

## Acknowledgement by Client

### 1. Deposit Channels and Important Notes:-

#### 1.1 Deposit by PPS: (Only applicable to securities and futures account)

- If clients select PPS for funds deposit, clients do not need to inform our Company after the funds deposit. For details, please refer to “Important Notes about PPS Deposit” under “Fund Deposit and Withdrawal” on our Company website.

#### 1.2 Bill-Payment: (Only applicable to securities and futures account)

- If clients select bill-payment for funds deposit, clients do not need to inform our Company after the funds deposit.
- Clients can deposit via Bill Payment of the following banks: Bank of China (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, and Hang Seng Bank Limited.
- For details, please refer to “Fund Deposit Video” under “Fund Deposit and Withdrawal” on our Company website.

#### 1.3 Deposit by eDDA: (Only applicable to securities and futures account)

- If clients select eDDA recognized by Hong Kong Monetary Authority (HKMA) for fund deposit, clients do not need to inform our Company after the funds deposit.
- Clients must have a Hong Kong’s bank account in applying this service.
- For details and instructions as to how to apply, please refer to “eDDA” under “Fund Deposit and Withdrawal” on our Company website.

#### 1.4 Deposit by Cheque:

- When clients deposit funds into securities and stock options accounts, please issue cheques payable to “Bright Smart Securities International (H.K.) Limited”;  
When clients deposit funds into futures accounts, please issue cheques payable to “Bright Smart Futures & Commodities Company Limited”;  
When clients deposit funds into bullion accounts, please issue cheques payable to “Bright Smart Global Bullion Limited”;  
When clients deposit funds into global forex accounts, please issue cheques payable to “Bright Smart Forex Limited”;
- Clients should inform our Company via designated electronic channels or phone calls to our Customers Services Hotline after deposit. Please do not dial other telephone numbers of our Company for deposit notification. The above procedure is very important. If clients do not follow the above deposit procedure to inform our Company, clients should be responsible for all the

consequences.

- Our Company accept cheque in client's name only, third party cheque is not acceptable. Clients should not deposit cheques to our Company through any other party or place money into the accounts of other people or of our Company staff.
- The above procedure is very important. If clients do not follow the above deposit procedure to inform our Company, clients should be responsible for all the consequences. Besides, our Company reserves the rights to request the clients to present relevant bank pay-in slip evidence. Clients should write client's account number and name on the bank pay-in slip and send it by Whatsapp ((852) 6604 3623), fax ((852) 2537 8031) or email ([online@bsgroup.com.hk](mailto:online@bsgroup.com.hk)). All deposit instructions received from clients after the daily cut-off time (Monday – Friday, 5:00pm) will be handled the next working day.
- Clients must keep the bank pay-in slip for verification. Clients should bear the responsibility of the replacement fee and bear the inconvenience and any loss arising from the loss of bank pay-in slip.
- The cheque deposits are not available for trading until the relevant banks complete the settlement and clearing process.

### **1.5 Client can also deposit funds via Internet Banking / Phonebanking / ATM / Bank Counter Cash Bank-in Service of Different Banks**

**When clients select the methods as stated in Section 1.4 and 1.5 to deposit funds, please note that:**

- Clients should inform our Company via designated electronic channels or phone calls to our Customers Services Hotline after deposit. Please do not dial other telephone numbers of our Company for deposit notification.
- Our Company reserves the rights to request the clients to present relevant bank pay-in slip evidence in proving no third party deposit involved. Clients should write client's account number and name on the bank pay-in slip and send it by Whatsapp ((852) 6604 3623), fax ((852) 2537 8031) or email ([online@bsgroup.com.hk](mailto:online@bsgroup.com.hk)). All deposit instructions received from clients after the daily cut-off time (Monday – Friday, 5:00pm) will be handled the next working day.
- Clients must keep the bank pay-in slip and supporting documents for verification. Clients should bear the responsibility of the replacement fee and bear the inconvenience and any loss arising from the loss of bank pay-in slip.
- The above procedure is very important. If clients do not follow the above deposit procedure to inform our Company, clients should be responsible for all the consequences.
- Our Company will only accept deposit in client's name and all other third party deposits will not be accepted

Bright Smart Securities International (H.K.) Limited  
耀才證券國際(香港)有限公司  
Bright Smart Futures & Commodities Company Limited  
耀才期貨及商品有限公司  
Bright Smart Global Bullion Limited  
耀才環球金業有限公司  
Bright Smart Forex Limited  
耀才環球外匯有限公司

Head Office : 10/F, Wing On House, 71 Des Voeux Road Central, H.K.  
總辦事處 : 香港中環德輔道中 71 號永安集團大廈 10 樓全層  
Website 網站 : [www.bsgroup.com.hk](http://www.bsgroup.com.hk)  
Tel 電話 : (852) 2537 1371 Fax 傳真 : (852)2537 8031

- Clients should not deposit funds to our Company through any other party or place money into the accounts of other people or of our Company staff. Clients should directly deposit fund into our Company's designated bank accounts.

