上海商業銀行
SHANGHAI COMMERCIAL BANK

Shanghai Commercial Bank Limited
Shanghai Commercial Bank Tower
12 Queen's Road Central Hong Kong
上海商業銀行有限公司
香港中環皇后大道中12號
上海商業銀行大廈
www.shacombank.com.hk

9th September, 2022

Dear Valued Customer,

Re: Notice of Amendments to "Terms and Conditions for Securities Services"

Thank you for your continued trust in our Securities Services. Effective from 10th October 2022, our Terms and Conditions ("Terms") for Securities Services shall be revised. The amendments are made mainly to incorporate new products and existing product upgrades regarding our Bank's Securities Services, as well as to strengthen investor protection and clarify the scope of our respective liabilities and responsibilities. We have set out below a major summary of amendments to the "Terms" for your kind reference.

1. Part 1: General Terms and Conditions

Subject to the latest regulations, Clause 2.13 shall be added to state customers are required to promptly provide and update the Bank the latest identity document information, in order for the Bank to provide securities trading services to you.

Clauses 2.16 shall be added to consolidate the terms and conditions in Securities Account Mandate into the Master Agreement. Disclosures of sales related information for different products are also added or updated.

Clauses 5.4 to 5.5 shall be revised to state the responsibility of reasonable security precautions to keep Access Codes and Security Codes secure and secret. Clauses 5.14 to 5.16 shall be added after 5.13, while the original clauses will be renumbered to 5.17 to 5.19 accordingly. The changes are mainly concerned with the risks relating to electronic delivery of communications.

Clause 8.2, 8.4 and 8.5 are revised and added for the warranty on the use of third party person information (including any personal data) provided by customers are under our requirements on the disclosure and release of information; For details please refer to the updated version of our "Terms"

Section 13, which encompasses Clauses 13.1 to 13.7, shall be added to explain circumstances where potential conflict of interests may arise. Subsequent Sections shall be renumbered accordingly.

With the aim to improve clarity of the "Terms", minor changes in other Sections shall be made to reflect revised definitions of the Master Agreement, as well as new service provisions.

2. Part 2: Terms and Conditions for Securities Trading Services

Clause 1.5 shall be revised to clarify the Bank's rights regarding order placing by customers. Clause 1.6 shall be revised to state relevant responsibilities for Sole Proprietorship / Partnership Securities Accounts.

Clause 2.13 shall be added to specify customers' obligations when using our Bank's Share Overdraft Facility service.

Section 4 shall be added, which encompasses Clauses 4.1 to 4.9, in order to add relevant provisions for our Bank's foreign securities trading services.

Minor changes shall be made to some Clauses to reflect aforementioned amendments in definitions and other provisions to ensure consistency.

3. Part 3: Terms and Conditions for Custody Services

Minor amendments in wordings of Clause 1.2, 1.6, 1.8, 1.12-1.14 and 2.3 shall be made to ensure consistency with aforementioned amendments in Part 1.

Clause 1.11 shall be added to state the Bank's right to dispose or initiate disposal of customers' Securities in settlement of liabilities.

4. Part 4: Terms and Conditions for Non-discretionary Investment Advisory Services

Provisions in the Sections "Representations, Warranties and Acknowledgements", "Product Specifications" and "Fees, Costs and Expenses" shall be amended to enhance clarity and reflect the new scope of our Services.

Minor changes in other Sections shall be made to reflect aforementioned amendments in definitions.

上海商業銀行
SHANGHAI COMMERCIAL BANK

Shanghai Commercial Bank Limited
Shanghai Commercial Bank Tower
12 Queen's Road Central Hong Kong
上海商業銀行有限公司
香港中環皇后大道中12號
上海商業銀行大廈
www.shacombank.com.hk

5. Part 5: Terms and Conditions for Mutual Funds / Unit Trusts Services

The name of Part 5 shall be revised to replace the former known as "Terms and Conditions for Mutual Funds Services" to reflect the provision of unit trusts services. Clauses 2.3 and 2.4 shall be deleted and subsequent Clauses shall be renumbered accordingly. Clause 2.5 states clear the procedure of our Bank when acting on customers' behalf. Clauses 3.1 to 3.7 shall be revised to include Mutual Funds into the scope of the "Terms".

6. Part 6: Terms and Conditions for Derivative and Structured Products Services

The name of Part 6 shall be renamed to replace the former known as "Terms and Conditions for Derivative Products Services" to include Structured Products into the scope of our services. Amendments in this part are mainly concerned with the inclusion of new services of our Bank. Changes in other Clauses shall be made to enhance clarity of the "Terms".

7. Part 7: Terms and Conditions for Currency Linked Deposits

The original "Terms and Conditions for Currency / Equity Linked Deposits" was renamed and consolidated to the "Terms". Section 1, named as "Interpretation", is to be added to provide clear definitions with respect to the scope of our products. The subsequent sections shall be renumbered accordingly. Changes in other Clauses in this Part shall be made accordingly to ensure consistency with the definitions set out in Section 1. Other changes shall be made to reflect aforementioned amendments in definitions in the Master Agreement.

8. Part 8: Terms and Conditions for Exchange-traded Options

This Part shall be added in view of the launch of exchange-traded options trading service. Clauses 1.1 to 5.2, which encompasses specific rules and standards relating to execution, margin and premium payments, as well as adjustments and termination, shall be added to clearly define the scope of our service and relevant rights and obligations.

9. Part 9: Additional Terms and Conditions for SMS Notification Service

The original "Terms and Conditions for SMS Notification Service" was renamed and consolidated to the "Terms". This Part shall define and list out the updated rules and procedures that our Bank follows when providing SMS Notification Service to our customers. For details please refer to the updated version of our "Terms".

10. Part 10: Important Notice of Trading Mainland China A Shares via Shanghai-Hong Kong stock Connect and Shenzhen-Hong Kong Stock Connect

The original "Terms and Conditions for Important Notice of Trading China A Shares via Shanghai Hong Kong Stock Connect and Shenzhen Hong Kong Stock Connect" was renamed and consolidated to the "Terms". This Part is revised to state clear relevant rights and restrictions of using our Bank's service to trade China Connect stocks, and the associated risks. For details about operations and other matters, please refer to the updated version of our "Terms".

11. Part 11: Risk Disclosure Statements

In this Part, risks to be borne by customers when using / trading our products and services are outlined. The Section "Risk of Entering into Over-the-counter Derivative Transactions with an Unlicensed Person" shall be added to state the associated risks of trading certain over-the-counter (OTC) products. The Section "Risk of Providing an Authority to Repledge Your Securities Collateral etc." shall be added to explain relevant risks relating to securities collateral. The Section "Risk of Investment in Shanghai and Shenzhen Connect" shall be removed as the risks of trading China Connect stocks shall be included in Part 10.

The above changes constitute only a summary of (but not all) the amendments made to the Terms and Conditions. Please browse our website www.shacombank.com.hk or visit any of our branches to obtain a copy of the relevant Terms and Conditions, should you wish to view the full version.

Please note that the above amendments shall be binding on you if you continue to use or retain your account(s) after the amendments are effective. If you do not accept the above amendments, we shall not be able to continue providing services to you and you can notify us for termination of accounts or services before the above amendments are effective.

Should you have any enquiries, please call our Customer Service Hotline on 2818 0282 or visit any of our branches.

Yours faithfully,
Shanghai Commercial Bank Limited

This is a computer-generated printout and no signature is required. In case of inconsistency between the English and Chinese versions of this letter, the English version shall prevail.