

GENERAL BUSINESS TERMS SAXO CAPITAL MARKETS HK LIMITED



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INTRODUCTION

Saxo Capital Markets HK Limited ("**Saxo Capital Markets**"), Company Registration No: 139590 and CE number AVD061, is a licensed corporation under the Securities and Futures Ordinance ("**SFO**") (Cap. 571 of the Laws of Hong Kong) licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 3 (leveraged foreign exchange trading) regulated activities and registered with the Securities and Futures Commission of Hong Kong ("**SFC**"). Its registered office is at Rooms 2001-02, 20/F York House, The Landmark, 15 Queen's Road Central, Hong Kong.

1. DEFINITIONS AND INTERPRETATION OF TERMS

1.1 In these General Business Terms, including schedules, appendices and annexes (hereinafter these "Terms") the following terms shall, unless the context otherwise requires, have the following meanings and is used in singular or plural as appropriate:

- i. "Account" means an account of the Client with Saxo Capital Markets;
- ii. "Account Statement" means a periodic statement of the transactions credited or debited to an Account;
- iii. "Account Summary" means a statement of the Client's portfolio of Instruments, open positions, Collateral, cash deposits, margin requirements, etc. at a specific point in time;
- iv. "Agent" means a natural or legal person undertaking a transaction on behalf of another natural or legal person, but in the agent's own name;
- v. "API" means Application Programming Interface for the use of alternative trading interfaces or platforms;
- vi. "Best Execution Obligations" means the best execution standards observed by Saxo Capital Markets as a licensed corporation under the SFO and Saxo Bank Group's Order Execution Policy;
- vii. "Business Day" means any (other than Saturdays, Sundays or a public holidays or a day on which a tropical cyclone warning No.8 or above or a "black rainstorm" warning signal is hoisted in Hong Kong at any time between 9:00am and 5:00pm) on which licensed banks are generally open for business in Hong Kong (and not for internet banking only);
- viii. "CFD Contract" or "CFD" means a contract for difference by reference to fluctuations in the level, price or value of the relevant Instrument;
- ix. "Client" means the natural or legal person, being a customer of Saxo Capital Markets;
- x. "Collateral" means (i) any cash, (ii) any Instruments, (iii) the value of any outstanding Contracts of the Client, (iv) any guarantee or indemnity accepted by Saxo Capital Markets pursuant to Clause 23.6, and (v) any other assets of the Client, in each case ((i)-(v)) deposited with, possessed or controlled by Saxo Capital Markets, or any entity in the Saxo Bank Group;
- xi. "Code of Conduct" means the Code of Conduct for Persons Licensed by or Registered with the SFC;
- xii. "Commissions and Charges" means the Commissions and Charges to be paid by Clients to Saxo Capital Markets as stated in the Commissions, Charges & Margin Schedule;
- xiii. "Commissions, Charges & Margin Schedule" means commissions, charges, margin requirement, interest and other rates that at any time are applicable to the Services as determined by Saxo Capital Markets and notified to the Client or made available at Saxo Capital Markets' website <https://www.home.saxo/en-hk/rates-and-conditions/pricing-plans/pricing-overview> from time to time;
- xiv. "CRS" means the Common Reporting Standard, an information-gathering and reporting requirement for financial institutions to counter tax evasion;
- xv. "Confidential Information" means any and all information (including personal data) related to the Parties and their relationship and all dealings between the Parties, including, but not limited to, any information relating to the business, investments and finances of Saxo Capital Markets, the Saxo Bank Group and the Client;

- xvi. "Conflict of Interest Policy" means Saxo Capital Markets' prevailing policy regarding conflicts of interest which is available at Saxo Capital Markets' website www.home.saxo/en-hk;
- xvii. "Contract" means any contract, whether oral or written, between Saxo Capital Markets and the Client for the purchase of, or with reference to, an Instrument and any other transaction relating thereto, between the Client and Saxo Capital Markets, including Margin Positions;
- xviii. "Corporate Actions" means a corporate event that may impact the share price of the relevant company. Corporate Actions include e.g. share and rights issues, delistings, mergers and demergers, conversions, share splits, sell-offs and dividends;
- xix. "Custody Securities" means securities held in custody by Saxo Capital Markets, including shares, bonds, units in collective investment undertakings and similar instruments that are not traded on margin;
- xx. "Durable Medium" means any instrument which enables the Client to store information in a way accessible for future reference for a period of time adequate to the purposes of the information and which allows the unchanged reproduction of the information stored;
- xxi. "Event of Default" shall have the meaning given to this term in Clause 27.3;
- xxii. "Exceptional Market Condition" includes, but is not limited to, (i) the suspension or closure of any Regulated Market or other market, (ii) the suspension or de-listing from trading of the underlying instrument of any Contract, (iii) the abandonment or failure of any event, service or information to which Saxo Capital Markets relates its quotes and other pricing, (iv) the occurrence of an excessive movement in the level of any Margin Position and/or any underlying market, (v) situations described in Clause 12.4(i) or Clause 12.5(i), and/or (vi) in each of (i)-(v) Saxo Capital Markets' reasonable expectation that such event might occur;
- xxiii. "FATCA" means the Foreign Account Tax Compliance Act, administered by the United States of America for better tax compliance;
- xxiv. "FIFO Principle" means "First In - First Out" and entails that Saxo Capital Markets will, as a general rule, close the oldest Contract first in case one or more Contracts with the same characteristics are closed;
- xxv. "Force Majeure Event" means, without limitation, any abnormal and unforeseeable event beyond the reasonable control of Saxo Capital Markets, including technical difficulties, such as telecommunication failures or disruptions, utilities failure, declared or imminent war, revolt, civil unrest, catastrophes of nature, enactment of new legislation, measures taken by authorities, strikes, lock outs, boycotts, or blockades (whether or not Saxo Capital Markets is a party to the conflict), notwithstanding that only part of Saxo Capital Markets' functions are affected by such events;
- xxvi. "Inside Information" means non-public information which is likely to have a significant effect on the pricing of an Instrument if it was made public;
- xxvii. "Insolvency Proceedings" means dissolution (other than pursuant to a consolidation, amalgamation or merger), bankruptcy, composition negotiations, suspension of payments, administration of the insolvent estate of a deceased Client, debt restructuring as well as any other Danish and foreign types of liquidation or reorganisation measures caused by the insolvency of the Client, including (i) collective proceedings involving realisation of the assets and distribution of the proceeds among the creditors, shareholders or members as appropriate, which involve any intervention by administrative or judicial authorities, including where the collective proceedings are terminated by a composition or other analogous measure, whether or not they are founded on insolvency or are voluntary or compulsory, (ii) measures which involve any intervention by administrative or judicial authorities which are intended to preserve or restore the financial situation and which affect pre-existing rights of third parties, including, but not limited to, measures involving a suspension of payments, suspension of enforcement measures or reduction of claims, and (iii) that the Client has instituted against it enforcement proceedings in the course of which all or substantially all of its assets are seized by a bailiff;
- xxviii. "Instruction Deadline" means the deadline given by Saxo Capital Markets to the Client for the Client to give instructions regarding a Corporate Action. Instruction Deadline may vary from deadlines stipulated in the prospectus or other material referring to market deadlines;

- xxix. "Instrument" means any financial instrument or other instrument, whether traded OTC or traded on a Regulated Market or other market, including, but not limited to, shares, bonds and other debt instruments (including debt instruments issued by governments and public authorities), mutual and other investment funds, currencies, commodities, interest rates, indices, spots and derivatives (including options, futures, CFD's, forwards, warrants or other Contracts, including Custody Securities). For the avoidance of doubt, "Instrument" includes "securities", "futures contracts" and "leveraged foreign exchange contracts" as defined in the SFO;
- xxx. "In the money" shall, in relation to put options, mean when the strike price is above the market price, and shall, in relation to call options, mean when the strike price is below the market price;
- xxxi. "Introducing Broker" means a financial institution or other entity which is remunerated by Saxo Capital Markets and/or Clients for referral of Clients to Saxo Capital Markets and/or for provision of advice to such Clients and/or execution of such Clients' transactions towards Saxo Capital Markets;
- xxxii. "Joint Account" means an Account held by two or more Clients over which each of the Clients may dispose;
- xxxiii. "Joint Account Client" means a Client holding and disposing over a Joint Account with one or more other Joint Account Clients;
- xxxiv. "Limit Order" means an order to buy or sell at a specified price limit or better and for a specified size;
- xxxv. "Liquidity Provider" means banks, brokers and/or trading venues through whom Saxo Capital Markets may cover or hedge its Contracts with Clients or hold Clients' Custody Securities or with whom Saxo Capital Markets otherwise deals in relation to Clients' transactions;
- xxxvi. "Listed Option" means an option contract between Saxo Capital Markets and a Client the terms of which are identical to the terms of a Reference Option;
- xxxvii. "Listed Derivative" means a derivative contract (including a Listed Option) between Saxo Capital Markets and a Client the terms of which is identical to the terms of a Reference Derivative;
- xxxviii. "Listed Derivative Counterparty" means a Liquidity Provider which (i) enters into a contract with Saxo Capital Markets, which is identical to the relevant Listed Derivative and (ii) enters into, or instructs a third party to enter into, the matching Reference Derivative;
- xxxix. "Margin Position" means a Contract opened, maintained and based on a deposit of Collateral which at all times must satisfy the Margin Requirement;
- xl. "Margin Requirement" means the margin requirement applicable from time to time as set out in Clause 26;
- xli. "Market Rules" means the rules, regulations, customs and practices from time to time of any Regulated Market and clearing house or other organisation or market involved in, or otherwise relevant to, the conclusion, execution, terms or settlement of an Instrument and any exercise of any power or authority by any such Regulated Market, clearing house or other organisation or market;
- xlii. "Misquoted Price" shall have the meaning given to this term in Clause 12.4;
- xliii. "Net Free Equity" means the net free equity as defined in the Commissions, Charges & Margin Schedule, which forms the basis for the calculation of interest;
- xliv. "Order Execution Policy" means Saxo Capital Markets' prevailing policy on the execution of Client orders, available on Saxo Capital Markets' website: www.home.saxo/-/media/documents/regional/en-hk/legal/best-execution-policy.pdf?la=en-hk;
- xlv. "OTC" means "over the counter", i.e. not listed or traded on any Regulated Market or other market;
- xlvi. "Out of the Money" shall, in relation to put options, mean when the strike price is below the market price and shall, in relation to call options, mean when the strike price is above the market price;
- xlvi. "Parties" means Saxo Capital Markets and the Client;
- xlvi. "PDPO" means the Personal Data (Privacy) Ordinance, Cap. 486 of the Laws of Hong Kong;
- xlix. "Pledge" means the first priority pledge of the Collateral in favour of Saxo Capital Markets created under Clause 24.1 of these Terms;
- I. "Principal" means the individual person or the legal entity which is a counterparty to a Contract;

- li. "Professional Investors" means Clients categorised as professional clients pursuant to part 1 Schedule 1 of the SFO and the Securities and Futures (Professional Investor) Rules. (Cap. 571);
 - lii. "Reference Derivative" means a derivative contract traded on a Regulated Market or any other market which is identical to (i) the related Listed Derivative and (ii) any contract entered into by Saxo Capital Markets and an Listed Derivative Counterparty in relation to the Listed Derivative;
 - liii. "Reference Option" means an option traded on a Regulated Market or any other market which is identical to (i) the related Listed Option and (ii) any contract entered into by Saxo Capital Markets and a Liquidity Provider in relation to the Listed Option;
 - liv. "Regulated Market" means a regulated market including, for the avoidance of doubt, "recognized stock markets", "recognized futures markets" and "recognized clearing houses" as defined in the SFO and a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments - in the system and in accordance with its nondiscretionary rules - in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorized and functions regularly;
 - i. "Related Orders" means an instruction by the Client pursuant to which a position shall only be closed if a certain price level is reached, including Limit Orders and Stop Orders;
 - ii. "Related Rights" means any rights related to the Collateral, including, but not limited to, (i) all proceeds, all dividends, interest or other distributions in cash or in kind to be paid or made on or in respect of the Collateral, (ii) all allotments, offers, rights, benefits and advantages whatsoever accruing, offered, exchanged for or arising in respect of the Collateral and (iii) all administrative rights, including any voting rights;
 - iii. "Retail Clients" means Clients who are not Professional Investors;
 - iv. "Saxo Capital Markets" means Saxo Capital Markets HK Limited;
 - v. "Saxo Bank Group" means all entities, including headquarters, branches, subsidiaries, representative offices and any other entities forming part of the Saxo Bank group from time to time, information on which can be found Saxo Capital Markets' website <https://www.home.saxo/en-hk/contact-us>;
 - vi. "Secured Obligations" means each of the following items (i) through (iv) (inclusive), whether arising under these Terms, a Contract, a Margin Position or otherwise: (i) any and all obligations of the Client towards Saxo Capital Markets or any member of the Saxo Bank Group, including any right to require cash payment or delivery of Instruments, (ii) any debit balance on any Account, (iii) any and all other present and future obligations and liabilities (whether actual or contingent or in any other capacity whatsoever) of the Client towards Saxo Capital Markets and the Saxo Bank Group, and (iv) all losses, taxes, expenses, costs and liabilities whatsoever (present, future, contingent or otherwise and including reasonable legal fees) which may be suffered or incurred by Saxo Capital Markets or the Saxo Bank Group due to the relationship with the Client and/or in connection with the protection, preservation or enforcement by Saxo Capital Markets of its respective rights;
 - vii. "SFO" means the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong;
 - viii. "Services" means the services and products provided by Saxo Capital Markets to its Clients from time to time;
 - ix. "Settlement/Trade Confirmation" means a notification from Saxo Capital Markets to the Client confirming the execution of an order and/or a Client's entry into a Contract;
 - x. "Stop Order" means an order to buy or sell once the price reaches a specified level;
 - xi. "Terms" has the meaning set out in Clause 1.1;
 - xii. "Tick" means the minimum amount that the price or value of an Instrument may fluctuate pursuant to the Market Rules of the relevant Regulated Market; and
 - xiii. "Trading Platform" means any online trading platform made available by Saxo Capital Markets under these Terms.
- 1.2 In these Terms any reference to a person shall include corporate entities, unincorporated associations, partnerships, any other legal person and in-

dividuals.

