

Options Trading Addendum

to the Terms and Conditions for Securities Trading

This addendum (“**Options Trading Addendum**”) supplements and amends the Terms and Conditions for Securities Trading (“**Terms and Conditions**”) as amended and supplemented from time to time and the Circular Relating to the Personal Data (Privacy) Ordinance of Hong Kong (“**PDPO Circular**”).

The Customer requests to open an option account to trade options that are traded on the SEHK (“**Options Account**”) and CSBHK agrees to provide the Customer with options trading services in relation to options listed on SEHK subject to the Terms and Conditions and this Options Trading Addendum. Where any conflict arises between the Terms and Conditions and the provisions of this Options Trading Addendum, the provisions of this Option Trading Addendum shall prevail.

1 Definitions

- 1.1 Terms defined in the Terms and Conditions or the Options Trading Rules of the SEHK shall have the same meaning when used in this Options Trading Addendum unless otherwise redefined herein.
- 1.2 References to “Securities Account” in the Terms and Conditions is deemed to include the Options Account as established pursuant to this Options Trading Addendum.
- 1.3 “Options Trading” means the purchase, trading, closing, exercise, settlement and discharge of long options transactions and include writing of options through the Options Account or otherwise creating any short open position.

2 Laws and rules

- 2.1 All Exchange Traded Options Business shall be effected in accordance with all laws, rules and regulatory directions (the “**Rules**”) applying to CSBHK. This includes the Options Trading Rules of the SEHK, the Clearing Rules of the SEHK Option Clearing House Limited (“**SEOCH**”) and the rules of the Hong Kong Securities Clearing Company Limited (“**HKSCC**”). In particular, SEOCH has authority under the Rules to make adjustments to the terms of Contracts, and CSBHK shall notify the Customer of any such adjustments which affect Client Contracts to which the Customer is a party. All actions taken by CSBHK, by SEHK, by SEOCH or by HKSCC in accordance with such Rules shall be binding on the Customer.
- 2.2 The Customer agrees that the terms of the Standard Contract for the relevant options series shall apply to each Client Contract between CSBHK and the Customer, and that all Client Contracts shall be created, exercised, settled and discharged in accordance with the Rules.

3 Collateral

- 3.1 The Customer agrees to provide CSBHK with cash and/or securities and/or other assets (“**Collateral**”) as may be agreed from time to time, as security for the Customer’s obligations to CSBHK under this Options Trading Addendum. Such Collateral shall be paid or delivered as demanded by CSBHK from time to time. The amounts required by way of Collateral shall not be less than, but may exceed, the amounts as may be required by the Rules in respect of the Customer’s open positions and delivery obligations, and further Collateral may be required to reflect changes in market value.
- 3.2 The Customer shall on request provide CSBHK with such authority as CSBHK may require under the Rules to authorize CSBHK to deliver such securities, directly or through an Options Exchange Participant, to SEOCH as SEOCH Collateral in respect of Exchange Traded Options Business resulting from the Customer’s instructions to CSBHK; and CSBHK does not have any further authority from the Customer to borrow or lend the Customer’s securities or otherwise part with possession (except to the Customer or on the Customer’s instructions) of any of the Customer’s securities for any other purpose.

4 Client Default

- 4.1 The Customer agrees to indemnify CSBHK and its employees and agents, against all losses and expenses resulting from breach of the Customer's obligations under the Terms and Conditions including the Options Trading Addendum, including costs reasonably incurred in collecting debts from the Customer, and in closing the Options Account.
- 4.2 Without prejudice to other rights and authorities granted to CSBHK under the Terms and Conditions, if the Customer fails to comply with any of the Customer's obligations and/or to meet the Customer's liabilities under this Options Trading Addendum, including failure to provide Collateral, CSBHK may at its absolute discretion:
- (i) decline to accept further instructions from the Customer in respect of Exchange Traded Options Business;
 - (ii) close out some or all of the Customer's Client Contracts with CSBHK;
 - (iii) enter into Contracts, or into transactions in securities, futures or commodities, in order to settle obligations arising or to hedge the risks to which CSBHK is exposed in relation to the Customer's default; or
 - (iv) dispose of Collateral, and apply the proceeds thereof to discharge the Customer's liabilities to CSBHK, and any proceeds remaining after discharge of all the Customer's liabilities to CSBHK shall be paid to the Customer.
- 4.3 The Customer agrees to pay interest on all overdue balances in its Options Account (including interest arising after a judgment debt is obtained against the Customer) at such rates and on such other terms as CSBHK has notified to the Customer from time to time.

