

Notice of Amendment to OCBC Wing Hang Bank Limited Terms and Conditions of Investment Account

Dear Customer,

To provide better banking service, OCBC Wing Hang Bank Limited (the "**Bank**") has been keeping our services under regular review, and necessary amendments will be made to the terms and conditions.

The Bank hereby gives you notice that the Terms and Conditions of Investment Account ("**Terms & Conditions**") will be amended with effect from (and including) **31 December 2020** ("**Effective Day**")

This Notice sets out the major additions and changes made in the Terms & Conditions (but please note this Notice does **not** list out all changes). A full set of such revised terms can be obtained from the branches of the Bank or can be downloaded from the website of the Bank at <http://www.ocbcwhhk.com>. Please read the information below as well as the full set of the revised terms carefully so you understand the changes made and how they may affect you.

1. The original Clause 3.1 is replaced by the following:

A statement of account will be sent or made available to the Customer every month or at regular intervals as determined by the Bank from time to time. No statement will, however, be sent or made available to the Customer for any of the Accounts where during the relevant period, there is no trading activity and the Account balance is zero. The Bank has the sole and absolute discretion to provide or make available to the Customer the statement in whatever form and by whatever means.

The Customer is required in respect of the Account to verify the correctness of all Transaction details contained in each statement of account received from the Bank and within 90 days after the time when they should have been received to notify the Bank in writing of any alleged omissions from or debits wrongly made to or inaccurate entries in the Account as so stated. At the end of the said 90 days, the statement of account shall be conclusive and binding upon the Customer, save and except in situations where the Customer can prove the statement of account contains (a) unauthorized transactions arising from forgery or fraud and in relation to which the Bank has failed to exercise reasonable care and skill and (b) unauthorized transactions arising from forgery or fraud or negligence of the Bank, the Bank's agents, officers or employees; however, subject always to the Bank's right to correct any errors contained therein at any time notwithstanding the aforesaid, and the Bank shall be free from all claims in respect of the Account.

2. The original Clause 3.3 is replaced by the following:

Unless due to the negligence or wilful default of the Bank or its Personnel and only to the extent of direct and reasonably foreseeable loss and damage (if any) arising directly and solely therefrom, to the maximum extent permitted by applicable law and not inconsistent with the applicable obligations of the Bank under the Code in respect of the Services provided under these Terms and Conditions, and subject to Clause 2.8 (if applicable), the Bank (i) does not assume any liability or responsibility to the Customer or any third party, (ii) shall not be liable for taking or omitting to take any action and (iii) shall not be responsible for any direct or indirect losses, damages, costs and expenses suffered by the Customer or any third party arising out of or in connection with:-

- (a) access to the Services by the Customer or any other person whether or not authorized;*
- (b) the operation of the Account and the Bank's provision of dealing, safekeeping and other Services pursuant to the provisions of these Terms and Conditions;*

- (c) any circumstances or situations restricting or affecting the Bank's ability to account for or carry out any Transaction or provide any Services, including government restriction, imposition or change of any applicable laws or regulations, Exchange or market rulings, market disruption or fluctuation, restriction or suspension of trading, failure of electronic or mechanical equipment or communication lines, telephone or other interconnect problems, unauthorized access, theft, war (whether declared or not), severe weather, earthquakes, strikes, and insolvency or liquidation or bankruptcy of any relevant financial institution, broker, Exchange, clearing house or government;
- (d) actions or omissions (including any negligence or default) of any Agents, custodian or counterparty involved in any Transactions;
- (e) any interruption, suspension, delay, loss, damage, mutilation or other failure or inaccuracy in transmission of Instructions or other information howsoever caused;
- (f) disclosure or leakage of Instruction or information relating to the Customer by any telecommunication company, equipment, device or intermediary through which the Instruction or information is communicated to or from the Bank or the Bank's Agents or any other third party;
- (g) the Bank's inability to execute any Instruction due to prevailing market conditions and the manner and timing of execution of an Instruction;
- (h) the Bank's not providing or delay in providing any of the Services, or delay in making any payment in relation to the Services;
- (i) any damage to any terminal or related facilities used by the Customer or any loss or corruption of any data in connection with the operation of eTrading Services; and/or
- (j) mechanical failure, power failure, malfunction, breakdown, interruption or inadequacy of equipment or installation in connection with the eTrading Services, Acts of God, government act, flood, fire, civil commotion, public demonstration, strike, war, terrorist activity of any kind or any other causes beyond the reasonable control of the Bank.

Where statements, Advices, advices, contract notes or other documents are made available to the Customer in electronic form, the Customer acknowledges and agrees that the Bank does not warrant the timeliness, security, secrecy or confidentiality of the same electronically transmitted through any applicable internet service provider, network system or other equivalent system in any jurisdiction.

3. The original Clause 3.4(a) is replaced by the following:

In addition and without prejudice to any other security or any general lien, right of set-off or similar right to which the Bank may be entitled at law, in equity, under these Terms and Conditions or any other agreement between the Customer and the Bank, the Bank shall have a lien on all the Customer's property (including the Securities) which may now or hereafter be in the Bank's possession whether for safekeeping or otherwise, and the Bank shall also have the right and is hereby authorized (but not obliged), to the fullest extent permitted by law and without notice to the Customer or to any other person, to retain, set-off, appropriate and apply in such manner and order and in respect of such of the Customer's obligations and liabilities to the Bank as the Bank at its absolute discretion decides:

