



## Vantage Capital Markets HK Limited Terms of Business

This terms and conditions of business document together with its appendices and schedules as amended or supplemented from time to time (the “**Terms**”) set out the basis upon which Vantage Capital Markets HK Limited (“**Vantage**”, “**we**” or “**us**”) will provide services to you or on which business will be transacted with or for you.

These Terms incorporate our Conflicts of Interest Policy (“**Conflicts Policy**”) and Order Execution Policy (“**Execution Policy**”), as each is amended from time to time. The current versions of our Conflicts Policy and Execution Policy are available on our website at: [www.vcm.hk](http://www.vcm.hk).

These Terms constitute a legally binding contract. These Terms will take effect when you first undertake business with Vantage after having been successfully on-boarded by us and you will be deemed to have accepted these Terms and consent to our Execution Policy, and any amendments to our Terms and Execution Policy from time to time, every time you enter into a transaction with us. These Terms will apply to all broking and connected business we carry on with or for you.

Reference in any documentation between you and us to an earlier version of these Terms shall, from the date these Terms take effect, be read as a reference to these Terms or to the relevant or corresponding part thereof.

The Terms shall apply to you regardless of your jurisdiction to the extent that they are not incompatible with your local legal and regulatory requirements.

Where you use electronic trading services provided by us, you will accept as valid any electronic contract purported to be made when using the system.

### 1. SERVICES

- 1.1. We may provide you with dealing services, on a name passing basis (i.e. as an introducing broker) and/or on a matched principal basis in respect of any of the products listed in Appendix 1. This agreement applies to all methods or mechanisms used to provide our dealing services to you, including, where applicable, electronic mechanisms and systems. When providing dealing services (except where we are acting only as an introducing broker or otherwise only arranging a transaction) the provisions in Schedule 1 shall apply.
- 1.2. We may also provide desk notes and incidental advice in relation to any of the products listed in Appendix 1 which are wholly incidental to your dealing relationship with us. Schedule 2 applies to any desk notes we provide to you. Schedule 3 applies to any incidental advice we provide to you. If you do not wish to receive any of the foregoing, please notify us in writing.

- 1.3. We will not provide you with specific advice or personal recommendations. Consequently, trade ideas, notes, market information or other communications and statements that you may receive from us from time to time have not, unless it is clearly stated to the contrary, been formulated following consideration of your particular circumstances and do not constitute advice or a recommendation that an investment, product, transaction or course of action is suitable for you. You therefore acknowledge that you enter into any transaction solely on the basis of your own judgment and have not relied on any such trade ideas, notes, market information or other communications and statements provided by us.

## 2. OUR CAPACITY

Vantage is a limited liability company incorporated in Hong Kong. The Company is licensed by the Securities and Futures Commission (the “SFC”) for Type 1 and Type 2 regulated activities under the Securities and Futures Ordinance (the “SFO”).

## 3. YOUR CAPACITY

- 3.1. For the purpose of the SFO and the Professional Investor Rules, we will treat you as a “**Professional Investor**” as the term is defined therein. You should notify us immediately in writing if you cease to fall within that classification. Where you so notify us, or where we identify that you are no longer a Professional Investor, we will cease our business relationship with you.
- 3.2. The SFC Code of Conduct allows you to withdraw from being classified as a Professional Investor. However, upon your withdrawal from this classification, we would be unable to continue providing services to you as we are only permitted to undertake regulated business with Professional Investors.
- 3.3. You understand that as a Professional Investor you will receive a lesser degree of protection under the SFO and the Professional Investor Rules. For information regarding the main differences in the protection afforded to different classification under SFO, please see Appendix 2.
- 3.4. Unless we notify you otherwise in writing, we shall treat you alone as our client for the purposes of the SFO and any of its subsidiary legislation and you will be liable as such. Subject to such notification to the contrary, you agree that no other person (whether disclosed to us or not) shall be our client nor have any rights hereunder, unless we expressly agree.
- 3.5. Unless otherwise indicated in writing by you, we shall assume that there are no restrictions to the type of transactions we may enter into with you or the markets on which transactions may be executed.
- 3.6. You represent, warrant and undertake to us that, on the date these Terms take effect and at the time of any transaction we may enter into with or for you:

- a. you have full power and authority, as well as all necessary licences, authorisations, consents and approvals to enter into these Terms and to instruct us to execute or arrange any transaction in the products specified in Appendix 1 and to perform all your obligations hereunder;
  - b. you have adequate resources to enter into and perform any such transaction which you decide to undertake;
  - c. these Terms and any transactions entered into hereunder are your valid and binding obligations enforceable against you in accordance with these Terms;
  - d. by entering into these Terms and any transactions hereunder, you will not violate any applicable law or regulation or any rule of any governmental or regulatory organisation;
  - e. all information you have given to us is true and complete and any changes to the information given to us will be promptly notified to us; and
  - f. unless otherwise agreed in writing, you will always contract as principal only and no person other than yourself has or will have any interest in any transaction or in any account that we hold on your behalf.
- 3.7. You shall provide us with such information as we require in relation to these Terms, including all information required to comply with any relevant rule and regulation and all applicable anti-money laundering rules and regulations. You warrant that any information provided to us by you is complete, accurate and not misleading in any material respect and you agree to notify us should such information change in any material respect.
- 3.8. For the avoidance of doubt, Vantage is not required to assess the suitability of any investment or services provided or offered to you under these Terms.
- 3.9. As a Professional Investor you are deemed to have the necessary knowledge and experience to understand the risks involved in any product or service provided or offered to you under these Terms. Unless you advise us that you do not have the necessary knowledge and experience prior to the provision by us of such service, we are entitled to assume that the products or services that we provide to you under these Terms will be appropriate for you for the purposes of the SFO and any of its subsidiary legislations.

- 3.10. When making a decision to deal in financial products, you should consider the risk inherent in those products, and in any services and strategies related to them. As you have been classified as a Professional Investor as the term is defined in the SFO, we are not required to provide the information with respect to the nature and associated risks of the products for which we provide services under these Terms to you. You should seek independent advice and perform your own assessment to include a consideration of a variety of potential risks including but not limited to those relating to credit, the market, liquidity, interest rate, insolvency, foreign exchange, contingent liabilities, execution venue, legal and tax issues.

#### **4. INSTRUCTIONS**

- 4.1. You may communicate your dealing instructions to us in writing (such as by letter, fax or electronically) or verbally through a recorded medium. If you give us instructions in writing, such instructions must be received by us during normal business hours to allow sufficient time for us to act upon them. If they are not received within that time, they will not be acted upon before normal business hours resume. Any instruction is transmitted at your own risk. We shall not be liable for any loss suffered on account of any instruction not having been received or having been received by us in incomplete or corrupted form.
- 4.2. You agree that we may, in our absolute discretion, refuse to accept an order or any other instruction for your account and need not give any reason for declining to do so.
- 4.3. You agree that acceptance of an instruction to withdraw or amend an existing instruction is always subject to our receiving the instruction in time for the appropriate action to be taken.
- 4.4. We shall be entitled to rely on and treat as binding upon you any instructions which we believe to be from you or your agent(s) (whether received by telephone, telex or facsimile, electronically or otherwise in writing) which we have accepted in good faith. No liability shall attach to us if an instruction which we have accepted and acted upon bona fide is subsequently discovered to have been forged, falsified or amended without your authority.
- 4.5. Where these Terms are addressed to more than one person, any instruction, notice, demand, acknowledgement or request to be given by or to you under these Terms may be given by or to any one of you. We need not enquire as to the authority of that person.
- 4.6. You agree that all communication which we may have with you (or any third party) may be recorded and such recordings may be used as evidence in the event of a dispute. Such recordings will be accepted by you as conclusive evidence of instructions received from you.
- 4.7. Any information (whether oral or written) given by us, or any director, member, employee or agent of ours to you shall be given in good faith. Where information prepared by our staff is provided to you, such as sales notes and/or desk analysis reports, it does not necessarily reflect

our “house view” and its accuracy is not guaranteed. For the avoidance of doubt, Vantage does not produce nor is it authorised to issue investment research reports to our clients.

- 4.8. You authorize us to execute block trades on Hong Kong exchanges on your behalf. In executing block trades, you are deemed to have authorized us, when needed, to aggregate or combine separate orders from you or from other clients to generate a spread or strategy combination block trade unless you notify us in writing.
- 4.9. You authorize us, from time to time and for the sole purpose of executing your order, to take the opposite position to your order in relation to any exchange traded futures and options contracts, whether on our own account or our other clients, provided that the trade is executed competitively on or through the facilities of the Hong Kong Futures Exchange in accordance with its rules or the facilities of any other exchange in accordance with the rules of such other exchange.