**Bank Accounts of Our Company :**

Bank accounts applicable to Securities and Stock Options Clients	HKD	USD	RMB	JPY/AUD/GBP/SGD
HSBC	004-500-259957-001	004-500-259957-201	004-808-893630-209	004-741-324818-838
Hang Seng Bank	024-388-467466-001	024-388-467466-222	024-388-467466-239	024-395-679277-883▽
Bank of China	012-745-0-001238-3	012-745-0-801075-0	012-875-0601491-1	012-745-9-208627-1
OCBC Wing Hang Bank	035-805-286660-001	035-805-286660-004	035-805-898314-057	035-805-854473-130
ICBC (Asia)	072-861-502-01842-5	072-861-50701130-4	072-861-56000169-4	072-861-530-18842-4
The Bank of East Asia	015-514-40-403641-6	015-514-40-403642-4	015-514-40-403643-2	015-514-10-404197-2

▽Hang Seng Bank do not support SGD fund deposit

Bank accounts applicable to Futures and Index Options Clients	HKD	USD	RMB	JPY/SGD
HSBC	004-511-509820-002	004-808-485866-201	004-808-893671-209	(JPY) 004-741-323984-278 (SGD) 004-741-323976-280
Hang Seng Bank	024-773-525183-001	024-773-525118-222	024-787-150713-239	024-239-511876-883▽
Bank of China	012-745-0-001231-2	012-745-0-801074-7	012-875-0-601512-1	012-745-9-208626-8
OCBC Wing Hang Bank	035-805-053611-002	035-805-147315-001	035-805-059620-057	035-805-392770-030
ICBC (Asia)	072-861-502-25372-7	072-861-50701129-4	072-861-560-00168-1	072-861-530-18845-3
The Bank of East Asia	015-514-40-404587-0	015-514-40-407900-4	015-514-40-404588-8	015-514-10-405278-6

▽Hang Seng Bank do not support SGD fund deposit

Bright Smart Securities International (H.K.) Limited  
 耀才證券國際(香港)有限公司  
 Bright Smart Futures & Commodities Company Limited  
 耀才期貨及商品有限公司  
 Bright Smart Global Bullion Limited  
 耀才環球金業有限公司  
 Bright Smart Forex Limited  
 耀才環球外匯有限公司

Head Office : 10/F, Wing On House, 71 Des Voeux Road Central, H.K.  
 總辦事處 : 香港中環德輔道中 71 號永安集團大廈 10 樓全層  
 Website 網站 : [www.bsgroup.com.hk](http://www.bsgroup.com.hk)  
 Tel 電話 : (852) 2537 1371 Fax 傳真 : (852)2537 8031

Bank accounts applicable to Global Forex Clients	HKD	USD
HSBC	004-741-313787-001	004-741-061410-201
Hang Seng Bank	024-769-168501-001	024-769-179797-222
Bank of China	012-875-0-059044-8	012-875-0-807129-9
OCBC Wing Hang Bank	035-805-410530-001	035-805-253623-002
ICBC (Asia)	072-861-51204376-5	072-861-50700705-9

Bank accounts applicable to Bullion Clients	HKD	USD
HSBC	004-848-369252-001	004-848-369252-201
Hang Seng Bank	024-787-450832-001	024-787-450832-222
Bank of China	012-916-0-081202-9	012-916-0-801259-7
OCBC Wing Hang Bank	035-805-568671-001	035-805-764739-001
ICBC (Asia)	072-861-50415214-3	072-861-50626143-0

### 1.6 Important Notes on Deposit for Clients of Mainland China :

- Clients of Mainland China who do not hold any bank account of Hong Kong can via Industrial and Commercial Bank of China (“ICBC”), China Minsheng Bank (“Minsheng”) or China Merchants Bank (“CMB”) in mainland for open a bank account of Hong Kong by the Hong Kong branch which under the above bank company. For details, please refer to the “Fund Deposit without bank account of Hong Kong” under “Fund Deposit and Withdrawal” on our Company website of China. Clients can also open bank accounts of Hong Kong via other banks in Mainland China
  - (i) (“ICBC”)

