

# Wealth Management Services Terms

Note: Clause 4 of the Wealth Management Services Terms shall be effective on the date the “Feature Fund” section becomes available on the App.

## 1. About Us and our Wealth Management Services

1.1 WeLab Bank Limited offers wealth management services designed to help you pursue your wealth management goals by providing you with access to our wealth management platform as described in the GoWealth product page delivered through our App (“Wealth Management Services”) as an authorised institution under Part IV of the Banking Ordinance and a registered institution (CE Number: BOJ558) under the Securities and Futures Ordinance to conduct Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities.

1.2 To get access to our Wealth Management Services, you are required to read and agree to the terms and conditions set out in these Wealth Management Services Terms which acknowledge our relationship with you and describe our obligations when providing Wealth Management Services. By confirming that you have read and agree to these Wealth Management Services Terms you are also confirming that you have read the Complete Account Terms, as defined in the Account Terms, and you agree to be bound or continue to be bound by the Complete Account Terms which set out all the terms and conditions on which we provide Wealth Management Services to you.

1.3 These Wealth Management Services Terms are Additional Terms, as defined in the WeLab Bank Limited – Account Terms and form part of the Complete Account Terms, as applicable when we provide you with Wealth Management Services. Words and expressions which are defined in the Account Terms shall, except where the context otherwise requires, have the same meanings when used here. In the event of any inconsistency between these Wealth Management Services Terms, the Account Terms or the App Terms, these Wealth Management Services Terms shall prevail.

1.4 When we use the terms “**Bank**”, “**we**”, “**our**” or “**us**” in the GoWealth product page and these Wealth Management Services Terms, we are generally referring to the Bank. There may be certain aspects of our Wealth Management Services jointly performed and/or provided by the Bank and its Affiliates jointly, and in respect to those aspects of our services, our statements and disclosures referencing “Bank”, “we”, “our” or “us” will also apply to both the Bank and its Affiliates.

1.5 All capitalized terms are defined in the body of this Wealth Management Services Terms and/or the Glossary section. The GoWealth product page and Wealth Management Services Terms describe the Wealth Management Services that we provide, the commission, fees and charges you will pay, our role and that of our personnel, our other business activities and financial industry affiliations and the economic and other benefits and arrangements we have that may create conflicts of interest in certain situations.

1.6 We will notify you of any changes in our name, principal address, registration status, CE number or changes to the scope of services which we provide to you under the Wealth Management Services Terms and the fees payable by you under these Wealth Management Services Terms on our App.

## 2. Investment Account Opening

2.1 To enjoy our Wealth Management Services, you will need to hold a valid Investment Account with us. During the Investment Account opening process you will be required to

(A) provide and/or update your personal information;

(B) upload documents or copies of documents for the purpose of (but not limited to) anti-money laundering and counter-terrorist financing legislations and regulations in order for us to be able to provide you with Wealth Management Services in Hong Kong and to make available to you investments which are subject to the laws of other jurisdictions;

(C) upload relevant documents such as consent of employers to establish your eligibility for the Wealth Management Services; and

(D) complete our Customer Risk Profiling Questionnaire (CRPQ) (“Customer Risk Profiling Process”).

2.2 We will ask questions to gather information about you in the CRPQ. Based on your answers and other information provided by you, we will generate your

(A) Customer Risk Rating (CRR). Following your completion of the CRPQ, you will be advised through the App of your personal CRR, which is a risk tolerance assessment, applying the same criteria we use for our in-house risk ratings for investment products available on our App. This may be used by you to search for investment products available on our wealth management platform with risk categories or risk ratings which match your CRR; and

(B) Customer Investment Profile (CIP). This is used for assessing the suitability of any investment recommendations. The CIP will record the following information:

(1) your investment objectives and investment horizon;

(2) your investment knowledge and experience, such as the types of financial products which you are familiar with, and the volume and frequency of the types of financial products which you have traded;

(3) your financial situation, such as your regular income, your liquid assets and your regular financial commitments;

(4) your profession and the level of your education;

(5) your risk tolerance and risk appetite; and

(6) any other information which is relevant to the Wealth Management Services.