## **5. OUR CHARGES OR COMMISSION**

- 5.1. Unless otherwise agreed and where we are not acting as principal, you will be responsible for our charges, which will be levied in accordance with our rates in effect at the time the charges are incurred as notified to you in advance from time to time, verbally or in writing.
- 5.2. Where we pay or accept any fee or commission, or provide or receive any non-monetary benefit, other than to or from you or someone acting on your behalf or those which amount to proper fees which enable or are necessary for the provision of the services we provide to you with and which do not by their nature conflict with our duty to act in your best interests, we may disclose details of that fee, commission or non-monetary benefit to you. For example, we may share our charges or commission with, or receive remuneration from, intermediaries introducing business to us or other third parties. Typically such arrangements are calculated on the basis of a percentage of the value of the business introduced.
- 5.3. Unless otherwise agreed in writing, you will be responsible for the payment of any brokerage fees, transfer fees, registration fees, stamp duty and any other applicable taxes, and all other liabilities, charges, costs and expenses payable in connection with transactions effected or services provided by us on your behalf (other than the general overheads associated with the operation of our business which are not related specifically to the services we provide to you).
- 5.4. All amounts (including without limitation all fees and charges) payable by you shall be due and payable within 30 days of receipt of the invoice date without set off, counterclaim or deduction.
- 5.5. All fees, charges and other payments due to us pursuant to these Terms are exclusive of any applicable value added tax (if any), which shall be payable in addition.

## **6. REPORTING TO YOU**

- 6.1. in the case of a verbal notification or confirmation, you are deemed to have received a trade confirmation or other notification from us at the time of the verbal communication; in the case of a notification or communication by facsimile or other electronic means, on the same day; in any other case, not more than three (or in the case of overseas clients, seven) business days from the date of issuance.
- 6.2. You will notify us immediately upon receipt if you are not in agreement with any trade confirmation or other notification from us. In the absence of such immediate notification by you, the trade confirmation or notification will (in the absence of manifest error) be binding on you.

## **7. TIME OF THE ESSENCE**

Time shall be of the essence with respect to any payment, delivery or other obligation you may have to us under these Terms.

## **8. CONFLICTS OF INTEREST**

- 8.1. In accordance with the SFO, its subsidiary legislation and our Conflicts Policy, we have in place arrangements to manage conflicts of interest that arise between ourselves and our clients, and between our different clients.
- 8.2. Where we do not consider that the arrangements under our Conflicts Policy are sufficient to manage a particular conflict, we will inform you of the nature of the conflict so that you can decide how to proceed.

## **9. DEFAULT REMEDIES**

- 9.1. If any of the following happens:
  - a) you fail to make any payment due to us or to deliver any securities due to us (or to our agents);
  - b) you fail to perform any other obligations owed to us under these Terms;
  - c) any representation or warranty you make to us proves false or misleading;
  - d) you become unable to pay your debts as they fall due or become insolvent or bankrupt or become the subject of any insolvency, bankruptcy, administration or similar proceedings;
  - e) a winding-up resolution is passed or a winding-up or administration order is made in respect of you or a receiver, liquidator, administrator or similar official is appointed in respect of you or any of your property;
  - f) we shall be entitled, without prior notice to you, to take any or all of the following actions (and in all cases you will immediately indemnify us in accordance with clause 10.5 on demand for any losses, costs or expenses which we suffer or incur as a result):
    - i) to treat any or all outstanding transactions between you and us as having been cancelled or terminated;

- ii) to sell any or all of the investments or other property which we and/or other third parties are holding, have control over or are entitled to receive on your behalf and to apply the proceeds in or towards the satisfaction of any obligation or liability you may have to us and/or other third parties (including any contingent or prospective liability);
- iii) to set off (as described in Clause 9.2) any obligation we owe to you, and/or to apply any cash we hold for your account, against any obligation or liability you may have to us (including any contingent or prospective liability)
- iv) to close out, replace or reverse any transaction, enter into any other transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at our sole discretion, we consider necessary or appropriate to cover, reduce or eliminate our loss or liability under or in respect of any contracts, positions or commitments; or
- v) to terminate this Agreement.

9.2. Until you have paid or discharged in full all monies and liabilities owed to us, any monies from time to time outstanding to the credit of any of your accounts with us shall not be due and payable although we may in our absolute discretion make payments to you from such accounts, or otherwise exercise our rights of set off and/or combination and/or consolidation.

## **10. LIABILITY**

10.1. We shall not be liable for any loss of opportunity as a result of market movements. We shall not be liable for the taxation consequences of any transaction nor shall we be liable for taxation charges arising for any reason.

10.2. Neither we nor our directors, members, employees or agents shall be under any liability whatsoever for any loss or damage sustained by you as a result of or in connection with the services to which these Terms apply and the provisions contained in these Terms except insofar as, and then only to the extent that, such loss or damage is caused by negligence or wilful default, or fraud, or any wilful contravention of the regulatory requirements.