1.3 Headings in these Terms are for reference only and shall not affect the contents or interpretation of these Terms.

1.4 In these Terms references to any act, executive order, statute, regulation or enactment shall include references to such an act, executive order, statute, regulation or enactment as replaced, amended or modified from time to time.

2. RISK ACKNOWLEDGEMENT

2.1 In addition to any and all other separate risk disclosures that may be provided to the Client from time to time, the Client acknowledges, recognises and understands that:

- i. Margin Positions are highly speculative, may involve an extreme degree of risk, and are appropriate only for persons who accept risk of loss in excess of their Collateral with Saxo Capital Markets;
- ii. because of the low level of Collateral often required in Margin Positions, changes in the price of the underlying Instrument may result in significant losses, which may substantially exceed the Client's investment, Collateral and/or margin deposit with Saxo Capital Markets;
- iii. when the Client instructs or requests Saxo Capital Markets to enter into any Contract or purchase any Instrument, any profit or loss on such Contract or Instrument will be entirely for the Client's own account and risk;
- iv. unless it is otherwise specifically agreed, Saxo Capital Markets shall not conduct any continuous monitoring of the transactions entered into by the Client neither automatically nor manually. Hence, Saxo Capital Markets cannot be held responsible for transactions developing differently from what the Client might have presupposed and/or to the disadvantage of the Client;
- v. any investments include risks, and the Client has received no assurance otherwise and no guarantees of profit or similar representations from Saxo Capital Markets, any entity of the Saxo Bank Group, any Introducing Broker, or representatives hereof;

3. INVESTOR PROTECTION

3.1 Saxo Capital Markets classifies its Clients in two main categories: Professional Investors and Retail Clients.

3.2 Saxo Capital Markets attaches different levels of regulatory protection to Clients within each category. In particular, Retail Clients are afforded the most regulatory protection. Professional Investors are considered to be more experienced, knowledgeable and sophisticated and able to assess their own risk and are thus afforded less regulatory protection.

3.3 Saxo Capital Markets offers its Clients the possibility to request to be reclassified online and thus to increase or decrease the level of regulatory protection afforded. If a Client requests to be treated as a Professional Investors (either on an overall level or on a product level), the Client needs to meet certain specified criteria as provided by the SFO.

3.4 The Client acknowledges that the Services that Saxo Capital Markets offers to Clients may depend on the client classification, and that all Services may therefore not be available to all types of Clients.

SERVICES AND TRADING

4. SERVICES

4.1 Subject to the Client fulfilling its obligations under the Terms, Saxo Capital Markets may enter into Contracts with the Client in relation to the following Instruments:

- 4.1.1 securities;
- 4.1.2 futures contracts;
- 4.1.3 leveraged foreign exchange contracts ; and/or
- 4.1.4 such other Instruments or Services as Saxo Capital Markets may from time to time agree to provide the Client.

- 4.2 The Client and Saxo Capital Markets will enter into any Contracts as Principals, unless otherwise expressly agreed by Saxo Capital Markets, in which case Saxo Capital Markets will act as Agent. This means that Saxo Capital Markets takes the opposite position to a Client's order (unless otherwise expressly agreed in writing). Saxo Capital Markets may at its discretion cover or hedge any Contracts with its Liquidity Providers, but the Client will have no recourse against any of Saxo Capital Markets' Liquidity Providers.
- 4.3 All transactions in securities are executed as straight through the relevant market for execution basis unless otherwise agreed or notified to the Client.
- 4.4 Saxo Capital Markets shall be entitled to consider the Client as Principal in relation to any Contract even if the Client in its arrangements with any third party acts as Agent on behalf of such third party, regardless of whether the Client has identified the arrangement and/or the third party to Saxo Capital Markets.
- 4.5 Notwithstanding any other provision of these Terms, in providing its Services, Saxo Capital Markets is entitled to take any action considered necessary and reasonable to ensure compliance with the Market Rules, decisions by and agreements with Regulated Markets, other markets, Liquidity Providers or public authorities and/or applicable law.

5. ADVICE AND RECOMMENDATIONS

- 5.1 Saxo Capital Markets provides execution-only Services (that is, it executes an instruction or order without any prior communication that seeks to solicit or recommend the Client to trade in an Instrument) to the Client unless otherwise agreed in advance. If so otherwise agreed, then paragraph 5.2 applies.
- 5.2 If Saxo Capital Markets solicit the sale of or recommend any financial product to the Client, the financial product must be reasonably suitable for

the Client having regard to the Client's financial situation, investment experience and investment objectives. No other provision of these Terms or any other document Saxo Capital Markets may ask the Client to sign and no statement that Saxo Capital Markets may ask the Client to make derogates from this clause. The phrase "financial product" includes Instruments.

- 5.3 If Saxo Capital Markets provides advice, information or recommendations to the Client, Saxo Capital Markets makes no representation, warranty or guarantee as to, and shall not be responsible for, the profitability, accuracy or completeness of such advice, information or recommendations, other than as set out in paragraph 5.2, unless Saxo Capital Markets has acted grossly negligently and is liable pursuant to these Terms.
- 5.4 Saxo Capital Markets does not provide any advice to the Client on any tax related matters. Saxo Capital Markets encourages the Client to obtain independent advice from its financial advisor, auditor and/or legal counsel with respect to tax implications of the respective Services.
- 5.5 The Client acknowledges, recognizes and accepts that (i) any recommendation and any information communicated by Saxo Capital Markets does not constitute an offer to enter into a Contract or an offer to buy or sell or the solicitation of an offer to buy or sell any Instrument, and (ii) such recommendation and information, although based upon information from sources believed by Saxo Capital Markets to be reliable, may be based solely on a broker's opinion, and (iii) any information communicated may be incomplete and may be unverified and/or unverifiable. This does not derogate from Saxo Capital Market's obligations under paragraph 5.2.

6. ORDERS AND INSTRUCTIONS

- 6.1 The Client may provide Saxo Capital Markets with instructions and orders in the form and using the media determined by Saxo Capital Markets from time to time. If the Client submits an order by other means than the Trading Platform, Saxo Capital

Markets manually verifies the basis of the relevant order prior to processing, and this may likely result in an extended processing time. Placement of orders by telephone may be subject to higher commissions than placement of orders via the Trading Platform.

- 6.2 The Client's instructions and orders are binding on the Client when received by Saxo Capital Markets. If the Client wishes to withdraw an instruction or order to Saxo Capital Markets that has not yet been executed, the Client may contact Saxo Capital Markets and request that the order be cancelled, but Saxo Capital Markets is under no obligation to accept the cancellation of such instruction or order. A request for cancellation of an order can be made via the Trading Platform or by calling Saxo Capital Markets Sales Trading, except that requests concerning cancellation of orders, made when the Margin Requirement is not fulfilled, can only be made to Saxo Capital Markets Sales Trading. An instruction or order is not cancelled until the Client has received a written confirmation of the cancellation from Saxo Capital Markets.
- 6.3 No instruction or order from a Client is binding on Saxo Capital Markets until it has been accepted. No binding Contract or other transaction is entered into until it has been recorded as executed by Saxo Capital Markets and confirmed by Saxo Capital Markets to the Client through the Settlement/Trade Confirmation, subject to Clause 12. If an Event of Default occurs, Saxo Capital Markets reserves the right to calculate the net amount owed by either party in accordance with these Terms regardless of any Settlement/Trade Confirmation provided.
- 6.4 Only the Settlement/Trade Confirmation made available to the Client constitutes Saxo Capital Markets' confirmation of the execution of a Contract or order. Confirmation by the Trading Platform itself, when the Client transmits instructions via the Trading Platform, does not constitute confirmation of the execution of a Contract or order.
- 6.5 In the event that the Client believes to have placed an instruction or order, but the Client has not received a Settlement/Trade Confirmation, the Client must contact Saxo Capital Markets immediately. In the absence of such immediate notice from the Client, the order, transaction or Contract may at Saxo Capital Markets' sole discretion be deemed non-existent even if received by Saxo Capital Markets.
- 6.6 Saxo Capital Markets will handle orders and instructions in accordance with its Best Execution Obligations and Order Execution Policy and applicable law. If Saxo Capital Markets believes that it is not reasonably practicable to act upon instructions or orders from a Client within reasonable time, Saxo Capital Markets (i) may defer acting upon that instruction or order until it is, in Saxo Capital Markets' reasonable opinion, practicable to do so, or (ii) notify the Client that Saxo Capital Markets will not act upon such instruction or order. Saxo Capital Markets may cancel any order for an Instrument if the specific Instrument is suspended from trading or transferred to the observation list on the relevant market.
- 6.7 Saxo Capital Markets supports different order types which are described in, and executed in accordance with, its Best Execution Obligations and Order Execution Policy. For the avoidance of doubt, Limit Orders and Stop Orders are not guaranteed executable at the price or amount specified by the Client, but will be executed in accordance with Saxo Capital Markets' Best Execution Obligations and Order Execution Policy in the absence of an Event of Default of the Client.
- 6.8 The Client shall be responsible for (i) all orders and instructions provided, (ii) the accuracy of all information sent via the Internet in the Client's name and (iii) passwords and any other personal identification means implemented to identify the Client.
- 6.9 Saxo Capital Markets may refuse to act upon any instruction from a client or any person authorised by the Client if Saxo Capital Markets reasonably believes that the disposal, pursuant to the instruction submitted, will be in violation of e.g. Market Rules, usual market practice, and/or applicable law, including, but not limited to, legislation on money laundering and insider trading. Further, Saxo Capital Markets may refuse to act if such

disposal, in Saxo Capital Markets' sole discretion, will put the Client's and/or Saxo Capital Markets' economic solidity at risk.

- 6.10 Saxo Capital Markets may assess the Client based on the information and documents collected from the Client during onboarding and the course of business relationship and assign a risk profile to the Client. Such risk profile assigned may be used by Saxo Capital Markets to perform an internal assessment on whether the Client is suitable to deal in certain complex investment products.
- 6.11 The Client shall be responsible for the accuracy and timeliness of the above-mentioned information and documents provided to Saxo Capital Markets. Saxo Capital Markets shall not be responsible for any loss as a result of any inaccurate and/or out-of-date information and document provided which may lead to any unsound internal assessment result.
- 6.12 Saxo Capital Markets may refuse to act upon any order instruction in relation to the dealing in complex investment product from the Client or any person authorised by the Client if Saxo Capital Markets, by going through an internal assessment, reasonably believes that the order instruction or the complex investment product concerned is not suitable to the Client.

7. DEALINGS AND COMMUNICATIONS

- 7.1 From the Trading Platform, the Client can print reports on trading activities, Account balances, Account Statements and Account Summaries.
- 7.2 The Account Summary and the Account Statement are normally updated during Saxo Capital Markets' opening hours. The Client accepts not to receive any Account Statements or Account Summaries in printed form other than upon specific request.
- 7.3 Any notice or any other communication to be provided by Saxo Capital Markets to the Client, including Account Statements and Settlement/Trade Confirmations, may at Saxo Capital Markets' discretion be sent to the Client in electronic form via e-mail or by display on the Client's Account Summary on the Trading Platform. The Client consents to and shall provide Saxo Capital Markets with an e-mail address for this purpose. An e-mail is considered received by the Client when sent from Saxo Capital Markets. Saxo Capital Markets is not responsible for any delay, alteration, redirection or any other modification an e-mail or other message may undergo after transmission from Saxo Capital Markets. A message on the Client's account on the Trading Platform is considered received by the Client when Saxo Capital Markets has placed the message on the Trading Platform. It is the responsibility of the Client to ensure that the Client's software and hardware setup does not prevent the Client from receiving e-mails or accessing the Trading Platform.
- 7.4 The Client is obliged to verify the contents of any communication, notice, statement or document, from Saxo Capital Markets whether sent electronically or in print. Such content, shall in the absence of manifest error be deemed conclusive evidence, unless the Client notifies Saxo Capital Markets in writing to the contrary immediately after having received such communication, notice, statement or document.
- 7.5 In order to protect the interests of the Client and/or Saxo Capital Markets, the Client shall promptly carry out any action, which Saxo Capital Markets may reasonably request, e.g. in relation to Corporate Actions. If the Client does not carry out such an action promptly, Saxo Capital Markets may at its sole discretion take such steps, at the Client's cost, as Saxo Capital Markets considers necessary or desirable for its own protection or the protection of the Client. This provision is similarly applicable in situations where Saxo Capital Markets is unable to obtain contact with the Client.
- 7.6 Saxo Capital Markets may (but is not obliged to) require confirmation in such form as Saxo Capital Markets may reasonably request if an instruction is to close an Account or remit money due to the Client or if it appears to Saxo Capital Markets that such confirmation is necessary or desirable.

- 7.7 Saxo Capital Markets may communicate with the Client in English or any other language agreed between the Parties.

