

## Risk Disclosure Statements for China Connect 中華通風險披露條文

The Risk Disclosure Statements for China Connect (“**Statement**”) applies to any activities in relation to Shanghai Connect and Shenzhen Connect Northbound trading (together “**China Connect Northbound Trading**”). It supplements and/or amends the Client’s Account Agreement (“**Client Agreement**”) entered into between the Client and Prudential Brokerage Limited (“**PBL**”). Terms defined in the Client Agreement have the same meanings in this Statement unless stated otherwise.

中華通風險披露條文（「**條文**」）適用於所有有關滬港通及深港通北向交易（合稱「**中華通北向交易**」）活動，亦補充及/或修改客戶與信誠證券有限公司（「**信誠證券**」）簽定之客戶帳戶協議（「**客戶協議**」）的內容。除非另有所指，否則本條文的詞彙定義跟客戶協議內的相同。

### 1. Third Parties’ Responsibilities and Reimbursements 第三者責任及賠償

Any Northbound or Southbound trading under China Connect will not be covered by Hong Kong’s Investor Compensation Fund. China Connect Northbound Trading is also not protected by China Securities Investor Protection Fund on the Mainland China;

香港的投資者賠償基金並不涵蓋中華通下的任何北向交易和南向交易。而中國內地投資者保護基金亦不涵蓋中華通北向交易；

Hong Kong Exchanges and Clearing Limited (“**HKEx**”), SEHK, SEHK Subsidiary, the Shanghai Stock Exchange (“**SSE**”), Shenzhen Stock Exchange (“**SZSE**”), SSE Subsidiary and SZSE Subsidiary and their respective directors, employees and agents shall not be responsible or held liable for any loss or damage directly or indirectly suffered by PBL, the Client or any third parties arising from or in connection with China Connect Northbound Trading or the China Stock Connect System;

信誠證券、客戶或任何第三方若因為中華通北向交易或中華證券通系統而直接或間接蒙受任何損失或損害，香港交易所、聯交所、聯交所子公司、上海證券交易所（「**上交所**」）、深圳證券交易所（「**深交所**」）、上交所子公司及深交所子公司以及其各自的董事、僱員及代理人概不負責；

### 2. Eligible Securities 合資格證券

The eligible securities for buy and sell under China Connect Northbound Trading (“**China Connect Securities**”) are prescribed by the applicable rules and regulations in relation to China Connect, and/or as stipulated by PBL in its sole discretion from time to time. Besides, apart from the China Connect Securities, the Client may not be able to trade other securities listed on SSE or SZSE, or subscribe for shares or other types of securities from initial public offerings on SSE or SZSE;

中華通北向交易的合資格證券（「**中華通證券**」）是由任何適用於中華通的規例訂明的及/或信誠證券不時全權酌情地規定的。此外，除了中華通證券以外，客戶可能不能交易在上交所或深交所上市的其他證券或認購在上交所或深交所首次公開發行的股份或其他類型的證券；

Non-eligible securities under China Connect Northbound Trading can only be sold;

中華通北向交易的非合資格證券只能被沽售；

### 3. Trading Limitations 交易限制

No day trading is allowed;

不容許回轉交易；

Pre-trade checking is in place so that the Client must have his/her shares transferred to PBL’s Central Clearing and Settlement System (“**CCASS**”) account before the commencement of trading on a trading day if the Client intends to sell the shares during a trading day;

設有交易前檢查：如客戶擬於個別交易日出售股份，須於該交易日開市前將股份轉移至信誠證券的相應中央結算及交收系統戶口；

All trading must be conducted on the relevant exchanges of China Connect, i.e. no over-the-counter (OTC) or manual trades are allowed;

所有交易必須透過中華通相關交易所進行，不設場外交易或非自動對盤交易；

Naked short selling is not allowed;

不得進行無備兌賣空活動；

Block trading is not allowed;

不容許大宗交易；

Securities may be recalled from the scope of China Connect Securities for various reasons, and in such event the securities can only be sold but restricted from being bought;

當一些原本為中華通證券由於各種原因被調出中華通北向交易範圍時，該證券只能被賣出而不能被買入；

Price fluctuation limit would be applicable to A-shares listed on SSE or SZSE (“**A-Shares**”). Buy and sell orders might be limited;

在上交所或深交所上市的A股（「**A股**」）交易有可能受漲跌停板幅度限制。買入及賣出股票均有機會受限制；

Once the daily quota is used up, acceptance of the corresponding buy orders will be immediately suspended and no further buy orders will be accepted for the remainder of the day;

每日額度用完時，會即時暫停相應買盤交易訂單，當日不會再次接受買盤訂單；

Due to differences in public holidays, trading hours and bad weather conditions between Hong Kong and Mainland China, it is possible that there are occasions when it is a normal trading day/hours for the Mainland market but Hong Kong investors cannot trade A-shares. The Client has to tolerate the price fluctuations in A-shares during the time when China Connect Northbound Trading is not trading;

由於香港和中國內地的公眾假期日子、交易時間及惡劣天氣情況有所不同，所以有可能出現內地市場為正常交易日、而香港投資者卻不能買賣A股的情況。客戶須承受在中華通北向交易不交易的期間A股價格波動的風險；

### 4. Settlement Cycle 交收週期

Stocks will be settled on T-day and money will be settled on T+1 day for trading under China Connect Northbound Trading;

在中華通北向交易下，股票交收於T日進行及款項交收於T+1日進行；

## 5. Compliances 法律合規

The Client should understand fully the rules and regulations in Mainland China in relation to short-swing profits, disclosure obligations and follow such rules and regulations accordingly;

