

Personal Information Collection Statement concerning Northbound China Connect Orders

To: Everbright Securities Investment Services (HK) Limited/
Everbright Securities Digital Finance (HK) Limited/
China Everbright Securities (HK) Limited
(hereinafter individually and collectively referred to as "EBSI")
28/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong

Dear Sirs,

Processing of Personal Data as part of Shanghai-Hong Kong/Shenzhen-Hong Kong Stock Connect Northbound Trading

In consideration of your agreement to provide or continue to provide to me services in accordance with the applicable terms and conditions, I/we, the undersigned Client, hereby agree to the following terms and conditions. If the undersigned Client consists of two or more persons, the liability(ies) of each such person shall be joint and several. For the avoidance of doubt, if I/we have accounts with two or more of the above named companies, notwithstanding anything to the contrary contained in this personal information collection statement, this personal information collection statement is given to all such companies and all such companies are hereinafter jointly and severally referred to as "EBSI".

I/We acknowledge and agree that in providing Stock Connect Northbound Trading Service to me/us, EBSI will be required to:

- (i) tag each of my/our orders submitted to the China Stock Connect System ("CSC") with a Broker-to-Client Assigned Number ("BCAN") that is unique to me/us or the BCAN that is assigned to our joint account with EBSI, as appropriate; and
- (ii) provide to The Stock Exchange of Hong Kong Limited (the "Exchange" or "SEHK") my/our assigned BCAN and such identification information ("Client Identification Data" or "CID") relating to me/us as the Exchange may request from time to time under the Rules of the Exchange.

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

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

performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets.

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

Consequences of failing to provide Personal Data or Consent

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

Acknowledgement and Consent

I/We acknowledge I have read and understand the content of Personal Information Collection Statement concerning Northbound China Connect Orders provided by EBSI. By ticking the box below, I/we signify my/our consent for EBSI to use my/our personal data on the terms of and for the purposes set out in the Personal Information Collection Statement concerning Northbound China Connect Orders.

I/We agree to EBSI's use of my/our personal data for the purposes set out in the Personal Information Collection Statement concerning Northbound China Connect Orders.

Name of Client : _____

Account No. : _____

Applicable for Individual/Joint Account (All account holders should co-sign)

Client Signature(s)

Date: _____

Applicable for Corporate Account

Authorized Signature with company chop

Name : _____

Date: _____

* Everbright Securities Investment Services (HK) Limited, Everbright Securities Digital Finance (HK) Limited and China Everbright Securities (HK) Limited are wholly-owned subsidiaries of China Everbright Securities International Company Limited ("CEBSI"). These companies are collectively referred to as "Everbright Securities International".

Note: If there is any conflict or inconsistency between the English and Chinese versions of this letter, the English version shall prevail.

Everbright Securities International
**SHANGHAI AND SHENZHEN-HONG KONG
STOCK CONNECT**

Reply Form

To: Everbright Securities Investment Services (HK) Limited/
Everbright Securities Digital Finance (HK) Limited/
China Everbright Securities (HK) Limited
(hereinafter individually and collectively referred to as "EBSI")
28/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong

Dear Sirs,

I/We hereby confirm that I/we have read and fully understood the contents of the enclosed **Supplementary Terms and Conditions and Risk Disclosures of the Client Agreement – Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect** and other relevant documents and guidance, and I/we fully accept these terms as binding upon me/us and as having been incorporated into the relevant Client Agreement and Schedules or Client's Agreement, as the case may be. I/We also understand and accept the features, limitations and risks of **Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect** and the services to be provided to me/us in connection with it. Please provide access to the Northbound trading services for my/our Securities Trading Account(s) stated below.

Client's Name : _____

Apply for ChiNext service, as applicable

For ChiNext service

By ticking the aforesaid box, we confirm that we are an Institutional Professional Investor ("IPI")**, and we further undertake that those underlying clients who trade ChiNext through us are also IPIs.***

Note: EBSI reserves the right to reject the offering of ChiNext service to any Client at EBSI's sole and absolute discretion.

Securities Trading Account Number(s): _____

I/We hereby further warrant and declare that (i) I/we do not hold any individual or joint account with a different Broker-to-Client Assigned Number ("BCAN") with the EBSI Group^ with respect to its Shanghai and Shenzhen-Hong Kong Stock Connect service; and (ii) I/we only hold one BCAN with respect to all of my/our securities accounts held with EBSI Group. I/We agree to indemnify EBSI and hold EBSI harmless at all times against any damage and loss it may suffer as a result of or arising from or in connection with a breach of the foregoing warranty and declaration.

Client's Signature[#]: _____

For a joint account, all joint account-holders must sign.

Date: _____

Please complete, sign, date and return this document to your Wealth Manager.

***Institutional Professional Investor" or "IPI" means a person falling under paragraphs (a) to (i) of the definition of "professional investors" in section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571).

***In case you are a corporation licensed for Type 9 regulated activity by Securities and Futures Commission, or a person carrying on the business of the provision of asset management services and regulated under the law of any place outside Hong Kong, IPI status does not have to apply to the underlying clients.

^ EBSI Group" refers to China Everbright Securities International Company Limited and its subsidiaries and associated companies, collectively referred to as "Everbright Securities International".

SUPPLEMENTARY TERMS AND CONDITIONS AND RISK DISCLOSURES OF THE CLIENT AGREEMENT - SHANGHAI-HONG KONG STOCK CONNECT AND SHENZHEN-HONG KONG STOCK CONNECT

Introduction

Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively referred to as “**Shanghai and Shenzhen Connect**”) are securities trading and clearing links programs developed by the Hong Kong Exchange and Clearing Limited (HKEx as defined below), Shanghai Stock Exchange (SSE as defined below), Shenzhen Stock Exchange (SZSE as defined below) and China Securities Depository and Clearing Corporation Limited (ChinaClear as defined below), aiming to achieve mutual market access between the Mainland and Hong Kong. Under Shanghai and Shenzhen Connect, the Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of HKEx (SEHK as defined below), SSE and SZSE will establish mutual order-routing connectivity and related technical infrastructure to enable investors of their respective market to trade designated equity securities listed in the other’s market.

The Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of HKEx (HKSCC as defined below), and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors.

Hong Kong and overseas investors will be able to trade certain stocks listed on the SSE market or SZSE market as specified under the relevant rules of the Shanghai and Shenzhen Connect

Definitions

“**A-Shares**” means securities issued by companies incorporated in the Mainland which are listed and traded on the Mainland A Share markets (Shanghai and Shenzhen) and not on the SEHK.

“**Affiliate**” means in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person.

“**China Connect**” means the Shanghai Connect and/or the Shenzhen Connect (as the case may be).

“**China Connect Authorities**” means the regulators which regulate China Connect and activities relating to China Connect, including without limitation, the CSRC, PBOC, SAFE, SFC and any other regulator, agency or authority with jurisdiction, authority or responsibility in respect of China Connect.

“**China Connect Entities**” means the exchanges, clearing systems and other entities which provide services relating to China Connect, including without limitation, the SEHK, HKSCC, SEHK Subsidiaries, SSE, SZSE and ChinaClear.

“**China Connect Laws**” means the laws and regulations of Hong Kong and Mainland China from time to time in respect of China Connect or any activities arising from China Connect.

“**China Connect Market**” means the SSE and/or the SZSE.

“**China Connect Market System**” means the system used for the trading of (a) SSE Securities on SSE, as operated by SSE and/or (b) SZSE Securities on SZSE as operated by SZSE (as the case may be).