8. POWER OF ATTORNEY

- 8.1 If the Client wishes to allow a third party to trade on the Client's Account, the Client shall issue a separate written power of attorney to the relevant third party. In such instance, it is a requirement that one of Saxo Capital Markets' power of attorney forms is used. The issue of the power of attorney must be approved by Saxo Capital Markets. A personal user ID and password will be provided by Saxo Capital Markets to the approved holder of the power of attorney. Saxo Capital Markets can only undertake to register one power of attorney per Client. Saxo Capital Markets must be informed in writing if the Client wishes to revoke such power of attorney, to change the extent of the power of attorney, or grant a power of attorney to a different person.
- 8.2 Saxo Capital Markets shall be entitled to receive instructions from any person authorised by the Client and to rely on any power of attorney afforded to any person who appears authorised.
- 8.3 The Client is accountable to Saxo Capital Markets for losses that Saxo Capital Markets may suffer as a result of instructions from a person who has explicit or tacit power of attorney to instruct Saxo Capital Markets on behalf of the Client.
- 8.4 None of Saxo Capital Markets employees or representatives can accept an appointment by the Client as agent to operate the Client's account for the purposes of this Clause 8 unless a separate agreement is entered into.

9. USE OF THE TRADING PLATFORM

- 9.2 The technical requirements, which the Client's IT-equipment, operating system, internet connection etc. shall comply with, are described on Saxo Capital Markets' website: [http://support.saxomarkets.hk/customer/en/portal/](http://support.saxomarkets.hk/customer/en/portal/articles/1730308-what-are-the-system-requirements-for-saxotrader-?b_id=4887)

[articles/1730308-what-are-the-system-requirements-for-saxotrader-?b_id=4887](http://support.saxomarkets.hk/customer/en/portal/articles/1730308-what-are-the-system-requirements-for-saxotrader-?b_id=4887).

- 9.3 The Client shall enter his/her user ID and password when logging on to the Trading Platform. The Client shall memorize the password. Entering an incorrect password five times in a row will automatically terminate the connection and block the user ID. Saxo Capital Markets shall inform the Client of a termination/blocking and the reasons for it, where possible, before the termination/blocking, and if this is not possible, immediately thereafter, unless giving such information will compromise objectively justified security reasons.
- 9.4 If the Client becomes aware, or suspects, any unauthorized use of the Trading Platform and/or that the Client's password has been misappropriated by a third party, the Client shall immediately notify Saxo Capital Markets, via telephone [provide HK number], to block the password, Account and Trading Platform. Blocking the Trading Platform prevents other parties from accessing it. Open orders and positions placed on the Trading Platform before any blocking will not be affected hereby, unless the Client specifically requests otherwise. Upon the blocking of a password, the Client may order a new password.
- 9.5 The Client is obliged to keep passwords secret and ensure that third parties do not obtain access to the Client's Account(s) or Trading Platform(s).
- 9.6 Subject to Clause 9.8 and mandatory applicable law, the Client is liable to Saxo Capital Markets for orders and Contracts placed or entered into by use of the Client's password, even if such use proves wrongful, and for any other unauthorised use.
- 9.7 The right to use the Trading Platform is strictly personal, and the Client shall not allow any other parties to use the Client's user ID and/or password.
- 9.8 The Client shall not be liable for any abuse or other unauthorized use of the Trading Platform occurring after the Client has notified Saxo Capital Markets pursuant to Clause 9.4 and Saxo Capital Markets has had reasonable time to act thereon.

10. TRANSFER OF FUNDS

- 10.1 The Client understands and accepts that in order to secure the identity of the transferor/Client, Saxo Capital Markets only allows transfers of funds to and from the Client's Account(s) to and from the Client's own account(s) in other banks. This entails that Saxo Capital Markets must receive sufficient information about the transfer from the transferring bank to ensure the identification of the relevant Client and relevant Account on which the funds shall be booked. Therefore, the Client understands and accepts that Saxo Capital Markets is only able to place and book any transferred funds, if Saxo Capital Markets is able to properly identify the Client and the Account on which the funds shall be booked.
- 10.2 For incoming transfers of currency, the funds are booked and at disposal on the Client's Account without undue delay after Saxo Capital Markets has received the funds and in accordance with applicable law, subject to the instruction being complete and correct. The funds will not be taken into account for purposes of the Client's Margin Requirement before the funds are booked and at disposal on the Client's Account.
- 10.3 When the Client transfers funds between two Accounts held with Saxo Capital Markets, the funds are at disposal on the receiving Account on the day of the transfer.
- 10.4 Payments into the Client's Account are deposited by Saxo Capital Markets on the condition that Saxo Capital Markets receives the amount in question. This shall apply irrespective of whether it has been explicitly stated in receipts or other notices of, or requests for, payment.
- 10.5 The Client understands and accepts that the Client must always supply Saxo Capital Markets with complete and correct payment details when providing payment instructions, including IBAN number and the BIC code where relevant. When providing payment instructions the Client shall use the form available on Saxo Capital Markets' website <https://www.home.saxo/en-hk/legal/payment-instructions/saxo-payment-instructions> and

<https://www.home.saxo/en-hk/legal/forms-and-documents/saxo-forms-and-documents>. In the absence of the said information, Saxo Capital Markets is not liable for the completion of the transfer, nor for any delays or extra costs arising from the absence of e.g. the IBAN number and/or BIC code.

- 10.6 The Client acknowledges that Saxo Capital Markets cannot be held liable for the number of days passing between the transfer of funds by the sending bank until the funds are received by Saxo Capital Markets and booked on the Client's Account.
- 10.7 The Client acknowledges that Saxo Capital Markets cannot be held liable for the number of days passing between the transfer of funds from Saxo Capital Markets until the funds are booked on the account with the receiving bank.
- 10.8 The Client understands and accepts that the Client is liable for any costs arising from any delays caused by and any errors made by the receiving financial institution or its intermediate financial institutions.
- 10.9 The Client is made aware that Exceptional Market Conditions, Force Majeure Events and similar events can cause the booking of funds to be delayed. Saxo Capital Markets is not liable for such delays.
- 10.10 Electronic transfer requests received via the Trading Platform are generally processed within 24 hours.
- 10.11 If transfer requests are received in any other format than described in Clause 10.5, the transfer request will generally be processed within 2 to 5 Business Days.
- 10.12 The Client understands and accepts that the Client must carry all costs applied by other banks used for routing the funds to the Client's account with the beneficiary bank.

11. POSITIONS - REFUSAL, CLOSE-

OUT AND ROLL

11.1 The Client accepts and acknowledges that Saxo Capital Markets shall have the right (in addition to any other rights Saxo Capital Markets may have under these Terms, or under applicable law in general) to refuse orders to establish new or larger positions or to buy or sell Instruments. Saxo Capital Markets will inform the Client as soon as practicable regarding such refused orders and the reason for the refusal.

11.2 The Client accepts and acknowledges that Saxo Capital Markets shall have the right (in addition to any other rights Saxo Capital Markets may have under these Terms, or under applicable law in general) to reduce the size of the Client's open positions (net or gross). Saxo Capital Markets will inform the Client as soon as practicable regarding such reduction and the reason hereof. Situations where Saxo Capital Markets may exercise the right to reduce the size of the Client's open positions include, but are not limited to, situations where:

- i. Saxo Capital Markets has reason to believe that the Client may be in possession of Inside Information;
- ii. Saxo Capital Markets considers that there are abnormal trading conditions.
- iii. the value of the Client's Collateral (as determined by Saxo Capital Markets in accordance with Clause 23.7) falls below the Margin Requirement;
- iv. the Client has a negative cash balance on any Account; or
- v. an Exceptional Market Condition occurs or is likely to occur.

11.3 Unrealized losses of Euro 100,000 (or equivalent) or more in Margin Positions can potentially cause unnecessary risks to the Client and Saxo Capital Markets. The Client accepts and acknowledges that if unrealized losses on Margin Positions in aggregate exceed Euro 100,000 (or equivalent), Saxo Capital Markets has with 8 Business Days' written notice to the Client the right, but not the obligation to:

- i. Initiate netting of positions in accordance with the FIFO Principle and cancel all or part of the Client's Related Orders, and/or
- ii. Close all or part of opposite Margin Positions at the prevailing market rate (the Closing Rate) and opening new similar positions at the Closing Rate, and/or
- iii. Close all or part of the Margin Positions by executing directly opposite trades,

thereby realizing the losses suffered. The unrealized loss is calculated as the sum of all the unrealized losses deducted the unrealized profits of all the Client's Accounts with Saxo Capital Markets.

11.4 When the Client instructs Saxo Capital Markets to enter into a position opposite to one or more of the Client's existing open positions, Saxo Capital Markets will close out the opposite position in accordance with the FIFO Principle, unless the existing position has Related Orders or otherwise agreed between Saxo Capital Markets and the Client. However, even where there is a Related Order to an existing position, Saxo Capital Markets will wholly or partially close out the existing position in accordance with the FIFO Principle if Saxo Capital Markets can only partially fill an opposite order. Any Related Order to the existing position will thereby be cancelled, but the Client can place new Related Orders in relation to any remainder of such existing positions.

11.5 Subject to Clause 11.4, the Client acknowledges that Saxo Capital Markets has the right, but not the obligation, to close opposite positions, wholly or partly, regardless of whether the opposite positions are held on the same Account or separate Accounts.

11.6 The Client is specifically made aware that unless closed manually, FX positions and FX commodities may be rolled over on a continuous basis and the Client will thereby incur a cost for such roll-over in relation to each position.

**12. PRICES, ERRORS AND CHANGES
IN CONDITIONS**

- 12.1 If the Client makes any payment which is subject to any currency fluctuations, withholding or deduction, the Client shall pay to Saxo Capital Markets an additional amount to ensure that the total amount actually received by Saxo Capital Markets is equal to the full amount Saxo Capital Markets would have received had no currency fluctuations, withholding or deduction been made.
- 12.2 Saxo Capital Markets may offer real-time tradable prices to the Client. Due to delayed transmission, the price offered by Saxo Capital Markets may have changed before an order or instruction from the Client is received by Saxo Capital Markets. Saxo Capital Markets shall be entitled to change the price on which the Client's order or instruction is executed to the market value at the time at which the order from the Client is received or executed.
- 12.3 Prices offered by Saxo Capital Markets regarding the sale, purchase or exercise of Listed Derivatives reflect the price of the relevant Reference Derivative. Due to the period from the Client's acceptance or instruction regarding an Listed Derivative until the execution of the relevant Reference Derivative on the Regulated Market by the Listed Derivative Counterparty, another third party or Saxo Capital Markets (as the case may be), the price as listed on the Trading Platform is subject to change, in order for the Listed Derivative to reflect the price of the relevant Reference Derivative at the time of its execution or exercise (as applicable).
- 12.4 (i) In the event that a price quoted by Saxo Capital Markets or at which any Contract or other transaction is entered into (including where confirmed in a Settlement/Trade Confirmation) does not reflect the market price (e.g. due to market liquidity, announcements affecting the market, misfeeds from providers of prices, quotes from Liquidity Providers, or suspension of trading) (a "Misquoted Price") or (ii) if an Exceptional Market Condition occurs or is likely to occur, Saxo Capital Markets may in its sole discretion either (a) refrain from executing, or cancel, any Contract or any purchase or sale of any Instrument which is, or purports to have been, entered into at the Misquoted Price, (b) execute the Contract or the sale or purchase of any Instrument at the Misquoted Price or the price which in Saxo Capital Markets' reasonable opinion reflects the market price, or (c) change any Contract or purchase or sale of any Instrument already executed to the price which in Saxo Capital Markets' reasonable opinion reflects the market price.
- 12.5 If Saxo Capital Markets can (i) document the existence of errors in prices, Commissions and Charges, other commissions and/or in the Trading Platform at the time of the conclusion of the Contract or order and (ii) render probable that, based on the Client's trading strategy or other behaviour, the Client deliberately and/or systematically has exploited or attempted to exploit such errors, Saxo Capital Markets is entitled to take one or more of the following countermeasures:
- i. Adjust the price spreads and/or liquidity available to the Client;
 - ii. Restrict the Client's access to streaming, instantly tradable quotes, including providing manual quotation only;
 - iii. Retrieve from the Client's Account any historic trading profits that have been gained through such behaviour at any time during the relationship between the Client and Saxo Capital Markets; and/or
 - iv. Terminate the relationship between the Client and Saxo Capital Markets immediately by giving written notice.
- 12.6 If (i) the Regulated Market, on which a Reference Derivative is traded, and/or (ii) the Listed Derivative Counterparty takes any action which affects the Reference Derivative or the contract Saxo Capital Markets has entered into with the Listed Derivative Counterparty, then Saxo Capital Markets may take any action with regard to the relevant Listed Derivative which Saxo Capital Markets in its sole discretion considers desirable or appropriate to (a) match the action taken by the Regulated Market and/or Listed Derivative Counterparty or (b) mitigate any loss which is or may be incurred by it as a result of such action.
- 12.7 The Client acknowledges, recognizes and understands that:
- i. The execution of all transactions in Instruments which are traded on Regulated Markets, and many Contracts, will be effected subject to, and in accordance with, Market Rules;

- ii. Market Rules usually contain far-reaching powers for authorities and market places in an emergency or otherwise undesirable situation;
- iii. If any Regulated Market or clearing house takes any action which affects a transaction in Instruments or a Contract, directly or indirectly, including any Listed Derivative, then Saxo Capital Markets is entitled to take any action which Saxo Capital Markets in its sole discretion considers desirable or appropriate in relation to any Contract or transaction with any Client;
- iv. Where any transaction is effected by Saxo Capital Markets as Agent for the Client, delivery or payment (as appropriate) by the other party to the transaction shall be at the Client's entire risk; and
- v. Saxo Capital Markets' obligation to deliver Instruments to the Client or to account to the Client or any other person on the Client's behalf for the proceeds from a sale of Instruments, shall be conditional upon receipt by Saxo Capital Markets of deliverable documents or sale proceeds (as appropriate) from the other party or parties to the transaction.