10.3. Neither we nor our directors, members, employees or agents shall be liable for any loss arising from any act or omission of any agent or third party who performs services pursuant to these Terms except to the extent that such loss is caused by willful default, fraud, gross negligence or any willful contravention of the regulatory requirements in the selection of such agents or third parties on the part of us or our directors, members, employees or agents.

10.4. Nothing in these Terms will:

- (a) exclude or restrict any obligation we may have to you nor any liability we may incur to you in respect of any failure on our part or the part of our directors, members, employees and agents to comply with the regulatory system; or
- (b) otherwise exclude or restrict to an extent prohibited by law any duty or liability we may have to you.

- 10.5. You irrevocably and unconditionally agree to indemnify us, our directors, members, employees and agents on demand and keep us fully and effectively indemnified (whether before or after termination of these Terms) against any claims, liabilities or expenses of any kind which may be incurred by us as a direct or indirect result of our provision of services to you. However, this indemnity shall not apply to any loss or liability to the extent it arises or results from our negligence or willful default, fraud or any failure on our part or the part of our directors, members, employees and agents to comply with the regulatory requirements.

## **11. FORCE MAJEURE**

We shall not be in breach of our obligations under these Terms if there is any failure of performance of our duties and obligations occasioned by any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, inability to communicate with market makers for whatever reason, failure of any computer dealing or settlement system, prevention from or hindrance in obtaining any energy or other supplies, labour disputes of whatever nature or late or mistaken delivery or payment by any bank or counterparty or any other reason (whether or not similar in kind to any of the above) beyond our reasonable control.

## **12. COMPLAINTS AND COMPENSATION**

- 12.1. If you have a complaint about us you should raise it in the first instance with our employee acting for you. We will endeavour to resolve it as soon as practicable. If however you are not satisfied with the response (or if you prefer not to raise the matter with our employee), you may raise the matter with our Head of Compliance.
- 12.2. If you wish to make a formal complaint, this should be made in writing and addressed to our Head of Compliance. Your formal complaint will then be investigated internally by employees who were not involved with the subject matter of your complaint. As a Professional Investor of a body corporate, you are not an eligible claimant at the Financial Dispute Resolution Centre in Hong Kong.

## **13. VARIATION**

- 13.1. We may, from time to time, without notice to you, make such modifications, amendments and additions to these Terms as we consider necessary or desirable, including those required in order to comply with any applicable law or the requirements of any governmental or other regulatory body or to comply with the rules of an exchange or clearing house.
- 13.2. All such modifications, amendments or additions shall have effect from the date they are posted on our website, and you are deemed to have received notification of them in accordance with these Terms, unless you notify us in writing of your objection.



## **14. TERMINATION**

- 14.1. You may terminate these Terms at any time by written notice to us subject to you having no outstanding obligation to us. We may terminate these Terms at any time by written notice to you.
- 14.2. On termination, we shall close-out all transactions commenced prior to termination and termination shall not affect your obligation to settle transactions commenced prior to the date of termination and shall not prejudice any right or obligation that may already have arisen. We shall also continue to have the right to disclose information, where required, to the relevant Hong Kong or overseas regulator(s) upon request.

## **15. ASSIGNMENT**

You may not assign any of your rights or obligations under these Terms to any other person without our prior written agreement. We may assign our rights or obligations to any third person or entity, provided we notify you of the identity of such person or entity in advance.

## **16. DATA PROTECTION**

- 16.1. You acknowledge that we may obtain information including personal data and sensitive personal data, each as defined in the Personal Data (Privacy) Ordinance, about you. We and you will each treat as confidential (both during and after the termination of the relationship between you and us) any information learned about the other, its investment strategy, holdings, products or services in the course of the relationship pursuant to these Terms and, except as otherwise agreed, shall not disclose the same to any third party without the other's consent.
- 16.2. You agree that we may disclose to the SFC, any exchange, and any other regulatory body or authority in Hong Kong or elsewhere or any other person to whom we may be required by applicable law or regulation to disclose such information (including, without limitation, information relating to your transactions and accounts) relating to services provided to you as may be requested by them or that we may otherwise be required to disclose.
- 16.3. Notwithstanding anything to the contrary, you specifically authorise that we may use, store or otherwise process any such information (whether provided electronically or otherwise) to administer these Terms and to provide services to you, including without limitation, monitoring and analysing the conduct of your account, assessing any credit limit or other credit decision (as well as the fees and other charges to be applied to your account) and carrying out statistical and other analysis, and otherwise to market services and products to you.
- 16.4. You acknowledge and agree that in providing the services under these Terms, we may transfer or disclose such information to any third party wherever located in the world to the extent necessary to fulfill our regulatory obligations and/or to complete our services to you. Such parties may

include those who provide services to us or act as our agents, those to whom we transfer or propose to transfer any of our rights or duties under these Terms and those licensed credit reference agencies or other organisations that help us and others make credit decisions and reduce the incidence of fraud or in the course of carrying out identity fraud prevention or credit control checks.