“**China Connect Rules**” means any rules, policies or guidelines published or applied by any China Connect Authority or China Connect Entity from time to time in respect of China Connect or any activities arising from China Connect.

“**China Connect Securities**” or “**Connect Securities**” means any SSE Securities and/or SZSE Securities (as the case may be).

“**China Connect Service**” means the order-routing service through which Northbound orders placed by an Exchange Participant may be transmitted by an SEHK Subsidiary to the corresponding China Connect Market for the buying and selling of China Connect Securities and any related supporting services.

“**China Connect Shares**” means any A Shares listed on any China Connect Market which may be traded by Hong Kong and international investors under China Connect.

“**ChinaClear**” means China Securities Depository and Clearing Corporation Limited.

“**ChiNext Shares**” means securities listed on the ChiNext Board of the SZSE which may be traded by Hong Kong and overseas investors under Shenzhen Connect.

“**Client**” shall have the same meaning as defined in the Client Agreement.

“**Client Agreement**” means Client’s existing Client Agreement and Schedules or Client’s Agreement (as the case may be) with EBSI, or in case of institutional clients, Terms of Business relating to its Securities Trading Account, and means the respective Client Agreement and Schedules, Client’s Agreement or Terms of Business with Client relating to each Securities Trading Account, if there is more than one Securities Trading Account.

“**CCP**” means Central Counterparty.

“**CP**” means a CCASS Participant admitted to participate in CCASS as a Direct Clearing Participant or General Clearing Participant.

“**CSRC**” means China Securities Regulatory Commission.

“**EBSI**” means Everbright Securities Investment Services (HK) Limited or Everbright Securities Digital Finance (HK) Limited or China Everbright Securities (HK) Limited, as the case may be.

“**Eligible ChiNext Investor**” means a “professional investor” within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of “professional investor” in section 1 of Part 1 of Schedule 1 to the SFO or other types of investors that are permitted or approved by the China Connect Authorities to trade ChiNext Shares through Shenzhen Connect.

“**H-Shares**” means any securities issued by companies incorporated in the Mainland and listed on the SEHK.

“**HKEx**” means the Hong Kong Exchanges and Clearing Limited.

“**HKD**” means the Hong Kong dollar.

“**HKSCC**” means the Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of HKEx.

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**Institutional Professional Investor**” or “**IPI**” means a person falling under paragraphs (a) to (i) of the definition of “professional investors” in section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571).

“**Mainland**” means the mainland of the People’s Republic of China.

“**Mainland China Resident**” means a person who is a citizen of Mainland China and does not have permanent right of abode in a jurisdiction outside Mainland China.

“**Mainland Stock Exchange**” means SSE or SZSE, as the case may be.

“**Non-trade Transfer**” means a transfer of China Connect Securities which involves a change in the beneficial ownership of the China Connect Securities and which is not conducted through the China Connect Service and executed on the China Connect Market.

“**Northbound trading**” or “**Northbound**” means trading of SSE Securities or SZSE Securities by Hong Kong and international investors through Shanghai and/or Shenzhen Connect.

“**PBOC**” means the People’s Bank of China.

“**Relevant Mainland Stock Exchange**” means “SSE or SZSE, as the case may be.

“**Related Person**” means any of EBSI’s Affiliates, or any director, senior officer, employee or agent of EBSI or EBSI’s Affiliates.

“**Relevant Stock Connect**” means Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

“**RMB**” means Renminbi.

“**SAFE**” means the State Administration of Foreign Exchange.

“**SEHK**” means the Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of HKEx.

“**SEHK Listing Rules**” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

“**SEHK Subsidiary**” means the company established by SEHK for carrying out the Northbound Trading Link activities, as defined by relevant circulars of the HKEx and as amended by the SEHK Listing Rules from time to time.

“**SFC**” means the Securities and Futures Commission of Hong Kong.

“**Shanghai Connect**” means a securities trading and clearing links program developed or to be developed by SEHK, SSE, HKSCC and ChinaClear for the establishment of mutual market access between SEHK and SSE.

“**Shenzhen Connect**” means a securities trading and clearing links program developed or to be developed by SEHK, SZSE, HKSCC and ChinaClear for the establishment of mutual market access between SEHK and SZSE.

“**Southbound Trading Link**” means the Southbound Hong Kong Trading Link under Shanghai-Hong Kong Stock Connect or the Southbound Hong Kong Trading Link under Shenzhen-Hong Kong Stock Connect, as the case may be.

“**SSE**” means the Shanghai Stock Exchange.

“**SSE Listing Rules**” means rules and regulations governing the listing of securities on SSE.

“**SSE Rules**” means any codes, rules, regulations, implementing measures, circulars, guidelines, opinions relating to the trading, clearing and settlement of securities on, and use of any service provided by, SSE including not limited to SSE Listing Rules.

“**SSE Securities**” means any or all of the securities listed on the SSE market which Hong Kong and overseas investors will be able to trade under the relevant arrangement for Northbound trading from time to time.

“**SSE Subsidiary**” means a subsidiary company of SSE which carries out the Southbound Trading Link activities, as defined by relevant circulars of the HKEx and as amended by the SEHK Listing Rules from time to time.

“**Supplementary Client Agreement**” or “**China Connect Terms**” means these Supplementary Terms and Conditions and Risk Disclosures of the Client Agreement regarding Shanghai and/or Shenzhen Connect, which are binding upon the Client and which have been incorporated into the Client Agreement in respect of any activity related to the Client in respect of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, as the case may be.

“**SZSE**” means the Shanghai Stock Exchange.

“**SZSE Listing Rules**” means the rules and regulations governing the listing of securities on SZSE.

“**SZSE Rules**” means any codes, rules, regulations, implementing measures, circulars, guidelines, opinions relating to the trading, clearing and settlement of securities on, and use of any service provided by, SZSE including not limited to SZSE Listing Rules.

“**SZSE Securities**” means any or all of the securities listed on the SZSE market which Hong Kong and overseas investors will be able to trade under the relevant arrangement for Northbound trading from time to time.

“**SZSE Subsidiary**” means a subsidiary company of SZSE which carries out the Southbound Trading Link activities, as defined by relevant circulars of the HKEx and as amended by the SEHK Listing Rules from time to time.

“**Taxes**” means all retrospective, present or future taxes, duties, levies, imposts, charges, assessments, deductions, withholdings and related liabilities, including additions to tax, penalties and interest imposed on or in respect of (i) China Connect Securities or Cash, (ii) any transaction effected under Supplementary Client Agreement or (iii) Client.

“**Trading day**” means a day on which SEHK is open for Northbound trading, where “**T day**” denotes the Trading Day on which a transaction is executed and “**T+1 day**” denotes the day which is one Trading Day after T Day.

“**We**”, “**us**”, “**ours**” or “**ourselves**” means “EBSI”.

“You” or “yours” means “Client”.

Client’s Acceptance

Reference is made to Client’s existing Client Agreement with EBSI regarding its securities trading account. EBSI shall provide access to Shanghai Connect and/or Shenzhen Connect through Client’s existing securities trading account on the basis of the matters set out in this Supplementary Client Agreement, which are binding upon Client and which have been incorporated into the Client Agreement. All definitions in the Client Agreement shall apply, except where specifically overridden by this Supplementary Client Agreement.

Client acknowledges and accepts that it shall be bound by the laws, rules and regulations of the Mainland and Hong Kong that govern Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect and all matters relating thereof.

Client is expected to have read and familiarized themselves with relevant documents and guidance regarding Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect, including but not limited to publications and announcements of HKEx, Securities and Futures Commission and China Securities Regulatory Commission, and the Information Book for Investors published by the HKEx.