Open an “ICBC (Asia) Integrated Account” at ICBC in mainland. After activating the “ICBC (Asia) Integrated Account”, clients can deposit funds to our Company through the online banking service of ICBC (Asia).
  - (ii) (“China Minsheng”)

Open an “Individual Wealth Management Account” at China Minsheng Bank in mainland. After activating the “Individual Wealth Management Account”, clients can deposit funds to our Company through the “Bank Securities transfer” service.
  - (iii) (“CMB”)

Open an “All In One Card Account” at China Merchants Bank in mainland. After activating the “All In One Card Account”, clients can deposit funds to our Company through the “Bank Securities transfer” service.
- About “Bank Securities transfer” Service:
  - (i) If client use “Bank Securities transfer” to deposit (\*Only for fund deposit, not for fund withdrawal), fund will be directly credited to the account, simple and convenient.
  - (ii) Client can deposit through China Minsheng Bank (Hong Kong Branch) or China Merchants Bank (Hong Kong Branch) by using “Bank Securities transfer”.
  - (iii) For details, please refer to the “Fund Deposit - Bank Securities Transfer” under “Fund Deposit and Withdrawal” on our Company website of China.
- Clients of Mainland China who hold bank accounts of Hong Kong can deposit funds to our Company through the online banking services of relevant banks. For details, please refer to the “Fund Deposit and Withdrawal Video” under “Fund Deposit and Withdrawal” on our Company website.

#### Notes:

- Clients can refer to the “Fund Deposit Video” on our Company website for the procedures of the deposit channels mentioned above.
- If clients fail to receive the daily statements within 4 working days after the funds deposit or find that the funds deposit has not shown on the daily statements, please immediately contact our Customer Service Department to check the relevant payment. However, if

Bright Smart Securities International (H.K.) Limited  
耀才證券國際(香港)有限公司  
Bright Smart Futures & Commodities Company Limited  
耀才期貨及商品有限公司  
Bright Smart Global Bullion Limited  
耀才環球金業有限公司  
Bright Smart Forex Limited  
耀才環球外匯有限公司

Head Office : 10/F, Wing On House, 71 Des Voeux Road Central, H.K.  
總辦事處 : 香港中環德輔道中 71 號永安集團大廈 10 樓全層  
Website 網站 : [www.bsgroup.com.hk](http://www.bsgroup.com.hk)  
Tel 電話 : (852) 2537 1371 Fax 傳真 : (852)2537 8031

clients have not followed the above funds deposit procedures, clients will be responsible for the risk and loss arising out of any failure in funds deposits.

- The fund deposit cut-off time of our Company (Monday – Friday, 5:00pm). If our Company receives said instructions no later than 5:00 pm, we will handle the deposit on the same business day. Otherwise such instructions of depositing funds will be handled on the following business day. (For detailed instructions, please refer to the “Fund Deposit and Withdrawal” on our Company website.)
- As the deposit handling process takes time, fund deposits by clients may not be available immediately. Clients should note that fund deposits will only be available for trading after our Company’s confirmation is shown on the corresponding trading systems.
- When clients signed the Account Opening Form, clients have authorized our Company to transfer funds or buying power between the Securities Account, the Futures Account, the Stock Options Account, Forex Account and Bullion Account at any moment without any further notice.
- Clients who would like to transfer funds amongst BS Securities, BS Futures, BSFX and BSGB could use our Electronic Channels or call our Customer Service Hotline to deliver the instructions of transferring funds. If our Company receives said instructions no later than 5:00 pm, we will handle the transfer on the same business day. Otherwise such instructions of transferring funds will be handled on the following business day. (For detailed instructions, please refer to the “Internal Transfer Video” on our Company website.)
- Please follow the above instructions to avoid any delay in the funds transfer. Our Company reserves the rights to reject the deposit until clients provide valid bank pay-in slip.

## 2. Withdrawal Channels and Important Notes:

- 2.1 Clients can give instructions for the withdrawal of funds through Electronic Channels or by calling our Customer Service Hotline.
- 2.2 If our Company receives funds withdrawal instructions no later than 1:00 pm, we will handle the instructions on the same business day. Otherwise such instructions of withdrawing funds will be handled on the following business day. (For detailed instructions, please refer to the “Fund Withdrawal Video” on our Company website.)  
\* Applicable to Day Trade Margin Account: All withdrawal instructions will be handled on the next business day.
- 2.3 Clients should wait for the completion of the clearing and settlement of relevant products first before they can withdraw the money out of their accounts (Generally, the process will be completed on T+1 up to T+3, subject to the product and the related exchange). If the sales proceeds are generated from sale of physical stocks, clients will have to wait for not less than 10 days (based on the deposit date of the physical stocks as shown on the daily statement) before our Company can execute the relevant withdrawal request.

