hold or is entitled to any other guarantee, indemnity, lien, security or other power, right or remedy in connection with the Indebtedness or your obligations under the terms and conditions of this Master Agreement from time to time, and (ii) a continuing security to secure the ultimate repayment of the Indebtedness and performance of your obligations and will not be limited or reduced by your death, bankruptcy or incapacity, or by any intermediate or partial payment, settlement or performance of your Indebtedness or obligations.

	<p><u>8.2 Set-off and lien</u></p> <p><u>The Bank's rights of set-off and lien under clause 10 of the Master Agreement apply to this Part 9, with the following clarifications or changes:</u></p> <p>(a) <u>the reference to "account" includes the Securities Margin Trading Service Account;</u></p> <p>(b) <u>the reference to "Transaction" includes: (i) any purchase or subscription of Securities under clause 3 of this Part 9 and (ii) any sale of Securities under clause 4 of this Part 9, and (iii) any deposit or reduction made under clause 9.2 of this Part 9; and</u></p> <p>(c) <u>the reference to "Securities" includes Charged Securities.</u></p>
9	<p><u>MARGIN COVER</u></p> <p><u>9.1 Your obligations to monitor and maintain Loan amount and Portfolio Margin Ratio are as follows:</u></p> <p>(a) <u>You are required to (i) monitor and maintain at all times (1) the Loan not to exceed the Maximum Principal Amount and (2) the Portfolio Margin Ratio at such level determined by the Bank to be satisfactory, and (ii) satisfy the Margin Calls given by the Bank from time to time.</u></p> <p>(b) <u>You are solely responsible for contacting the Bank from time to time to ensure that you are informed of the Maximum Principal Amount, the Stock Margin Ratio in respect of the Charged Securities, the Portfolio Margin Ratio, the status relating to Margin Calls and whether they have been performed to our satisfaction, the Top-up Percentage and Force-sale Percentage that are applicable at the relevant time.</u></p> <p>(c) <u>You understand and agree that the Portfolio Margin Ratio may reach or exceed the Top-up Percentage or the Force-sale Percentage at any time as a result of (i) the fluctuation in exchange rates of currencies or the market prices of the Charged Securities, or (ii) any change made by the Bank to any of the amount, ratio or percentage set out in Clause 9.1(b) of this Part 9 with immediate effect, even if you are not aware of any such fluctuation or change. The Bank is entitled to exercise our right under Clause 9.3 of this Part 9 to sell or dispose of the Charged Securities even if (i) the Bank have not given you a Margin Call, or (ii) the Bank have not been promptly notified of the satisfaction of a Margin Call by you. The Bank is not liable to you for such sale or disposal as long as it has acted in good faith.</u></p> <p><u>9.2 Margin Call</u></p>

(a) The Bank will monitor and determine the Security Value on a real time valuation basis based on the information supplied by the relevant stock exchange and the prevailing exchange rates for the relevant currencies. The Bank will update your position in respect of the Securities Margin Trading Service Account at such times of a day as the Bank considers appropriate. If at any time the Bank determines that the Loan exceeds the Maximum Principal Amount or the Portfolio Margin Ratio reaches or exceeds the Top-Up Percentage (or both), the Bank may (but have no obligation to) refuse to act on any instruction given by you or on your behalf. The Bank also have the right to give you a Margin Call.

(b) You are required to satisfy a Margin Call by taking the following steps (or any of them):

(i) deposit into the Securities Margin Trading Service Account additional cash or immediately available cleared funds in such amount acceptable to the Bank;

(ii) deposit into the Securities Margin Trading Service Account additional securities of such type and in such value acceptable to the Bank and charging them in our favour; and

(iii) reduce the Loan or increase the Security Value in any other way acceptable to the Bank so that the Loan does not exceed the Maximum Principal Amount.