On the basis of such information, Client understands and accepts the features, limitation and risks of Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect and the services to be provided to Client in connection with it. Client warrants and represents that it is an eligible and qualified investor for the purposes of Shanghai and Shenzhen Connect.

Set out below are additional terms and conditions that govern the services to be provided in relation to Shanghai Connect and Shenzhen Connect. By giving instructions to EBSI, Client confirms, acknowledges and accepts all the terms and conditions, risk disclosures and the other matters set out in this Supplementary Client Agreement.

If there is any conflict or inconsistency between the English and Chinese versions of this Supplementary Client Agreement, the English version shall prevail.

1. Eligible Investors

Client represents and undertakes on a continuing basis, including without limitation on the first date that this Supplementary Client Agreement are effective and on each date that Client places an order or give an instruction in respect of Connect Securities under this Supplementary Client Agreement, that:

- (a) (i) Client is not a Mainland China Resident or an entity incorporated or registered under the laws of Mainland China, (ii) if Client is a Mainland China Resident, Client is using funds lawfully owned by Client and located outside Mainland China to make investments in Connect Securities or (iii) if Client is an entity incorporated or registered under the laws of Mainland China, Client’s investment in Connect Securities has been conducted pursuant to a program (including the Qualified Domestic Institutional Investor Program, if applicable) approved by, or any other approval of, any competent Mainland China regulator;
- (b) Client’s investment in Connect Securities does not violate the laws and regulations of Mainland China, including those in relation to foreign exchange control and reporting; and
- (c) Client will trade ChiNext Shares only when Client is and, in the case where Client is an intermediary (including, but not limited to, broker or order placer) trading for or on behalf of an underlying client or clients, each such underlying client is, an Eligible ChiNext Investor.

2. Restriction on Day Trading

No day trading of SSE Securities or SZSE Securities is permitted. Accordingly, SSE Securities or SZSE Securities bought on T+0 day may be sold, subject to Pre-Trade Checking (as described below), only on or after T+1 day. EBSI shall accept an order to sell SSE Securities or SZSE Securities only after the applicable cut-off time on T+1 day as notified by EBSI to Client from time to time.

3. Pre-Trade Checking

SEHK is required to check that, in respect of any Northbound sell orders given by EBSI, whether EBSI holds sufficient available SSE Securities or SZSE Securities to be able to fill such Northbound sell orders. Pre-Trade Checking will be carried out at the start of each Trade Day. Note in particular, that you may be unable to execute a sell order of SSE Securities or SZSE Securities if there has been a delay or failure for whatever reason in the transfer of the relevant SSE Securities or SZSE Securities to any clearing account of EBSI or if for any other reason EBSI considers that there is or may be non-compliance with any relevant mainland law or rules governing Shanghai and/or Shenzhen Connect. Any risk, loss or cost resulting from non-compliance or potential non-compliance with Pre-Trade Checking and/or the relevant laws and rules shall be borne solely by the Client.

4. Client's Obligations in Compliance with Pre-Trade Checking Requirements

4.1 Client undertakes that Client will comply with any requirements relating to Pre-Trade Checking mandated by the China Connect Authorities, the China Connect Entities or as notified to Client by EBSI.

4.2 In addition, Client undertakes to ensure there are sufficient and available China Connect Securities in Client's account by the applicable cut-off time (as notified to Client by EBSI from time to time) to cover any proposed sell order given on the relevant Trading Day.

4.3 If EBSI considers that Client does not for whatever reason have sufficient and available China Connect Securities in Client's account to settle a sell order by the applicable cut-off time (as notified to Client by EBSI from time to time) EBSI may in our absolute discretion:

4.3.1 reject Client's sell order (in whole or in part);

4.3.2 use any China Connect Securities in the designated CCASS stock account(s) which EBSI holds for ourselves or on behalf of our other customers to fulfil the Pre-Trade Checking requirement in respect of Client's sell order, in which case Client shall reimburse EBSI for any costs, losses or expenses which EBSI incurs as a result of buying in or otherwise sourcing the amount of China Connect Securities which Client has failed to deliver in respect of Client's sell order on such terms and at such price (including any associated fees and expenses) and at such time as EBSI shall determine in EBSI's absolute discretion); or

4.3.3 perform any other act which EBSI considers necessary or desirable to comply with Pre-Trade Checking and/or relevant China Connect Laws or China Connect Rules and to cover Client's shortfall (including but not limited to applying any other China Connect Securities available to EBSI from other sources).

- 4.4 In addition, EBSI may in EBSI's absolute discretion reject Client's sell order (in whole or in part) if for any other reason EBSI considers that there is or may be non-compliance with any China Connect Laws or China Connect Rules.
- 4.5 If Client gives any sell order in respect of any China Connect Securities allocated to any fund managed by Client, Client undertakes to ensure that there are sufficient and available China Connect Securities in Client's account allocated to such fund by the applicable cut-off time (as notified to Client by EBSI from time to time) to cover any such proposed sell order on the relevant Trading Day. In all cases, it is Client's responsibility to ensure that each of the funds managed by Client complies with all China Connect Laws and China Connect Rules to which the relevant fund may be subject.
- 4.6 Any risk, loss or cost resulting from non-compliance or potential non-compliance with Pre-Trade Checking and/or the relevant China Connect Laws or China Connect Rules shall be borne by Client.

5. Custody

5.1 Applicability

This Clause is only applicable when Client has delivered to EBSI the China Connect Securities in relation to Pre-Trade Checking under the China Connect Rules and China Connect Laws.

5.2 Nature of custodial services

- 5.2.1 Client acknowledges that the primary or only reason that EBSI is offering Client custodial services is in relation to Pre-Trade Checking under the China Connect Rules and China Connect Laws, and that the provision of custodial services is not part of our normal business activities. Accordingly, any custodial services offered by EBSI are limited in their nature. The provisions in this Clause 5 are without prejudice to any agreements Client may have with EBSI and/or EBSI's Affiliates providing Client with custodial services.
- 5.2.2 Client acknowledges that EBSI conducts business in China Connect Securities for other clients and for EBSI's own account.
- 5.2.3 Client shall be solely responsible for all filings, tax returns and reports of any transaction in respect of or relating to China Connect Securities held under this Clause 5, as may be required by any relevant authority, whether government or otherwise.

5.3 Establishment of custody account

- 5.3.1 Client authorizes EBSI to establish on EBSI's books a custody account or accounts (the "**Custody Account**") for the receipt, safekeeping and maintenance of China Connect Securities.
- 5.3.2 We will determine in our reasonable discretion whether to accept in the Custody Account any proposed delivery of China Connect Securities.

5.4 Custodial procedures

- 5.4.1 EBSI will be under no obligation to credit China Connect Securities to the Custody Account before EBSI's receipt of such China Connect Securities by final settlement.