- (i) *any credit balance on any account (whether subject to notice or not and whether matured or not and in whatever currency(ies)) of the Customer or of any other person with the Bank or any other company related to or associated with the Bank to which the Customer may be beneficially entitled, and*
- (ii) *any other sum due or owing by the Bank to the Customer in whatever currency(ies), and*
- (iii) *any credit balance on any account opened by the Bank in its name on the Customer's behalf with any other financial institutions in Hong Kong Special Administrative Region or elsewhere,*

against or on account of the Customer's obligations and liabilities to the Bank whether actual, future or contingent. For the purposes of this Clause 3.4, an account shall be deemed to have a credit balance if under and pursuant to an overdraft facility funds may be drawn out of that account (even though the account may already be overdrawn but the amount overdrawn is still less than the maximum amount available under the overdraft facility), and the amount of such credit balance shall be equal to the amount which under the overdraft facility is still available. Further, in so far as any of the Customer's liabilities are contingent or future, the Bank's liability to make payment of any sum or sums standing to the credit of any of the Customer's accounts to the Customer shall, to the extent necessary to cover such liabilities, be suspended

until the happening of the contingency or future event. This Clause 3.4 shall apply notwithstanding that any credit balance in question may have been deposited for a fixed period or may be subject to a period of notice and the fixed period or period of notice may not have expired or notice may not have been given.

4. The original Clause 16A is replaced by new Clause 3.9A as follows:

Currency Conversion

If any proceeds or amount of money from time to time received by the Bank is denominated in a currency other than the currency of any amount payable by the Customer, or if conversion of one currency into another currency is required or appropriate under these Terms and Conditions, the Bank shall be entitled (but not obliged) to convert the first mentioned currency into the appropriate currency at the prevailing rate of exchange in accordance with the Bank's usual practices without further reference to the Customer. The Customer shall be responsible for any loss arising from fluctuations in the rate of exchange between the two currencies and all costs of exchange and any other related costs, and the Bank is authorized to deduct all such loss or costs from the proceeds or amount of money received by the Bank or from the Customer's Account.

5. Clause 3.14 (a) now reads as follows:

In the event of the death or mental incapacity of the Customer, the Bank shall be entitled to refuse any withdrawal of the credit balance or Securities, if any, from the Account, regardless of whether such Account is held jointly or singly or on trust, until the Bank is satisfied in its sole discretion that (i) there are no outstanding liabilities or indebtedness owed by the Customer to the Bank and the Bank Group Company; (ii) the proper disposition of the Customer's interest in the Account has been finally and validly determined and (iii) procedures or steps reflecting good practices generally applicable to the circumstances or specifically required by the Bank (including the opening of a new account in a representative capacity or a committee account, and the giving of an indemnity to the Bank) shall have been performed or taken. The Bank shall be entitled to deduct from any account (including the Account) of the Customer all costs and expenses (including legal fees) paid or incurred by the Bank with respect to or relating to any Account or its termination, or the transfer of the credit balance or Securities thereof to any person legally entitled to such balance.

6. The following new clauses are added:

3.17.10 The Account shall, in addition to these Terms and Conditions, be governed by the Terms and Conditions for all Accounts and Related Services of the Bank (including their amendments, revisions, supplements, addenda and replacements from time to time), and in case of inconsistency between the former and the latter, the latter shall prevail.

3.17.11 The books and records of the Bank shall be final and conclusive evidence concerning the amount due from the Customer to the Bank under these Terms and Conditions at any time, save for manifest error.

7. Clause 3.19.3 now reads as follows:

Neither the Bank nor Nominees nor their respective Personnel shall, in the absence of negligence or wilful breach of duty and to the maximum extent permitted by applicable law and not inconsistent with the applicable obligations of the Bank under the Code in respect of the Services provided under these Terms and Conditions, and subject to Clause 2.8 (if applicable), be liable to the Customer for any action or omission or delay to take any action in the course of or in connection with the Services rendered by them under these Terms and Conditions and/or for any losses or damages which the Customer may suffer or sustain as a result or in the course of discharging by the Bank and/or Nominees and/or their respective Personnel of their duties under or pursuant to these Terms and Conditions or exercising any rights or enforcing any powers of the Bank and/or Nominees and/or their respective Personnel under or pursuant to these Terms and Conditions or otherwise.

8. The original Clause 3.22.3 is replaced by the following:

The Bank may take and instruct any delegate to take any action which it in its sole discretion considers appropriate so as to comply with any applicable law, regulation, request of a public or regulatory authority or any policy of the Bank which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of fund paid into or out of accounts. In certain circumstances, such action may delay or prevent the processing of Instructions, the settlement of Transactions over the Accounts or the Bank's performance of its obligations under these Terms and Conditions. The Bank needs not notify the Customer until a reasonable time after it is permitted to do so under such law, regulation or policy of the Bank, or by such public or regulatory authority. Neither the Bank nor any Agent of the Bank will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by the Bank or any delegate of the Bank pursuant to this Clause 3.22.

9. The original Clause 6.2 (g)(i) and 6.2 (g)(ii) now read as follows:

(i) in case of Instruction given in lieu of the receipt by the Bank of original signed documents, an advice ("Advice") in writing will be sent or made available by the Bank to the Customer and if such advice shall not be received by the Customer or shall not be available to the Customer within two business days after the date of the instruction relating to the transaction concerned, the Customer shall give to the Bank a notice ("Notice of Non-receipt") in writing thereof immediately, duly signed, for the same to be actually received by the Bank within seven business days after the date of the Customer's instruction.

(ii) if an Advice is received by or available to the Customer as provided in Clause (g) (i) above, the Customer shall have a duty to examine and verify the correctness of all entries on the Advice and notify the Bank immediately in writing if any entry is wrongful, irregular and/or unauthorized ("Notice of Irregularity") duly signed, for the same to be actually received by the Bank within ninety days of the date of the Advice.