客戶應完全了解並遵守中國內地有關短線交易利潤及披露責任的法規；

The Client must comply with SSE Rules and SZSE Rules and other applicable laws and regulations of Mainland China relating to China Connect Northbound Trading;

客戶須遵守上交所規則及深交所規則及中國內地有關中華通北向交易的適用法律及規例；

The Client needs to accept the risks concerned in China Connect Northbound Trading, including but not limited to prohibition of trading China Connect Securities, being liable or responsible for breaching the SSE Listing Rules, SZSE Listing Rules, SSE Rules, SZSE Rules and other applicable laws and regulations;

客戶須接納中華通所涉及的風險，包括但不限於買賣中華通證券的禁限、對違反上交所上市規則、深交所上市規則、上交所規則、深交所規則及其他適用法律及規例負責或承擔法律責任；

## 6. Fees and Taxes 稅費及交易相關費用

Under China Connect, the Client will be subject to the fees and levies imposed by the SSE, SZSE, China Securities Depository and Clearing Corporation Limited (“ChinaClear”), Hong Kong Securities Clearing Company Limited (“HKSCC”) or the relevant Mainland authority when the Client invests in Mainland shares. They include but not limited to Handling Fee, Securities Management Fee, Transfer Fee, Stamp Duty and tax on cash dividend/bonus shares etc.;

客戶透過中華通北向交易投資國內股票時將須繳納上交所、深交所、中國結算、香港結算或內地有關當局稅費，包括但不限於經手費、證管費、過戶費/登記過戶費、交易印花稅及現金股息/紅利所得稅等；

## 7. Disclosure of the Client’s Information 披露客戶資料

PBL may forward the Client’s identity to SEHK which may on-forward to SSE or SZSE for surveillance and investigation purposes;

信誠證券將向聯交所轉發客戶身份資料，聯交所可能繼而轉發予上交所或深交所以作監察及調查之用；

If the SSE Rules or SZSE Rules are breached, or the disclosure and other obligations referred to in the SSE Listing Rules, SZSE Listing Rules, SSE Rules or SZSE Rules are breached, SSE or SZSE has the power to carry out an investigation, and may, through SEHK, require PBL to provide relevant information and materials and to assist in its investigation;

倘有違反上交所規則、深交所規則、上交所上市規則、深交所上市規則、上交所規則或深交所規則所述的披露及其他責任的情況，上交所或深交所所有權進行調查，並可能透過聯交所要求信誠證券提供相關資料及材料協助調查；

## 8. Forced Actions by the Authorities Concerned 有關當局的強制行動

Foreign shareholding restriction (including the forced-sale arrangement) is in place and PBL should have the right to “force-sell” the Client’s shares upon receiving the forced-sale notification from SEHK;

實施境外持股量限制（包括強制出售安排）：信誠證券有權於接獲聯交所的強制出售通知時「強制出售」客戶股份；

SEHK may upon request of SSE or SZSE, require PBL to reject orders from the Client;

聯交所或會應上交所或深交所要求，要求信誠證券拒絕處理客戶訂單；

SSE or SZSE may request SEHK to require PBL to issue warning statements (verbally or in writing) to the Client, and not to extend China Connect Northbound Trading service to the Client;

上交所或深交所或會要求聯交所要求信誠證券向客戶發出口頭或書面警告，以及不向客戶提供中華通北向交易服務；

## 9. Currency risks 貨幣風險

Investments in China Connect Northbound Trading will be traded and settled in Renminbi. During the conversion, the Client will incur currency conversion costs. He/She also has to tolerate the fluctuations in exchange rate of RMB;

中華通北向交易投資以人民幣進行交易和交收。在匯兌過程中，將會牽涉轉換貨幣的成本。客戶亦須承受人民幣匯率波動的風險；

## 10. Arrangements in Contingency Cases 緊急情況下的安排

PBL may have the right to cancel the Client’s orders in case of contingency such as hoisting of Typhoon Signal No. 8 in Hong Kong;

信誠證券有權於緊急情況（如香港懸掛八號颱風訊號）下取消客戶的訂單；

PBL may not be able to send in the Client’s order cancellation requests in case of contingency such as when SEHK loses all its communication lines with SSE or SZSE, etc and the Client should still bear the settlement obligations if the orders are matched and executed;

在緊急情況（例如聯交所失去與上交所或深交所的所有聯絡渠道等）下，信誠證券或未能發出客戶的取消買賣盤指令；在該等情況下，如訂單經已配對及執行，客戶須承擔交收責任。

The above summary only covers part of the risks in relation to China Connect Northbound Trading and any above mentioned laws, rules and regulations are subject to change from time to time. The Client should visit the website of HKEx for updates and details for China Connect Northbound Trading.

以上概述只涵蓋中華通北向交易涉及的部分風險，相關法律、規則及規例有可能會不時更改。有關中華通北向交易的最新資訊及詳情，客戶應自行瀏覽港交所之網站。

If the aforesaid provisions are inconsistent with the rules and regulations of HKEx, SSE and SZSE, the rules and regulation of HKEx, SSE and SZSE shall prevail

上述條款如與港交所、上交所及深交所的規則及規例有抵觸，一切以港交所、上交所及深交所的規則及規例為準。

In case of discrepancies between the English and Chinese versions of this Statement, the English version shall prevail.

倘本條文的中英文版本出現任何分歧，則概以英文版為準。