- 5.4.2 If EBSI receives one or more instructions to deliver from the Custody Account an amount of China Connect Securities exceeding those credited to the Custody Account, EBSI may reject any such instruction or elect to perform any instruction in whole or in part, and in any order.
- 5.4.3 EBSI acknowledges that deliveries of China Connect Securities and payments therefor may not be simultaneous. Accordingly, if EBSI receives an instruction to deliver China Connect Securities against payment or to pay for China Connect Securities against delivery, we may make or accept payment for or delivery of China Connect Securities in accordance with relevant market practices and/or rules and/or applicable law or regulation.
- 5.4.4 EBSI shall make payment for and/or receive or deliver China Connect Securities only upon receipt of and in accordance with specific instructions (except as otherwise specifically provided in these China Connect Terms).
- 5.4.5 Unless EBSI has received and accepted a contrary instruction, EBSI may carry out the following without any instruction:
- (i) in Client's name or on Client's behalf, sign any document relating to China Connect Securities which may be required (i) to obtain receipt of any China Connect Securities or funds or (ii) by any tax or regulatory authority; and
 - (ii) collect and/or receive and/or take other necessary or appropriate action in relation to any payment or distribution in respect of China Connect Securities (whether pursuant to a stock dividend, bonus issue, share sub-division or reorganization, capitalization of reserves or otherwise).
- 5.4.6 Client acknowledges that EBSI may re-deliver to Client or to Client's usual custodian, at such time as we may determine in our absolute discretion, any China Connect Securities which have not been utilized by us in the settlement of any transaction on Client's behalf. Client acknowledges that EBSI may, within one Trading Day of receipt, deliver or pay to you or your usual custodian or bank (net of any fees or other expenses payable by Client to EBSI) any distribution or payment received by EBSI in respect of China Connect Securities for Client's account. Client will, promptly on our request, give such instructions (to EBSI and/or Client's usual custodian and/or any other person) as EBSI may require to pre-authorize any such re-delivery or payment.
- 5.4.7 In circumstances where EBSI has not, after using reasonable endeavors, been able to (a) re-deliver to Client or to Client's usual custodian any such China Connect Securities, or (b) deliver or pay to Client or Client's usual custodian or bank any such distribution or payment, including, for example, and without limitation, where (a) Client fails to provide such instructions upon EBSI's reasonable request and/or (b) Client's usual custodian refuses to accept any such delivery of China Connect Securities or payment, Client authorizes us in our absolute discretion to sell, liquidate or otherwise dispose of the relevant China Connect Securities and to transfer the sale, liquidation and/or disposal proceeds and/or any distribution or payment to Client's usual bank account or, if there is no bank account, to an account established for Client by us with a third party bank selected by EBSI in EBSI's absolute discretion pending instructions for payment to Client's preferred account.
- 5.4.8 EBSI shall have no obligation whatsoever to collect or receive or take any other action (including attending any general meeting and/or exercising any voting rights) in relation to

any payment or distribution in respect of China Connect Securities for Client's account or to notify Client of the existence of or the terms of any notice, circular, report, announcement or similar corporate action in respect of China Connect Securities. Client acknowledges that in certain circumstances, including, without limitation, as a result of any China Connect Laws or China Connect Rules, it may be difficult, impracticable or impermissible for HKSCC or its nominee (and for EBSI or Client) to exercise any rights or entitlements or to participate in any actions, transactions or other matters in respect of China Connect Securities. If EBSI makes any such collection or receipt, take any such action or give Client any such notification or take any action pursuant to any such notification, EBSI shall not have:

- (i) any liability in respect of any inaccuracies or delays; and
- (ii) any obligation to continue or repeat any such action.

5.5 Pooling/sub-custodians/clearance systems

- 5.5.1 EBSI may pool China Connect Securities and treat them as fungible with the same China Connect Securities of other clients. EBSI may at any time allocate equivalent China Connect Securities to Client and shall not be bound to return to Client the original China Connect Securities delivered to us.
- 5.5.2 EBSI may deposit China Connect Securities with any sub-custodian or with any clearance system as required by law, regulation or market practice, and are not responsible for performance by or monitoring of any sub-custodian or by any clearance system or its practices. In addition, EBSI shall not be liable for any act or omission by, or the insolvency of, any clearance system. In the event Client incurs a loss due to the negligence, willful default, or insolvency of any clearance system, EBSI will make reasonable endeavors, in EBSI's discretion, to seek recovery from the relevant clearance system, but EBSI will not be under any obligation to institute legal proceedings, file any proof of claim in any insolvency proceeding, or take any similar action.

5.6 Confirmations by Client

- 5.6.1 Client confirms that during the subsistence of these China Connect Terms:
 - (i) Client has authority to deposit and hold China Connect Securities in the Custody Account and there is no claim or encumbrance that will or may adversely affect any delivery of China Connect Securities; and
 - (ii) if Client acts as an agent for any of Client's own customers, whether or not expressly identified to EBSI at any time, no such customer shall be or be considered a customer or indirect customer of EBSI, and Client's obligations under these China Connect Terms are as principal.
- 5.6.2 Client will, promptly on EBSI's request, execute such documents and do such acts and things as EBSI may require in order to perform EBSI's obligations under these China Connect Terms or otherwise to comply with the China Connect Rules or China Connect Laws.

5.7 Custodial duties and liabilities

- 5.7.1 EBSI shall have only those duties expressly provided in these China Connect Terms. EBSI shall have no fiduciary duties or other implied duties or obligations whatsoever.

5.7.2 The performance by us of EBSI's duties is subject to:

- (i) all relevant local laws, regulations, decrees, orders and government acts;
- (ii) the rules, operating procedures and practices of any relevant stock exchange, clearance system or market; and
- (iii) any event or circumstance beyond EBSI's reasonable control.

5.7.3 In respect of any custodial services described in this Clause 5:

- (i) EBSI will not be liable for any loss or damage suffered by you unless such loss or damage results from EBSI's negligence, willful misconduct or fraud;
- (ii) EBSI shall not be liable for consequential loss or damage (including, without limitation, lost profits) in any circumstances, whether or not foreseeable and regardless of the type of action in which such a claim may be brought, with respect to the Custody Account or EBSI's services hereunder; and
- (iii) in the case of negligence or willful misconduct EBSI's liability shall not exceed the replacement cost or the market value of the relevant China Connect Securities at the relevant time (whichever is lower).

5.7.4 EBSI may establish cut-off times for receipt of instructions. If EBSI receives an instruction after an established cut-off time, EBSI may regard the instruction as having been received on the following Trading Day and act on it accordingly.

5.8 Interest

No interest will be payable on Client's Custody Account.

5.9 Lien

In addition to any other remedy EBSI may have, EBSI shall have a continuing general lien on all China Connect Securities held for Client or Client's account, for all amounts due or owing by Client to EBSI.

6. No-over-the-counter (OTC) Trade, Manual Trade or Block Trade

As all trading of SSE Securities or SZSE Securities must be conducted on SSE or SZSE respectively, i.e. no over-the-counter (OTC) trade, block trade or manual trades will be allowed, there will be no manual trade facility or block trade facility for Northbound trading. EBSI will not accept any order for such trades.

7. No Off-Exchange Trading and Transfer

Client, EBSI and any Related Person shall not trade or provide services to facilitate trading of any China Connect Securities otherwise than through the China Connect Market System, and we shall not match, execute or arrange the execution of any sale and purchase instructions or any transfer instructions from Client or effect any Non-trade Transfer or settlement of instructions in respect of any Connect Securities in any manner otherwise than through China Connect in accordance with the China Connect Rules,

except in the following circumstances or as otherwise provided by a relevant China Connect Authority:

- (a) stock borrowing and lending of China Connect Shares which are eligible for covered short selling and with a tenor of no more than one month;
- (b) stock borrowing and lending of China Connect Shares which are eligible for satisfying the Pre-Trade Checking requirement, with a tenor of one day (and which is not renewable);
- (c) post-trade allocation of China Connect Securities by a fund manager across the funds and/or sub-funds it manages; and
- (d) any other situations specified by the China Connect Markets and ChinaClear, including but not limited to any Non-trade Transfer as a result or for the purpose of (a) succession; (b) divorce; (c) dissolution, liquidation or winding up of any company or corporation; (d) donation to a charitable foundation; and (e) assisting in any enforcement action or proceedings of any court, prosecutor or law enforcement agency.

