

HONG KONG ANNEX

Application

This Annex applies to any person who transacts (buys and/or sells) Securities at or through The Stock Exchange of Hong Kong Limited (the "SEHK") and transacts futures contracts and options contracts at or through the Hong Kong Futures Exchange Limited (the "HKFE"). For the purposes of this Annex, "sell" includes purporting or offering to sell the Securities, holding oneself out as entitled to sell the Securities or instructing any representative of a licensed intermediary to sell the Securities.

Applicable terms

The following is a high level summary of the Hong Kong short selling restrictions with which the Client agrees to comply. The Client further agrees to keep itself informed of any updates to these restrictions during the term of its access to and/or use of the Electronic Services, to comply with the relevant restrictions and obligations arising under or as a result of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("SFO") and related rules and regulations (including any updates or amendments) and to seek all necessary independent advice.

Short-selling Restriction

Naked short selling is prohibited under the SFO, subject to limited exceptions.

In particular, a person must not sell securities at or through the SEHK, unless at the time that person sells them:

- (a) the person has or, where the person is selling as an agent, their principal has; or
- (b) the person believes and has reasonable grounds to believe that they have or, where they are selling as an agent, that their principal has,

a presently exercisable and unconditional right to vest the securities in the purchaser of them.

A breach of the Hong Kong short selling prohibition can amount to a criminal offence, including significant fines and possible imprisonment.

The Client agrees and undertakes to notify BNP Asia, at the time of placing the order, whether or not such order amounts to a "short-selling order" as defined in the SFO ("**Short-selling Order**").

In connection with any Short-selling Order, Client agrees to confirm to BNP Asia, prior to placing such order:

- (a) the Client has a presently exercisable and unconditional right to vest the securities to which the Short-selling Order relates, in the purchaser of such securities; and
- (b) the counterparty or the other person (as the case may be) giving you the right referred to in paragraph (a) above, has the securities to which the Short-selling Order relates, available to lend or deliver to you (a "**Covered Shorts-selling Order**").

The Client must provide certain transaction details and assurances to the relevant Broker whenever it proposes to place a Covered Short-selling Order. This is because the Broker can only convey or accept a Short-selling Order if the Client provides a documentary assurance that the proposed sale is covered, at the time of placing the Order.

Compliance with Reporting Requirements and Position Limits

In respect of an Order placed with BNP Asia via FIX message, the Client hereby confirms the following tags in FIX protocol functionality constitute written confirmation and assurance from the Client, pursuant to sections 171 and 172 of the SFO, that an Order is a Covered Short-selling Order:

- (a) Tag 54 = "5" (indicating short sale); and
- (b) Tag 114 = "N" (indicating covered).

If you do not notify BNP Asia that an Order amounts to a Short-selling Order, BNP Asia shall treat such an Order as a long sale order.

The Client agrees and undertakes to comply with the futures contracts and options contracts reporting requirements and contract limits as set out in the Securities and Futures (Contract Limits and Reporting Positions) Rules, the rules, regulations and procedures published by the HKFE and relevant guidance notes issued and updated by the Securities and Futures Commission ("**SFC**") from time to time.

Such requirements (i) prescribe limits on the number of futures contracts or options contracts that may be held or controlled by a person, and (ii) require a person holding or controlling a reporting position to notify the recognized exchange company of the SFC.