



Appendix – Risk Disclosure and Other Information

This Appendix describes some of the key risk factors concerning the GBA Southbound WMC Service. This Appendix is not exhaustive and does not disclose all the risks or other significant aspects of the GBA Southbound WMC Service. The Client should ensure that he/she understands the risks and the nature of the GBA Southbound WMC Service before registering for the GBA Southbound WMC Service. The Client should consider carefully and consult his/her own advisers where necessary.

Capitalised terms used in this Appendix shall have the same meanings as those defined in the Terms and Conditions for GBA Southbound Wealth Management Connect Service (“**Terms and Conditions for GBA Southbound WMC Service**”) unless otherwise defined herein.

1 Respective roles and responsibilities of Mainland Partner Banks and Hong Kong banks

The Mainland Partner Bank carries out cross-boundary remittance of funds through a dedicated onshore remittance account and Standard Chartered Bank (Hong Kong) Limited (“**Bank**”) will act as agent for the Client in relation to relevant transactions in products distributed by the Bank under the Investment Fund Services and as agent for the issuer of the relevant products (“**Issuer**”) (or the person authorised to appoint the Bank as distributor) in relation to the distribution of the relevant products (including the opening of a dedicated investment account in Hong Kong for qualified investors).

2 Designation of a Dedicated Onshore Remittance Account

To register for the GBA Southbound WMC Service, the Client must follow the procedures and requirements as the Bank may specify from time to time, including designation of a Dedicated Onshore Remittance Account for funds remittance to and from the Dedicated Southbound WMC Account. The Client can only designate one Dedicated Onshore Remittance Account and cannot change such designated account. The Dedicated Southbound WMC Account must be opened and maintained with the Bank. The operation of the Dedicated Onshore Remittance Account is subject to the terms and conditions applicable to such account provided by the Mainland Partner Bank. The Client shall understand the terms and risks associated with the operation of the Dedicated Onshore Remittance Account and Dedicated Southbound WMC Account.

3 Restrictions on fund transfer and remittance

All funds transfer and remittance under the GBA Southbound WMC Service are restricted and subject to the Applicable Requirements and other requirements as the Bank may specify from time to time. The Client shall only deposit funds into the Dedicated Southbound WMC Account by way of cross-boundary fund remittance in RMB from the Dedicated Onshore Remittance Account, subject to any applicable aggregate and individual investor quota(s) imposed by the Applicable Requirements and/or other requirements as the Bank may specify from time to time. The Client can only effect cross-boundary fund remittance in RMB under the GBA Southbound WMC Service under a **closed-loop mechanism** by pairing his/her Dedicated Onshore Remittance Account and his/her Dedicated Southbound WMC Account. The Client shall only use the funds in his/her Dedicated Southbound WMC Account to invest in the Eligible Investment Products. The Client cannot withdraw cash, nor transfer the balance from his/her Dedicated Southbound WMC Account to any other account, except to the Dedicated Onshore Remittance Account. The Applicable Requirements may be subject to change.

The Bank reserves the right to reject the Client’s instructions for the GBA Southbound WMC Service, as the Bank reasonably considers appropriate / as a result of the aggregate / individual investor quota being used up, while remittances from the Hong Kong back to Mainland and investment instructions using funds already remitted to the Dedicated Southbound WMC Accounts will not be affected. In those circumstances, there is no assurance that the Client’s instruction can be successfully processed in time or at all.

4 Complaint Handling Mechanism

Clients are protected by the laws, regulations and regulatory regime of Hong Kong in respect of their transactions in the Dedicated Southbound WMC Account. Complaints relating to the Eligible Investment Products and GBA Southbound WMC Service can be directed to the Bank’s website at <https://www.sc.com/hk/zh/help/contact-us/#sc-lb-module-need-module-1> or our dedicated comment line at (852) 2282 - 6099 or by mail to the Customer Experience Department at P.O. Box 21, General Post Office, Standard Chartered Bank (Hong Kong) for follow-up. Upon receipt of such complaints, the Bank will also address them as soon as possible and reply to the Client after studying and investigating the comments made. For complaints relating to the cross-boundary remittances, the Bank will assist in referring the complaint to the Mainland Partner Bank and provide appropriate assistance to the Client. After referral, the Bank will also follow up as appropriate to ensure that the complaint is properly handled and responded to by the Mainland Partner Bank within a reasonable period of time.