- 16.5. You agree that we may transfer information we hold about you to any country outside of Hong Kong which may not have data protection laws, for any of the purposes described in this Clause 16.
- 16.6. If any personal data or sensitive personal data belonging to any of your directors, employees, officers, agents or clients is provided to us, you represent to us that each such person is aware of and consents to the use of such data as set out in this Clause 16 and you agree to indemnify us against any loss, costs or expenses arising out of any breach of this representation.
- 16.7. All communication between you and us which is recorded by us may, to the fullest extent permitted by law, be used as evidence.

## **17. NOTICES**

- 17.1. All notices between us shall be in writing and may be served personally, or by facsimile, or by other electronic means or by first class post to us at the address we may provide in writing from time to time.
- 17.2. With the exception of dealing instructions to us (which must be communicated in accordance with clause 4) notices shall be deemed to have been served three (or, in the case of overseas clients, seven) business days after having been posted, or if sent by facsimile or other electronic means, one business day after transmission. A business day is any day when investment business is generally conducted in Hong Kong or such other financial centre as is notified to us by you prior to the relevant transaction.

## **18. RIGHTS AND REMEDIES**

The rights and remedies provided under these Terms shall be cumulative and not exclusive of those provided by law. We shall be under no obligation to exercise any right or remedy either at all or in a manner or at a time beneficial to you. We may waive any right, power or privilege under these Terms only by (and to the extent of) an express statement in writing. No failure by us to exercise, nor any delay by us in exercising, any of our rights under these Terms or otherwise shall operate as a waiver of those or any other rights or remedies. No single or partial exercise of a right or remedy shall prevent further exercise of that right or remedy or the exercise of another right or remedy.

## **19. ILLEGALITY**

If any provision or term of these Terms or any part thereof shall become or be declared illegal, invalid or unenforceable for any reason whatsoever, such term or provision shall be divisible from these Terms and shall be deemed to be deleted from these Terms provided always that, if any such deletion substantially affects or alters the commercial basis of these Terms, we reserve the right to amend and modify these Terms in such fashion as may be necessary or desirable in the circumstances.

## **20. RIGHTS OF THIRD PARTY**

No person who is not a party to these Terms may enforce any of these Terms or rely on any exclusion of limitation contained in these Terms whether under the Contracts (Rights of Third Parties) Ordinance or otherwise.

## **21. EXCLUSIVE JURISDICTION**

You agree that the courts of Hong Kong are to have exclusive jurisdiction to settle any disputes, which may arise out of or in connection with these Terms. Nothing contained in this clause shall limit our right to take proceedings against you in any other court of competent jurisdiction.

## **22. GOVERNING LAW**

The provisions of these Terms shall be governed by the laws of the Hong Kong SAR.

**SCHEDULE 1**  
**Terms applicable to dealing services**  
**(Other than where Vantage only arranges the transaction)**

**1. Dealing**

- 1.1. As provided in clause 4 of the Terms, we shall not be under any obligation to accept a dealing instruction from you. We will make all reasonable efforts to notify you promptly of such refusal, but shall not be responsible for any losses, costs, damages or expenses incurred by you as a result of our refusal to effect a transaction.
- 1.2. When we accept a dealing instruction from you we will seek to act on it as soon as reasonably practicable in the circumstances. We shall not be responsible for any losses, costs, damages or expenses incurred by you as a result of any delay or any change in market conditions before the transaction is effected.
- 1.3. All transactions are subject to all applicable laws, rules, regulations howsoever applying and, where relevant, the market practice and rules of any exchange, market, trading venue and/or any clearing house (together, the “**Applicable Rules**”). In the event of any conflict between these Terms and the Applicable Rules, the Applicable Rules shall prevail save that nothing in this clause shall affect our rights under Clause 9.2 of this Agreement (Rights of set-off and retention of your funds).
- 1.4. We may take or omit to take any action we think appropriate to ensure compliance with the Applicable Rules and we shall not be required to do anything which would in our opinion infringe any Applicable Rule. We are not required to give prior notice to you of any such action or inaction, and each such action or inaction will be binding upon you.
- 1.5. Unless we are unable to classify you as a Professional Investor as defined by the SFO, your orders will be executed in accordance with our Execution Policy (as amended from time to time). You consent to us executing your orders on and or outside regulated markets and multi-lateral trading facilities. Subject to our complying with our Execution Policy, you agree that whenever you place an order with us, we shall be entitled at our absolute discretion and without reference to you, to select the medium and venue for executing your order and any related transactions we enter into as a result of your order, which may include but not limited to multi-lateral trading facilities.
- 1.6. Subject to Applicable Rules and in accordance with our Execution Policy, we may combine your order with orders of our other clients. Such aggregation may on some occasions operate to your advantage and on other occasions to your disadvantage.
- 1.7. You agree that whenever you place instruction with us to purchase, during the period between execution of the order and settlement, you shall be solely responsible for instructing us to take up any rights, exercise any conversion or subscription rights, deal with take-over or other offers or capital re-organisations or exercise any voting rights or effect any other corporate actions with respect to such