## 3. Important Notes on Trade

- 3.1 When clients place orders by phone, they must use the designated order-placing telephone numbers provided by our Company, otherwise clients will be responsible for any losses and damages whatsoever caused. Other telephone numbers, like mobile phones or other telephone numbers of our Company or mobile phones of our Company’s staff cannot be used as telephone numbers for placing orders.
- 3.2 When clients invest in any investment products via our Company, they should have sufficient funds (i.e. to fulfill the minimum margin requirement of our Company) to open positions. Regarding clients’ requirements for payment or margin, please visit the “Table of Deposit Ratio and Margin Loan Ratio” on our Website. Our Company reserves the rights to adjust “Table of Deposit Ratio and Margin Loan Ratio” and even suspend loans for margin financing because of any market situation without further notification to clients.
- 3.3 Customers must monitor the margin account to ensure that there is always sufficient account balance to meet the margin requirements. If client trades any investment product, the account might has a floating loss due to the market fluctuations, and when the deposit level is lower

than the margin requirement, client have to either deposit sufficient funds immediately or close position to make the account the deposit level to return to the basic margin level or above, otherwise, our Company shall have the right to perform mandatory liquidation on behalf of the client without further notice.

### **3.4 Day Trade Margin Account – clients shall comply with the following terms and conditions:**

- (i) Day Trade Margin Account belongs to Margin Account. Clients can use that account for trading securities under the “Day Trade Margin Account – List of dedicated stocks for trading” (subject to changes from time to time) of our Company.
- (ii) Our Company offers loan amount of 9 times of the deposit up to HK\$2.7 million for the above stocks ; for example, if the client deposits HK\$300,000 into the account, our Company can loan out up to HK\$2.7 million, and so on and so forth. The minimum deposit is HK\$10,000.
- (iii) Auction Order and other conditional orders are not available in Day Trade Margin Account. Orders are accepted from 9:00am on each trading day.
- (iv) If clients deposit funds (including internal transfer) to the account before 1:00pm, the funds will be available for trading on the same day after the market opens; otherwise such funds shall be cleared for trading on the following trading day.
- (v) For normal trading days, clients must sell the abovementioned securities in the account before 3:49pm. Otherwise, our Company’s system will automatically perform mandatory liquidation of abovementioned securities in the account at market price at 3:50pm without any further notice.
- (vi) For half-day trading days, clients must sell the abovementioned securities in the account before 11:49am. Otherwise, our Company’s system will automatically perform mandatory liquidation of abovementioned securities in the account at market price at 11:50am without any further notice.
- (vii) For trading days with early closing due to extreme conditions (e.g. Typhoon Signal No 8), our Company may perform mandatory liquidation of the abovementioned securities in the account at market price before normal scheduled time. Clients should pay attention to the notice from our Company on that day for selling the securities in the account.
- (viii) If the deposit (10%) falls below half of the initial level due to drop in the value of the securities in the account at any time, our Company’s system will execute mandatory liquidation of positions for clients automatically without any further notice.
- (ix) Internet trading commission fee will be charged for any mandatory liquidation (0.0388% of transaction value or HK\$50, whichever is lower).
- (x) If there is suspension of securities during trading hours, clients should deposit funds to cover any shortfall in margin. Otherwise clients should pay our Company interest at interest rate P+5% p.a., and the applicable fee relating thereto.



- (xi) Day Trade Margin Account does not allow the transfer of securities amongst different accounts.

Our Company reserves the rights to amend relevant terms and conditions at any time without any prior notice. Clients should visit our Website to understand any latest amendment:

- (a) Newly added or removed stocks in “Day Trade Margin Account – List of dedicated stocks for trading”;
- (b) The timing arrangement for the automatic mandatory liquidation of margin account;
- (c) The timing arrangement for the automatic mandatory liquidation of margin account according to any early market close by the Hong Kong Stock Exchange and Clearing Limited;
- (d) The adjustment of interest rate for the loan account.