13. AGGREGATION AND SPLIT

- 13.1 Saxo Capital Markets is entitled to aggregate the Client's orders with Saxo Capital Markets' own orders, orders of any member of the Saxo Bank Group and/or persons connected with Saxo Capital Markets, including employees and other clients.
- 13.2 Saxo Capital Markets may split the Client's orders when executing these.
- 13.3 Orders will only be aggregated or split if Saxo Capital Markets reasonably believes it to be in the best interest of Clients. On some occasions, aggregation or split of the Client's order may result in the Client obtaining a less favourable price than if the Client's orders had been executed without being aggregated with other orders or split, which the Client accepts.

14. HANDLING OF CLIENTS USING

JOINT ACCOUNTS

- 14.1 In relation to Joint Accounts,
- i. the liabilities of each of the Joint Account Clients on a Joint Account shall be direct, joint and several;
 - ii. any notice or other communication provided by Saxo Capital Markets to one Joint Account Client shall be deemed to have been provided to all Joint Account Clients of the relevant Joint Account; and
 - iii. if an Event of Default has occurred in respect of one Joint Account Client, then such Event of Default shall be deemed to have occurred in respect of all the Joint Account Clients of that specific Joint Account and all of the rights of Saxo Capital Markets, including under Clauses 23-25 and 27 shall apply in relation to all the Joint Account Clients of the relevant Joint Account.

15. USE OF LIQUIDITY PROVIDERS FOR EXECUTING ORDERS OR CONTRACTS

- 15.1 For the execution of an order or Contract on a Regulated Market, of which Saxo Capital Markets is not a member, or for the execution of any other Client instruction, Saxo Capital Markets may, at Saxo Capital Markets' own discretion, select any Liquidity Provider to carry out such execution.
- 15.2 Saxo Capital Markets shall not be responsible for errors committed by such Liquidity Providers unless it is proven that Saxo Capital Markets has not acted with sufficient care when selecting the Liquidity Provider.

16. INTRODUCING BROKERS

- 16.1 The Client may have appointed or been referred to Saxo Capital Markets by an Introducing Broker. Saxo Capital Markets shall not be responsible for any agreement made between the Client and the Client's Introducing Broker. The Client acknowledges that any such Introducing Broker will either

be acting as an independent intermediary or an Agent for the Client and that no such Introducing Broker shall be authorized to make any representations concerning Saxo Capital Markets or Saxo Capital Markets' Services.

16.2 The Client is specifically made aware that the Client's agreement with its Introducing Broker may result in additional costs as Saxo Capital Markets may pay fees or commission to such person, which will be disclosed to the Client.

16.3 The Client is also specifically made aware that the Client's agreement with its Introducing Broker may result in additional costs for the Client as the Introducing Broker may deduct commissions and fees as well as price or interest/financing rate adjustments for any trade conducted on or allocated to the Client's Account either by the Introducing Broker or the Client.

16.4 If the Introducing Broker undertakes any deductions from the Client's Account according to any agreement between the Client and the Introducing Broker, Saxo Capital Markets has no responsibility as to the existence or validity of such an agreement.

16.5 If the Client wants an Introducing Broker to manage the Client's Account(s), the Client shall provide a power of attorney to Saxo Capital Markets. Saxo Capital Markets shall have no responsibility or liability to the Client for following the instructions given by an Introducing Broker under any power of attorney or for any other actions or omissions of any Introducing Broker.

16.6 Saxo Capital Markets is under no obligation to supervise or review any payment instructions or any other acts, including, but not limited to, the trading, of the Introducing Broker.

16.7 Saxo Capital Markets is not responsible for the size or reasonableness of any commissions and/or fees, as well as any price or interest rate, paid by the Client to the Introducing Broker.

17.1 The Client shall be obliged to promptly make any payment or deliver any Instrument under a Contract in accordance with (i) the terms of that Contract and (ii) any instructions given by Saxo Capital Markets for the purpose of enabling Saxo Capital Markets to perform its obligations under any corresponding contract entered into between Saxo Capital Markets and a Liquidity Provider, including Listed Derivative Counterparties.

17.2 If the Client does not provide Saxo Capital Markets with notice of its intention to exercise a Contract, which requires an instruction from the Client, at the time stipulated by Saxo Capital Markets, Saxo Capital Markets may assume that the Client has given up the Contract, subject to Clause 17.4. If the Client wishes to exercise such a Contract, the Client must provide Saxo Capital Markets with notice thereof in reasonable time (and within applicable cut-off times) for Saxo Capital Markets to exercise the corresponding right under any Contract, including any Contract entered into by Saxo Capital Markets with an Listed Derivative Counterparty in relation to Listed Derivatives.

17.3 When a Client purchases Custody Securities, the Client only obtains unconditional title of right to the Custody Securities provided the final payment to Saxo Capital Markets is made on the settlement date. Until final payment is made, Saxo Capital Markets reserves the right to the Custody Securities being purchased by the Client. When a Client sells Custody Securities to Saxo Capital Markets, Saxo Capital Markets' payment of the settlement amount is subject to Saxo Capital Markets acquiring unconditional title to the Custody Securities on the day of settlement.

17.4 Listed Options, with put or call options as Reference Options, that close one Tick or more In the Money on the last trading day, will automatically be exercised, regardless of whether the Client has purchased or sold the Listed Option. The Client cannot instruct Saxo Capital Markets to refrain from exercising Listed Options that are In the Money at expiry, and cannot at any time instruct Saxo Capital Markets to exercise Listed Options that are Out of the Money.

17. SETTLEMENT AND DELIVERY OF INSTRUMENTS

17.5 When Saxo Capital Markets is notified by its Liquidity Providers that one or more short option positions have been exercised in relation to short Listed Options, Saxo Capital Markets will apply a random method of allocating the exercised positions among the relevant Clients. Saxo Capital Markets' allocation method randomly selects short Listed Options among all Saxo Capital Markets' relevant Clients, including Listed Options opened immediately prior to the allocation. All short Listed Options are subject to the exercising of any rights and allocation at any time. When a short Listed Option is allocated, the relevant Client is obliged to, within the applicable time of delivery, deliver (i) the Instrument or relevant amount of cash in case of a short call Listed Option and (ii) the relevant amount of cash in case of a short put Listed Option, to effect settlement.

17.6 Settlement of Listed Options shall correspond to the settlement of the relevant Reference Option in accordance with the applicable Market Rules and terms and conditions, and

- i. for Listed Options with a cash settled option as Reference Option, final settlement requires payment of the cash difference between the value of the Reference Option and the strike price;
- ii. for Listed Options with physically settled options as Reference Options, the Listed Options will settle into physically settled options between Saxo Capital Markets and the Client;
- iii. a Listed Option, which has an option on a future as a Reference Option, will settle into a future, between Saxo Capital Markets and the Client, which matches the relevant future and which is acquired at the strike price;
- iv. Saxo Capital Markets will only allow the Client to trade Listed Options which have an option on a future, with physical delivery, as a Reference Option, if the Listed Option expires before the relevant future; and
- v. Saxo Capital Markets will require the Client to close any Listed Derivative with physical delivery of commodities before it can be exercised or is completed, as Saxo Capital Markets does not support physical delivery of commodities.

Custody Services

18. GENERAL PROVISIONS

18.1 Saxo Capital Markets may hold Custody Securities in custody on behalf of the Client. This Clause 18 contains the terms and conditions that apply specifically to Saxo Capital Markets' custody services.

18.2 In order to open a custody account with Saxo Capital Markets, the Client must have an Account with Saxo Capital Markets to which the revenue from the custody account is credited and any custody fees etc. may be debited.

18.3 When the Client deposits or transfers Custody Securities to its custody account, Saxo Capital Markets does not check for any deficiencies, including insufficient title and authenticity of the Custody Securities.

18.4 If any kind of encumbrances, security interests or other rights to Custody Securities, which are provided as Collateral for Contracts or Margin Positions entered into by the Client with Saxo Capital Markets, are registered, Saxo Capital Markets will no longer include such Custody Securities in the calculation of the satisfaction of the Margin Requirement applicable to the Client (but such Custody Securities will still form part of the Collateral). Saxo Capital Markets reserves the right to reject any pledge, attachment or other encumbrance over any Custody Securities that are pledged in favour of Saxo Capital Markets.

18.5 Unless otherwise agreed, dividend paid on shares held in a custody account may be paid to the Client less any applicable default withholding tax. Saxo Capital Markets is not obliged to or liable for claiming back any withheld tax unless otherwise agreed by Saxo Capital Markets and the Client.

18.6 The Client should expect the dividend of Custody Securities to be credited to the Client's Account after it is made available to Saxo Capital Markets. The dividend is credited to the Client's Account on the condition that Saxo Capital Markets receives the relevant amount from the issuer, external professional provider, depositary or custodian. If Saxo Capital Markets does not receive this

amount Saxo Capital Markets is entitled to reverse any amount deposited to the Client's Account. This applies whether or not it is expressly stated in the Account Statement or the notification of the deposit.

18.7 Saxo Capital Markets will not inform the Client about any ordinary or extraordinary general meeting or any extraordinary information communicated by the issuer. Unless otherwise specifically agreed the Client will not be entitled to vote at the shareholders' general meetings.

18.8 Both Saxo Capital Markets and the Client as custody account holder are subject to the laws and practices of the home countries of the issuers of the Client's Custody Securities and Saxo Capital Markets' external professional providers, depositors or custodians. Saxo Capital Markets may be required under such laws and practices to e.g. report the name and the address of the Client, as well as the size, composition and returns on the Client's portfolio to foreign authorities and companies.

19. CUSTODY SECURITIES HELD IN OMNIBUS ACCOUNTS

19.1 By accepting these Terms the Client agrees that Saxo Capital Markets may keep the Client's Custody Securities in an omnibus custody account as permitted by applicable laws SFO. Omnibus custody accounts are used for registration of multiple Clients' Custody Securities in the name of Saxo Capital Markets or any of its agents instead of the Client's name, with the relevant clearing institution or custodian. Thus, the Client is not individually or personally entitled to compensation for any error made by the relevant clearing institution. Saxo Capital Markets maintains a register, clearly stating the individual Client's ownership to the Custody Securities kept in the omnibus custody account. Any foreign Custody Securities, which are not registered in a separate custody account, to the extent that this is permitted by applicable law, will be kept in omnibus custody accounts with Saxo Capital Markets or an external professional

provider, depositary, or custodian appointed by Saxo Capital Markets, and the external professional provider, depositary, or custodian will be responsible for claiming and collecting interest payment, dividends, income and other rights belonging to the Client. Saxo Capital Markets is not liable whatsoever for any disposition or omission or insolvency of an external professional provider, depositary, or custodian and cannot be made liable by the Client for any loss directly or indirectly owing to the action or omission or insolvency mentioned above. The Client is to the same extent as Saxo Capital Markets subject to the current laws and common practices applying to the external professional provider, depositary, or custodian and its general terms and conditions of business.

19.2 In case of bankruptcy of Saxo Capital Markets, each Client is, on the basis of the rights registered for that person, entitled to claim the Client's Custody Securities from the relevant omnibus custody account, provided there is no current dispute regarding the Client's ownership of the Custody Securities. In case of bankruptcy of Saxo Capital Markets, of an external professional provider, depositary, or custodian Saxo Capital Markets may withdraw the Custody Securities from the omnibus custody account on behalf of any Client who Saxo Capital Markets, according the register, has recorded as owner of the relevant Custody Securities.

20. CORPORATE ACTIONS

20.1 A rights issue is when an existing stockholder is offered a number of new shares proportional to their holding at a specified price for subscription by a specified date. These new shares may be renounceable (tradable) or non-renounceable.

If the Client is holding a stock for which there is a right issue the Client will receive the rights and have the opportunity to subscribe for new stocks, ignore the rights or sell the rights, if possible.

In order to prevent renounceable rights from becoming worthless when they expire, if the Client by the Instruction Deadline has not instructed Saxo Capital Markets, Saxo Capital Markets may, but is not required to, sell the rights (if possible)

on behalf of the Client before the expiry of the rights. The proceeds from a sale of rights will be deducted the standard commission of the Account.

If the rights are non-renounceable, they will, if not exercised, be worthless at expiry.

- 20.2 Saxo Capital Markets will notify the Client about conversions of convertible bonds held in custody with Saxo Capital Markets, provided that Saxo Capital Markets has been made aware of such conversions and can notify the Client within the stipulated deadlines. Such notification will be for information only and will not be a recommendation. Within the deadline set by Saxo Capital Markets, the Client must inform Saxo Capital Markets whether the Client wants to (i) convert the bonds into shares or (ii) collect the proceeds from the bonds at maturity. If Saxo Capital Markets does not receive instructions from the Client within the deadline set by Saxo Capital Markets, the convertible bonds will be allowed either to mature or to wait for a subsequent offer or conversion.

In case of other Corporate Actions, Saxo Capital Markets will, to the extent required, seek to obtain instructions from the Client and will otherwise seek to handle such Corporate Actions in the best interest of the Client to the extent that time and operational procedures will allow. Saxo Capital Markets will have no liability for anything done or not done in the discretion of Saxo Capital Markets acting in good faith. Special local rules may apply to certain Corporate Actions.

