



### **About the details, features, procedure and important notice of Good-Till-Date service**

1. The good-till-date order is not applicable for trading specified Singapore listed securities, odd lot stocks and monthly stocks savings plan for odd lot stocks.
2. When a good till date order has been placed and accepted successfully, our system will calculate the total estimated transaction amount or securities that are needed to be held up for that order until expiry after the good till date or cancelled by customers. Therefore, please ensure customers have maintained sufficient funds in the settlement account for the purchase transaction. Please note that the order will be cancelled if customers do not have sufficient funds in the securities settlement account during the good-till-date period.
3. It is not allowed to amend the date of the good-till-date order. In order to amend the date of the good-till-date order, customers should cancel the original order and input a new one.
4. The good-till-date order is valid for up to 5 trading days (included the order placement day), excludes public holidays. If typhoon signal no. 8 or above or the black rainstorm warning causes closure of market, the good till date order will not be carried forward to the next trading day and is being calculated. If the securities products have the last trading date (e.g. Rights Shares, CBBC, Warrants), the good till date cannot be a date after the last trading date of such products.
5. The good till date order will become invalid/ be cancelled under the following circumstances, including (but not limit to):
  - The order has been expired; or
  - If the order has been cancelled by customers, or the order has been fully executed or only partially executed within the good till date period, the order would become invalid and be cancelled after the market close that day; or
  - The trading of the securities has been suspended or being delisted by HKEx, (included mandatory call event for CBBC)
6. Only orders within 20 spreads of the current market bid/offer prices will be sent to Stock Exchange and queuing up. The Bank reserves the right to amend the operational arrangement without prior notice.
7. Order notification will only be received for orders with status "Fully Executed", "Partially Executed", "Client Cancelled" or "Expired & Cancelled". Customers are reminded to access the "Transaction Record" in our Internet Banking, Mobile Banking, Automated Stock Trading Hotline, Manned investment trading hotline or designated branches with securities trading services to check the order instruction and status.

## **Key risk disclosures**

The following risk disclosure statements cannot disclose all the risks involved. You should undertake your own research and study before you trade or invest. You should carefully consider whether trading or investment is suitable in light of your own financial position and investment objectives. You are advised to seek independent financial and professional advice before you trade or invest. You should seek independent professional advice if you are uncertain of or have not understood any aspect of the following risk disclosure statements or the nature and risks involved in trading or investment.

### **1. Risk Disclosure of Securities Trading**

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

### **2. Risk Disclosure of Securities 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 or interest payments. If the required margin 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.

### **3. Risk of trading A shares via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect**

#### **Not protected by Investor Compensation Fund**

Investors should note that any SH Northbound Trading or SZ Northbound Trading under Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. Also, China Securities Investor Protection Fund will not protect any SH Northbound Trading and SZ Northbound Trading as well.

#### **Quotas used up**

When the daily quota is used up, acceptance of the corresponding buy orders will also be immediately suspended and no further buy orders will be accepted for the remainder of the day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted.

#### **Trading day difference**

As mentioned above, Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock 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 China market but Hong Kong investors cannot carry out any A-share trading. Investors should take note of the days Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect is open for business and decide according to their own risk tolerance capability whether or not to take on the risk of price fluctuations in A-shares during the time when Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect is not trading.

#### **Restrictions on selling imposed by front-end monitoring**

For investors who usually keep their A-shares outside of their brokers, if they want to sell certain A-shares they hold, they must transfer those A-shares to the respective accounts of their brokers before the market opens on the day of selling (T day). If they fail to meet this deadline, they will not be able to sell those A-shares on T day.

#### **The recalling of eligible stocks**

When a stock is recalled from the scope of eligible stocks for trading via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect for above-mentioned reasons, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of investors. Investors should therefore pay close attention to the list of eligible stocks as provided and renewed from time to time by both Exchanges.

#### **Risks of client assets received or held outside Hong Kong**

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

#### **Restrictions on trading Shenzhen ChiNext shares (Only eligible for Shenzhen-Hong Kong Stock Connect)**

Trading Shenzhen ChiNext shares limited to institutional professional investors.