**3.5 Securities Account (Installments Margin Scheme) – clients shall comply with the following terms and conditions:**

- (i) Stock Instalment Account belongs to Margin Account. To start using the Account, clients must open a Stock Cash Account for processing of monthly installments.
- (ii) Clients participating in the Installments Margin Scheme must buy at least one board lot (please refer to the “Table of Deposit Ratio and Margin Loan Ratio” for stocks available for trading) and deposit HK\$10,000 for buying securities (whichever is higher).
- (iii) The first installment should be paid according to the “Table of Deposit Ratio” while the remainder of the value of the intended securities will be paid by our Company first.
- (iv) Clients should place orders by phone. Electronic Channels are not available.
- (v) Clients should sell all related securities when they place any sell order (our Company does not accept clients’ orders to sell only part of the related securities).
- (vi) Clients must pay the following fees: brokerage fee, stamp duty, transaction levy and an exchange fee (for details, please refer to “Installments Margin Scheme” on our Company website).
- (vii) Multiple applications for the same security by a client within the same trading day will be consolidated.
- (viii) During their participation in the Installments Margin Scheme, clients are required to pay the monthly installment by depositing funds to our Company at or before 5:00 pm on the 8th day of each calendar month (the reference time should be taken from the bank confirmation of deposit), in accordance with the monthly contribution amount stated on the Repayment Schedule (if the 8th day of any calendar month is not a trading day, the previous trading day shall be taken as the repayment day). Failure to pay the monthly installment will render a client liable to immediately pay a P+5% default interest. If Clients default in payment, we reserve the right to liquidate clients’ positions in the Stock Instalment Account at any time. Clients will bear the relevant fees and any outstanding amount due to us.

Bright Smart Securities International (H.K.) Limited  
耀才證券國際(香港)有限公司  
Bright Smart Futures & Commodities Company Limited  
耀才期貨及商品有限公司  
Bright Smart Global Bullion Limited  
耀才環球金業有限公司  
Bright Smart Forex Limited  
耀才環球外匯有限公司

Head Office : 10/F, Wing On House, 71 Des Voeux Road Central, H.K.  
總辦事處 : 香港中環德輔道中 71 號永安集團大廈 10 樓全層  
Website 網站 : [www.bsgroup.com.hk](http://www.bsgroup.com.hk)  
Tel 電話 : (852) 2537 1371 Fax 傳真 : (852)2537 8031

- (ix) During the monthly installment, if clients early sell the securities or repay all loans, our Company will charge clients 1% of the outstanding amount as the administration fee.
- (x) If existing clients want to transfer their securities or outstanding amounts from their securities accounts (cash or margin accounts) to their Stock Instalment Account, our Company will charge 2% of the outstanding amount as the administration fee.
- (xi) When the price of the stock drops, clients must cover the outstanding loan amount. To this effect, our Company will issue another Repayment Schedule.
- (xii) If there is any rights issue, clients must pay the full amount for the subscription of the rights issue. Otherwise our Company will not exercise the rights on the clients' behalf.
- (xiii) Our Company reserves the rights to amend the above terms and conditions at any time without any prior notice.

### **3.6 Securities deposit and withdrawal instructions – clients should comply with the following terms and conditions:**

#### **Deposit**

- (i) When clients deposit any individual named physical scrip securities into the main office or branches of our Company, clients can sell such securities within the same day after our Company has verified that the clients' accounts contain sufficient funds (as may be determined by our Company based on the value of the deposited security). Otherwise our Company reserves the right to refuse to accept any selling order for such securities until 10 working days after the date of its physical deposit. The proceedings from any related stock sale can only be withdrawn by clients after the verification of our Company and the registrar. During the verification period, said funds can remain in the security account for trading purpose.
- (ii) When a client deposits any physical scrip securities registered in the name of HKSCC (whether it is deposited into our main office or other branches), the client must produce such scrip and certificates provided by any other securities firm or bank certifying the name thereon to be the same as the client's. Clients may only deposit such scrip upon our Company's verification. Otherwise, our Company reserves the right to decline the instructions of depositing such scrip.
- (iii) Single named physical scrip must be deposited into a client's individual named securities account of our Company and cannot be deposited into any joint account. Jointly held physical scrip must be deposited into clients' joint account of our Company and cannot be deposited into any single named account.
- (iv) Our Company does not provide physical scrip deposit services for global securities or other investment products.

#### **Withdrawal**

- (i) If clients want to withdraw any physical scrip, they can call our Company's Customer Service

Hotline or give instructions of withdrawing physical scrip via Electronic Channels. They can also come to our branches in person to fill in the withdrawal form of physical scrip.

- (ii) After our Company takes out physical scrip on behalf of clients, we will contact clients to come to our main office or branch to get the physical scrip. Clients should collect the physical scrip at designated main office or branch within 5 business days of receiving our phone call. Otherwise, our Company reserves the right to deposit the physical scrip back into the securities account.