(c) For clarity:

(i) a Margin Call does not constitute a demand on you to repay the Loan or the Indebtedness;

(ii) the Bank may give you more than one Margin Call in one day; and

(iii) the Bank has the right to determine and calculate the relevant value and amount for deciding whether to make a Margin Call based on its records even if they do not reflect the latest Transactions in respect of the Securities Margin Trading Service Account due to the time necessary for updating our records or for clearing the funds, cheques or securities deposited with the Bank (or both).

9.3 The Bank's rights regarding margin requirements are as follows:

(a) Between the time after the Bank has given a Margin Call and before that Margin Call has been satisfied to the Bank's satisfaction, the Bank is entitled (i) to exercise any of its rights under Clause 8 of this Part 9 and this Clause 9.3 without notice to you, and (ii) to refuse to carry out any of your instructions relating to the Securities Margin Trading Service Account or any dealing in securities.

(b) If the following (or any of them) occurs at any time, the Bank is entitled to exercise its rights set out in Clause 9.3(c) of this Part 9, whether or not any Margin Call has been made:

(i) the Bank determines that the Portfolio Margin Ratio reaches or exceeds the Force-sale Percentage, even if (1) such determination is based on our records that do not reflect the latest Transactions in respect of the Securities Margin Trading Service Account due to the time necessary for updating our records or for clearing the funds, cheques or securities deposited with the Bank (or both), or (2) the Bank does not know that a Margin Call has been satisfied; and

(ii) the Bank considers, in good faith, that the market conditions are likely to expose you or the Bank to unacceptable risk or heavy losses, including unstable, unfavourable and abnormal market conditions.

(c) The Bank may (but have no obligation to) do the following (or any of them) without demand, notice, legal process or other action as the Bank considers appropriate at any time upon occurrence of any event specified in Clause 9.3(b) of this Part 9:

(i) terminate the Overdraft Facility;

(ii) cancel or modify any outstanding instructions; and

(iii) sell, realise, redeem, liquidate or dispose in any other manner all or any of the Charged Securities in the relevant market or by private contract, and on such terms as the Bank in our discretion consider appropriate, free from any claim, right of redemption, equity or other right or interest that you may have.

(d) Without prejudice to any other rights of the Bank, the Bank has the right to select all, any or which of the Charged Securities to be sold or disposed of, including the right to sell or dispose of more quantity of the Charged Securities than is necessary to reduce the Loan not exceeding the Maximum Principal Amount. The Bank also has the right to sell or dispose of the Charged Securities at any time and on any terms as the Bank considers appropriate. The Bank is not liable to you for any loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with any such sale or disposal. You have no right or claim against the Bank for not selling or disposing of any Charged Securities at a better price or time.

(e) The Bank will deposit at our discretion any proceeds resulting from the sale, realisation, redemption, liquidation or disposal of the Charged Securities in the Securities Margin Trading

	<p><u><i>Service Account in reduction of the Loan until the Loan has been repaid in full or does not exceed the Maximum Principal Amount.</i></u></p>
10	<p><u>CHARGES AND EXPENSES</u></p> <p><u><i>10.1 You are required to pay all costs and expenses of reasonable amounts and reasonably incurred by the Bank in connection with the Securities Margin Trading Service and Securities Margin Trading Service Account. These may include any expenses for preserving or enforcing the Bank's rights in connection with the Securities Margin Trading Services and the Securities Margin Trading Service Account (including fees of any collection agent employed by the Bank and legal fees in demanding, collecting, suing or recovering any outstanding or overdue amount).</i></u></p> <p><u><i>10.2 The Bank's rights in relation to charges, fees and expenses shall be governed by, and subject to, the provisions set out in the Bank's Banking Service Charges, as amended from time to time. The terms and conditions of the Banking Service Charges shall apply to this Part 9 and shall be deemed incorporated herein by reference.</i></u></p>
11	<p><u>CONSEQUENCES OF TERMINATION</u></p> <p><u><i>11.1 Upon the termination of Securities Margin Trading Services, either due to an Event of Default or otherwise, the Loan and all amounts due or owing by you to the Bank under the terms and conditions of this Master Agreement will become immediately due and payable. The Bank will cease to have any obligations to grant or continue to grant the Overdraft Facility or to deal or continue to deal in securities on your behalf under the terms and conditions of this Master Agreement, even if you have given contrary instructions.</i></u></p> <p><u><i>11.2 The Bank is entitled to sell, realise, redeem, liquidate or dispose in any other manner all or any of the Charged Securities in such manner and on such terms as in its discretion consider appropriate to satisfy the Loan and any other amount owing by you to it under the terms and conditions of this Master Agreement at your own risk and expense. The Bank is not liable to you for any loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with any such sale or disposal.</i></u></p> <p><u><i>11.3 The Bank will credit the cash proceeds of such sale upon receipt by the Bank to the Securities Margin Trading Service Account after deducting the costs, charges, fees and expenses (including legal expenses) of reasonable amounts and reasonably incurred by the Bank in relation to the sale or disposal. The credit balance on the Securities Margin Trading Service Account (if any) after the Loan and any other amount owing by you to the Bank under these Terms and Conditions have been paid in full will be returned to you. The Bank will also deliver to you any</i></u></p>