8. Prohibition on Naked Short-selling

Hong Kong and overseas investors are prohibited from naked short-selling in any SSE Securities or SZSE Securities. In selling SSE Securities or SZSE Securities via Northbound trading, Hong Kong and overseas investors are not allowed to participate in any securities lending in the Mainland.

9. Participation in the ChiNext Market

Non IPIs are prohibited from trading in ChiNext Shares, Client acknowledges and agrees that EBSI may conduct appropriate Know-Your-Client procedure to ensure that Client who trades ChiNext shares is an IPI. EBSI has the right to cancel Client's orders or sell Client's improperly acquired ChiNext Shares without further notice to the Client in the event of any unauthorized trading of ChiNext Shares. Client undertakes with EBSI that it will not trade ChiNext shares unless Client is an IPI or until such time as such restriction on trading ChiNext shares is removed.

If Client is an intermediary placing orders to EBSI as agent on behalf of Client's underlying customers, Client undertakes with EBSI that Client shall ensure that those underlying customers who trade ChiNext Shares through Client are also IPIs.

In the event the Client is not an intermediate broker but a corporation licensed for Type 9 regulated activity, or any other person carrying on the business of the provision of asset management services and regulated under the law of any place outside Hong Kong, only the Client (but not its underlying funds, accounts or customers) must be an IPI.

Notwithstanding the above, subject to the rules of the Relevant Stock Connect, EBSI may at its sole and absolute discretion accept instructions to sell ChiNext stocks from non-IPI client if the relevant ChiNext stocks are received by such non-IPI client as a result of any distribution of rights (including the right to subscribe for rights issues open offers) or entitlements, conversion, takeover, other corporate actions or special circumstances.

10. Foreign Shareholding Restrictions, Disclosure Obligations and Compliance with SSE Rules/SZSE Rules and Mainland Laws

The governance of A-Shares listed companies and the trading of A-Shares are subject to market rules and disclosure requirements of the A-Shares market. Any changes in laws, regulations and policies of the A-Shares market or rules in relation to Shanghai and/or Shenzhen Connect will affect Connect

Securities and possibly their share prices. Under Shanghai and Shenzhen Connect, Client should take note of the requirements to comply with SSE Rules or SZSE Rules, as the case may be, and applicable Mainland laws and regulations, including but not limited to foreign shareholding restrictions and disclosure obligations applicable to A-Shares generally. Such laws may be amended at any time without prior notice.

In certain circumstances, EBSI may be required to reject its client's buy orders, for example until the aggregate shareholding of foreign investors is reduced, or a single foreign investor's shareholding is reduced. Applicable limits are subject to change from time to time and EBSI shall not be under any obligation to inform Client of any such changes for foreign ownership limits.

Client will be subject to restrictions on trading (including restrictions on retention of proceeds) in SSE Securities or SZSE Securities.

Under Mainland laws and regulations, shareholders in SSE Securities or SZSE Securities making short term profits may be required to disgorge such profits. Accordingly, EBSI reserves the right to withhold or retain any profits or other amounts, including dividends, credited to Client's account and transfer the sums as instructed by relevant regulators or authorities such as SEHK, SSE, SZSE or ChinaClear to fulfill relevant requirements.

Under Mainland laws and regulations, investors must disclose certain interests in writing to the CSRC and the relevant exchange within prescribed time limits. EBSI shall not be under any obligation to inform or advise Client of the relevant requirements, to ensure Client complies with them, or notify Client of changes to such requirements.

Client may be subject to foreign shareholding restriction and to applicable forced-sale requirements if and when the restriction is exceeded. Client is also required to disclose any change in shareholding and to comply with relevant trading restrictions in accordance with Mainland laws and regulations. EBSI reserves the right to exercise a forced-sale on Client's SSE Securities or SZSE Securities to fulfill relevant Mainland requirements.

Client is solely responsible for compliance with all notifications, reports and relevant requirements in connection with its shareholding or relevant interests. For any alleged breach of SSE Rules/SZSE Rules, EBSI may be required to forward Client's identity and relevant materials to SEHK which may be passed onto SSE or SZSE, as the case may be, for lawful purposes including surveillance and investigation.

Client shall acknowledge that Hong Kong and overseas investors as beneficial owners of A-shares traded via Shanghai and Shenzhen Connect cannot currently appoint proxies to attend shareholders' meeting on their behalf. Client shall acknowledge that, where SSE Securities or SZSE Securities are held in nominee accounts under the relevant arrangements in ChinaClear, Client may not be able to exercise their full voting rights directly. Client's shareholding and interest in SSE Securities or SZSE Securities is subject to applicable Mainland laws and regulations and SSE Rules/SZSE Rules, which may be amended at any time without prior notice.

Client acknowledges that it is aware of, and accepts all the risks associated with Northbound trading, including but not limited to prohibition of day trading of SSE Securities/SZSE Securities, and the possibility of Client being liable or responsible for breaching the SSE Listing Rules/SZSE Listing Rules, SSE Rules/SZSE Rules and other applicable laws and regulations.

Client further acknowledges and accepts that it shall be liable for any breaches of SSE Listing Rules/SZSE Listing Rules, SSE Rules/SZSE Rules and other applicable laws and regulations, and any loss or damage in connection with its Northbound trading.

11. Rejection or Cancellation of Orders

EBSI has the right to cancel client's orders in case of contingency, including but not limited to the hoisting of Typhoon Signal No 8 in Hong Kong and/or Black Rainstorm Warning.

Where Client wishes to cancel an order, EBSI may not be able to send the order cancellation requests in case of contingency such as when SEHK loses all communication lines with SSE/SZSE, ChinaClear, etc. Client shall bear the settlement obligations if the said orders were matched and executed.

Client acknowledges that EBSI may, where required by SEHK upon SSE's/SZSE's request, reject or cancel an order from Client, without providing any reasons thereof.

12. Difference in Trading Day and Trading Hours

Client should note that, due to differences in public holidays between Hong Kong and the Mainland or other reasons such as bad weather conditions, there may be difference in trading days and trading hours in the Hong Kong and the Mainland markets. Shanghai and Shenzhen Connect will only operate on days when both markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland market but Hong Kong investors cannot carry out any A-Shares trading.

Client should always pay attention to information about trading days published by SEHK before it makes any decisions about Connect Securities. Client should take note of the days and the hours which Shanghai and Shenzhen Connect is open for business and decide according to its own schedule and risk tolerance capability whether or not to invest in any Connect Securities at that time, and take on the risk of price fluctuations in A-Shares during the time when Shanghai and Shenzhen Connect may not be in operation.

13. Warning may be issued to Client

Client acknowledges that SSE or SZSE has the right to request SEHK to require EBSI to issue warning statements (in verbal or in written form) to Client, and not to extend Northbound trading service to any of its clients. If any such warning and/or request for withdrawal of trading are required to be issued to Client, EBSI shall immediately act accordingly and shall not be bound to provide any reasons or prior notice thereof to Client.

14. Exclusion of Liability

Client acknowledges and agrees that HKEx, SEHK, SEHK Subsidiary, SSE, SSE Subsidiary, SZSE, SZSE Subsidiary and their respective directors, employees and agents have stated, by way of providing the Shanghai and Shenzhen Connect arrangements, that each of them would not be held liable for any loss or damage directly or indirectly suffered by EBSI, Client or any third parties arising from or in connection with any aspect of Northbound trading or the Shanghai and Shenzhen Connect arrangements.

Client acknowledges and agrees that it shall not bring any claim against EBSI in respect of any matters arising from the Shanghai and Shenzhen Connect arrangements which are within the scope of the above exclusion.