10. The original Clause 15 is replaced by the following:

Pooling

The Bank shall be entitled to treat the Securities as fungible and to pool the Securities with such other securities held by the Bank for other customers, and any allocation by the Bank of specific securities of the same class or type as the Securities into the Account shall be binding on the Customer. The Bank shall not be liable to return to the Customer such of the Securities bearing serial and/or scrip numbers identical to those of the Securities originally deposited. If for any reason all or part of the Securities of a particular class, company or denomination deposited by the Customer with the Bank and pooled by the Bank together with other Securities of other customers of the Banks are lost or become unavailable for deliver for any other reason, the reduction in the quantity or amount of such Securities will be shared on a pro-rata basis by the Customer and all of the Bank's other relevant customers.

11. The following new Section III is added after the existing Section II in Part B: Specific Terms & Conditions:

Section III: Unit Trust Express Switching

This Section III contains some specific terms and conditions governing Transactions of Unit Trust Express Switching ("T&C-UTES"). Without prejudice to Clause 2.8 (if applicable) and Clause 3.17.6, in case of conflict between this T&C-UTES and General Terms and Conditions of Part A and other provisions in Specific Terms and Conditions of Part B, this T&C-UTES shall prevail.

24A. Unit Trust Express Switching service

The Unit Trust Express Switching service is provided by the Bank. Customers applying for the Unit Trust Express Switching and submitting an Order pursuant thereto are in effect instructing the Bank to apply for fund redemption and subscription (with an Advance provided by the Bank) simultaneously.

24B. **Definitions and Interpretation**

Unless the context otherwise requires, all capitalized terms herein shall have the meanings specified in these Terms and Conditions. In addition, the terms and expressions used in this T&C-UTES shall bear the following meanings:

“Advance” means an advance made by the Bank to the Customer under Unit Trust Express Switching subject to this T&C-UTES.

“Applicable Exchange Rate” means the exchange rate offered by the Bank and accepted by the Customer to convert one currency into another currency on the date of the Order.

“Application” means the application of the Customer to the Bank for Unit Trust Express Switching to be provided by the Bank pursuant to the application form as prescribed by the Bank and subject to this T&C-UTES, and the term **“Application Form”** shall be construed accordingly.

“Discount Ratio” means a discount rate as designated by the Bank from time to time to be applied for the calculation of Maximum Subscription Amount, which varies with different funds and is subject to be changed by the Bank at its sole and absolute discretion.

“Maximum Subscription Amount” means an amount equal to the maximum amount of the Advance the Bank may, at its absolute discretion and subject to this T&C-UTES, grant to the Customer to subscribe the Switch-in Fund, or such other amount as the Bank may at its absolute discretion consider appropriate. Without prejudice to the Bank’s right to exercise its absolute discretion, it is estimated based on the latest available unit price, on the date of the Order, of the Switch-out Fund, times the number of Units to be redeemed, and calculated at a Discount Ratio; and if the Switch-in Fund and the Switch-out Fund are denominated in different currencies, the Applicable Exchange Rate will be applied for conversion.

“Order” means the Customer’s instruction to the Bank to place a redemption order for the Switch-out Fund and a subscription order for the Switch-in Fund simultaneously and the Customer’s application for the Advance by using the service of Unit Trust Express Switching, either in the form prescribed by the Bank or by phone order, and the term **“Order Form”** shall be construed accordingly.

“Outstanding Indebtedness” means all amounts in any currency owing by the Customer to the Bank at any time and from time to time, actually or contingently, including but not limited to the Advance and all other outstanding indebtedness, interests, default interests, overdraft interests (whether on authorized or unauthorized overdraft), fees, charges, commissions, costs, expenses (including any recovery costs, enforcement costs and legal costs and expenses reasonably incurred by the Bank), all applicable exchange control premiums, penalties or expenditure, and all other amounts payable by the Customer in connection with the Advance and/or this T&C-UTES in any capacity, alone or jointly with any other person, incurred or to be incurred by the Bank directly or indirectly, on a full indemnity basis.

“Overdraft Interest Rate” means the overdraft interest (which, for the avoidance of doubt, excludes the handling charge) applicable to the unauthorized overdraft of the Service Charge Booklet of the Bank in force from time to time (including its amendments, revisions, supplements, addenda and replacements from time to time issued) or otherwise determined by the Bank from time to time at its absolute discretion.

“Secured Assets” means any and all moneys, assets, Securities and other properties of the Customer from time to time standing to the credit of, or deposited with or come into the Bank’s possession or control in the Investment Account and the Settlement Account of the Customer and other bank accounts maintained by the Customer with the Bank, together with all rights and benefits attached or accruing thereto and the proceeds thereof (and, in the case of Securities, means any Securities at any time and from time to time and for any reason held by, deposited with, received by, transferred to or registered in the name of the Bank, the Nominees, any nominee or agent of the Bank for or on account of the Investment Account, together with all dividends, interests, distributions, allotments, rights and benefits accruing thereto), including but not limited to (i) the redemption proceeds of the Switch-out Fund and the Switch-in Fund, (ii) all rights, titles, interests and benefits in the Units of the Switch-in Fund and the Units of the Switch-out Fund, together with all dividends, interests, distributions and other moneys derived therefrom and accruing or arising in respect thereof.

“Secured Moneys” means all monies, obligations and liabilities now or at any time hereafter due, owing or incurred to the Bank by the Customer, whether on any banking or other account or otherwise in whatever manner and whether actual or contingent and in whatever currency and whether solely or jointly in whatever name, style or form and whether as principal debtor or surety, and whether principal, interests,

charges, fees, costs, expenses, commissions, all other moneys or otherwise, including but not limited to the Outstanding Indebtedness, or other debts incurred to any other person the benefit of which is subsequently assigned or otherwise transferred to the Bank, and all interests, charges, commissions, costs, expenses, legal costs and other fees, on a full indemnity basis.