	<p><u>Charged Securities that have not been sold or disposed of and any documents of title in our possession or in the possession of our nominee at your own risk and expense.</u></p> <p><u>11.4 If there is a debit balance on the Securities Margin Trading Service Account after applying the cash proceeds, you will be required to pay to the Bank an amount equal to such debit balance plus our cost of funding the amount of debit balance up to the date the Bank actually receives payment in full (before and after any judgment).</u></p>
12	<p><u>LIMITATIONS OF LIABILITY AND INDEMNITY</u></p> <p><u>12.1 Limitation of the Bank's liability</u></p> <p><u>(a) Providing the Securities Margin Trading Services to you does not make the Bank your trustee in respect of any of the Securities save and except those securities registered in the name of the Bank's nominee and in the capacity of a bare trustee only. The Bank has no other obligations in respect of your moneys or assets other than those expressly specified in the terms and conditions of this Master Agreement.</u></p> <p><u>(b) Where the Bank provides custodian services relating to securities or the Securities Margin Trading Services, or have discretion in managing your moneys or assets (if any), notwithstanding any other provisions contained in the terms and conditions of this Master Agreement or any other arrangements you have with the Bank, you acknowledge that (i) such services provided by the Bank do not constitute a fiduciary relationship between you and the Bank, and (ii) the Bank shall, in no circumstances, be required to undertake any action that could possibly characterise the Bank as a fiduciary to you.</u></p> <p><u>(c) The Bank has no obligation to examine or verify the validity of the ownership of or title to any Securities. The Bank is not responsible for any defect in ownership or title of any Securities purchased or held or to be purchased or held by the Bank on your behalf.</u></p> <p><u>(d) The Bank does not guarantee gains or profitability to you. The Bank is not responsible for the management of or any loss or diminution in the value of any Securities purchased or held by the Bank on your behalf. The Bank is not liable for any taxes or duties payable on or in respect of the Securities Margin Trading Service Account or any of the Securities.</u></p> <p><u>(e) The Bank has no obligation to ascertain your nationality or whether any restriction applies to any Securities. This may include restriction on ownership, owner's nationality or foreign exchange control or requirement.</u></p>

(f) *Commentaries, financial information and data in relation to the Securities Margin Trading Services may be provided to the Bank by other persons or compiled by the Bank based on materials provided by other persons. The Bank does not represent or guarantee the accuracy, reliability, adequacy, timeliness, sequence, or completeness of any such commentaries, financial information or data, or whether it is fit for any purpose. You should not rely on such information as investment advice or for trading purpose. You are solely responsible for verifying such information before using it for any purpose. The Bank is not liable (whether in tort, contract or any other manner) to you or any other person for using such commentaries, information or data for any purpose.*