### **SI/ISI**

- (i) Clients may request our Company to handle settlement instructions (SI) or investor settlement instructions (ISI) through electronic channels or by written instructions; however, clients must give written instructions to our Customer Service Department if they request our Company to transfer the securities to other securities firm or bank by SI.
- (ii) Our Company will handle the instructions on the same business day if the instructions are received before 1:00pm. Otherwise our Company will handle the instructions on the next business day.

### **3.7 Stock Options Account – clients should comply with the following terms and conditions:**

- (i) Clients must have either a Cash Securities Account or Margin Securities Account before opening a Stock Options account.
- (ii) Option premium must be paid for purchasing a stock option (Long Call or Long Put). Margin is not required.
- (iii) Clients must pay and maintain the required level of margin before selling a stock option (Short Call or Short Put). The margin requirement is determined by our Company with absolute discretion and our Company has the right to adjust the margin requirement from time to time.
- (iv) Margin is not required if the short call position of a client is hedged by the same quantity of the underlying stock (i.e. a Covered Call).

### **3.8 Exercising and Settlement of Stock Options – clients should comply with the following terms and conditions:**

- (i) Options trading is settled on cash basis on T+1. When exercising Options, clients must deliver the required quantity of the underlying stock for settlement on T+2.
- (ii) Options on Hong Kong stocks are in American style, that is, the holder of Long position may exercise the option any time before the expiry date of the option; the option of holder of Short position may be exercised any time before the expiry date of the option.
- (iii) Clients must give his instruction (Long Call or Long Put) via phone before 4:00pm on a trading day and our Company is not responsible for enquiring whether clients will exercise stock options or not. Late orders will not be accepted and will be handled on the next business day.

Bright Smart Securities International (H.K.) Limited  
耀才證券國際(香港)有限公司  
Bright Smart Futures & Commodities Company Limited  
耀才期貨及商品有限公司  
Bright Smart Global Bullion Limited  
耀才環球金業有限公司  
Bright Smart Forex Limited  
耀才環球外匯有限公司

Head Office : 10/F, Wing On House, 71 Des Voeux Road Central, H.K.  
總辦事處 : 香港中環德輔道中 71 號永安集團大廈 10 樓全層  
Website 網站 : [www.bsgroup.com.hk](http://www.bsgroup.com.hk)  
Tel 電話 : (852) 2537 1371 Fax 傳真 : (852)2537 8031

- (iv) If a client holding a Call option (i.e. Long Call) or Put option (i.e. Long Put) does not give any instruction to our Company to exercise the option before the expiry date, the Derivatives Clearing and Settlement System (“DCASS”) will automatically generate exercise requests in respect of all open options contracts which are in-the-money by or above the percentage (1.5%) prescribed by the SEHK Options Clearing House Limited (“SEOCH”) from time to time
- (v) Clients holding Long Call must meet the minimum margin requirement in the linked stock account for purchase of the related underlying stock(s); clients holding Long Put must hold no less than the corresponding quantity of the underlying stock(s) for exercise in the linked stock account. Clients may instruct our Company before 4pm on the expiry day if they wish to override such automatically generated exercise requests. Our Company will not bear any responsibility for any losses by clients due to this automatic exercise by DCASS and override of such automatic exercise.
- (vi) Clients must either deliver the required quantity of the underlying stock to our Company for settlement on T+2 or purchase the required quantity of the underlying stock before 3:15pm on T+1 if the Call position they have sold (i.e. Short Call) is exercised by the buyer. In view of the prevailing market situation, our Company has the right to purchase the required quantity of stock for settlement at market price anytime without prior consent from clients and clients are responsible for any losses, costs, fees and expenses.
- (vii) If a Put option sold by a client is exercised, the client will be obliged to purchase the underlying stock at the exercise price. Clients must have sufficient funds in the securities account on T+1. Otherwise, our Company has the right to sell those stocks at market price in view of the prevailing market condition without prior consent from the client and the client is responsible for any losses, costs, fees and expenses.

### **3.9 Hong Kong and Global Futures – clients should comply with the following terms and conditions:**

- (i) Due to different trading hours and settlement days for products of Global Futures, clients should be responsible for noting the trading hours and settlement days of the product, and visit our Website for any updates to the aforesaid information. Our Company will not inform clients separately for any changes to the aforesaid information. Clients should be fully responsible for all the losses whatsoever incurred as a result of any omission or delay in notifying clients of the relevant information and our Company shall not be responsible for any liability whatsoever caused.
- (ii) Our Company will not provide physical delivery service for Hong Kong and Global Futures products. To avoid any inconvenience caused by the physical delivery of some futures products, clients shall be responsible for closing out the contracts held by themselves on or before the last closing day of our Company (for details, please refer to the “Hong Kong and Global Futures Announcement Board” on our Company website) for the related products.

