



## Important Notice for Clients (Cash Account)

1. Chong Hing Securities. Limited. (CHS) provides various Trading Channel including:
  - a. The securities counter at any branches of CHS and Chong Hing Bank Limited (CHB) .
  - b. Order placing hotline: 3768 9111 ( For Stock quote enquiries, please call: 3768 9888) .
  - c. Electronic Trading Channels<sup>#</sup> including: - i-Web Stock Trading Service (“i-web”) (www.chsec.com.hk) & - Mobile Securities Service (“MSS”) (mobile.chsec.com.hk)

<sup>#</sup> Prior application is required and only listed securities denominated in Hong Kong Dollar or in Renminbi can be traded.
2. While making inquiries or placing securities dealing orders by phone, clients have to provide their Account Numbers, Account Names & their Personal Identity Numbers to us for identification (please kindly refer to “Important Notice for the use of Personal Identity Number (PIN)” for details). Other personal information (e.g. ID Number, address, telephone number, etc.) may be required for further identification whenever necessary. When placing securities dealing orders, clients are also required to provide us the followings:
  - a. whether the order is a “New Order”, “Modify Order” or “Cancel Order” (without prior notice, every order will be deemed as “New Order”)
  - b. whether the order is a “BUY Order” or “SELL Order”
  - c. the “Stock Code” for the shares to be traded
  - d. the “Stock Price” and “Quantity” to be traded

Our staff will repeat the order details for client’s confirmation. Clients are obliged to listen carefully and rectify any discrepancies at once. Otherwise, the order will be executed according to the repeated details which shall be used to conclude final decision for any enquiries or disputes regarding the order thereafter.

Remarks : Deaf-mute clients who are unable to submit their orders via automated trading channels at the securities centers can place orders through signing a designated “Order Record”. Clients are also obliged to check the “Order Record” carefully and rectify any discrepancies before signing. It may take some time for special approval and signature verification. The signed “Order Records” will be executed and the relevant order details will also be used to conclude final decision for any enquiries regarding the orders thereafter.
3. Any purchase order without sufficient available fund in the client’s designated settlement bank account maintained with CHB (“settlement bank account”) may be rejected. After receiving a client’s purchase order, we have the absolute right, but not an obligation, to hold the full or partial or none of transaction amount with the related transaction fees (“the amount”) in the designated settlement bank account. Clients are still solely responsible for performing their own personal financial management with the settlement bank accounts and none of any parties should depend on or take reference to the fund holding action while performing their own financial management. In all circumstances, clients are obliged to fully settle their securities dealing orders. The amount for securities purchase(s) will be put on hold at the same time of order placing.
  - a. If a buy order is filled, the amount will be held till T+2 days for settlement.
  - b. If a buy order is unfilled, the amount will be released no later than the immediate midnight.
4. The execution of a buy order does not necessarily indicate that there is sufficient available fund in the client’s settlement bank account. Any unsettled transactions by T + 2 days will result in interest and penalties according to our prevailing “Service Charge Schedule”. Generally, we will not accept partial settlement for any trades. For an account with buy order(s) and sell order(s) on the same day, only the net amount will be settled on the T+2 settlement day. When the payment has become due, under the 《Cash Client Agreement》 the company reserve the rights to sell or transfer the Securities purchased upon such terms and conditions and at such price as the company may in its absolute discretion consider appropriate. For the details of trading and settlement of listed Renminbi-denominated securities, please refer to our 《Important Notice for Trading and Settlement of Listed Renminbi-denominated Securities》 .
5. For subscription or trading of listed renminbi-denominated securities, clients have to sign the “Power of Attorney”(CHS-CA-1104E-06) in order to give CHS rights to withdraw, to deposit and/or to hold fund from the RMB account in CHB, furthermore, clients have to sign the “Risk Disclosure Statement”(CHS-CA-1104E-02) for acknowledgement and confirmation that he/she/they know, understand the risks involved in listed renminbi-denominated securities subscription and/or trading. For the details of trading and settlement of listed renminbi-denominated securities, please refer to our “Important Notice for Trading and Settlement of Listed Renminbi-denominated Securities”.
6. While investing in any securities denominated in the currencies other than Hong Kong dollar, clients should take into account the additional risk factors associated with currency fluctuation and convertibility. Also, clients should consider that depending on the nature of the product and investment objectives, there may be other risks specific to the product. Clients should always read the risk factors as set out in the relevant documents and seek professional advice where necessary before making any investment decision.
7. We do NOT offer “Short Selling” service and all selling instructions are deemed as not “Short Selling” orders.
8. Physical share certificates can be sold only after 12 trading days from the time they are credited to the clients’ securities accounts.
9. Restricted by the trading system of The Hong Kong Exchange & Clearing Limited, all “At-auction Limit Orders (ALO)” placed before 09:15am cannot be modified or cancelled within the pre-opening session during 09:15am to 09:30am.
10. After placing order, please kindly leave the phone number for further contact. If we are unable to contact the clients after their orders have partially and/or fully executed, the clients could read the execution results in the “Combined statement and Contract Note” which are mailed to the clients by the next securities trading day.
11. Clients are solely obliged to take notice of the company announcements for their holdings. The announcements of listed companies can be searched and downloaded from the web-site: www.hkexnews.hk/index\_c.htm, Clients who desire to receive correspondences from the listed companies directly are required to fill up and sign the form of “Notice of Corporate Communication Event Recipient” and return it to us. If a client wants to exercise any rights / convertible securities, or to vote or to attend a shareholder meeting, the client is required to contact us and complete the related procedures by the relevant deadlines.
12. For the details of our service charges (e.g. brokerage, custody fee, duplicate copy of Transaction & Monthly Statement and others services provided), please refer to our prevailing “Service Charge Schedule”. Clients can receive the Schedule and this Notice during the time of their securities account opening, and get the latest version of them at any branches of CHB or CHS or by downloading from our web-site www.chsec.com.hk.
13. Under all circumstances, we have the absolute rights to reject any orders.