### **4. Risks of trading of listed RMB products**

#### **Investment / Market Risk**

Like any investments, RMB equity products are subject to investment risk. The price of the RMB equity products in the secondary market may move up or down. Losses may incur as a result of investing in the products even if the RMB appreciates against HKD or other currencies.

#### **Currency Risk**

If you are a non-Mainland investor who holds a local currency other than RMB, you will be

exposed to currency risk if you invest in RMB equity products. You will incur currency conversion costs, being the spread between buying and selling of RMB, at the time of conversion between your local currency and RMB for the purchase or sale of an RMB equity product. Even if the price of the RMB equity products you are holding remains unchanged, you may not receive the same amount of HKD when you sell the products due to the spread between buying and selling of RMB. RMB is a restricted currency and is subject to foreign exchange controls. Although the Chinese Central Government has relaxed the restrictions by allowing banks in Hong Kong to conduct RMB business in a specified scope, RMB is still not freely convertible in Hong Kong. You may not be able to convert RMB at your preferred time and/or in your preferred amount or conversion cannot be made, which may lead to investment losses. The policies of the Central Government of the PRC on foreign exchange control are subject to change, and your investment may be adversely affected.

### **Liquidity Risk**

RMB equity products are a new type of investment product in the Hong Kong market. Regular trading or an active secondary market of these products may not be available. Therefore, customer may not be able to sell his/her holdings of RMB equity products on a timely basis, or customer may have to offer them for sale at a deep discount to their value in order to find a buyer. If the Central Government of the People's Republic of China tightens foreign exchange controls, the liquidity of RMB funds and RMB equity products in Hong Kong

### **Exchange Rate Risk**

RMB equity products that are traded and settled in RMB are exposed to exchange rate risk. The fluctuation in the exchange rate of RMB may result in losses in the event that the customer converts RMB into HKD or other foreign currencies. Moreover there is no guarantee that RMB will not depreciate. Any devaluation of RMB could adversely affect the value of your investment in the RMB equity products. RMB equity products are not an investment instrument for speculating on RMB/HKD exchange rate movements.

### **Default Risk & Credit Risk**

In general, RMB equity products are exposed to the usual kind of default risks that might be associated with equity products denominated in other currencies. The performance of RMB equity products is affected by the underlying business performance and a variety of other factors in connection with the issuers, and is subject to the credit risks associated with the special profile or special business strategy that the issuers may have.

### **Emerging Market Risk**

RMB equity products associating with the market of the Mainland of China are particularly subject to risks that may arise from the relevant market/industry/sector and other factors such as change in government policies, taxation and political development in the Mainland.

**Conversion Limitation Risk of RMB (Only applicable to Individual Investors)**

RMB investments are subject to exchange rate fluctuations which may provide both opportunities and risks. The fluctuation in the exchange rate of RMB may result in losses in the event that the customer converts RMB into HKD or other foreign currencies. RMB is currently not fully freely convertible. Individual customers can be offered CNH rate to conduct conversion of RMB through bank accounts and may occasionally not be able to do so fully or immediately, for which it is subject to the RMB position of the banks and their commercial decisions at that moment. Customers should consider and understand the possible impact on their liquidity of RMB funds in advance.

**Conversion Limitation Risk of RMB (Only applicable to Corporate Customers)**

RMB investments are subject to exchange rate fluctuations which may provide both opportunities and risks. The fluctuation in the exchange rate of RMB may result in losses in the event that the customer converts RMB into HKD or other foreign currencies. RMB is currently not fully freely convertible. Corporate customers that intend to conduct conversion of RMB through banks may occasionally not be able to do so fully or immediately, for which it is subject to the RMB position of the banks and their commercial decisions at that moment. Customers should consider and understand the possible impact on their liquidity of RMB funds in advance.

Should there be any discrepancy between the English and Chinese versions of this document, the Chinese version shall prevail.