Otherwise, our Company reserves the right to liquidate the Clients' positions without separate notice. Clients shall be fully responsible for all the losses, costs, charges and expenses whatsoever incurred as a result of any omission for closing out any open contract. Clients shall fully indemnify our Company for all incurred the losses, costs, charges and expenses whatsoever incurred as a result of any such omission.

- (iii) Global Market products use different currencies as trading units. If clients owe us any foreign currency in their accounts, our Company reserves the right to use any balance (in any currency) from other accounts of the clients to cover the shortfall in that particular outstanding account (the exchange rate will be calculated according to the prevailing exchange rates provided by banks and our Company shall not be required to inform clients for any fluctuations of any bank's exchange rates).
- (iv) If the margin uses any foreign currency other than Hong Kong dollars as a trading unit, our Company will adopt the following procedure in handling the related exchange matter:
  - (a) After trades are made by clients, the relevant margins will adopt the exchange rates as set in our trading system. The relevant exchange rates will be adjusted according to the prevailing market conditions without any notice.
  - (b) Clients' positive balances in the accounts will remain within the same accounts automatically unless clients inform our Company to carry out any exchange.
- (v) Our Company will charge interest for any outstanding CNY balances caused by clients trading CNY-denominated products (For information on debit interest rate, please refer to "Hong Kong and Global Futures Announcement Board" on our Company website).

### **3.10 Important Terms for After-Hours Futures Trading Session (AHFT):**

- (i) For details of Regular Futures Trading Session ("T Session") and AHFT ("T+1 Session"), please refer to the Hong Kong Futures Exchange ("HKFE") website.
- (ii) When the trading price reaches the acceptable range (if any) of futures price movements set forth by HKFE, trading orders can only be placed within but not outside the acceptable range of price movement.
- (iii) Transactions executed in T+1 Session will be regarded and reflected on statements as trades executed on the following trading day.
- (iv) Trades executed in T+1 Session will be cleared and settled on the following trading day.
- (v) Trading price continues to fluctuate regardless of clients' participation in the T+1 Session. Therefore, if clients fail at any time to keep their funds in their Futures trading accounts above the required margin level set (subject to revisions) by our Company for both T Session and T+1 Session, mandatory liquidation may be performed on their behalf at any time (for both T Session and T+1 Session) without prior notice and clients should be responsible for any risk and losses arising thereto. Clients are advised to closely monitor the risks associated with their accounts and ensure sufficient funds are maintained to meet the margin level

requirement.

- (vi) Notes regarding the placement of trading orders:
- (a) At-auction period is NOT available in the T+1 Session.
  - (b) Fill-Or-Kill orders (FOK) and Fill-And-Kill orders (FAK) are not available in the T+1 Session.

Notes regarding entering trading orders (please refer to the following table):

	T+1 box	T Session 09:15-16:30	T+1 Session 17:15 – 03:00 (following day)	Next Trading Day (T Session) 09:15 (following day) – 16:30
Day Orders	<input type="checkbox"/>	Enabled	Cancelled	Cancelled
Day Orders	<input checked="" type="checkbox"/>	Enabled	Enabled	Cancelled
Good-till-Cancel Orders (GTC)	<input type="checkbox"/>	Enabled	Inactivated	Enabled
Good-till-Cancel Orders (GTC)	<input checked="" type="checkbox"/>	Enabled	Enabled	Enabled
Good-till-Date Orders (GTD)	<input type="checkbox"/>	Enabled	Inactivated	Enabled
Good-till-Date Orders (GTD)	<input checked="" type="checkbox"/>	Enabled	Enabled	Enabled

\*As the range of products traded and trading time of the T+1 Session is based on HKEx published information, clients are reminded to visit the HKEx website for the latest information.