“Settlement Date” means (i) the date when the redemption proceeds of the Switch-out Fund are made available from the Fund Manager to the Bank and are readily available to the Bank; (ii) the date when the Bank is notified of the failure to redeem the Switch-out Fund by the Fund Manager; or (iii) such other date as the Bank may determine at its sole and absolute discretion.

“Switch-in Fund” means the fund which the Customer irrevocably authorizes and instructs the Bank to apply on his behalf to subscribe through Unit Trust Express Switching pursuant to Clause 24C.2 below.

“Switch-out Fund” means the fund which the Customer irrevocably authorizes and instructs the Bank to apply on his behalf to redeem through Unit Trust Express Switching pursuant to Clause 24C.2 below.

“Unit” shall have the meaning specified in these Terms and Conditions. Without prejudice to the foregoing and for the avoidance of doubt, “Unit” includes unit in the Switch-in Fund and unit in the Switch-out Fund.

24C. Unit Trust Express Switching Instructions

24C.1 Unit Trust Express Switching is a Unit Trust switching service provided by the Bank to Customers to switch Units between Investment Schemes offered by different Fund Managers with the provision of the Advance by the Bank. To apply for the service of Unit Trust Express Switching, a Customer shall first submit an Application to the Bank. An Order may only be accepted by the Bank after the Bank has accepted the Application. Notwithstanding the above, whether or not the Bank accepts the Application or the Order is entirely at the Bank’s sole and absolute discretion without giving any notice or reasons.

24C.2 By submitting the Order, the Customer hereby irrevocably instructs and authorizes the Bank, as agent for and on behalf of the Customer, to place a redemption order for the Switch-out Fund and a subscription order for the Switch-in Fund (with the Advance provided by the Bank) simultaneously in accordance with the Order. The Customer shall ratify and accept all actions taken by the Bank and indemnify the Bank against any loss and damage the Bank may suffer or incur arising from or in connection with the Application, the Order and the provision of the Advance.

24C.3 The Bank is only responsible for applying on the Customer’s behalf to redeem the Switch-out Fund and subscribe for the Switch-in Fund. The Customer acknowledges and agrees that such redemption order and subscription order are subject to the final acceptance of the respective Fund Managers. The Bank disclaims any obligations and liabilities relating to the duration required in completing the redemption of the Switch-out Fund and the subscription of the Switch-in Fund. Further, the Bank makes no warranty, representation or undertaking that both the redemption and subscription orders of the Order can be executed successfully. If only one order is executed (i.e. either the redemption or the subscription order), the order which has been executed is still a valid transaction and is irrevocable.

24C.4 The Bank shall not be liable to the Customer for any loss which the Customer may incur as a result of the Bank’s failure to send or deliver the instructions unless such failure results directly from the negligence or wilful default of the Bank, its employees or agents.

24D. The Advance

24D.1 The Advance is an advance granted by the Bank to the Customer for the sole purpose of paying the subscription amount and fees for the subscription of the Switch-in Fund and is denominated in the currency of the Switch-out Fund. Whether or not the Bank decides to make the Advance is at its sole and absolute discretion.

24D.2 The amount of the Advance is capped at the amount of the Maximum Subscription Amount.

24D.3 If the Switch-in Fund and Switch-out Fund are denominated in different currencies, the Bank will convert the amount of the Advance to the currency of the Switch-in Fund at the Applicable Exchange Rate for the payments in connection with the Switch-in Fund. The Customer shall bear the foreign exchange rate risks involved.