(g) *You are responsible for making your own independent investment decisions. The Bank does not make investment decisions on your behalf. Even if you may have informed the Bank of your risk tolerance, financial situation, investment experience, investment objectives and investment period, the Bank does not owe you a duty to exercise judgment as to the merits of any Transaction (save only to the extent required by the HKMA or the SFC). While any information or view given by the Bank or our agents will be given in good faith, neither the Bank nor any person giving the information or view are responsible for that information or view.*

(h) *Except as set out in Clause 12.1(i) of this Part 9, the Bank is not liable for loss, damage or expense of any kind which you or any other person may incur or suffer arising from or in connection with the following (or any of them):*

(i) *access to the Securities Margin Trading Services by you or any other person (whether authorized or unauthorized);*

(ii) *any interruption, suspension, delay, loss, mutilation or other failure in transmission of instructions or other information caused by any reason;*

(iii) *our inability to act on an instruction due to prevailing market conditions or fluctuation and the manner and timing of acting on such instruction;*

(iv) *any mechanical failure, power failure, malfunction, breakdown, interruption or inadequacy of equipment or installation in connection with the Securities Margin Trading Services;*

(v) *any change in the Stock Margin Ratio of any specific security or securities as the Bank may determine from time to time leading to any change in the Maximum Principal Amount or the*

	<p><u>Portfolio Margin Ratio which may trigger our exercise of any rights under the terms and conditions of this Master Agreement; and</u></p> <p><u>(vi) your failure to provide complete, accurate and up-to-date information requested by the Bank in discharging our regulatory or legal duties.</u></p> <p><u>(i) If it is proved in a case set out in Clause 12.1(h) of this Part 9 that there was negligence, wilful default or fraud on the part of the Bank, the Bank's authorized officers, employees or agents, then the Bank will be liable for any loss and damage you incur or suffer that is direct and reasonably foreseeable arising directly and solely from such negligence, wilful default or fraud.</u></p> <p><u>(j) The Bank is not liable for any loss, damage or expense of any kind incurred or suffered by you or any other person as a result of any interruption, delay or failure (whether total or partial) in providing the Securities Margin Trading Services to you or performing our duties and obligations under these Terms and Conditions to the extent that it is attributable to any reason or circumstance that is beyond our reasonable control or the reasonable control of the Bank's agents or nominees. These causes or circumstances may include the following (or any of them):</u></p> <p><u>(i) the imposition or change of any Applicable Laws or any procedures, restrictions or suspension of trading imposed by any government, exchange, clearing house, market, regulatory or self-regulatory body; and</u></p> <p><u>(ii) the bankruptcy, liquidation, insolvency or failure of any government, exchange, clearing house, financial institution or any other person that is required to perform its obligations in relation to any Transaction contemplated by these Terms and Conditions.</u></p>
13	<p><u>NOTICE OF WITHDRAWAL OF SECURITIES</u></p> <p><u>13.1 [Other than the Charged Securities and subject to the discretion of the Bank, you may withdraw any or all of the remaining Securities deposited by you with the Bank by giving the Bank not less than seven (7) Business Days' prior written notice, provided that:</u></p> <p><u>(a) where any such Securities are in the course of being processed for transfer to and registration in the name of the Bank's nominee or has been submitted for registration in the name of the CCASS Nominee, you will have no right to withdraw such Securities until the same have been received by the Bank's nominee after due registration or the same have become available for withdrawal from the CCASS Depository; and</u></p>

- (b) withdrawal of any class of Securities shall be in multiples of its lowest denomination (whether in board lots or otherwise) and shall be effected at such location as may be prescribed by the Bank from time to time as notified to you; and
- (c) you are not indebted to the Bank unless it has specifically agreed to such withdrawal; and
- (d) the securities to be withdrawn are not subject to any lien exercised by the Bank; and
- (e) no Margin Call has been made which remains to be satisfied; and
- (f) the Bank's obligation to re-deliver the scrips or documents upon withdrawal of the relevant securities is subject to the Bank's receipt of such scrips or documents from the relevant broker or institution with whom the Bank has deposited the relevant securities; and
- (g) the Portfolio Margin Ratio can still be maintained at a level satisfactory to the Bank after any such withdrawal.]