### 3.11 Notes on automatic liquidation for futures and options:

- (i) After the Hong Kong futures market closes, our Company will liquidate positions of clients' accounts automatically when the following circumstances occur.
- (ii) Simultaneously holding one Long (Short) position Hang Seng Index (HSI) Futures and five (same month) mini-Hang Seng Index Futures Short (Long) positions (and so forth);
- (iii) Simultaneously holding one H Shares Index Futures Long (Short) and five (same month) mini-H Shares Index Futures Short (Long) positions (and so forth);
- (iv) Simultaneously holding one Hang Seng Index Option Long (Short) position and five (same month) Long (or Short) mini Hang Seng Index Option Short (Long) positions with the same exercise price (and so forth);
- (v) Simultaneously holding one H Shares Index Option Long (Short) position and five (same month) Long (or Short) mini H Shares Index Option Short (Long) positions with the same exercise price (and so forth);
- (vi) All liquidating positions of futures or options will be carried out on a first in first out basis. (If

there are intra-day positions, our Company will close out intra-day positions first and then close out overnight positions).

- (vii) All minimum margin, maintenance margin, product terms and conditions, and trading hours of futures are provided for clients' reference only. Our Company reserves the right to amend the aforesaid information according to the prevailing market condition without prior notice to clients. Clients should visit the Futures Announcement Board published on our Website regularly to get any latest updates of the related information.

### **3.12 Physical Gold/Silver (Bullion) – clients should comply with the following terms and conditions:**

- (i) The trading hours of the bullion provided by our Company are different in Summer Time and Winter Time. Clients may refer to the Bullion page on our Website for the latest update of the above information.
- (ii) Overnight interests will be incurred for all open positions held overnight. Our Company reserves the right to charge relevant interests. Clients should make sure they have sufficient funds in their accounts to pay the interests.
- (iii) Our Company will not provide physical delivery service for bullion products.
- (iv) Our Company will pre-set a limit for the ticket size of each order. Our Company reserves the rights to change the aforesaid limit any time without prior notice.
- (v) In any event, HKD and USD Bullion accounts will be treated separately. Clients should always maintain sufficient funds in each and every account(s) to meet the margin level requirement. If one of the Bullion Accounts fails to meet the margin level requirement set by our Company, we will liquidate all or partial open positions of the client without considering whether funds are available in other accounts maintained by the same client.
- (vi) The trading platform of our Company includes “Buy”, “Sell” and “Close Out” functions. If Client wishes to close out the positions, the “Close Out” function must be selected to perform the action, or else it will be treated as opening new positions.

### **3.13 Global Forex – clients should comply with the following terms and conditions:**

- (i) The trading hours of the Global Forex provided by our Company are different in Summer Time and Winter Time. Clients may refer to the Global Forex page on our Website for the latest update of the above information.
- (ii) Overnight interests will be incurred for all open positions held overnight. interest will be charged after day closed. Clients should make sure they have sufficient funds in their accounts to pay the interests.
- (iii) Our Company will pre-set a limit for the ticket size of each order. Our Company reserves the rights to change the aforesaid limit any time without prior notice
- (iv) The trading platform of our Company includes “Buy”, “Sell” and “Close Out” functions. If Client wishes to close out the positions, the “Close Out” function must be selected to perform the action, or else it will be treated as opening new positions.

## 4 Important Notes on Electronic Trading:

- 4.1 Our Company will deliver the electronic trading password to the new client through e-mail or SMS once the client has opened an account.
- 4.2 In any event, clients must not allow any third party to use their account numbers and passwords.
- 4.3 Clients shall be responsible to change the passwords immediately the first time they use the electronic trading services. For security purpose, we recommended clients to change passwords regularly. In case clients forget their passwords (or have been blocked access because of multiple inputs of incorrect passwords), clients can seek assistance by calling our Customer Service Hotline.
- 4.4 Clients can give order instructions, review daily/ monthly statements, subscribe IPO, withdraw/ deposit/ transfer funds, withdraw/ deposit physical scrip, and change personal particulars through our Company's online trading platform.
- 4.5 If clients have any comments or complaints against our Company, please contact our Head Office by calling (852) 3890 1111.

## 5 Miscellaneous:

- 5.1 In the event that there is any inconsistency between the English and Chinese Version of "Acknowledgement by Client", the Chinese Version shall prevail.
- 5.2 The "Acknowledgement by Client" will be revised and amended from time to time without prior notice. Clients may obtain the latest version from "Important Terms and Other Forms" on our Company website.
- 5.3 Words and expressions defined in this "Acknowledgement by Client" shall have the same meanings as those defined in the "Terms and Conditions for Trading Account".
- 5.4 In the event that there is any inconsistency between this "Acknowledgement by Client" and the "Terms and Conditions for Trading Account", the "Terms and Conditions for Trading Account" shall prevail.

Client Signature: \_\_\_\_\_

Client Name: \_\_\_\_\_

Date: \_\_\_\_\_