securities and that we shall have no obligation to notify you of any such rights nor shall we be obliged to take any action in respect of such rights unless and until we receive timely instructions from you.

- 1.8. Where we are dealing on the basis of a "Request for Quote" our Execution Policy will not apply. In such instances, it is your responsibility to compare the terms offered by other persons in the market with those offered by us and to determine whether or not the terms upon which we offer to deal meet your requirements. We will not be responsible for seeking out the terms which best suit your objectives.
- 1.9. In executing block trades, you are deemed to have authorized us, when needed, to aggregate or combine separate orders from you or from other clients to generate a spread or strategy combination block trade unless you notify us in writing.

## **2. Power to sell, buy-in or close out**

- 2.1. If, at any time, we have any reason to believe that you may be unable or unwilling to meet any liabilities which you have incurred and owed to us or which we may have incurred on your behalf or to comply with any other obligations under these Terms then, in addition to our rights under clause 9, we shall be entitled (and are irrevocably authorised by you) to take all or any of the following actions without prior notice to you:
  - I. sell any products bought on your behalf but which you have not paid for on or before the relevant settlement day;
  - II. close or rescind open positions on your account (which we may do, for example, if any cash or investments have not been delivered by you on or before the relevant settlement day); and
  - III. take any other steps (whether or not similar to the above) we may consider to be necessary to meet any obligations which you have to comply with under these Terms or otherwise to protect our position.
  - IV. Any costs or losses incurred by us in effecting any or all of paragraphs 2.1(i), (ii) or (iii) will be paid by you to us
- 2.2. Any restrictions on our power to sell or otherwise deal with assets of yours charged to us or held by us, contained in any applicable law are, to the extent permitted by law, excluded.

## **3. Settlement**

- 3.1. You will ensure that all relevant products or any documents of title and/or transfer forms and/or any relevant payments are delivered, paid or transferred to us or to whomever we may direct in sufficient time on or before the contractual settlement date to enable us to settle the transaction in accordance with the usual terms for settlement of the appropriate exchange, market or clearing house where applicable and/or market convention.
- 3.2. You warrant to us that, unless otherwise agreed with you in writing, all cash, securities or other assets transferred to us pursuant to these Terms are your sole and beneficial property and will be

transferred to or held by us free and clear of any lien, charge or other encumbrance and you will not charge, assign or otherwise dispose of or create any interest therein.

- 3.3. Unless we expressly agree to the contrary, all amounts of every kind which are payable by you to us and vice versa in relation to the settlement of trades will be payable on a delivery-against-payment basis.
- 3.4. We are not obliged to settle any transactions whether we are acting as principal or as agent or account to you unless and until we (or our settlement agents) have received all necessary documents (including, for the avoidance of doubt, settlement instructions) or cleared funds. Our obligations to deliver securities to you or to your account or to account to you for the proceeds of the disposal of products are conditional on prior receipt by us of appropriate documents (including, for the avoidance of doubt, settlement instructions) or cleared funds from you.
- 3.5. In the case of securities which have already been committed to a take-over offer, settlement may be delayed if the transaction can only be completed with securities issued by the offeror.
- 3.6. If, in any transaction, we deliver securities or pay money to you or to your order when you are obliged to pay money or deliver securities to us or to our order at that time or subsequently and, for whatever reason, your obligations are not performed simultaneously with or prior to our obligations, you shall hold on trust for us any such securities or money received from us until your own obligations to us are fully performed.
- 3.7. If you have not delivered the appropriate funds or securities to us on the due date for settlement, we reserve the right, as appropriate, to exercise a sell-out or buy-in of the relevant securities (as described in paragraph 2 of this Schedule 1) or acquire alternative securities by whatever means we determine in our absolute discretion. Where we do so, our obligation to deliver the securities to you, accept the securities from you or receive/pay the consideration will cease. You shall be responsible for any costs, loss, liability, penalty or expense we incur arising out of your non-performance or any actions we take as a result thereof.
- 3.8. You will indemnify us and our members, employees and agents against any cost, loss, liability, penalty or expense arising from your failure to deliver securities or funds to us when they are due.
- 3.9. We shall be entitled, without prior notice to you, to make the currency conversions necessary or desirable for the purposes of fulfilling your trading obligations. Any such conversion shall normally be made by us, as principal, at a rate which reflects the size, liquidity and timing of the transaction. We shall disclose to you the relevant rate on the contract note or confirmation but will be entitled to retain any profit we or any associate may derive from the transaction. Any foreign exchange risk arising from any contract, our compliance with our obligations or any exercise of our rights under these Terms shall be borne by you.