Part 12: RISK DISCLOSURE STATEMENTS

RISK OF MARGIN TRADING

The risk of loss in financing a transaction by deposit of collateral or by obtaining a Loan from the Bank 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 for the Bank 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 the interest charged on your account. Therefore, you should carefully consider and assess whether such a financing arrangement (including obtaining a Loan from the Bank for financing a securities margin trading transaction) is suitable in light of your own financial position and investment objectives.

Structural Updates:

Part 10	PART <u>10</u> ADDITIONAL TERMS AND CONDITIONS FOR SMS NOTIFICATION SERVICE The terms and conditions set out below are not intended to be exhaustive and must be read together with the other provisions of this Master Agreement, including (but not limited to) the General Terms and Conditions set out in Part 1. In the case of inconsistency between the terms of this Part <u>10</u> and any term of Part 1 of this Master Agreement, the terms of this Part <u>10</u> shall prevail.
Part 10: 1	SMS notification service (the "SMS Notification Service") is provided by the Bank as one of the Services provided to the you in respect of your Securities Account and/or any other applicable accounts

	as determined by the Bank to be eligible for the SMS Notification Service (for the purposes of this Part <u>10</u> , the “Account”) of the Bank. If the Account is a joint account or you have appointed any Authorized Person(s) and accepted by the Bank for giving or placing trade order instructions relating to the Securities Account (the “Authorized Order Placer”), you agree and acknowledge that only one valid mobile phone number of any one of the joint account holders or Authorized Order Placer (as the case may be) can be registered to receive SMS. You acknowledge and confirm that you have obtained the written consent of the Authorized Order Placer to provide his/her particulars to the Bank and you have advised the Authorized Order Placer in writing of the purpose and use of the particulars. You shall be responsible to obtain the acknowledgement of the Authorized Order Placer that he/she has read all the applicable terms and conditions in relation to the SMS Notification Service prescribed by the Bank from time to time and will abide by the same.
Part 10: 3	You, if subscribing for the SMS Notification Service, may request the Bank to arrange sending SMS message to you or your Authorized Order Placer’s telecommunication equipment notifying you or Authorized Order Placer (as the case may be) of transaction information (such as trade order confirmation(s) placed through any channels (including but without limitation counter, phone-in or Internet)) and such other information as the Bank may specify at its absolute discretion. The Bank will from time to time specify the scope of the SMS Notification Service and the types of telecommunication equipment normally acceptable for the purposes of providing the SMS Notification Service. The Bank reserves the right to modify, expand or reduce the scope and features of the SMS Notification Service at any time with or without notice at the Bank’s sole discretion. To the extent permitted by Applicable Laws, the Bank may vary the terms in this Part <u>10</u> in any way and at any time without prior notice or liability to any person and whether such variation comes to, or has been drawn to, the attention of you.
Part 11	<p>PART <u>11</u> IMPORTANT NOTICE OF TRADING MAINLAND CHINA A SHARES VIA SHANGHAI-HONG KONG STOCK CONNECT AND SHENZHEN-HONG KONG STOCK CONNECT</p> <p>This Part <u>11</u> shall apply when you inform or indicate to the Bank that you wish to trade China Connect Securities through China Connect. By instructing the Bank in respect of any transactions relating to China Connect Securities, you agree and acknowledge that you have read and understood the risk disclosures and other information set out in this Part <u>11</u> and accept the risks in trading of China Connect Securities. You represent on a continuing basis that (i) you are aware of and you shall comply with all Applicable Laws (including China Connect Law) and (ii) your entry into any transaction under this Part <u>11</u> will not violate any Applicable Laws (including China Connect Law).</p>
Part 12	PART <u>12</u> RISK DISCLOSURE STATEMENTS