5 Compliance with the Applicable Requirements

Use of the GBA Southbound WMC Service is subject to all the Applicable Requirements, including the applicable laws and regulations issued by the Authorities in Mainland China. The Applicable Requirements may be subject to change from time to time. The Bank may vary the scope of, suspend or terminate the GBA Southbound WMC Service without giving prior notice for compliance with the Applicable Requirements. Any change in the Applicable Requirements may have an adverse impact on the use or operation of the GBA Southbound WMC Service (such as imposition of restriction on, or suspension of, the use of the GBA Southbound WMC Service). The Bank is not liable for any loss incurred or suffered by the Client or any third party, arising from or in connection with the use of the GBA Southbound WMC Service.

6 Restricted list of Eligible Investment Products

The Client is only allowed to utilise funds in the Dedicated Southbound WMC Account for investment in the Eligible Investment Products. The Bank may change the list of the Eligible Investment Products from time to time without giving any reason or prior notice. The Client is restricted from purchasing products which cease to be the Eligible Investment Products.

The Client must ensure that all assets held in his/her Dedicated Southbound WMC Account (or any part thereof) must be free from any charge or other security interests or encumbrances or claims in favour of any other person.

7 Limitations on RMB conversion

RMB is subject to foreign exchange control and restrictions by the Mainland Chinese central government. There may be additional rules, regulations and restrictions under contemplation or to be issued by any Authorities in Mainland China that may be relevant to RMB conversion. The Client should take reasonable steps to check for updates and details before giving instructions for RMB conversion.

8 RMB exchange rate risks

The exchange rate of RMB may vary from time to time. There is no guarantee that RMB will not depreciate. The exchange rate of RMB traded outside Mainland China ("**Offshore RMB**") will be affected by, amongst other things, foreign exchange control imposed by the Mainland Chinese central government from time to time. The Client will incur currency conversion costs (being the spread between the purchase and sale of Offshore RMB) and be subject to exchange rate fluctuation risks in any such currency conversion.

9 Risks associated with investment in Eligible Investment Products

Investment in Eligible Investment Products involves risks. The Client should understand and assess the risks associated with such investment. The Client should make the investment decision based on his/her own independent judgment. Unless agreed by the Bank, the Bank will not act as the Client's advisor. The Client should seek independent professional advice when it is reasonably appropriate.

10 GBA Southbound WMC Service channel and operational hours

The Bank has an absolute discretion to determine from time to time the service channel and operational hours of the GBA Southbound WMC Service. The Client should be aware of the risk of price fluctuations in the Eligible Investment Products during the time when the GBA Southbound WMC Service is not available.

11 Disclosure of data

The Bank may provide or disclose information about the Client (including the profile, and the type and value of the transactions under the GBA Southbound WMC Service) to: (i) the Mainland Partner Bank for the purpose of the GBA Southbound WMC Service; or (ii) the Bank's group members or any Authorities to comply with the Applicable Requirements. The Client agrees and consents to such disclosure as set out in the Notice to Clients and Other Individuals relating to the Personal Data (Privacy) Ordinance and the Code of Practice on Consumer Credit Data.

12 Suspension or termination of GBA Southbound WMC Service

The Bank may suspend or terminate the Client's use of the GBA Southbound WMC Service at any time without giving the Client notice or reason.

Without limiting the generality aforementioned, the Bank has the right to suspend or terminate the Client's use of the GBA Southbound WMC Service if:

- a. the Bank finds out that the Client has acquired the GBA Southbound WMC Services from more than one banks at the same time, or has more than one dedicated investment accounts (including settlement account and investment account) at the same time;
- b. the Bank is of the view that the Client is in breach or may be in breach of the Terms and Conditions for GBA Southbound WMC Service or any Applicable Requirements, including but not limited to those situations stipulated in Clauses 10(g) and 10(h) under the Terms and Conditions for GBA Southbound WMC Service;
- c. the provision of the GBA Southbound WMC Service by the Bank becomes or will become illegal or impracticable due to the change in Applicable Requirements; and
- d. the Bank has reason to believe that the Bank's failure to terminate the GBA Southbound WMC Services may render the Bank or another member of the Group in breach of any applicable regulations or subject to prosecution or censure by such Authorities.