EBSI shall not be liable for any damage, loss, liability or third party claim or demand that may be suffered or incurred directly or indirectly as a result of any action or inaction by EBSI in connection with the Connect Securities trading services provided by EBSI including, but without limit to the materialization of any of the risks described in this this agreement unless such damage, loss or liability is

a direct result of EBSI's fraud, willful default or gross negligence.

15. Recalling of Eligible Stocks and Trading Restrictions

A stock may be recalled from the scope of eligible Connect Securities for trading via Shanghai and Shenzhen Connect for various reasons, and in such event the stock can only be sold but restricted from being bought. To the extent that this may affect the investment portfolio, interest or strategies of Client, Client acknowledges and agrees that it shall bear the risk associated with the recall, including but not limited to having to dispose of the stock, and shall not have any right to claim for any loss or damage. Client should therefore pay close attention to the list of eligible SSE Securities/SZSE Securities as provided and renewed from time to time by SSE or SZSE and SEHK. Under Shanghai and Shenzhen Connect, Client will only be allowed to sell the SSE Securities/SZSE Securities but restricted from further buying if: (i) the SSE Securities/SZSE Securities subsequently ceases to be a constituent stock of the relevant indices; (ii) the SSE Securities/SZSE Securities is subsequently under "risk alert"; and/or (iii) the corresponding H-Shares of the A- Shares (being the SSE Securities or SZSE Securities in question) subsequently ceases to be traded on SEHK.

Trading of SSE Securities/SZSE Securities may be subject to quotas imposed or revised by the relevant regulatory authorities from time to time. If the relevant quota is reached, Client may be prevented or restricted from trading of SSE Securities/SZSE Securities.

There is a daily quota that limits the maximum value of all Northbound buy trades in respect of each China Connect Market that can be executed by Exchange Participants on each Trading Day ("Daily Quota"). The Daily Quota may change from time to time without prior notice and investors are advised to refer to the HKEx website and other information published by the HKEx for up-to-date information.

The SEHK and the relevant China Connect Markets may also set pricing and other restrictions on buy orders in order to prevent the artificial use or filling of the Daily Quota.

If there is a restriction, rejection or suspension of Northbound buying (which would include any order that has been accepted but not yet executed) as a result of a breach of the Daily Quota or the relevant pricing and other restrictions, EBSI will be unable to carry out any buy orders and any instruction to buy submitted but not yet executed will be restricted or rejected.

Conversely, under the SEHK rules, investors may sell their China Connect Securities regardless of whether there is a breach of the Daily Quota.

16. Trading Costs

In addition to paying trading fees and stamp duties in connection with trading in SSE Securities or SZSE Securities, Client carrying out Northbound trading via Shanghai-Hong Kong Stock Connect should take note of any new portfolio fees, dividend tax, capital gains tax and other tax concerned with income arising from stock transfers which may be created and determined by the relevant authorities to be chargeable at any time.

17. Risk of HKSCC Default

Client acknowledges and agrees that any action or inaction of the HKSCC or a failure or delay by the HKSCC in the performance of its obligations may result in a failure of the settlement of SSE Securities or SZSE Securities and/or monies in connection with it, and Client may suffer losses as a result. EBSI assumes no responsibility or liability for any such losses.

18. No Protection under the Investor Compensation Fund

Client acknowledges and accepts that Northbound trading under Shanghai and Shenzhen Connect is not covered by the Investor Compensation Fund regime in Hong Kong.

Client further acknowledges and accepts that, as far as Hong Kong investors participating in Northbound trading are concerned, since they are carrying out Northbound trading through intermediaries in Hong Kong and these intermediaries are not Mainland brokers, Client would not be protected by the China Securities Investor Protection Fund.

19. Currency Risks

Clients who hold a local currency other than RMB will be exposed to currency risks if they invest in a RMB product due to the need for the conversion of the local currency into RMB. During the conversion, Clients will also incur currency conversion costs. Even if the price of the RMB asset remains the same at the time of purchase and redemption/sale, Client will still incur a loss when converting the redemption/sale proceeds into local currency if RMB has depreciated.

RMB is currently not freely convertible and conversion of RMB may be subject to certain policy, regulatory requirements and/or restrictions (which are subject to changes from time to time without notice). The actual conversion arrangement will depend on the policy, regulatory requirements and/or restrictions prevailing at the relevant time.

20. Retention of Records

Client acknowledges and accepts that EBSI will be subject to recordkeeping requirements under the China Connect Laws or China Connect Rules and may therefore retain records (including telephone and electronic communications and account information) in relation to your Northbound orders and trading for 20 years or as otherwise required under the China Connect Rules or the China Connect Laws.

Client further acknowledges and accepts that EBSI will be required under the China Connect Laws or China Connect Rules to keep records for a period of no less than 20 years of (a) all orders and trades executed on Clients behalf; (b) any instructions received from Client; (c) Client's account information in relation to Northbound trading; and (d) all relevant information concerning margin trading and stock borrowing and lending of any China Connect Shares (including, without limitation, in respect of any such margin trading, the relevant securities margin trading arrangement and the funds provided).

If Client instruct EBSI to effect a Northbound transaction in China Connect Securities on behalf of a client of Client (a "**Client Transaction**"), Client shall retain for a period of not less than 20 years (or such other period as EBSI may instruct Client in accordance with China Connect Laws or China Connect Rules) records of any client instructions and account information in relation to the Client Transaction (such records the "**Client Information**").

21. Compliance with Laws for Disclosure

Whilst Client expects EBSI to keep confidential all matters relating to Client's identity, personal data, trading activities and records, Client expressly agrees that EBSI may make such disclosure of all matters relating to the Client's identity, personal data, trading records and activities to the SEHK and/or the Securities and Futures Commission as may be required or requested pursuant to any applicable law, regulation, code, guideline, order, direction, enquiry of any relevant market, banking or governmental authority, whether or not EBSI is compelled to disclose, without further consent from or notification to Client.

22. ChinaClear Risk

As the national CCP of the Mainland's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. Nonetheless, the following arrangements have been considered for reason of prudence:

- (a) Northbound trades in Connect Securities – If ChinaClear defaults as the host CCP in the Mainland, HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels and through China Clear's liquidation process. HKSCC will in turn distribute the stocks or monies recovered to CPs on a pro-rata basis. Although ChinaClear default is considered to be remote, you should be aware of this arrangement and potential risk exposure before engaging in Northbound trading in Connect Securities.
- (b) Southbound trades – If ChinaClear fails to meet its settlement obligations in respect of Southbound trades, HKSCC will consider the circumstances and may declare ChinaClear as a defaulter if the situation warrants. HKSCC will then apply its standard default procedures and will execute closing-out of China Clear's unsettled positions in SEHK Securities through HKSCC's authorized brokers. Margin and all other collateral (including collateral securities) posted by ChinaClear with HKSCC will be used to cover any loss arising from the closing-out process. As ChinaClear does not contribute to the HKSCC Guarantee Fund, HKSCC will not use the HKSCC Guarantee Fund to cover any residual closing out loss with respect to China Clear's Southbound positions. If ChinaClear defaults as the host CCP in Northbound trades for either SSE Securities or SZSE Securities, it would trigger a concurrent default in the other market, as well as default in the relevant Southbound trades. After declaring ChinaClear as a defaulter, set-off will be applied to any obligations and liabilities between ChinaClear and HKSCC arising from Shanghai Connect and Shenzhen Connect for Northbound and Southbound Trades.