5 Contracts

- 5.1 In respect of all Contracts effected on the Customer's Instructions, the Customer will pay CSBHK, within the time period notified by CSBHK, Premium, CSBHK's commission and any other charges, and applicable levies imposed by SEHK, as have been notified to the Customer. CSBHK may deduct such Premium, commissions, charges and levies from the Options Account or any other account of the Customer with CSBHK or any of its Affiliates.
- 5.2 CSBHK may place limits on the open positions or delivery obligations that the Customer may have at any time.
- 5.3 The Customer acknowledges that:
- (i) CSBHK may be required to close out Client Contracts to comply with position limits imposed by SEHK;
 - (ii) if CSBHK goes into default, the default procedures of SEHK may result in Client Contracts being closed out, or replaced by Client Contracts between the Customer and another Options Exchange Participant.
- 5.4 At the Customer's request, CSBHK may at its absolute discretion agree to the Client Contracts between CSBHK and the Customer being replaced, in accordance with the Rules, by Client Contracts between the Customer and another Options Exchange Participant.
- 5.5 On exercise of a Client Contract by or against the Customer, the Customer shall perform the Customer's delivery obligations under the relevant contract, in accordance with the Standard Contract and as notified by CSBHK.
- 5.6 The Customer acknowledges that, although all Options Contracts are to be executed on SEHK, the Customer and CSBHK shall contract as principals under Client Contracts.
- 5.7 CSBHK shall provide the Customer, upon request, with the product specifications for Options Contracts.
- 5.8 If CSBHK fails to meet its obligations to the Customer pursuant to this Options Trading Addendum, the Customer shall have a right to claim under the Investor Compensation Fund established under the laws of Hong Kong, subject to the terms of the Investor Compensation Fund from time to time.
- 5.9 The Customer acknowledges that on the expiry day but only on the expiry day, the Options System will automatically generate exercise instructions in respect of all open long positions which are in-the-money by or above the percentage prescribed by SEOCH from time to time. The Customer may instruct CSBHK to override such an "automatically generated exercise instruction" before the System Closure on the expiry day in accordance with the Operational Clearing Procedures of SEOCH.

6 Representation and Warranties

The Customer confirms that:

- (i) the Options Account is operated solely for the Customer's account and benefit, and not for the benefit of any other person; or
- (ii) the Customer has disclosed to CSBHK in writing the name of the person(s) for whose benefit the Options Account is being operated; or
- (iii) the Customer has requested CSBHK to operate the Options Account as an Omnibus Account, and will immediately notify CSBHK, on request, of the identity of any person(s) ultimately beneficially interested in Client Contracts.

7 General

7.1 CSBHK will notify the Customer of material changes in respect of CSBHK's business which may affect the services CSBHK provides to Customer.

7.2 CSBHK is registered under Options Trading Partnership and CSBHK shall provide the full name and contact details of the options officer or options representative who will be primarily responsible for the Customer's affairs to the Customer prior to provision of services under this Options Trading Addendum.

8 Risk Disclosure Statement

The Customer acknowledges the following additional Risk Disclosure Statements:

Variable degree of risk

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarise themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. The Customer should calculate the extent to which the value of the options must increase for the Customer's position to become profitable, taking into account the premium and all transaction costs.

The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a futures contract, the purchaser will acquire a futures position with associated liabilities for margin. If the purchased options expire worthless, the Customer will suffer a total loss of the Customer's investment which will consist of the option premium plus transaction costs. If the Customer is contemplating purchasing deep-out-of-the-money options, the Customer should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavourably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a futures contract, the seller will acquire a position in a futures contract with associated liabilities for margin. If the option is "covered" by the seller holding a corresponding position in the underlying interest or a futures contract or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

Terms and conditions of contracts

The Customer should ask CSBHK about the terms and conditions of the specific futures or options which the Customer is trading and associated obligations (e.g. the circumstances under which the Customer may become obliged to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

Suspension or restriction of trading and pricing relationships

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or “circuit breakers”) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If the Customer has sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the futures, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge “fair value”.