- 20.3 The Client is made aware and acknowledges that in voluntary Corporate Action where the alternative to a cash settlement is the settlement in a security that is not supported by Saxo Capital Markets, the Client will not have the option to choose, but will be given the cash settlement.
- 20.4 It is standard practice for depositary receipts to charge an annual administration fee per share depending on the issuing depositary bank. The intent of the fee is to cover costs for the banks that take on the operational processes necessary to issue and trade the depositary receipt line. Typically, the fee is deducted when dividend payments are made, however, in case the depositary receipts do

not pay a dividend or did not include the custodial fee in their dividend events, the fee will be administered through fee-only events.

The dividend fee is stipulated in the deposit agreement between the depositary bank and the company based upon industry standards.

The fee per depositary receipt is not dependent on the total amount of dividend being paid, but the amount of securities held.

- 20.5 Saxo Capital Markets may charge commission and fees related to Corporate Actions. The prevailing trading costs are set out in the Commissions, Charges & Margin Schedule.
- 20.6 Taxes and fees may also occur on Corporate Actions such as fee on a stock dividend or tax on a merger. When such taxes and fees occur Saxo Capital Markets may debit the Client's Account accordingly.

FINANCIAL TERMS

21. COMMISSIONS, CHARGES AND OTHER COSTS

- 21.1 The Client shall be obliged to pay to Saxo Capital Markets the Commissions and Charges set out in the Commissions, Charges & Margin Schedule. The Commissions, Charges & Margin Schedule is available on Saxo Capital Markets' website, www.home.saxo/en-hk and may be supplied to the Client on demand.
- 21.2 Saxo Capital Markets may vary the Commissions and Charges without notice when the change is to the Client's advantage, or the grounds for changes are due to external circumstances beyond Saxo Capital Markets' control. Such circumstances include:
- i. significant particulars of the Client, based on which individual conditions were provided, have changed;

- ii. changes in the relationship with Saxo Capital Markets' Liquidity Providers, which affect Saxo Capital Markets' cost structures; and/or
- iii. changes in commissions, fees and charges from Regulated Markets, other markets, clearing houses, information providers or other third party providers.

21.3 Saxo Capital Markets may introduce new fees and vary the Commissions and Charges with one month's notice if:

- i. Market conditions, including competitive behaviour, call for changes to Saxo Capital Markets' conditions; and/or
- ii. Saxo Capital Markets for commercial reasons wishes to change its general cost and pricing structure.

21.4 The Client is deemed to have accepted the changes in Commissions and Charges pursuant to Clause 21.3 if the Client does not, before the proposed date of the change in Commissions and Charges (or for immediate changes promptly after the change), notify Saxo Capital Markets that the Client does not accept the change in Commissions and Charges.

21.5 In addition to Commissions and Charges, the Client shall be obliged to pay all applicable VAT and other taxes, storage and delivery charges, fees of Regulated Markets and clearing houses and all other fees incurred by Saxo Capital Markets in connection with any order, Contract and/or in connection with Saxo Capital Markets maintaining the Client relationship.

21.6 Furthermore, Saxo Capital Markets shall be entitled to demand that the following expenses are paid separately by the Client:

- i. All extraordinary disbursements resulting from the Client relationship, e.g. telephone, telefax, courier, and postal expenses, in case the Client requests hardcopy Settlement/Trade Confirmations, Account Statements etc. which Saxo Capital Markets could have delivered in electronic form;
- ii. Any expenses of Saxo Capital Markets caused by non-performance by the Client including a fee determined by Saxo Capital Markets in relation to forwarding of reminders, legal assistance etc.;

- iii. Any expenses of Saxo Capital Markets in connection with replies to inquiries by public authorities including a fee determined by Saxo Capital Markets in relation to forwarding of transcripts and enclosures and for the preparation of copies;
- iv. Administration fees in connection with deposits of Instruments with custodians and insurance premium payments;
- v. Any expenses of Saxo Capital Markets in connection with auditor's comments/reports if such are requested by the Client; and
- vi. Any handling fee to Saxo Capital Markets in connection with requests for documentation from the Client.

21.7 Fees will be charged either as a fixed amount corresponding to payments effected or as a percentage or hourly rate corresponding to the service performed. The methods of calculation may be combined. Saxo Capital Markets reserves the right to introduce new fees.

21.8 Saxo Capital Markets may share any commissions and charges with its affiliates, Introducing Brokers or other third parties or receive remuneration from them in respect of Contracts and other transactions entered into by Saxo Capital Markets. Details of any such remuneration or sharing arrangement will not be set out on the relevant Settlement/Trade Confirmations. Saxo Capital Markets (or any associate) may benefit from commission, mark up, mark down or any other remuneration where it acts as counterparty to a Contract.

21.9 Saxo Capital Markets shall disclose to the Client the receipt of, or payment of, any commission including (i) the characteristics of and (ii) the amount of, or method of calculating, the commission in accordance with the SFO.

21.10 The Client accepts that interest charges, commissions, brokerage fees and other costs associated with the Client's trading activities may be extensive and may, in addition to trading losses, deplete or exceed the value of deposited Collateral and negatively affect the Client's Account. The Client acknowledges and accepts that frequent transactions may result in a sum total of commissions, fees, price or interest/financing rate adjustments for trades conducted that may be substan-

tial and not necessarily be offset by the net profits, if any, achieved from the relevant trades. The Client is responsible for correctly assessing whether the size of the total commissions, fees, price and/or interest/financing rate adjustments, for trades conducted on the Client's Account, makes trading commercially viable.

- 21.11 Unless specified otherwise in these Terms, all amounts to be paid by the Client to Saxo Capital Markets (or Agents used by Saxo Capital Markets) under these Terms shall, at Saxo Capital Markets' option:
- i. Be deducted from any funds, including Collateral and other cash deposits and any Collateral, held by Saxo Capital Markets for the Client; or
 - ii. Be paid by the Client in accordance with the provisions of the relevant Settlement/Trade Confirmation and/or as instructed by Saxo Capital Markets.

22. INTEREST, ACCOUNT BALANCE AND CURRENCY CONVERSIONS

- 22.1 Subject to Clause 22.2 and save as otherwise agreed in writing, Saxo Capital Markets shall not be liable to:
- i. pay interest to the Client on any Collateral or any credit balance in any Account or on any other sum held by Saxo Capital Markets; or
 - ii. account to the Client for any interest received by Saxo Capital Markets on any sums or in connection with any Contract or other transaction.
- 22.2 The Client is entitled to interest based on the Client's positive Net Free Equity in accordance with the terms of the Commissions, Charges & Margin Schedule.
- 22.3 The Client is obliged to pay interest based on the Client's negative Net Free Equity in accordance with the terms of the Commissions, Charges & Margin Schedule.
- 22.4 If the Client fails to make any payment when it falls due, the Client shall pay interest (from the due date and until payment takes place) on the outstanding amount at the rate stated in the Commissions, Charges & Margin Schedule.
- 22.5 Saxo Capital Markets may vary interest rates and/or thresholds for interest calculation in the Commissions, Charges & Margin Schedule without notice when (i) the changes are to the Client's advantage, or (ii) the grounds for changes are due to external circumstances beyond Saxo Capital Markets' control. Such circumstances include:
- i. Changes to significant particulars of the Client, based on which individual conditions were provided, occurs;
 - ii. Changes in domestic and/or foreign monetary or credit policies that affect the general interest level;
 - iii. Other changes in the general interest level, including in the money and bond markets; and/or
 - iv. Changes in the relationship with Saxo Capital Markets' Liquidity Providers, which affect Saxo Capital Markets' cost structures.
- 22.6 Saxo Capital Markets may vary interest rates with one month's notice if:
- i. Market conditions, including competitive behaviour, call for a change in Saxo Capital Markets' interest rates; and/or
 - ii. Saxo Capital Markets wishes to change its general commission, fee and pricing structure for commercial reasons.
- 22.7 The Client is deemed to have accepted the changes in interest rates pursuant to Clause 22.6 if the Client does not, before the proposed date of the change in interest rates (or for immediate changes promptly after the change), notify Saxo Capital Markets that the Client does not accept the change in interest rates.
- 22.8 The Client is obliged to have a positive cash balance on all Accounts at all times.
- 22.9 When calculating the actual cash balance on an Account, unrealised losses from the Client's investment activities shall be deducted from the cash balance. If such deduction results in a negative cash balance, the Client is obliged to immediately provide additional funds into the Account to ensure a continuing positive cash balance.

22.10 Saxo Capital Markets is entitled, but shall not in any circumstances be obliged, to convert:

- i. Any realised gains, losses, option premiums, commissions, interest charges and brokerage fees, which are denominated in a currency other than the base currency of the Client's Account into the base currency;
- ii. Any cash deposit in one currency to another currency for the purpose of purchasing an Instrument or other asset denominated in a currency other than the Base Currency;
- iii. Any cash deposited with Saxo Capital Markets by the Client into such other currency as Saxo Capital Markets considers necessary or desirable to cover the Client's obligations and liabilities in that currency.
- iv. Any cash deposited with Saxo Capital Markets by the Client that is in a different currency than the base currency of the Client's Account(s) into that base currency. By transferring funds in a currency other than the base currency of the Client's Account(s) to Saxo Capital Markets, the Client agrees and accepts that Saxo Capital Markets is not obliged to reject the transfer and may perform any currency conversions without prior notice to or consent from the Client.

22.11 Whenever Saxo Capital Markets conducts currency conversions in accordance with Clause 22.10, Saxo Capital Markets will do so at such reasonable rate of exchange as selected by Saxo Capital Markets. Saxo Capital Markets shall be entitled to add and charge a mark up to the exchange rates. The prevailing mark-up is provided in the Commissions, Charges & Margin Schedule.

MARGIN REQUIREMENT, PLEDGE, ENFORCEMENT, NETTING AND SET OFF

23. MARGIN REQUIREMENT AND MARGIN POSITIONS

23.1 Saxo Capital Markets' general Margin Requirement for different types of Margin Positions appear from the Commissions, Charges & Margin

Schedule available on Saxo Capital Markets' website, www.home.saxo/en-hk, as amended from time to time, and may be supplied to the Client on demand. However, Saxo Capital Markets reserves the right to determine specific Margin Requirement for individual Margin Positions and Clients.

23.2 The Client is specifically made aware that the Margin Requirement is subject to change without notice. When a Margin Position has been opened, Saxo Capital Markets is not allowed to close the Margin Position at its discretion, but only at the Client's instruction or according to Saxo Capital Markets' rights under these Terms. However, Saxo Capital Markets may increase the Margin Requirement if Saxo Capital Markets at its sole discretion considers that its risk on a Margin Position or in respect of the Client has increased as compared to the risk on the date of the opening of the Margin Position.

23.3 The Margin Requirement applies from opening a Margin Position and throughout the term of the Margin Position. It is the Client's responsibility to continuously ensure that sufficient Collateral is available on the Account at any time to meet the Margin Requirement. Saxo Capital Markets may, but is not required to, notify the Client if the Margin Requirement is not met (margin call).

23.4 The Client shall at all times comply with the Margin Requirement and shall pay to Saxo Capital Markets on demand:

- i. Such sums of money as may from time to time be due to Saxo Capital Markets under an order or Contract;
- ii. Such sums of money as Saxo Capital Markets may from time to time require as Collateral in accordance with the Margin Requirement; and
- iii. Any amount to maintain a positive cash-balance on any and all Account(s).

23.5 When executing orders and Contracts, including Listed Derivatives, on Regulated Markets or with Liquidity Providers (including Listed Derivative Counterparties), Saxo Capital Markets may be required to deliver additional collateral from time to time as stipulated by the relevant Regulated Market or Liquidity Provider. Saxo Capital Markets may under such circumstances without notice, change the Margin Requirement applicable upon

the Client to reflect any such additional collateral requirements, in relation to such execution of orders and Contracts. In such situations, the Client is obliged to pay on demand Saxo Capital Markets any such additional Collateral.

23.6 As Collateral, the Client may deposit cash or with the prior consent of Saxo Capital Markets (i) deposit Instruments, and/or (ii) provide Saxo Capital Markets with a guarantee or indemnity in a form acceptable to Saxo Capital Markets for the purpose of complying with the Client's obligations.

23.7 Saxo Capital Markets may, on a continuous basis and in its sole discretion, determine the value of the Collateral registered on the Client's Account including whether it accepts different types of Collateral to satisfy the Margin Requirement, and Saxo Capital Markets is on a continuous basis entitled to re-determine the value of the Collateral without prior notice to the Client. If Saxo Capital Markets, upon delivery or subsequently, determines that the value of the Collateral does not cover the obligations of the Client (including, but not limited to, the Margin Requirement), the Client shall be obliged immediately to provide additional Collateral in order to comply with its obligations including, but not limited to, the Margin Requirement.

23.8 If the Client fails at any time to have provided sufficient Collateral to meet the Margin Requirement, other deposits or other sums due under these Terms, Saxo Capital Markets may close any and all Contracts and Margin Positions upon notice to the Client and apply any proceeds thereof towards the payment of any amounts owed by the Client to Saxo Capital Markets. Saxo Capital Markets may in its discretion close all or some of the Client's Contracts and Margin Positions. Saxo Capital Markets can use this right to close Contracts and Margin Positions even if the Client takes steps to reduce the size of open Contracts or Margin Positions or to transfer sufficient funds to Saxo Capital Markets without assuming any liability towards the Client.

23.9 If the Client has several Accounts, Saxo Capital Markets is entitled to transfer cash and Instruments from one Account to another, even if such transfer will necessitate the closing of Margin Po-

sitions or other trades on the Account from which the transfer takes place.

23.10 If the Client's combined exposure in one or more Margin Positions reaches a level which, in case of an adverse market development, may in Saxo Capital Markets' opinion lead to a significant deficit not covered by the Client's Collateral, Saxo Capital Markets may, in its sole discretion (i) increase the Margin Requirement and/or (ii) reduce the Client's exposure by closing or reducing one or more or all of the Client's open Margin Positions.