- 24D.4 *Notwithstanding anything contained in this T&C-UTES to the contrary, the Advance is subject to the Bank's usual review and overriding right to require the Customer's immediate repayment of all Outstanding Indebtedness on demand at any time.*
- 24E. **Settlement**
- 24E.1 *The Bank is entitled to apply the amount of the Advance (after conversion with the Applicable Exchange Rate, if necessary), without further instruction from the Customer, and pay directly to the Fund Manager in or towards payment and settlement of the acquisition of the Units of the Switch-in Fund.*
- 24E.2 *On the Settlement Date, the Bank shall be entitled to, or procure that Nominees to, apply the redemption proceeds of the Switch-out Fund in or towards repayment and settlement in full of the Outstanding Indebtedness, and shall then credit the remaining balance (if any) to the Customer's Settlement Account.*
- 24E.3 *On the Settlement Date, if the actual redemption proceeds of the Switch-out Fund are insufficient, or simply not available to the Bank due to the failure to redeem the Switch-out Fund for whatever reasons, to repay and settle in full the Outstanding Indebtedness, without prejudice to all other rights or remedies of the Bank, the Bank may, but shall not be obliged to, debit the shortfall from the following accounts in the following order, and shall not be required to credit any of the Units of the Switch-in Fund to the Customer's Investment Account until the shortfall is fully paid:*
- (a) *the Customer's Settlement Account(s);*
 - (b) *any other bank accounts maintained by the Customer with the Bank.*
- Without prejudice to any other rights the Bank may have, the Bank shall be entitled, but not obliged, to exercise its rights under Clause 24I below to sell, redeem or otherwise dispose of any of the Units of the Switch-in Fund.*
- 24E.4 *The Customer acknowledges and agrees that if at any time when the Bank debits the Customer's Settlement Account or any other bank accounts maintained by the Customer with the Bank pursuant to this T&C-UTES, and if there are insufficient funds on the relevant accounts to repay and settle in full the Outstanding Indebtedness, without prejudice to all other rights or remedies of the Bank, the Bank is entitled at its sole and absolute discretion, but not obliged, to apply the following arrangements:*
- (a) *if an overdraft facility is currently maintained and is sufficient to repay and settle the Outstanding Indebtedness in full, the Outstanding Indebtedness shall forthwith become or form part of the overdraft facility subject to the applicable provisions in the Terms and Conditions for all Accounts and Related Services of the Bank (including their amendments, revisions, supplements, addenda and replacements from time to time);*
 - (b) *if an overdraft facility is currently maintained but is insufficient to repay and settle the Outstanding Indebtedness in full or if no overdraft facility is currently maintained, any part of the Outstanding Indebtedness not covered by the unused overdraft facility or not covered by any overdraft facility shall forthwith constitute an unauthorized overdraft facility and the Customer shall pay interest in accordance with Clause 24F.3 below.*
- 24E.5 *In the event the subscription order for the Switch-in Fund succeeds but the redemption order for the Switch-out Fund fails, the Customer will be in a position of concurrently holding and investing in both the Switch-out Fund and the Switch-in Fund, and shall bear all the investment risks associated with such a position, including but not limited to the relevant fund price fluctuations. In addition, the Customer shall repay and settle the Outstanding Indebtedness in full immediately or within the time agreed by the Bank. Otherwise, sub-Clause 24E.3 and 24E.4 above shall apply without prejudice to all other rights the Bank may have and the Bank shall not be required to credit any of the Units of the Switch-in Fund to the Customer's Investment Account until all Outstanding Indebtedness is fully repaid and settled.*
- 24E.6 *In the event the subscription order for the Switch-in Fund fails but the redemption order for the Switch-out Fund succeeds, the Bank shall obtain the refund of the Switch-in Fund from the relevant Fund Manager on the Customer's behalf. The Bank shall be entitled to use the redemption proceeds from the Switch-out Fund and the refund from the Switch-in Fund to repay and settle the Outstanding Indebtedness, and shall credit any remaining balance thereof to the Customer's*

Settlement Account. The Customer is liable to pay all fees, charges or expenses incurred in connection with the redemption and the refund and, if unpaid, they shall form part of the Secured Moneys.

24E.7 The Order once placed is irrevocable and the Customer shall not revise, cancel or prepay the Advance except with the prior written consent of the Bank and, if the Bank agrees to do so, the Customer shall in any event indemnify the Bank against any loss the Bank may suffer or incur in connection with such revision, cancellation or prepayment.

24F. Interest, Fees and Charges

24F.1 No interest will be payable by the Customer in respect of the Advance before the Settlement Date.

24F.2 The Customer shall pay the subscription fee and redemption fee (if any) to the respective Fund Managers as applicable to the Investment Schemes and all other fees and charges chargeable by the Bank. Notwithstanding any provisions contained in this T&C-UTES to the contrary, the Bank is entitled to deduct any fees and charges payable by the Customer to the Bank from the amount of the Advance to be advanced by the Bank. For the avoidance of doubt, if a deduction is so made, the amount owing by the Customer shall not be reduced by the amount so deducted.

24F.3 In cases where the Outstanding Indebtedness or any part thereof does not form part of an authorised overdraft facility, the Customer shall pay interest on a daily basis thereon from the Settlement Date up to the date of actual repayment of all the Outstanding Indebtedness at the Overdraft Interest Rate or at such other rate or rates as the Bank may from time to time determine at its sole and absolute discretion. Such interests will be compounded at such intervals as the Bank may determine.

24G. Customer's Warranties and Undertakings

24G.1 The Customer undertakes to:

- (a) immediately repay the Bank **on demand** notwithstanding anything contained in this T&C-UTES to the contrary all Outstanding Indebtedness; and
- (b) inform the Bank as soon as practicable of any difficulty in repaying the Outstanding Indebtedness (or any part thereof) or in meeting any payment to the Bank arising from the Advance or otherwise pursuant to this T&C-UTES.

24G.2 The Customer shall, at the request of the Bank, execute such documents and perform such acts as the Bank may consider expedient for the purposes of providing the Advance, or in connection with the Switch-out Fund and the Switch-in Fund, or in relation to the Bank's exercise of its powers and rights under this T&C-UTES.

24G.3 The Customer is the sole and beneficial owner of the Secured Assets free from all charges, encumbrances and rights of third parties except pursuant to the charge created in this T&C-UTES.

24G.4 The Customer irrevocably and by way of security appoint the Bank to be the Customer's attorney, with full power of substitution, and in the Customer's name or otherwise on the Customer's behalf and as the Customer's act and deed to sign, seal, execute, deliver, perfect and do all deeds, instruments, acts and things which may be required or which the Bank may think fit for carrying out any of the Customer's obligations under this T&C-UTES or for effecting any redemption, realization, transfer, sale or disposal of the Secured Assets or for giving to the Bank the full benefit of the security granted under this T&C-UTES. The Customer hereby ratify and confirm and agree to ratify and confirm any deed, instrument, act and thing which such attorney may lawfully execute or do.

24H. Joint Account

(Applicable to any one of the holder of a joint account signing the Order Form / placing the Order via phone) If the Customer to the Application is more than one person, the Customer hereby authorizes any one of the applicants (i.e. any one of the joint account holders of the relevant Investment Account) to sign and submit the Order Form / place the Order via phone on the Customer's behalf and to confirm the charge created in Clause 24I below, and the Customer represents and warrants to the Bank that all the provisions in this T&C-UTES shall be binding on the Customer, being all the holder(s) of the relevant joint account, in all respects notwithstanding that any of the joint account holder(s) has/have not signed the Order Form / placed the Order via phone.