In the event that the Dedicated Southbound WMC Account is terminated, the Bank may remit the remaining funds in such account back to the Dedicated Onshore Remittance Account.

If the Client's Onshore Remittance Account is cancelled or closed for any reason, the GBA Southbound WMC Service shall be automatically terminated.

The Client shall not apply for termination of the GBA Southbound WMC Services until the Client's Dedicated Southbound WMC Account has been cancelled or closed. The Client shall not apply for cancellation or closure of the Dedicated Onshore Remittance Account until the GBA Southbound WMC Services have been terminated.

The Client may terminate its use of the GBA Southbound WMC Service through the relevant channels and in such manner as may be announced by the Bank from time to time. In order to terminate the GBA Southbound WMC Service, the Client should ensure that there are no investment products and funds in the Dedicated Southbound WMC Account and that the Dedicated Southbound WMC Account has already been cancelled or closed.

The Bank is not responsible for any losses caused by the suspension or termination of the Client's use of the GBA Southbound WMC Service.

On the suspension or termination of the GBA Southbound WMC Service, the Client remains responsible for his/her obligations and liabilities accrued before such suspension or termination. The terms in the Terms and Conditions for GBA Southbound WMC Service that by their nature are continuing shall survive such suspension or termination, including the Bank's disclaimers, limitations of liabilities and the Client's indemnity in the Bank's favour.

Notwithstanding the suspension or termination of the GBA Southbound WMC Services, the Bank shall have the right, at its sole discretion, to discharge on behalf of the Client any obligations incurred under transactions or settlements previously entered into by or on behalf of the Client without any form of consent from or notice to the Client. In addition, the Bank reserves the right to cancel all or any outstanding instructions at its sole discretion upon suspension or termination of the GBA Southbound WMC Service.

13 Taxation

The Client is fully responsible for any taxes in respect of transactions conducted under the GBA Southbound WMC Service, and agrees to indemnify the Bank on demand from and against all taxes which the Bank may incur in connection with any Eligible Investment Products which the Client holds or otherwise deals in. The Bank assumes no responsibility for advising on or handling any tax issues, liabilities and/or obligations in connection with the GBA Southbound WMC Service, and the Bank will not provide any service or assistance in this regard. Prior to entering into transactions under the GBA Southbound WMC Service, the Client is strongly recommended to obtain independent tax advice on the possible tax consequences.

14 Different market conventions and practices on the Mainland and in Hong Kong

The classification and naming of Mainland investment products may differ from those in Hong Kong (including SFC-authorized funds). Investors should refer to the offer documents of Mainland investment products and contact the Mainland Partner banks concerned for details on the features and investment strategies of the investment products, and should not rely solely on the product name or classification in making an investment decision.

Appendix: Investment Fund Services Risk Disclosure Statement

Investment involves risks. The prices of units / shares of unit trusts or mutual funds fluctuate, sometimes dramatically and may become valueless. Client may not get back the amount they have invested. It is as likely that losses will be incurred rather than profit made as a result of buying and selling unit trusts or mutual funds. Past performance is no guide to its future performance.

The Client should read the terms and conditions contained in the relevant offering documents and in particular the investment policies and the risk factors and latest financial results information. It is desirable that the Client seeks independent financial advice with respect to any investment decision. Client should ensure they fully understand the risks associated with unit trusts or mutual funds and should also consider their own investment objective and risk tolerance level.

Appendix: Debt Securities Services – Risk Disclosure Statement

Investment involves risks. The price of bonds and structured notes fluctuates, sometimes dramatically and the worst case may result in loss of your entire investment amount. There is an inherent risk that losses may be incurred rather than profits made as a result of trading bonds and structured notes. Investors should consider their own investment objectives, investment experience, financial situation and risk tolerance level. Investors should carefully read the relevant offering documents and the Terms & Conditions of relevant product / service before making any investment decision.

For the whole document, where inconsistency exists between the English and Chinese version, the English version shall prevail. If the Client would like to obtain the Chinese version, please contact the employee of the Bank or Mainland Partner Bank.