23.11 Furthermore, Saxo Capital Markets is entitled, in its sole discretion, to determine that an emergency or an Exceptional Market Condition exists. In addition to any other rights Saxo Capital Markets may have under these Terms, Saxo Capital Markets may among others (i) increase the Margin Requirement, (ii) reduce the Client's exposure, (iii) close or reduce any or all of the Client's open Margin Positions and/or (iv) suspend trading.

24. PLEDGE AND ENFORCEMENT

24.1 As a first priority security for the payment and satisfaction in full of the Secured Obligations, the Client pledges all its right, title and interest in and to the Collateral and the Related Rights to and in favour of Saxo Capital Markets.

24.2 The Client accepts and acknowledges that no Collateral may, without the prior consent of Saxo Capital Markets, be transferred or further pledged or used as collateral to secure any obligations of the Client other than the Secured Obligations. The Client accepts and acknowledges that Saxo Capital Markets may reject any transaction or transfer relating to Collateral, unless the Client first closes all outstanding Margin Positions and settles all Secured Obligations.

24.3 Upon an Event of Default:

- i. the Pledge shall be immediately enforceable by Saxo Capital Markets without any prior approval from any court, public authority or other entity or person and without prior notification

to the Client, except where required by applicable law;

- ii. Saxo Capital Markets has the right (in each case without obtaining a ruling, a judgement or other basis of execution) to realise the Collateral;
- iii. Realisation by sale of Collateral does not require the participation of a securities dealer, except where required by applicable law;
- iv. The Collateral may also be realised by setting off its value against the Secured Obligations or by Saxo Capital Markets' appropriation of the Collateral or in any other way or manner Saxo Capital Markets sees fit, except where this is not permitted under applicable law.

24.4 The Client undertakes to (i) execute and deliver to Saxo Capital Markets such documents and do such acts and take such steps which Saxo Capital Markets shall request for the purpose of perfecting and exercising its rights under the Pledge and (ii) bear all reasonable costs related to the perfection and/or enforcement of the Pledge.

24.5 If Saxo Capital Markets exercises its rights to sell any Collateral or property of the Client under this Clause 24, it will effect such sale without liability to the Client, on behalf of the Client and apply the proceeds of sale in or towards discharge of the Secured Obligations.

25. NETTING AND SET OFF

25.1 All obligations, including the Secured Obligations, owed between Saxo Capital Markets and the Client shall be netted on an ongoing basis which shall be binding upon any third party pursuant to applicable law.

25.2 Saxo Capital Markets has the right to set off any amounts of the Client held by Saxo Capital Markets against any amounts owed by the Client to Saxo Capital Markets.

25.3 Saxo Capital Markets shall be entitled, at all times and without notice, to consolidate all Accounts of the Client and all Accounts or assets of the Client with/or held by other Saxo Bank Group entities and set off these against all amounts owed to Saxo Capital Markets or other Saxo Bank Group

entities by the Client in such a manner as Saxo Capital Markets, at its sole discretion, may determine.

25.4 If the Client, at any time during the Client relationship, has a negative cash-balance in any Account, Saxo Capital Markets is entitled, but not obligated, to net between the Client's Accounts.

25.5 If an Event of Default occurs, all obligations between Saxo Capital Markets and the Client, including the Secured Obligations and any Contracts, shall upon Saxo Capital Markets' notice to the Client be terminated (closed-out) and netted into one termination amount by way of close-out netting. The close-out netting shall be binding upon any third party to the extent allowed by applicable law.

25.6 In relation to close-out netting pursuant to Clause 25.5, the value of Contracts shall be determined in accordance with the following:

- i. Rates at which the Contracts shall be closed shall be market rates applicable on the day on which Saxo Capital Markets decides to close the Contracts; and/or
- ii. Saxo Capital Markets may, at its sole discretion, determine the rates by obtaining a quote from a broker in relation to the asset in question or by applying rates from electronic financial information systems or other reasonable sources as determined by Saxo Capital Markets.

In addition to the amounts set out in i. and ii. when calculating the termination amount pursuant to Clause 25.5, Saxo Capital Markets may include any loss or cost incurred in connection with its terminating, liquidating or re-establishing any hedge related to transactions terminated.

25.7 If any obligations owed between Saxo Capital Markets and the Client that are netted or set-off are not in the same currency, the obligations shall be converted by Saxo Capital Markets in accordance with Clause 22.11.

25.8 When determining the value of obligations to be netted under this Clause 25, Saxo Capital Markets may apply its usual spreads and include all costs and other charges.

WARRANTIES, INDEMNITIES AND DEFAULT

26. CLIENT WARRANTIES AND REPRESENTATIONS

26.1 The Client warrants and represents that:

- i. The Client has full power to enter into and perform its obligations under these Terms, including any obligation under a Contract, order or other transaction carried out under these Terms;
- ii. The Client has obtained all necessary consents to enter into these Terms and any Contract, place any order and carry out any other transaction under these Terms, and has the authority to operate according to these Terms (and if the Client is a legal person, that it is properly empowered and has obtained necessary corporate or other authority pursuant to its constitutional and organisational documents);
- iii. The Client is willing and able, financially and otherwise, to assume the risk of making speculative investments;
- iv. Instruments and/or other assets supplied by the Client to Saxo Capital Markets for any purpose are, subject to these Terms and the Pledge, at all times free from any charge, lien, pledge or encumbrance and the Client shall have full right in and title to such Instruments and/or other assets;
- v. It is in compliance with all laws to which it is subject, including, without limitation, all tax laws and regulations, exchange control requirements, sanctions and registration requirements;
- vi. The information provided by the Client to Saxo Capital Markets is complete, accurate and not misleading in any material respect; and
- vii. the Client is acting
- viii. (a) on the Client's own behalf; or
- ix. (b) on behalf of a third party, and the ultimate beneficiary is separately provided to Saxo Capital Markets.

26.2 The above warranties and representations shall be deemed to be in force for the duration of the

relationship between Saxo Capital Markets and the Client and shall be repeated each time the Client places an order, enters into a Contract, provides any instructions to Saxo Capital Markets and/or complies with any obligations under these Terms and/or any Contract.

26.3 By accepting these Terms on behalf of a legal person, the person signing on behalf of that legal person represents and warrants that he/she is authorized to (i) act on behalf of such legal person and (ii) bind the legal person to these Terms and all obligations arising hereunder. If it becomes apparent that the signing person was not duly authorized to bind the legal person the signing person shall indemnify Saxo Capital Markets for all liabilities, losses, damages, costs and expenses in relation to any claims or actions brought against Saxo Capital Markets as a result of the signing person not having the due authorisation.

27. DEFAULT AND DEFAULT REMEDIES

27.1 The provisions contained in this Clause 27 supplement any other rights that Saxo Capital Markets or the Saxo Bank Group have according to these Terms, including, but not limited to, Clauses 23-25, and furthermore any other rights Saxo Capital Markets has under applicable law.

27.2 The Client authorises Saxo Capital Markets to, at Saxo Capital Markets' discretion and at any time and without notice, sell, apply, set off and/or charge in any manner any or all of the Collateral, in order to discharge any or all of the Client's obligations owed to Saxo Capital Markets and/or to entities within the Saxo Bank Group.

27.3 Each of the following events shall constitute an Event of Default for the Client:

- i. If Insolvency Proceedings over the Client are initiated;
- ii. If any charge, pledge or other encumbrance is levied against any Collateral;
- iii. If the Client is in breach of these Terms, including, but not limited to, (i) if the Client fails to make any payment or fails to do any other act required under these Terms, any Contract,

or by Saxo Capital Markets at its sole discretion, including if the Client fails to comply at any time with the Margin Requirement; (ii) if the Client fails to remit funds necessary to enable Saxo Capital Markets to take delivery under any Contract on the first due date; (iii) if the Client fails to provide Instruments for delivery, or take delivery of Instruments, under any Contract on the first due date; (iv) if any representations or warranties given by the Client under Clause 26 are, or become, untrue or misleading;

- iv. If the Client dies or becomes of unsound mind;
- v. If any security created by any mortgage, pledge or charge over any of the Client's assets becomes enforceable against the Client and the secured party takes steps to enforce the mortgage, pledge or charge;
- vi. If any indebtedness of the Client or any of its affiliates becomes immediately due and payable, or capable of being declared so due and payable, prior to its stated maturity by reason of default of the Client (or any of its subsidiaries) under the relevant agreement or the Client (or any of its affiliates) fails to discharge any indebtedness on its due date;
- vii. If Saxo Capital Markets or the Client is requested to close a Contract (or any part of a Contract) by any regulatory agency, authority, exchange or Liquidity Provider;
- viii. If the Client fails to comply with applicable Market Rules or applicable law;
- ix. If the Client fails to provide Saxo Capital Markets with information that Saxo Capital Markets has reasonably requested or is required to obtain from the Client according to Market Rules or applicable law; and
- x. If Saxo Capital Markets reasonably considers it necessary for its own protection or the protection of the Saxo Bank Group.

27.4 Upon the occurrence of an Event of Default, and in addition to Clauses 23-25, Saxo Capital Markets shall, in its discretion, be entitled to:

- i. Immediately terminate, cancel and close-out any and all outstanding Contracts as at a date specified by Saxo Capital Markets;
- ii. Buy or sell any Instrument, investment or other property where this is, or is in the reasonable opinion of Saxo Capital Markets likely to be, necessary in order for Saxo Capital Markets to

fulfil its obligations under any Contract or in relation to any Contract and the Client shall reimburse Saxo Capital Markets for the full amount of any purchase price plus any associated costs and expenses;

- iii. Deliver any Instrument, or property to any third party, or otherwise take any action Saxo Capital Markets considers to be desirable in order to close any Contract;
- iv. Enter into any foreign exchange transaction, at such market rates and times as Saxo Capital Markets may determine, in order to meet obligations incurred under a Contract;
- v. Close-out all or part of any assets standing to the debit or credit of any Account (including converting Saxo Capital Markets' or the Client's obligation to deliver an Instrument into an obligation to pay an amount equal to the market value of the Instrument (determined by Saxo Capital Markets at its sole discretion) on the date the close-out takes place); and
- vi. Take any other action or step to enforce Saxo Capital Markets' security interest in and to the Collateral or otherwise relevant for the protection of the interests of Saxo Capital Markets or the Saxo Bank Group.

27.5 The Client authorises Saxo Capital Markets to, on behalf of the Client, take any or all of the actions required to enforce and/or preserve Saxo Capital Markets' rights, including the actions described in Clauses 23-25 and this Clause 27, without notice to the Client and the Client acknowledges that Saxo Capital Markets shall not be responsible for any losses or consequences associated with Saxo Capital Markets taking any such action, unless Saxo Capital Markets has exercised gross negligence in connection herewith.

27.6 The Client shall execute any documents and take any action as Saxo Capital Markets may request in order to protect the rights of Saxo Capital Markets and the Saxo Bank Group under these Terms or under any agreement the Client may have entered into with Saxo Capital Markets or any member of the Saxo Bank Group.

28. INDEMNITY AND LIMITATIONS ON LIABILITY

- 28.1 The Client shall indemnify Saxo Capital Markets for all losses, taxes, expenses, costs and liabilities whatsoever (present, future, contingent or otherwise and including reasonable legal fees) which may be suffered or incurred by Saxo Capital Markets as a result of, or in connection with
- i. the Client's breach of these Terms;
 - ii. Saxo Capital Markets executing any order or entering into any Contract or transaction on the Client's instruction; or
 - iii. Saxo Capital Markets taking any action which Saxo Capital Markets is entitled to take in order to enforce and preserve its rights, including the rights of Saxo Capital Markets under Clauses 23-25 and 27,

unless, and to the extent only that, such losses, taxes, expenses, costs and liabilities are suffered or incurred as a result of Saxo Capital Markets' gross negligence or wilful default.

- 28.2 The Client is responsible and liable for all losses and expenses howsoever incurred as a result of or in connection with the operation of and transaction attributable to the Account.
- 28.3 The right to be compensated, as provided to Saxo Capital Markets under Clause 28.1, shall survive any termination of the relationship between Saxo Capital Markets and the Client.
- 28.4 Saxo Capital Markets shall not be liable for any losses resulting from:
- i. Operational failures preventing the use of the Trading Platform;
 - ii. Interruptions preventing the Client from accessing the Trading Platform;
 - iii. Use of the Internet as a means of communication and transport; or
 - iv. Damage caused by matters relating to the Client's own computer systems.
- 28.5 In relation to orders and Contracts executed via the Trading Platform, Saxo Capital Markets shall not be liable for any loss, expense, cost or liability suffered or incurred by the Client due to a system or transmission failure or delays or similar technical errors unless Saxo Capital Markets has exercised gross negligence in connection herewith.

28.6 Saxo Capital Markets shall not be liable for any failure, hindrance or delay in performing its obligations under these Terms where such failure, hindrance or delay is, directly or indirectly, due to a Force Majeure Event and Saxo Capital Markets shall not be liable for any losses due to any Force Majeure Event.

28.7 Saxo Capital Markets shall not be responsible for losses resulting from the Client's installation and use of the computer programs used in relation to the Trading Platform, unless such liability follows from mandatory applicable law.

28.8 The Client shall be responsible for ensuring that the Trading Platform is adequately protected against direct and indirect losses, which may result from the installation and use of the computer programs in the Client's computer system. Furthermore, the Client shall be obliged to make backup copies of all data.