3.10. In order to effect transactions for you, you confirm that we may (subject to an obligation to account to you for property of the same nature and description but not necessarily identical to the property originally delivered to us and subject to our other rights under these Terms) without prior notice to you deposit, charge or pledge any collateral you may deliver to us to any exchange, clearing house, broker or other third party on terms that such third party may enforce such deposit, charge or pledge in satisfaction of any obligations that we may incur to such third party or of any such obligations incurred by you or by any other client.

#### **4. Client Assets**

In the normal course of business we will not hold assets belonging to you and we do not provide safe custody service as we are, as part of our licensing conditions, not permitted to hold client money and/or assets. However, if such a situation does occur we will treat any such assets in accordance with the applicable rules and regulations.

## **SCHEDULE 2**

### **Desk Analysis Reports, Sales Notes and Incidental Advice**

1. Your attention is drawn to the provisions of clause 1.3 of the Terms. Any desk analysis reports, sales notes, incidental advice or information (collectively called "Information" herein) we give you is provided solely for information purposes and to enable you to make your own investment decisions and is not otherwise to be relied upon by you.
2. The Information should not be construed as a solicitation or an offer to buy or sell any financial instruments in any jurisdiction and they do not amount to advice or personal recommendations.
3. Whilst we will have taken reasonable care in the preparation of the Information, we give no representation, warranty or guarantee, express or implied, as to the accuracy, completeness or reliability of such information or as to the legal, regulatory or tax consequences of any transaction effected on the basis of the Information. We are under no obligation to update or keep current the Information.
4. Any opinion expressed in the Information provided to you is subject to change without notice and may differ from or be contrary to opinions expressed by other business areas of Vantage.
5. The analysis contained in the Information is based on numerous assumptions and different assumptions can result in materially different results.
6. We shall not be obliged to ensure that any Information we provide to you, or any information on which it is based, will be given to you before or at the same time as such is made available to any other person, including other clients.
7. You should read and consider carefully any disclosures and disclaimers made in the Information. We shall not be under any obligation when we deal in products for or with you to take account of any such Information.
8. The Information may appear in one or more screen information services.
9. No Information may be reproduced by you for any purpose except with our prior written permission.
10. If the Information contains a restriction on the person or category of persons for whom that document is intended or to whom it may be distributed, you agree that you will not pass it on to any person or category of persons to whom it may be distributed.



**Schedule 3**  
**Incidental Advisory Services**

**1. Services**

- 1.1 We may provide you with limited advice from time to time which is incidental to our dealing operations. We will not provide any personal recommendation or advice on investments/products based on consideration of your particular circumstances.
- 1.2 We will not be obliged to give you on-going advice or to review your investment at regular intervals or otherwise. We do not provide investment management services and will not act for you on a discretionary basis. It is your responsibility to monitor your investments and whether they continue to meet your objectives and remain suitable for you.
- 1.3 We will not provide or be responsible for the provision of any tax or legal advice in respect of your investment.

**2 Suitability**

We have classified you as a Professional Investor as the term is defined in the SFO. We are entitled to assume that you have the requisite knowledge and experience in the relevant investment field. Where we give any incidental general advice to you during the course of us providing dealing services to you, we are not obliged to assess whether such advice is suitable for you based on the information provided by you regarding your knowledge and experience in the relevant investment field, your financial situation and your investment objectives.

**3 Limitation of Liability**

- 3.1 Whilst we will have taken reasonable care in the preparation of the Information we provide to you, we give no representation, warranty or guarantee as to the accuracy or completeness thereof or as to any tax or other consequences. Further, you acknowledge that such Information provided to other clients may be different to the information provided to you and that such Information may be inconsistent with and/or contrary to any proprietary investments of our directors, members, employees or agents.
- 3.2 We shall not be liable for any costs, claims, liabilities, expenses or losses which you may suffer as a result of relying on any Information provided to you unless we have been negligent or acted in bad faith or to the extent that we have breached any regulatory requirement.