Deposited cash and property

The Customer should familiarise himself with the protections given to money or other property the Customer deposits for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which the Customer may recover his money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as owned by the Customer will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

Commission and other charges

Before the Customer begins to trade, the Customer should obtain a clear explanation of all commission, fees and other charges for which the Customer will be liable. These charges will affect the Customer’s net profit (if any) or increase the Customer’s loss.

Currency risks

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in the Customer’s own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

Customer's Acknowledgment

I/We _____ (name in block letters), holder of the account numbered _____, confirm that I/we understand and agree with all the content of the above Options Trading Addendum to the Terms and Conditions for Securities Trading. I/We hereby authorize CSBHK to submit a claim with The SEHK Options Clearing House Ltd. ("SEOCH") in respect of my/our open positions to the effect that SEOCH will calculate and collect margin in respect of such positions on a portfolio basis.

Customer Signature:

Date:

To be completed by Licensed Representative

I, _____ (name in block letters) with C.E. number _____ confirm that I have provided the customer with the above Options Trading Addendum to the Terms and Conditions for Securities Trading in the language that the customer prefers, and invited the customer to read the same, to ask questions and to take independent advice (if customer wishes).

Licensed Representative Signature:

Date:

有關證券買賣條款的期權交易補充協議

本協議（「期權交易補充協議」）乃是證券買賣條款及香港個人資料（隱私）條例的相關通告（「隱私條例通告」）之補充和修訂，並將不時作出補充及修訂。

客戶要求開立一個期權帳戶以買賣於香港聯合交易所買賣之期權。本公司同意根據證券買賣條款及本期權交易補充協議向客戶提供交易服務以買賣於香港聯合交易所買賣之期權。倘若證券買賣條款與本期權交易補充協議內之條款發生衝突，以後者之條款為準。

1. 釋義

- 1.1 本期權交易補充協議中的用語具有與證券買賣條款或聯交所期權交易規則中的用語同樣的含義，另有特別聲明者除外。
- 1.2 證券買賣條款中所提到的「證券戶口」將被視為包含根據本期權交易補充協議所建立的期權帳戶。
- 1.3 「期權交易」是指關於期權長倉交易的購入、買賣、平倉、行使、結算以及解除，並包括通過期權帳戶沽出期權或建立任何未平倉空倉。

2. 法例和規則

- 2.1 所有在交易所的交易期權業務，須遵守適用於本公司的所有法例、規則及監管指令（「規則」）而進行。這些規則包括聯交所的《期權交易規則》、香港聯合交易所期權結算所有限公司「「聯交所期權結算所」」的《期權結算規則》及香港中央結算有限公司「「中央結算公司」」的規則；特別是聯交所期權結算所根據該等規則獲賦權調整合約的條款，而本公司應知會客戶任何影響客戶身為訂約一方的客戶合約的該等調整；以及本公司、聯交所、聯交所期權結算所及中央結算公司根據該等規則採取的所有行動，均對客戶具有約束力。
- 2.2 客戶同意有關期權系列的標準合約之條款將適用於由本公司與客戶簽訂定的每份客戶合約，而所有客戶合約須根據該等規則訂立、行使、交收和解除。

3. 抵押品

- 3.1 客戶同意按不時的協定向本公司提供現金及／或證券及／或其他資產（「抵押品」），作為客戶根據有關期權交易補充協議對本公司所負責任的擔保；並且應按照本公司不時的要求支付或提交該等抵押品；及要求以抵押品形式提供的數額應不少於（但可超過）該等規則可能規定有關該名客戶的未平倉持倉及交付責任的數額，並可能因應市值變動要求更多抵押品。
- 3.2 客戶將應要求給予本公司規則可能規定本公司須具有的授權，以授權本公司直接或透過另一名期權交易所參與者，交付證券予聯交所期權結算所，以作為聯交所期權結算所抵押品，從而進行源自客戶給予本公司指示的在交易所交易的期權業務；及本公司並沒有獲得客戶任何其他授權，從而借入或借出客戶的證券或為著任何其他目的以其他方式不再管有客戶的任何證券（但證券將給予客戶或得到客戶的指示的情況除外）。