28.9 Saxo Capital Markets shall not be liable for:

- i. any loss, expense, cost or liability suffered or incurred by the Client as a result of or in connection with the provision of the Services unless and to the extent that such loss is suffered or incurred as a result of Saxo Capital Markets' gross negligence or wilful default;
- ii. any loss due to actions taken by Saxo Capital Markets according to its rights under these Terms; or
- iii. any consequential or other indirect loss suffered or incurred by the Client whether arising from Saxo Capital Markets' negligence or otherwise.

28.10 Saxo Capital Markets shall not be liable for losses suffered by the Client as a result of the acts or omissions of any Regulated Market or clearing house or any action reasonably taken by Saxo Capital Markets as a result of such acts or omissions unless Saxo Capital Markets has exercised gross negligence in connection herewith.

28.11 The Trading Platform may be available in several versions, which may be differentiated in various aspects including, but not limited to, the level of security applied, products and Services available. Saxo Capital Markets shall not be liable to the Client

ent for any loss, expense, cost or liability suffered or incurred by the Client due to the Client using a version different from Saxo Capital Markets' standard version with all available updates installed.

MISCELLANEOUS

29. CONFLICT OF INTEREST

29.2 Saxo Capital Markets and the Saxo Bank Group or other persons or companies connected with Saxo Capital Markets may have an interest, relationship or arrangement that is material in relation to any order, Contract or transaction effected, or advice provided by Saxo Capital Markets under these Terms. This is described in Saxo Capital Markets' Conflict of Interest Policy which is available on Saxo Capital Markets' website www.home.saxo/-/media/documents/regional/en-hk/legal/conflicts-of-interest-policy.pdf?la=en-hk.

29.3 By accepting these Terms the Client agrees that Saxo Capital Markets may transact such business as described in Clause 29.2 and the Conflict of Interest Policy, and subject the conflicts of interest provisions in the Code of Conduct, without Saxo Capital Markets having to inform the Client hereof and without the Client being able to make claim against Saxo Capital Markets in respect thereof.

30. CONFIDENTIALITY AND RECORDING OF CONVERSATIONS

30.2 Neither Saxo Capital Markets nor the Client may disclose any Confidential Information and each Party shall use all reasonable endeavours to prevent any such disclosure, except as set out in this Clause 30 and Saxo Capital Markets' Privacy Policy (www.home.saxo/en-hk/legal/privacy-policy/saxo-privacy-policy).

30.3 By accepting these Terms, the Client authorises Saxo Capital Markets to disclose Confidential Information relating to the Client as may be required by applicable law, any regulatory authority or any applicable Market Rules, without prior notice to or

consent from the Client. Furthermore Saxo Capital Markets may disclose information relating to the Client to third parties in or outside Denmark in order to facilitate the transfer of funds by credit card initiated by Client.

30.4 By accepting these Terms, the Client permits Saxo Capital Markets to, in accordance with applicable law, including the SFO and the Personal Data Act, transfer Confidential Information about the Client, submitted to Saxo Capital Markets, to any legal entity within the Saxo Bank Group.

30.5 The Saxo Bank Group may transfer Confidential Information regarding the Client for the purposes of (i) complying with regulatory matters (including the Act on Measures to Prevent Money Laundering, Hong Kong laws in relation to anti-money laundering, counter-terrorist financing and sanctions, FATCA and CRS), (ii) providing and performing investment advice, investment services, and other services which Saxo Capital Markets offers, (iii) conducting marketing, (iv) managing the Client relationship, and (v) otherwise providing its Services to the Client. Such Confidential Information may be transferred to Saxo Bank Group entities in countries where data protection laws may not provide a level of protection equivalent to the protection offered in Hong Kong.

30.6 Saxo Capital Markets may share Confidential Information with (i) a third party working on behalf of Saxo Capital Markets with the purpose of performing Client analysis to be used in Saxo Capital Markets' sales and marketing and (ii) any Introducing Broker for the purpose of completing a due diligence and approving Account applications.

30.7 The Client's personal information will be stored no longer than necessary in order to carry out the purposes listed in these Terms. The Client has the right to request correction, supplementation, deletion or blocking of such personal information if inaccurate, incomplete, or irrelevant for the purpose of the processing or, if processed, in any other way that is unlawful.

30.8 In certain circumstances, the Client may also have the right to object for legitimate reasons to the processing of personal information in accordance with the procedures set forth in the applicable da-

ta protection regulations and to seek other legal remedies available in connection with the processing of such personal information.

30.9 The Client agrees that Saxo Capital Markets may record all telephone conversations, internet conversations (chats), and meetings between the Client and Saxo Capital Markets.

30.10 In case of any dispute or anticipated dispute between Saxo Capital Markets and the Client, Saxo Capital Markets may disclose and/or use recordings, or transcripts from such recordings, as evidence towards the Client and any other party before any authority (including, but not limited to, any regulatory authority and/or court of law) if Saxo Capital Markets at its sole discretion sees it to be desirable or necessary.

30.11 Technical reasons may prevent Saxo Capital Markets from recording a conversation, and recordings or transcripts made by Saxo Capital Markets will be destroyed in accordance with Saxo Capital Markets' normal practice.

30.12 The Client shall not expect to be able to rely on any recordings made pursuant to Clause 30.10.

31. NO RIGHT OF CANCELLATION

31.1 The Client relationship between Saxo Capital Markets and the Client may be terminated by the Client in accordance with Clause 33.

32. AMENDMENTS OF THESE TERMS

32.1 Saxo Capital Markets is entitled to amend these Terms in favour of the Client without notice.

32.2 Amendments of these Terms which are not in the Client's favour may take place at any time by Saxo Capital Markets giving minimum one month's notice. Saxo Capital Markets will provide such notice to the Client on a Durable Medium.

32.3 All transactions with Saxo Capital Markets effected prior to the Client's acceptance of these Terms, including the rights and obligations of Saxo Capital

Markets and the Client in respect thereto, shall be governed by these Terms.

32.4 The Client is deemed to have accepted any amendments of these Terms if the Client does not, before the proposed date of their entry into force, notify Saxo Capital Markets that it does not accept the amendments.

33. TERMINATION

33.1 The Client relationship shall remain in force until terminated.

33.2 The Client is entitled to terminate the relationship with Saxo Capital Markets immediately by giving written notice to Saxo Capital Markets.

33.3 Saxo Capital Markets is entitled to terminate the relationship with the Client by giving minimum one month's notice. Saxo Capital Markets will provide the notice to the Client on a Durable Medium.

33.4 Termination shall not affect any accrued rights and obligations.

33.5 Upon termination, Contracts that are already entered into or under execution shall immediately terminate, and these Terms shall continue to bind the Parties in relation to such Contracts.

33.6 Saxo Capital Markets is entitled to deduct all amounts due to it before transferring any credit balances on any Account to the Client and Saxo Capital Markets is entitled to postpone such transferring until any and all Contracts between Saxo Capital Markets and the Client have been closed.

33.7 Saxo Capital Markets shall charge no separate fees in relation to the opening and closure of Accounts. In relation to the closure of any open positions, Saxo Capital Markets shall charge no separate fees except as provided by the Commissions, Charges & Margin Schedule.

33.8 Saxo Capital Markets is entitled to require the Client to pay any charges incurred in transferring the Client's investments and funds upon the termination of the Client relationship.

34. REGULATORY AUTHORITY

- 34.1 Saxo Capital Markets is regulated and under supervision by the SFC
- 34.2 The Client acknowledges that the Client may be affected by any curtailment of, or restriction on, the capacity of Saxo Capital Markets to trade in response of open positions as a result of action taken by the SFC under applicable rules and regulations or for any other reason, and that in such circumstances, the Client may be required to reduce or close out the Client's open positions with Saxo Capital Markets. .

35. DISPUTES AND COMPLAINTS

- 35.1 In case the Client has raised a question or a problem with the account executive or another employee of Saxo Capital Markets without receiving a satisfactory answer, the Client is entitled to, via e-mail, file a written complaint with Saxo Capital Markets at complaints@saxomarkets.com.hk. Saxo Capital Markets will investigate and answer the complaint.
- 35.2 If the Client is not satisfied with Saxo Capital Markets' response, the Client may request to settle the dispute by arbitration in accordance with the Securities and Futures (Leveraged Foreign Exchange Trading) (Arbitration) Rules (Cap. 571F).
- 35.3 Without prejudice to any of Saxo Capital Markets' other rights under these Terms, and in case of a dispute between the Client and Saxo Capital Markets over a Margin Position or alleged Margin Position or any instruction relating to a Margin Position, Saxo Capital Markets is entitled, at its sole discretion and without notice, to close any such Margin Position or alleged Margin Position, if Saxo Capital Markets believes such action to be desirable for the purpose of limiting the maximum amount involved in the dispute. Saxo Capital Markets shall not be responsible to the Client for any subsequent fluctuations in the price level of the relevant Margin Position. Saxo Capital Markets shall take reasonable steps to inform the Client

that Saxo Capital Markets has taken such action as soon as practicable possible after doing so.

- 35.4 Where Saxo Capital Markets closes a Margin Position or alleged Margin Position in accordance with Clause 35.3 the closing shall be without prejudice to the Client's rights to open new Margin Positions, provided that such new Margin Positions are opened in accordance with these Terms. When calculating Collateral or other funds required for such new Margin Positions by the Client, Saxo Capital Markets is entitled, on an individual basis, to impose specific Margin Requirement or other requirements upon such new Margin Positions.

36. GOVERNING LAW AND JURISDICTION

- 36.1 The relationship between Saxo Capital Markets and the Client, any order, instruction and Contract and these Terms are subject to and shall be construed in accordance with Hong Kong law as the sole and exclusive governing law.
- 36.2 Subject to Clause 35, if the dispute cannot be resolved pursuant to that Clause, the Client and Saxo Capital Markets agree that the courts of Hong Kong shall have exclusive jurisdiction over disputes regarding (i) the relationship between Saxo Capital Markets and the Client, (ii) any order and Contract and (iii) these Terms. However, Saxo Capital Markets reserves the right to commence proceedings in any competent court and jurisdiction that it may find suitable, including, but not limited to, jurisdictions in which the Client is a citizen or resident and jurisdictions in which the Client possesses assets.
- 36.3 This Clause 36 shall survive any termination of the relationship between Saxo Capital Markets and the Client.

37. STATUS OF TERMS, COUNTRY ANNEXES, ADDITIONAL APPLICABLE BUSINESS TERMS, ETC.

- 37.1 All Contracts are entered into in reliance on the fact that these Terms and all Contracts form a single agreement between the Client and Saxo Capital Markets, and the parties would not otherwise enter into any Contracts. Without limiting the foregoing, all obligations between the Client and Saxo Capital Markets, including the Secured Obligations, are connected and originate from one and the same commercial relationship.
- 37.2 If, at any time, any provision of these Terms is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these Terms under the law of that jurisdiction nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall be in any way affected.
- 37.3 As an integrated part of these Terms, Clients resident, incorporated or organised (as applicable) in certain countries are subject to additional terms set out in country annexes to these Terms. These country annexes supplement and have priority over the rest of the Terms in respect of the Clients to which they apply.
- 37.4 In addition to these Terms, the "Conflict of Interest Policy" and the "Order Execution Policy" (all available on Saxo Capital Markets' website, <https://www.home.saxo/en-hk/legal/general-business-terms/saxo-general-business-terms>) shall apply to the relationship between Saxo Capital Markets and the Client.
- 37.5 The Client may not assign or transfer any of its rights or obligations under these Terms and/or a Contract.
- 37.6 Saxo Capital Markets may assign or transfer any of its rights or obligations under these Terms and/or a Contract to any regulated financial institution.
- 37.7 All transactions undertaken by the Client shall be subject to these Terms.
- 37.8 The rights and remedies contained in these Terms are cumulative and not exclusive of any rights or remedies provided by law.
- 37.9 No delay or omission on the part of Saxo Capital Markets in exercising any right, power or remedy provided by law or under these Terms, or partial or defective exercise thereof, shall:
- i. Impair or prevent further or other exercise of such right, power or remedy; or
 - ii. Operate as a waiver of such right, power or remedy.
- 37.10 No waiver of any breach of these Terms shall (unless expressly agreed in writing by the waiving party) be construed as a waiver of a future breach of the same Clause or as authorising a continuation of the particular breach.
- 37.11 Saxo Capital Markets or third parties may have provided the Client with translations of these Terms. The original English versions of these Terms shall be the only versions that are legally binding upon the Client and Saxo Capital Markets. In case of discrepancies between (i) the original English versions and (ii) other translations of these Terms, the original English versions, provided on Saxo Capital Markets' website, www.home.saxo/en-hk shall prevail.
- 37.12 If there is any conflict between these Terms and relevant Market Rules, the Market Rules shall prevail.

SCHEDULES

HONG KONG EXCHANGE-TRADED OPTIONS – CLIENT AGREEMENT

Where your account is allowed to conduct trading in stock options, you acknowledge that this Client Agreement ("Agreement") is supplemental to the General Business Terms to which this Agreement is annexed and where any conflict arises between the provisions of the General Business Terms and this Agreement, the provisions of this Agreement shall prevail.

Whilst the client expects Saxo Capital Markets to keep confidential all information relating to the client's options account, the client hereby irrevocably authorizes, without further notice to or consent from the client, Saxo Capital Markets, if requested by any regulatory authority, to provide such authority details of the account including all such information and all such documents in Saxo Capital Markets' possession as may be required by such regulatory authority. The client should not hold Saxo Capital Markets liable for any consequences arising out of any such disclosure.