23. Indemnity

In addition and without prejudice to any of our rights under the applicable Client Agreement and Schedules of EBSI, Client will indemnify EBSI and any Related Persons (together, the "**Indemnified Parties**") on a full indemnity basis against any claims, demands, actions, proceedings, damages, costs, expenses, losses and all other liabilities whatsoever arising directly or indirectly from EBSI or any Related Persons providing any services to Client in respect of Client's trading or investment in China Connect Securities, including, without limitation, to (a) any Taxes resulting from any trading or holding of China Connect Securities in relation to China Connect, (b) the materialization of any risk referred to this Supplementary Client Agreement, (c) any legal costs which any of the Indemnified Parties may incur in connection with any instruction given by you, (d) any fees or expenses payable to any clearance systems arising from the holding of China Connect Securities or (e) any costs incurred in connection with any forced-sale or disgorgement of profit under or in connection with the China Connect Laws and China Connect Rules.

24. Other Terms and Conditions may apply

The above may not cover all the terms and conditions or risks related to Shanghai and Shenzhen Connect. EBSI does not warrant and represent that the information set out in this document is complete and up to date. Client should pay attention to any information and update regarding Shanghai and Shenzhen Connect which may be published by EBSI on its website or in other format from time to time. Client should also pay attention to information available on the HKEx website regarding Shanghai and Shenzhen Connect.

Client should consult Client's own independent legal and professional advisors about the applicable law, rules and regulations of Shanghai and Shenzhen Connect of the Mainland and Hong Kong prior to entering into any transaction. EBSI shall not accept any liability for any statement or information provided by it or its directors, officers, staff or agents, in connection thereto.

EBSI is entitled to impose further terms and conditions (including restrictions) on any trading service or margin facility granted to Client from time to time to ensure that EBSI complies with the legal and regulatory requirements in Hong Kong and the Mainland regarding Shanghai Connect and Shenzhen Connect, which may be announced from time to time. Client hereby agrees, authorizes and empowers EBSI to transfer all or any Connect Securities to a separate account or sub-account and/or to sign, execute, do or omit to do any other document, deed, act, thing or matter if EBSI considers in its sole and absolute discretion that it is necessary or expedient to do so in order to comply with any rules or regulations applicable to cash or margin trading of Connect Securities. Client agrees that EBSI may, from time to time, amend these terms and conditions or impose such further terms and conditions by letter, email or other electronic means, or by posting such further amendments or terms and conditions on the relevant website(s) of China Everbright Securities International Company Limited[^].

[^] The trading services are provided by Everbright Securities Investment Services (HK) Limited ("EBSISHK"), Everbright Securities Digital Finance (HK) Limited ("EBSDFHK") and China Everbright Securities (HK) Limited ("CESHK"). EBSISHK, EBSDFHK and CESHK are wholly-owned subsidiaries of China Everbright Securities International Company Limited ("CEBSI"). These companies are collectively referred to as "Everbright Securities International".

25. Risk Disclosure Statements relating to trading in Connect Securities

Mainland-related risks

The Mainland is an emerging market and investing in the Mainland involves special considerations and risks, including but without limitation, greater price volatility and relatively less developed regulatory and legal framework, etc..

Market risk

The market value of Connect Securities and the income from them may go down as well as up. There can be no assurance that the Clients will achieve profits or avoid losses from trading Connect Securities, significant or otherwise. The return that the Client receives from Connect Securities (if any) will fluctuate in response to changes in capital appreciation and/or income relating to such Connect Securities. Furthermore, Connect Securities may experience volatility and decline. Through trading Connect Securities, the Client is exposed to various forms of risk, including (for example) interest rate risks (such as risks of falling Connect Securities values in a rising interest rate market), income risks (such as risks of falling incomes from Connect Securities in a falling interest rate market) and credit risk (risk of a default by an issuer of Connect Securities).

Possible business failure risk

In the current economic environment, global markets are experiencing very high levels of volatility and an increased risk of corporate failures. The insolvency or other corporate failure of any issuer of Connect Securities may have an adverse effect on the Client's investment. Clients may lose money by investing in Connect Securities.

Equity risk

Investing in Connect Securities may offer a higher rate of return than other financial products or bank deposits. However, the risks associated with investments in Connect Securities may also be higher, because the investment performance of Connect Securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies.

Dividend risk

Whether an issuer of Connect Securities will pay dividends is subject to such issuer's dividend policy. Dividend payment rates in respect of Connect Securities may depend on factors including general economic conditions and the financial positions of the relevant issuers. There can be no assurance that any dividends or distributions in respect of Connect Securities will be declared or paid.

Liquidity risks

Although Connect Securities are listed for trading on SSE or SZSE and available for trading through SEHK by Shanghai and Shenzhen Connect, there can be no assurance that an active trading market for Connect Securities will develop or be maintained. If the Client needs to sell Connect Securities at a time when no active market for them exists, the price the Client receives for his or her Connect Securities — assuming he or she is able to sell them — is likely to be lower than the price received if an active market did exist.

General legal and regulatory risk

There are numerous legal and regulatory requirements in Hong Kong and in the Mainland regarding Connect Securities. Any change in any such legal and regulatory requirements may have an impact on the market sentiment or may affect the performance of Connect Securities. Such change may occur immediately, without prior notice. It is impossible to predict whether such an impact caused by any such change will be positive or negative for Connect Securities. In the worst case scenario, Clients may lose all of his investments in Connect Securities.

Currency risk

The value of RMB against HKD or other foreign currencies may be affected by a wide range of factors. There is no guarantee that RMB will not depreciate. A depreciation of RMB may result in a decrease in the market value of RMB securities and the realization price of RMB securities. Non-RMB based investors who are trading in RMB securities may also sustain loss in the event that they subsequently convert any RMB proceeds back to HKD or other base currencies. There are also significant restrictions on the remittance of RMB into and out of the Mainland. If the issuer of RMB securities is not able to remit RMB to Hong Kong or make distributions in RMB due to exchange controls or other restrictions, the issuer may make distributions (including dividends and other payments) in other currencies. Clients may therefore be exposed to additional foreign exchange risk and liquidity exposures. The liquidity and trading price of Connect Securities may be adversely affected by the limited availability of RMB outside the Mainland and restrictions on the conversion of RMB. These factors may affect the liquidity of RMB for investors and accordingly adversely affect the market demand for Connect Securities.

ChiNext risks

Listed companies on ChiNext are usually of emerging nature with smaller operating scale. Therefore, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board. Stocks listed on ChiNext may be overvalued and such

exceptionally high valuation may not be sustainable. Stock prices may be more susceptible to volatility or manipulation due to fewer circulating shares. The rules and regulations regarding companies listed on ChiNext are less stringent in terms of profitability and share capital than those in the main board and SME board of the SZSE. It may be more common and faster for companies listed on ChiNext to delist. This may have an adverse impact on the Client if the companies that he invests in are delisted. Investments in ChiNext shares may result in significant losses for Clients. For more details on the risk of trading listed companies on the ChiNext market, please see section 27 of this Supplementary Client Agreement.

26. Additional Important Information, Risk Disclosure Statements and Terms and Conditions Applicable to Margin Trading of Securities under Shanghai and Shenzhen Connect

Client's attention is drawn to the Rules of the Exchange governing the China Connect Service, "Shanghai Connect Shenzhen Connect Information Book for Investors" published from time to time on HKEx's website which will provide information on the rules and regulations in relation to Margin Trading for SSE Securities/SZSE Securities.