4. 客戶違約

- 4.1 客戶同意賠償本公司或本公司的僱員及代理人所有因客戶違反證券買賣條款(包括期權交易補充協議)規定其必須履行的責任而招致的損失及開支，包括因向客戶追收欠債及因終止期權帳戶而合理地招致的費用。
- 4.2 在不損害依照證券買賣條款授予本公司的其他權利和權限的前提下，假如客戶未有根據期權客戶協議履行本身的任何責任及／或償還該名客戶的任何債務，包括未有提供抵押品，倘若出現違約事件，本公司將有權：
- (i) 拒絕接受客戶就在交易所交易的期權業務給予的進一步指示；
 - (ii) 將客戶與本公司之間的部分或所有客戶合約平倉；
 - (iii) 訂立合約或進行證券、期貨或商品的交易，以履行所產生的責任或對沖本公司因客戶未有履行責任而須承擔的風險；或
 - (iv) 處置抵押品，並將該等處置所獲得收益清償客戶欠本公司的債務 及將在客戶欠本公司的一切債務清償後的任何收益餘款付予客戶。
- 4.3 客戶同意按照本公司不時通知客戶的息率和其他條款，支付期權帳戶內一切未清償逾期欠款之利息（包括客戶被判定應償債項後所招致的利息）。

5. 合約

- 5.1 就按照客戶之指示已執行的所有期權合約，客戶將在本公司通知的期間內，付予本公司客戶已獲知會的期權金、本公司的佣金及其他任何費用以及聯交所規定適用的交易徵費；並且本公司可從期權帳戶或客戶在本公司或任何聯營公司開立的其他帳戶中扣除該等期權金、佣金、費用及交易徵費。
- 5.2 本公司可隨時就客戶的未平倉持倉及交付責任訂定限額。
- 5.3 客戶確認：
- (i) 本公司可能會將客戶合約平倉以符合聯交所訂定的持倉限額；
 - (ii) 假如本公司違責，聯交所的違責處理程序可能會導致客戶合約被平倉，或由另一名期權交易所參與者與客戶所訂立的客戶合約所取代。
- 5.4 如果客戶提出要求，本公司可同意根據規則，以客戶與另一名期權交易所參與者訂立的客戶合約，取代本公司與客戶訂立的有關客戶合約。
- 5.5 客戶行使客戶合約或客戶合約被行使時，客戶將根據標準合約及按照其從本公司所獲通知，履行客戶根據有關合約須承擔的交付責任。
- 5.6 客戶確認雖然所有期權合約均在聯交所執行，客戶及本公司在客戶合約中須以當事人身分訂立合約。
- 5.7 本公司應同意會應要求而向客戶提供期權合約的產品細則。
- 5.8 假如本公司未有依據本期權交易補充協議的規定履行對客戶的責任，客戶有權向根據香港法律設立的投資者賠償基金索償，但須受到該投資者賠償基金不時制定的條款所規限。
- 5.9 客戶確認，在有關到期日，期權系統將就價內值百分比相等於或高於聯交所期權結算所不時釐定的標準的所有價內期權長倉未平倉合約，自動產生行使指示，客戶可指示本公司按照聯交所

期權結算所的《結算運作程序》，在有關到期日系統終止前，取消“自動產生行使指示”。

6. 陳述事項

戶確認：

- (i) 期權帳戶純粹為著客戶的帳戶及利益而並非為任何其他人的利益而運作，或
- (ii) 客戶已向本公司書面披露某人的姓名或名稱(期權帳戶是為該某人的利益而運作)；或
- (iii) 客戶已要求本公司以綜合帳戶運作期權帳戶，並會即時應要求通知本公司任何擁有客戶合約的最終實益權益人士的身份。

7. 一般事項

7.1 本公司的業務如果出現重大變化，因而可能會影響到本公司向客戶所提供的服務，本公司將就此知會客戶。

7.2 本公司獲註冊為期權買賣交易所參與者，本公司會依據本期權交易補充協議預先向客戶提供主要負責處理客戶事務的期權主任或期權代表的全名及聯絡詳情。

8. 風險披露聲明

客戶確認如下附加的風險披露聲明：

不同風險程度

期權交易的風險非常高。投資者不論是購入或出售期權，均應先瞭解其打算買賣的期權類別(即認沽期權或認購期權)以及相關的風險。客戶應計入期權金及所有交易成本，然後計算出期權價值必須增加多少才能獲利。