You confirm that:

1. the options account is operated solely for your account and benefit, and not for the benefit of any other person; or
2. you have disclosed to Saxo Capital Markets in writing the name of the person(s) for whose benefit the options account is being operated; or
3. you have requested Saxo Capital Markets to operate the options account as an Omnibus Account, and will immediately notify Saxo Capital Markets, on request, of the identity of any person(s) ultimately beneficially interested in Client Contracts;

All Exchange Traded Options Business shall be effected by an Options Exchange Participant in accordance with all laws, rules and regulatory directions (the "Rules") applying to an Options Exchange Participant, which include the Options Trading Rules of SEHK, the Clearing Rules of The SEHK Options Clearing House Limited ("SEOCH") and the rules of the Hong Kong Securities Clearing Company Limited ("HKSCC"); and in particular, SEOCH has authority under the Rules to make adjustments to the terms of Contracts, the Options Exchange Participant should notify the client of any such adjustments which affect Client Contracts to which the client is a party, and all actions taken by an Options Exchange Participant, by SEHK, by SEOCH or by HKSCC or by Saxo Capital Markets in accordance with such Rules shall be binding on you;

Saxo Capital Markets will collect margin requirements and premium in accordance with the Rules;

You agree that the terms of the Standard Contract for the relevant options series shall apply to each your Client Contract with Saxo Capital Markets, and that all Client Contracts shall be created, exercised, settled and discharged in accordance with the Rules;

You agree to provide Saxo Capital Markets with cash and/or securities and/or other assets ("Margin") as may be agreed from time to time, as security for your obligations to Saxo Capital Markets under the General Business Terms including this Agreement; such Margin should be paid or delivered as demanded by Saxo Capital Markets from time to time; and the amounts required by way of Margin should not be less than, but may exceed, the amounts as may be required by the Rules in respect of your open positions and delivery obligations, and further Margin may be required to reflect changes in market value;

If Saxo Capital Markets accepts securities by way of Margin, you will on request provide Saxo Capital Markets with such authority as Saxo Capital Markets may require under the Rules to authorize Saxo Capital Markets to deliver such securities, directly or through an Options Exchange Participant, to SEOCH as

SEOCH Collateral in respect of Exchange Traded Options Business resulting from your instructions to Saxo Capital Markets; and Saxo Capital Markets does not have any further authority from you to borrow or lend your securities or otherwise part with possession (except to you or on your instructions) of any of your securities for any other purpose;

You agree to indemnify Saxo Capital Markets, and Saxo Capital Markets' employees and agents, against all losses and expenses resulting from breach of your obligation under any provision of the General Business Terms and this Agreement, including costs reasonably incurred in collecting debts from you, and in closing your options account;

If you fail to comply with any of your obligations and/or to meet your liabilities under any provision of the General Business Terms and this Agreement, including failure to provide Margin, Saxo Capital Markets may:

1. decline to accept further instructions from you in respect of Exchange Traded Options Business;
2. close out some or all of your Client Contracts with Saxo Capital Markets;
3. enter into Contracts, or into transactions in securities, futures or commodities, in order to settle obligations arising or to hedge the risks to which Saxo Capital Markets is exposed in relation to your failure;
4. dispose of Margin, and apply the proceeds thereof to discharge your liabilities to the Saxo Capital Markets and any proceeds remaining after discharge of all your liabilities to Saxo Capital Markets should be paid to you;

You agree to pay interest on all overdue balances (including interest arising after a judgment debt is obtained against you) at such rates and on such other terms as Saxo Capital Markets has notified to you from time to time;

In respect of all Contracts effected on your instructions, you will pay Saxo Capital Markets, within the time period notified by Saxo Capital Markets, Premium, Saxo Capital Markets' commission and any other charges, and applicable levies imposed by SEHK, as have been notified to you; and Saxo Capital Markets may deduct such Premium, commissions, charges and levies from your options account;

Saxo Capital Markets may place limits on the open positions or delivery obligations that you may have at any time;

You acknowledge that an Options Exchange Participant may be required to close out Client Contracts to comply with position limits imposed by SEHK; and if an Options Exchange Participant goes into default, the default procedures of SEHK may result in Client Contracts being closed out, or replaced by Client Contracts between Saxo Capital Markets and another Options Exchange Participant;

You acknowledge that, at a client's request of an Options Exchange Participant, the Options Exchange Participant may agree to the Client Contracts between itself and such client being replaced, in accordance with the Rules, by Client Contracts between such client and another Options Exchange Participant;

On exercise of a Client Contract by or against you, you will perform your delivery obligations under the relevant contract, in accordance with the Standard Contract and as you have been notified by Saxo Capital Markets;

You acknowledge that although all Options Contracts are to be executed on SEHK, you and the Options Exchange Participant shall contract as principals under Client Contracts;

Saxo Capital Markets agrees to provide you, upon request, with the product specifications for Options Contracts;

If an Options Exchange Participant fails to meet its obligations to its client pursuant to its Options Client Agreement with such client, the client shall have a right to claim under the Investor Compensation Fund established under the SFO, subject to the terms of the Investor Compensation Fund from time to time;

Saxo Capital Markets will notify the client of material changes in respect of SCMHK's business which may affect the services Saxo Capital Markets provide to you;

You confirm that you have read and agree to the terms of the General Business Terms including this Agreement, which have been explained to you in a language that you prefers;

The General Business Terms including this Agreement are governed by, and may be enforced in accordance with, the laws of the Special Administrative Region of Hong Kong.

Futures contracts and/or options contracts traded on the Exchange

Saxo Capital Markets is required, upon the request of the SFC, to disclose the name, beneficial identity and such other information concerning the Client as the SFC may require. You agree to provide such information concerning the Client as Saxo Capital Markets may require in order for Saxo Capital Markets to comply with any regulations.

You acknowledge that the Client may have varying level and type of protection in relation to transactions on different markets and exchanges;

Saxo Capital Markets may, subject to the provisions of the SFO and any applicable law, take the opposite position to the Client's order in relation to any exchange traded futures and options contracts, whether on Saxo Capital Markets' own account or for the account of its associated company or other clients of Saxo Capital Markets, provided that such trade is executed competitively on or through the facilities of Hong Kong Futures Exchange Limited in accordance with its rules or the

facilities of any other commodity, futures or options exchange in accordance with the rules and regulations of such other exchange;

All monies, securities and other property received by Saxo Capital Markets from the Client or from any other person (including a clearing house) for the account of the Client shall be held by Saxo Capital Markets as trustee and segregated from Saxo Capital Markets' own assets. These assets so held by Saxo Capital Markets shall not form part of the assets of Saxo Capital Markets for insolvency or winding up purposes but shall be returned to the Client promptly upon the appointment of a provisional liquidator, liquidator or similar officer over all or any part of Saxo Capital Markets' business or assets.

RISK DISCLOSURE STATEMENT**RISK OF SECURITIES TRADING**

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

RISK OF TRADING FUTURES AND OPTIONS

The risk of loss in trading futures contracts or options is substantial. In some circumstances, you may sustain losses in excess of your initial margin funds. Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily avoid loss. Market conditions may make it impossible to execute such orders. You may be called upon at short notice to deposit additional margin funds. If the required funds are not provided within the prescribed time, your position may be liquidated. You will remain liable for any resulting deficit in your account. You should therefore study and understand futures contracts and options before you trade and carefully consider whether such trading is suitable in the light of your own financial position and investment objectives. If you trade options you should inform yourself of exercise and expiration procedures and your rights and obligations upon exercise or expiry.

RISK TRADING IN LEVERAGED FOREIGN EXCHANGE CONTRACTS

The risk of loss in leveraged foreign exchange trading can be substantial. You may sustain losses in excess of your initial margin funds. "Slippage" normally occurs during periods of high market volatility, when unforeseen circumstances move the market unexpectedly. Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit losses to the intended amounts. Market conditions may make it impossible to execute such orders. You may be called upon at short notice to deposit additional margin funds. If the required funds are not provided within the prescribed time, your position may be liquidated. You will remain liable for any resulting deficit in your account. You should therefore carefully con-

sider whether such trading is suitable in light of your own financial position and investment objectives.

RISK OF TRADING GROWTH ENTERPRISE MARKET STOCKS

Growth Enterprise Market (GEM) stocks involve a high investment risk. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. GEM stocks may be very volatile and illiquid.

You should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Current information on GEM stocks may only be found on the internet website operated by The Stock Exchange of Hong Kong Limited. GEM Companies are usually not required to issue paid announcements in gazetted newspapers.

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

RISK OF CLIENT ASSETS RECEIVED OR HELD OUTSIDE HONG KONG

Client assets received or held by the licensed or registered person outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap. 571) and the rules made thereunder. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

RISK OF PROVIDING AN AUTHORITY REPLEDGE YOUR SECURITIES COLLATERAL ETC

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

discharge and satisfaction of its settlement obligations and liabilities.

If your securities or securities collateral are received or held by the licensed or registered person in Hong Kong, the above arrangement is allowed only if you consent in writing. Moreover, unless you are a professional investor, your authority must specify the period for which it is current and be limited to not more than 12 months. If you are a professional investor, these restrictions do not apply.

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

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

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

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

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

RISK OF MARGIN TRADING

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

RISK OF BULLION TRADING

Trading in Bullion, which includes Gold, Silver and Precious Metals, particularly on margin trading, result in substantial gain as well as substantial losses in excess of your initial margin funds. As such, bullion trading may not be suitable for everyone. Please note that the value of bullion is affected by many global economic factors, which are unpredictable. If the market goes against your existing position, you may be called upon at short notice to deposit additional margin funds in order to maintain your margin position(s). Failing to provide the required funds within the prescribed time, will require us to immediately liquidate all of your existing margin positions and you may be liable for any resulting deficit in your trading account. Placing contingent orders will not necessarily limit losses to the intended amounts in fast moving markets. Market conditions may make it impossible to execute such orders. You should therefore seek independent financial advice to ensure that trading bullion is suitable for your financial situation.

RISK OF TRADING EXCHANGE TRADED FUNDS (ETFs)

Most ETFs track a portfolio of assets to provide diversified exposure. It is typically designed to track the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or com-

modities. However, some ETFs may invest in stock index future contracts and other derivatives. Compared to conventional securities, derivatives can be more sensitive to changes in market prices due to both the low margin deposits required, and the extremely high degree of leverage involved in derivative products. As a result, a relatively small price movement in the derivative product may result in immediate and substantial loss (or gain) to the ETF. In addition, some derivatives are traded over-the-counter (OTC). OTC derivatives markets are generally not regulated by government authorities and participants in these markets are not required to make continuous markets in the contracts they trade. As a result, an ETF that engages in transactions involving OTC derivatives is subject to the liquidity risk. In the event that the market makers cease to fulfill their role, investors may not be able to buy or sell the ETF. For ETFs with underlying assets not denominated in the base currency, they are also exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the ETF price. Before trading, Clients should read the ETF prospectus carefully to ensure they understand how the fund operates and make an independent determination if this product is suitable for them.

ADDITIONAL RISK DISCLOSURE FOR FUTURES AND OPTIONS TRADING

This brief statement does not disclose all of the risks and other significant aspects of trading in futures and options. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures and options is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

FUTURES

1. *Effect of "Leverage" or "Gearing"*

Transactions in futures carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract so that transactions are

"leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with Saxo Capital Markets to maintain your position. If the market moves against your position and/or Margin Requirement is increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. Failing to comply with a request for additional funds, may result in your position(s) being liquidated at a loss by Saxo Capital Markets on your behalf and you will be liable for any resulting loss or deficit.

2. *Risk-reducing Orders or Strategies*

The placing of certain orders (e.g. "stop-loss" orders, where permitted under local law, or "stop-limit" orders), which are intended to limit losses to certain amounts, may not be effective because markets conditions make it impossible to execute such orders, e.g. due to illiquidity in the market. Strategies using combinations of positions, such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions.

OPTIONS

1. *Variable Degree of Risk*

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarize themselves with the type of option (i.e., put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs. The purchaser of options may offset or exercise the options or allow the option to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a futures contract, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased option is out-of-the-money when it expires, you will suffer a total loss of your investment, which will consist of the option premium plus transaction costs. If you are con-

templating purchasing out-of-the-money options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a futures contract, the seller will acquire a position in a futures contract with associated liabilities for margin (see the section on Futures above). If the option is "covered" by the seller holding a corresponding position in the underlying interest or a futures contract or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

ADDITIONAL RISKS COMMON TO FOREIGN EXCHANGE AND DERIVATIVE TRANSACTIONS

1. Terms and Conditions of Contracts

You should ask the firm with which you deal about the terms and conditions of specific futures or options which you are trading and associated obligations (e.g. the circumstances under which you may become obliged to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

2. Suspension or Restriction of Trading and Pricing Relationships

Market condition (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g., the suspension of trading in any contract or contract month because of price limits or "circuit breakers") may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/ offset positions. If you have sold options, this may increase the risk of loss.

Normal pricing relationships between the underlying interest and the futures, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge "fair" value.

3. Deposited Cash and Property

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

4. Commission and Other Charges

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

5. Transactions In Other Jurisdictions

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation, which may offer different or diminished investor protection. Before you trade you should enquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of

the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

6. *Currency Risks*

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

7. *Trading Facilities*

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

8. *Electronic Trading*

Trading on an electronic trading system may differ from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with

the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions, is not executed at all and a lack of capability to keep you informed continuously about your positions and fulfilment of the Margin Requirement.

9. *Off-Exchange Transactions*

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

In case of discrepancy between the English version and the Chinese version of this document, the English version shall prevail.



These Terms are applicable from 6 July 2019. These Terms shall remain effective until a more recent version is released. The prevailing version of these Terms is always available at <https://www.home.saxo/en-hk/legal/general-business-terms/saxo-general-business-terms>.