**4 Risk Warning**

Any investment involves a degree of risk and some investments are more risky than others. Prices can fall as well as rise and there is a risk that you may lose some or all of the money that you have invested by following such Information that we provide to you. Past performance is no indicator of future performance. Income can fluctuate and is not guaranteed. Movement of exchange rates may be favourable or unfavourable on the gain or loss otherwise accruing to the value of an asset.

## APPENDIX 1

Financial products in respect of which we provide our services (as amended from time to time)

1. Transferable Securities.
2. Money Market Instruments.
3. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates and yields or other derivative instruments, financial indices or financial measures which may be settled physically or in cash.
4. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to commodities that may be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of default or other terminal event).
5. Options, futures, swaps and any other derivative contract relating to commodities that can be physically settled provided they are traded on a regulated market and/or an MTF.
6. Options, futures, swaps, forwards and any other derivative contract relating to commodities that can be physically settled not otherwise mentioned in 5 and not being for commercial purposes, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are cleared and settled through recognised clearing houses or are subject to margin calls.
7. Derivative instruments for the transfer of credit risk.
8. Financial contracts for differences.
9. Options, futures, swaps, forward rate agreements and other derivative contracts relating to climatic variables, emission allowances or inflation rates or other economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties (otherwise than by reason of default or other terminal event), as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Appendix 1, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market or an MTF, are cleared and settled through recognised clearing houses or are subject to regular margin calls.
10. Any other services as agreed between us from time to time.

## **APPENDIX 2**

### **Client classification**

#### **Professional Investor**

Where we treat you as a Professional Investor as the term is defined in the Securities and Futures Ordinance (“SFO”) and any subsidiary legislation issued by the SFC, you are deemed to be possessed with sufficient knowledge and expertise in the relevant products and markets in which we provide our dealing services to you. As a Professional Investor, a lesser degree of regulatory protections will be afforded to you under the SFO and SFC Rules than you would be entitled to as a Retail Client. Furthermore, we, as a Licensed Corporation by the SFC, are not obliged to assess the following if you have been classified as an Institutional Professional Investor as stipulated in 15.2 and 15.3 of the SFC Code of Conduct.

- a) the type of products in which the person has traded;
- b) the frequency and size of trades (a Professional Investor would be expected to have traded not less than 40 transactions per annum);
- c) the person’s dealing experience (a Professional Investor would be expected to have been active in the relevant market for at least 2 years);
- d) the person’s knowledge and expertise in the relevant products; and
- e) his awareness of the risks involved in trading in the relevant products and/or markets.

We will however have to consider the above in our client onboarding assessment should we decide to classify you as a Corporate Professional Investor.

For both Institutional and Corporate Professional Investor, the following provisions will be waived on us as stipulated in 15.4 and 15.5 of the SFC Code of Conduct:-

- a) Information about clients
  - (i) the need to establish a client’s financial situation, investment experience and investment objectives (paragraph 5.1 and paragraphs 2(d) and 2(e) of Schedule 6 to the Code), except where the licensed or registered person is providing advice on corporate finance work; and
  - (ii) the need to ensure the suitability of a recommendation or solicitation (paragraph 5.2 and paragraph 49 of Schedule 6 to the Code);
- b) Client agreement
  - (i) The need to enter into a written agreement and the provision of relevant risk disclosure statements (paragraph 6.1, paragraph 2 of Schedule 3, paragraph 2 of Schedule 4 and paragraph 1 of Schedule 6 to the Code);
- c) Discretionary accounts
  - (i) the need for a licensed or registered person to obtain from the client an authority in a written form prior to effecting transactions for the client without his specific authority (paragraph 7.1(a)(ii) of the Code); and

- (ii) the need to explain the authority described under paragraph 7.1(a)(ii) of the Code and the need to confirm it on an annual basis (paragraph 7.1(b) of the Code);
- d) Information for clients
  - (i) the need to inform the client about the licensed or registered person and the identity and status of its employees and others acting on its behalf (paragraph 8.1 of the Code);
  - (ii) the need to confirm promptly with the client the essential features of a transaction after effecting a transaction for a client (paragraph 8.2, paragraph 4 of Schedule 3 and paragraph 18 of Schedule 6 to the Code); and
  - (iii) the need to provide the client with documentation on the Nasdaq-Amex Pilot Program (paragraph 1 of Schedule 3 to the Code).