購入期權的投資者可選擇抵銷或行使期權或任由期權到期。如果期權持有人選擇行使期權，便必須進行現金交收或購入或交付相關的資產。若購入的是期貨產品的期權，期權持有人將獲得期貨倉盤，並附帶相關的保證金責任。如所購入的期權在到期時已無任何價值，客戶將損失所有投資金額，當中包括所有的期權金及交易費用。假如客戶擬購入極價外期權，應注意該客戶可以從這類期權獲利的機會極微。

出售(“沽出”或“賣出”)期權承受的風險一般較買入期權更高。雖然賣方能獲得定額期權金，但亦可能會承受遠高於該筆期權金的損失。倘若市況逆轉，期權賣方便須投入額外保證金進行補倉。此外，期權賣方還需承擔買方可能會行使期權的風險，即期權賣方在期權買方行使時有責任以現金進行交收或買入或交付相關資產。若賣出的是期貨產品的期權，則期權賣方將獲得期貨倉盤及附帶的保證金責任。若期權賣方持有相應數量的相關資產或期貨或其他期權作“備兌”，則所承受的風險或會減少。假如有關期權並無任何“備兌”安排，虧損風險可以是無限大。

某些國家的交易所允許期權買方延遲支付期權金，令買方支付保證金費用的責任不超過期權金。儘管如此，買方最終仍須承受損失期權金及交易費用的風險。在期權被行使又或到期時，買方有需要支付當時尚未繳付的期權金。

合約的條款及細則

客戶應向本公司查詢所買賣的有關期貨或期權合約的條款及細則，以及有關責任(例如在何等情況下客戶或會有責任就期貨合約的相關資產進行交收，或就期權而言，期權的到期日及行使的時間限

制)。交易所或結算公司在某些情況下，或會修改尚未行使的合約的細則(包括期權行使價)，以反映合約的相關資產的變化。

暫停或限制交易及價格關係

市場情況(例如市場流通量不足)及／或某些市場規則的施行(例如因價格限制或“停板”措施而暫停任何合約或合約月份的交易)，都可能增加虧損風險。這是因為投資者屆時將難以或無法執行交易或平倉／抵銷倉盤。如果客戶賣出期權後遇到這種情況，客戶須承受的虧損風險可能會增加。此外，相關資產與期貨之間以及相關資產與期權之間的正常價格關係可能並不存在。例如，期貨期權所涉及的期貨合約須受價格限制所規限，但期權本身則不受其規限。缺乏相關資產參考價格會導致投資者難以判斷何謂“公平價格”。

存放的現金及財產

如果客戶為在本地或海外進行的交易存放款項或其他財產，客戶應瞭解清楚該等款項或財產會獲得哪些保障，特別是在有關商號破產或無力償債時的保障。至於能追討多少款項或財產一事，可能須受限於具體法例規定或當地的規則。在某些司法管轄區，收回的款項或財產如有不足之數，則可認定屬於客戶的財產將會如現金般按比例分配予客戶。

佣金及其他收費

在開始交易之前，客戶先要清楚瞭解客戶必須繳付的所有佣金、費用或其他收費。這些費用將直接影響客戶可獲得的淨利潤(如有)或增加客戶的虧損。

貨幣風險

以外幣計算的合約買賣所帶來的利潤或招致的虧損(不論交易是否在客戶本身所在的司法管轄區或其他地區進行)，均會在需要將合約的單位貨幣兌換成另一種貨幣時受到匯率波動的影響。

客戶確認：

本人/吾等_____ (客戶名稱), 身份證/護照號碼_____,
確認本人/吾等明白及同意上述有關證券買賣條款的期權交易補充協議之內容。

本人/吾等現授權中信証券經紀 (香港)有限公司向香港聯合交易所期權結算所有限公司 (簡稱「期權結算所」) 提交有關本人/吾等之持倉由期權結算所以組合基礎計算及收取有關之按金。

客戶簽署

日期：_____

由持牌代表填寫

本人_____ (姓名), CE編號_____, 確認本人已按客戶所
選擇之語言向客戶提供有關證券買賣條款的期權交易補充協議, 並已邀請客戶閱讀
該協議, 就該協議提出問題及徵求獨立法律意見(如客戶有此意願)。

持牌代表簽署

日期：_____