24I. Charge

In consideration of the Bank accepting the Application, including agreeing to make the Advance to the Customer pursuant to the Order from time to time, without prejudice to all other rights or remedies of the Bank, the Customer as beneficial owner charges by way of security, assign and release to the Bank all of the Customer's rights, titles, benefits and interests in and to the Secured Assets, until all the Secured Moneys shall have been fully paid or discharged. The Bank shall have the right to sell, realize, redeem or otherwise dispose of any Secured Assets in such manner and for such consideration as the Bank may at its sole and absolute discretion think fit, without prior notice or demand or legal process, and to deduct any fees and expenses (including without limited to legal costs and expenses) from the proceeds of sale, realization, redemption or disposition, if the Customer fails to pay or settle any Secured Moneys when due or if the Customer is in default of any provisions of this T&C-UTES.

24J. Set-off and Lien

24J.1 Without prejudice to all other rights or remedies of the Bank, the Bank is authorized to:

set off, appropriate and apply any credit balance (whether or not then due) in any currency which is at any time held by the Bank in the name of the Customer (whether alone or jointly) against all or any of the obligations and liabilities in whatever currency

- (a) which may now or at any time in the future be due owing or incurred by the Customer to the Bank (whether actual or contingent and whether alone, severally or jointly as principal, guarantor, surety or otherwise), including without limitation the Outstanding Indebtedness, until all actual and contingent obligations and liabilities of the Customer shall have been fully discharged and satisfied; and*
- (b) combine or consolidate all or any of the Customer's accounts (whether current, savings, investment, securities, custodial, time, fixed or call deposit accounts and whether subject to notice or not) with the Bank whatsoever, wheresoever situate, for the purpose of setting off or transferring any sum or sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of the Customer's liabilities to the Bank on any other account or in any other respect whether such liabilities be present, future, actual, contingent, primary, collateral, joint or several (including without limitation the Outstanding Indebtedness).*

24J.2 *The Bank may retain any money of the Customer as it may consider necessary to meet such obligations or liabilities of the Customer.*

24K. Currency Conversion

The Bank shall be entitled, but not obliged, to convert any amounts or proceeds from time to time received and/or any amounts in any accounts of the Customer maintained with the Bank into the currency of the Outstanding Indebtedness and vice versa at a rate or rates and in such a manner at the Bank's sole and absolute discretion for the purpose of settling the Outstanding Indebtedness. The Customer shall be responsible for any loss arising from fluctuation in the rate of exchange between the two currencies and all costs of exchanges and other related costs and expenses, and the Bank is authorized to deduct all such loss, costs and expenses from any accounts of the Customer.

24L. Provision of Information

In the case where a third party security has been or is presently issued in the Bank's favor in respect of any or all of the Customer's liabilities owed to the Bank, the Bank may from time to time provide the third party security provider with any data, details or information (including any of the Customer's personal data) relating to any loan/banking/credit facilities (including without limitation the Advance) extended by the Bank to the Customer for the purpose of notifying the third party security provider of the liabilities under the third party security.

12. The original "B(3) Exchange Traded Funds("ETFs")" of Schedule III is re-named as "B(2) Exchange Traded Funds("ETFs") and Future-based ETFs traded in the Exchange" and the following type of ETFs is added after Synthetic ETFs:

Futures-based ETFs

Futures-based ETFs are passively-managed index funds traded on an exchange which aim to replicate the performance of an underlying index by investing in futures contracts.

Excess return index and total return index

A futures-based ETF may track a spot market index or a futures index. Typically, a futures index tracked by a futures-based ETF is either an excess return index or a total return index.

- An excess return index measures the changes in the prices of the underlying futures contracts during the period that they are held by the ETF as adjusted by, the gain or loss incurred from rolling the futures contracts as they approach maturity.*
- A total return index measures the changes in prices of the futures contracts and the gain or loss incurred from rolling the futures contracts, as well as the notional interest earnings from the ETF's cash holding and margin deposits based on various assumptions.*

Benefits and risks of investing in futures-based ETFs

As one of the different types of ETFs, futures-based ETFs have the key benefits of a typical ETF, such as easy to trade, diversified, transparent and cost-effective. At the same time, it also benefits from the use of futures contracts in gaining exposure to a wide range of underlying assets including commodities (such as precious metals and other physical commodities), fixed income securities and equities. However, investing in futures-based ETFs is subject to common risks of ETFs as well as relevant risks involved in futures funds.

13. The following content is added after the part named as “Risk involved in trading ETFs” of Schedule III:

Specific risk involved in trading Futures-based ETFs

(I) Risk of rolling futures contracts: *Futures contracts are binding agreements that are made through futures exchanges to buy or sell the underlying assets at a specified time in the future. “Rollover” occurs when an existing futures contract is about to expire and is replaced with another futures contract representing the same underlying but with a later expiration date. When rolling futures contracts forward (ie. selling near-term futures contracts and then buying longer-term futures contracts) in a situation where the prices of the longer-term futures contract are higher than that of the expiring current-month futures contract, a loss from rolling (ie. a negative roll yield) may occur. Under such circumstances, the proceeds from selling the near-term futures contracts will not be sufficient to purchase the same number of futures contracts with a later expiration date which has a higher price. This may adversely affect the NAV of the futures-based ETF.*

(II) Risk of statutory restrictions on number of futures contracts being held: *There is a statutory position limit restricting the holding of futures contracts traded on the recognized exchange company to no more than a specific number of such futures contracts. If the holding of such futures contracts of a futures-based ETF grows to the limit, this may prevent the creation of units of the ETF due to the inability to acquire further futures contracts. This may lead to differences between the trading price and the NAV of the ETF units listed on the exchange.*