Currently, investors can only conduct margin trading in certain SSE Securities/SZSE Securities that the Relevant Mainland Stock Exchange has determined are eligible for margin trading. A List of Eligible SSE Securities for Margin Trading or a List of Eligible SZSE Securities for Margin Trading, the scope of which will be determined by the Relevant Mainland Stock Exchange from time to time, as the case may be, will be posted on the HKEx website for reference by the investing public. Only certain SSE Securities/SZSE Securities which are eligible for both buy orders and sell orders through the Relevant Stock Connect will be included in the relevant list ("Eligible Securities for Margin Trading"). EBSI shall determine the margin ratio of the Eligible Securities for Margin Trading from time to time and may change the margin ratio of these Eligible Securities for Margin Trading at EBSI's sole discretion. Any collateral value deriving from the holding of the Eligible Securities for Margin Trading shall only be used to facilitate the purchase Eligible Securities for Margin Trading as permitted via the Relevant Stock Connect.

According to the relevant rules of the Relevant Mainland Stock Exchange, Relevant Mainland Stock Exchange may suspend margin trading activities in specific SSE Securities/SZSE Securities when the volume of margin trading activities in such SSE Securities/SZSE Securities exceeds the threshold determined by the Relevant Mainland Stock Exchange and resume margin trading activities when the volume drops below a prescribed threshold. When SEHK is notified by the Relevant Mainland Stock Exchange that such suspension and resumption involves an SSE Security/SZSE Security on the List of Eligible SSE Securities for Margin Trading or List of Eligible SZSE Securities for Margin Trading, investors will be informed through the HKEx website. Margin trading in the relevant SSE Security/SZSE Security should be suspended or resumed in Hong Kong accordingly.

Based on current SSE/SZSE requirements on margin trading, the Relevant Mainland Stock Exchange will suspend further margin trading in a stock eligible for margin trading after the "margin trading indicator" for the stock (单只股票的融资监控指标) reaches 25%, or such other percentage as the Relevant Mainland Stock Exchange stipulates from time to time.

When the "margin trading indicator" drops below 20% (or such other percentage as the Relevant Mainland Stock Exchange stipulates from time to time), the Relevant Mainland Stock Exchange will allow margin trading to resume. For information, SSE and SZSE publish a list of Eligible Securities for Margin Trading which has reached the 25% margin trading indicator on their websites at <http://www.sse.com.cn> and <http://www.szse.cn> respectively.

The suspension and resumption of margin trading in Eligible Securities for Margin Trading through the Relevant Stock Connect will follow the suspension and resumption of margin trading activities in SSE or SZSE after SSE or SZSE has duly notified SEHK. Client must be aware of EBSI margin call policy and

ensure there are sufficient funds in the account.

Purchase of SSE Securities/SZSE Securities that are not eligible for margin trading: Clients wishing to purchase SSE Securities/SZSE Securities that are not eligible for margin trading may do so under a cash transaction and clients must settle the transaction within the same day as required under the Relevant Stock Connect. If clients do not settle their transactions as required, EBSI will apply other available collateral possessed by EBSI to settle the amount owed and/or to dispose of the securities at its sole and absolute discretion. In accordance with the relevant rules or regulations published by HKEx from time to time under the Relevant Stock Connect, EBSI will not provide any margin trading facility to purchase SSE Securities/SZSE Securities that are not eligible for margin trading.

Risk Disclosure Statement Relating to Margin Trading, etc.

Clients must be aware of the general restrictions applicable to the market operated by the Relevant Mainland Stock Exchange and under mainland laws, and the specific restrictions applicable to the trading of SSE Securities or SZSE Securities through the Relevant Stock Connect. Clients must consider and acknowledge that all risks relating to SSE Securities/SZSE Securities would be increased correspondingly with respect to the margin trading of SSE Securities/SZSE Securities due to, among others, the effect of leverage and the additional restrictions applicable to margin trading of SSE securities/SZSE Securities. You are reminded of the risk of margin trading, etc. listed in the Client Agreement.

An investor may be exposed to risks occasioned by suspension and resumption of margin trading (including but not limited to potential price volatility and inability to sell in a falling market).

Client is fully aware of and acknowledges and agrees that with the authorities or powers given by or referred to in the First Schedule of the Client Agreement and Schedules or Part E of the Client's Agreement, as the case may be, EBSI shall be at liberty to deal with the Client's SSE Securities/SZSE Securities and/or any other collateral (including but not limited to forced liquidation or sale thereof) in accordance with such authorities or powers, or in any manner permitted by any applicable law or rules.

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

The Facility provided by EBSI for the margin trading of SSE Securities/SZSE Securities is provided only for that purpose (unless EBSI agrees otherwise), and is subject to the terms and conditions stated in the Facility Letter.

Without prejudice to any other rights of EBSI, EBSI reserves the right to exercise margin call in respect of any SSE Securities/SZSE Securities involved in or otherwise affected by any suspension/resumption of margin trading at any time.

Mainland Stock Exchange may from time to time change its rules and regulations relating to Shanghai and Shenzhen Connect and Client undertakes to keep abreast of such changes.

Unless otherwise expressly agreed by EBSI, and subject to compliance with laws and regulations, the

Client shall not be allowed to withdraw RMB cash obtained or derived from margin trading in Connect Securities under any margin facility granted by EBSI.

Other than the first fixed charge and/or other security created in favor of EBSI under EBSI's Client Agreement and Schedules or Client's Agreement, as the case may be, Client is not permitted to pledge or create any encumbrance over any Connect Securities acquired via Shanghai Connect and Shenzhen Connect using any margin facility provided by EBSI.

27. Risks for SZSE ChiNext Market

Regulatory Risks

The rules and guidance on listing, trading, disclosure and other matters of SZSE ChiNext vary much from those of the SZSE main board and SME board. For example, on the listing requirements, a shorter track record period and lower net profit, revenue and operating cash flow requirements will apply for company seeking IPO and listing on the ChiNext market. ChiNext companies may also have a lower post-IPO total share capital than main board and SME board companies. For details of the listing requirements on the ChiNext market, the SZSE main board and SME board, please visit SZSE website.

Besides, ChiNext market adopts disclosure rules that substantially vary from those of the main board and SME board. For example, ad hoc reports of ChiNext companies are only required to be published on a CSRC designated website and on the issuers' websites. If investors continue to check information through the usual disclosure channels for main board and SME boards, they may miss out some important information disclosed by ChiNext companies. Therefore, investors are advised to closely monitor announcements and risk alerts of ChiNext companies, be aware of market risks, and comply with relevant rules and regulations while trading in the ChiNext market.

Delisting risks

The delisting standards of the ChiNext market are different from those of the SZSE main board and SME board. There are more situations that will lead to the delisting of ChiNext companies. ChiNext companies have greater exposure to the risk of being delisted, and such delisting process may be speeded up.

In addition, the shares of ChiNext companies may be delisted immediately after SZSE determines its delisting. Investors will not be able to trade in delisted shares, and may lose all the invested capital in this case.

Operating risks

ChiNext companies are generally in an early stage of development and have a shorter history. They are usually smaller in scale, have less stable operations, and are less resilient against market risks and industry risks. Although they may have higher growth potential and leverage more on technical innovations, their future performance particularly those without a profit track record is susceptible to great uncertainty.

High Share Price Volatility

The share prices of ChiNext companies may fluctuate largely and frequently due to changing market conditions, investor speculations, inconsistent financial results, etc. ChiNext companies with low public float may be vulnerable to manipulations by major shareholders. The unstable financial result also adds the difficulty to the company valuations.

Technical Risks

It is uncertain whether a ChiNext company is able to convert its technical innovations into physical products or services. When the industry is experiencing rapid technological development and replacement, its product may be obsolete and may not survive in the market.