(III) Key Risks involved in futures and options funds:

(a) Futures contracts/options risk

Basis risk: *The prices of futures contracts/options may not always go in line with/be perfectly correlated to the value of the underlying assets in the spot markets. For example, an increase in the spot price of the underlying asset may not cause the NAV of the futures and options fund to rise by the same magnitude. In fact, the NAV of the futures and options fund may not change at all or may even fall.*

Volatility risk: *With substantial investment in futures contracts and options, the funds’ prices may be subject to the risk of very volatile price movements of futures contracts and options. Futures contracts/options price movements may be caused by other factors such as changes in government policies, supply and demand, changes in interest rates and economic conditions. Futures contracts/options’ prices are highly volatile, and so are prices of the futures and options funds. Furthermore, many futures and options funds may invest in futures contracts/options with underlying asset classes such as commodities*

and foreign currencies which are generally more volatile. Besides, some futures exchanges may impose limits on daily futures price movement. In this case, even if a futures and options fund tries to close out its futures position to limit loss, the orders may not be executed due to such limits.

Margin risk & liquidity risk: If the market moves against the futures position, the futures and options funds may be required to pay additional margins, to maintain the trading positions on short notice. The fund may need to liquidate its assets at unfavorable prices in order to meet these margin calls and suffer substantial losses. Some futures and options funds can only be redeemed at limited intervals (e.g. monthly). If you invest in such a fund, you may not be able to cash in on your investment at your desired price or when you are in need of cash.

(b) Leverage risk:

Trading of futures contracts and options may carry a high degree of risk. The amount of initial margin/premium for entering into futures contracts/options is small relative to the value of futures contracts/options so that transactions are leveraged. In this way, a small change in contracts prices may result in magnified profit or loss, depending on the extent of leverage employed by the funds. A futures and options fund may or may not be leveraged. Although a futures and options fund may not invest all of its assets in futures contracts/options, where a futures and options fund is leveraged, the fund may lose all of its assets in its entirety due to the leverage effect of futures contracts/options. You should pay attention to the leverage level of a futures and options fund in which you invest, as well as the attendant risks.

(c) Model risk

The performance of futures and options fund depends mainly on success of its investment strategy, which is generally model-based. However, the use of model does not guarantee positive performance and any unexpected changes in market could hurt the model's performance. Moreover, it is not guaranteed that the model can be fully executed in an accurate and timely fashion.

(d) Performance fee risk

The manager of a futures and options fund may charge a performance fee, which is payable to the manager annually if a pre-determined net appreciation of the fund's NAV is achieved. As the performance fee usually accrues on a daily basis and if payable, is deducted from the fund's net assets value on a daily basis, this gives rise to the risk that an investor redeeming his/her units may still need to bear a performance fee in respect of those units, even though a loss in the investment capital has been suffered by such redeeming investor.

(e) Counterparty risk

When a futures and options fund invests in options or other derivative instruments that are traded over-the-counter, the fund will be subject to the risk of default of its counterparties in performing any of their obligations. It may result in losses to the fund.

14. The original “B(4) Listed Equity Linked Instruments (“ELI”)” of Schedule III is re-numbered as “B(3) Listed Equity Linked Instruments (“ELI”)” and the following content is added after the whole part of B(3):

B(4) Leveraged and Inverse Product (“L&I Products”) traded in the Exchange

L&I Products are issued in the form of Exchange traded Funds (“ETFs”) as a type of collective investment schemes but they are in fact derivative products.

Leveraged Products typically aim to deliver a daily return equivalent to a multiple of the underlying index return that they track. Inverse Products typically aim to deliver the opposite of the daily return of the underlying index that they track. In overseas markets, they are commonly known as Leveraged and/or Inverse ETFs.

To produce the specified leveraged or inverse return, L&I Products have to rebalance their portfolios, typically on a daily basis. As such, they do not share the buy-to-hold characteristics of conventional ETFs. Investors should understand how the performance of L&I Products is likely to be affected when they are

held for more than one trading day and its compounding effect. They should be aware that any small variation in the underlying index return may have a large effect on the value of the product you hold.

Investors should note the following salient features about L&I Products:

- It is not advisable to hold L&I Products for longer than the rebalancing interval, typically one day;
- L&I Products are designed as a trading tool for short-term market timing or hedging purposes, and are not intended for long term investment;
- L&I Products are only suitable for sophisticated trading-oriented investors who constantly monitor the performance of their holdings on a daily basis; and - the performance of L&I Products, when held overnight, may deviate from the underlying indices.

The risk of loss in trading in L&I Products is substantial. In particular, they are not suitable for investors who are unfamiliar with the features and risks of L&I Products, as they are designed for daily investment results, and/or investors who are looking for a long-term investment and cannot actively monitor their holdings.

Therefore, L&I Products are normally not suitable for many members of the public who wish to invest in collective investment schemes or ETFs as a low risk exchange-listed product in order to diversify their investment risks. The regulatory authorities have, taking into account their special risk profile, prohibited and/ or discouraged the use of margin finance for investment in L&I Products. Investors must carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

Whilst they are listed, there is no assurance that a liquid market always exists for the L&I Products concerned. A higher liquidity risk is involved if the product involves derivatives which do not have an active secondary market. Wider bid-offer spreads in the price of the products may result in losses. Therefore, they can be more difficult and costly to unwind early, when the instruments provide access to a restricted market where liquidity is limited.

There may be disparity between the performance of the L&I Product concerned and the performance of the underlying indices due to, for instance, failure of the tracking strategy, currency differences, fees and expenses.

L&I Products may currently be traded, cleared and settled in Hong Kong dollars, Renminbi and/or US dollars. Investors trading with underlying assets not denominated in Hong Kong dollars are also exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the product price.

Like ETFs, the risk of L&I Products can include counterparty risk, market risk, tracking errors, trading at discount or premium, and liquidity risk.

The specific risks presented by L&I Products necessarily depend upon the terms of the issued product and your circumstances. In general, however, they all involve some combination of market risk, credit risk, funding risk, operational risk, risk of rebalancing activities and intraday investment risk.

1. Market risk is the risk that the value of a transaction will be adversely affected by fluctuations in the level or volatility of or correlation or relationship between one or more market prices, rates or indices or other market factors or by illiquidity in the market for the relevant transaction or in a related market.
2. Credit risk is the risk that a counterparty will fail to perform its payment or other obligations when due.
3. Funding risk is the risk that, as a result of mismatches or delays in the timing of cash flows due from or to the counterparties in the relevant transaction in question or related hedging, trading, collateral or other transactions, the parties or a party to the relevant transactions will not have adequate cash available to fund current obligations.
4. Operational risk is the risk of loss arising from inadequacies in or failures of the issuer's and/or your internal systems and controls for monitoring and quantifying the risks and contractual

- obligations associated with the transaction in question, for recording and valuing the portfolio and related transactions, or for detecting human error, systems failure or management failure.
5. *Risk of rebalancing activities: There is no assurance that L&I Products can rebalance their portfolios on a daily basis to achieve their investment objectives. Market disruption, regulatory restrictions or extreme market volatility may adversely affect the rebalancing activities.*
 6. *Intraday investment risk: Leverage factor of L&I Products may change during a trading day when the market moves but it will not be rebalanced until day end. The L&I Product's return during a trading day may be greater or less than the leveraged/opposite return of the underlying index.*

Although L&I Products are listed as ETFs, the Hong Kong Stock Exchange does not endorse any product or bear any responsibility and/or liability for any of their existence or performance.

Unconventional return pattern (for inverse products only): Inverse products aim to deliver a daily return that is a multiple of the opposite of the underlying index return. If the value of the underlying index increases for extended periods, or where the exchange rate of the underlying index denominated in a currency other than the inverse product's base currency rises for an extended period, inverse products can lose most or all of their value.

Inverse products vs short selling (for inverse products only): Investing in inverse products is different from taking a short position. Because of rebalancing, the performance of inverse products may deviate from a short position in particular in a volatile market with frequent directional swings.

You should therefore study and understand L&I Products before you trade and carefully consider whether such trading is suitable in the light of your own financial position and investment objectives.

This brief statement does not disclose all of the risks and other significant aspects of trading in L&I Products. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. You should not construe this generic disclosure statement as business, legal, tax or accounting advice or as modifying applicable law. You should consult your own business, legal, tax and accounting advisers with respect to proposed L&I Product transactions and you should refrain from entering into any transaction unless you have fully understood the terms and risks of the transaction, including the extent of your potential risk of loss.

The information in relation to this Clause 36 "Risk Disclosure Statement – Exchange Traded Derivative Products and/or Structured Products" is quoted from, including but not limited to the website of Hong Kong Exchange and Clearing Limited ("HKEx").

For further information, please refer to the website of HKEx (<http://www.hkex.com.hk/eng/index.htm>), Hong Kong Monetary Authority (<https://www.hkma.gov.hk/eng/>) and Securities and Futures Commission (<https://www.sfc.hk/web/EN/index.html>).

15. The following definition is added to Clause 42.2:

"CRS" means the Common Reporting Standard for automatic exchange of financial account information in tax matters, developed by the Organization for Economic Co-operation and Development and any associated similar or analogous legislation, treaty, regulation, instruction or other official guidance of any Government Authority in any jurisdiction.

16. The original definition of "Foreign Law Requirement" to Clause 42.2 is replaced by the following:

"Foreign Law Requirement" means any obligation imposed on the Bank and/or any Bank Group Company pursuant to any future or present:

- (i) *foreign laws (including foreign laws in respect of which the Bank and/or the Bank Group Company in its/their sole and absolute discretion considers itself/themselves bound and including laws and regulations of the PRC);*

- (ii) *Hong Kong laws (including Hong Kong laws whether or not that implement Hong Kong's obligations under an agreement with a foreign government (including the government of the PRC), regulator, regulatory authority, tax authority or global organization (or among more than one of the above));*
- (iii) *under agreements entered into between the Bank and/or the relevant Bank Group Company and a foreign government (including the government of the PRC) or regulator; or*
- (iv) *guidelines, guidance, rules, regulations, demands, codes, notices or circulars issued by any legal, regulatory, government, tax or law enforcement body, or self-regulatory organization within or outside of Hong Kong in respect of (i) to (iii).*

For the avoidance of doubt, this definition includes any obligation or requirement applying to the Bank and/or any Bank Group Company pursuant to FATCA and/or CRS and as amended or introduced from time to time.

Please note that the revised Terms & Conditions shall be binding on you if you continue to maintain the Account(s) (as defined in the Terms & Conditions) with the Bank on or after the Effective Day.

If you decline the revised Terms & Conditions, you have the right to terminate our Services (as defined in the Terms & Conditions) before the Effective Day.

Should you have any enquiries, please feel free to contact any of our branches or customer service hotline at 2815 9919.

Thank you for your support and we will continue to provide you quality services.

OCBC Wing Hang Bank Limited

26 November 2020

(The English version of this Notice shall prevail whenever there is discrepancy between the English and the Chinese versions.)