A copy of the CRPQ, together with your most recent answers is available through the App for review. You may also make changes to the answers if you wish.

2.3 You agree to provide complete and accurate information to us throughout the Investment Account opening and Customer Risk Profiling Process. We will not independently verify the information you provide to us, and we will not consider other information obtained in connection with any other account or relationship you may have with the Bank or its Affiliates other than as described in the product page and these Wealth Management Services Terms.

2.4 You agree to notify us promptly, through the App, if any information you have provided to us about you is inaccurate or becomes inaccurate or of any other change. This includes any changes to your answers to the CRPQ, which we use to determine your CRR and your CIP.

2.5 You acknowledge our suitability assessment and investment recommendation is formulated primarily based on your CIP and CRR, which are generated using the information you provide to us through our App, and the investment requirements and investment goals you specify in our App.

2.6 Unless and until you notify us of any change in the information provided, we are entitled to assume that all the information you provide in our App remains up-to-date and we may rely on it for any suitability assessment or investment recommendations.

2.7 If you enter inaccurate information or fail to notify us promptly of any change to information previously provided, this may adversely affect our assessment of your CIP (and CRR), your investment requirements and investment goals. This may result in a solicitation of sale or investment recommendation that may not be suitable or may become unsuitable for you. We shall not be liable in such circumstances for any expense, loss or damage incurred by you arising from or in connection with such a failure.

2.8 If we become aware that you have entered inaccurate information or failed to notify us promptly of any change to information previously provided and to provide us with your most updated information, we may suspend or terminate the Wealth Management Services or take any other actions which we consider to be appropriate which may include but are not limited to

(A) freezing your Investment Account; and

(B) seeking an indemnity from you in accordance with Clause 21.1.

2.9 Entering inaccurate information or any failure identified in Clause 2.8 shall constitute an exceptional circumstance, entitling us to freeze your Investment Account without prior notice for the purpose of Clause 2.8 and 3.11.

2.10 You will be able to submit Instructions to us via your Investment Account upon your successful completion of all Investment Account opening procedures and Customer Risk Profiling Process, subject to you providing the requisite representations, undertakings, confirmation and/or certification on our App. These representations, undertakings, confirmation and/or certification will be treated as having been repeated by you on each occasion you place an Instruction or a Standing Instruction.

2.11 By completing the application process you are confirming to us that you do not have any observable disabilities (e.g. incapacitated, visually impaired, hearing impaired, etc.) nor lack of technology literacy which may affect your ability to make investment decisions.

2.12 The information you provide to us is “personal data”. How we use that information is explained in these Wealth Management Services Terms and our Privacy Policy Statement (“**Privacy Statement**”), including when we may share your information with third parties and their agents.

## 3. Our Relationship with You

### *Suitability*

3.1 The Wealth Management Services provided through the App include services where we may make investment recommendations or solicit investments. You will also be able to invest in investment funds presented on App on a non-solicited basis. Such investments are categorised on the App by asset classes, investment themes and/or sectors. Our duties to you and our obligations to you will differ depending on which service you choose to use.

3.2 Under the Code of Conduct, if we solicit the sale of or recommend any financial product to you, the financial product must be reasonably suitable for you having regard to your financial situation, investment experience, investment objectives, and risk appetite. No other provision of these Wealth Management Services Terms or any other document we may ask you to sign and no statement we may ask you to make shall derogate from this Clause 3.2. (For the purposes of this Clause 3.2, “financial product” means any securities, futures contracts or leveraged foreign exchange contracts as defined under the Securities and Futures Ordinance. Regarding “leveraged foreign exchange contracts”, it is only applicable to those traded by persons licensed for Type 3 regulated activity.)

3.3 Accordingly, if we solicit the sale of or recommend a Fund or Model Portfolio to you, we will take reasonable steps to ensure that the suitability of the recommendation or solicitation is reasonable in all the circumstances, and with respect to any Fund or Model Portfolio which uses or involves derivative product, to ensure you have sufficient knowledge of such derivative product and that you understand the nature and risks of such Fund or Model Portfolio and have sufficient net worth to be able to assume the risks and bear the potential losses of investing in such Fund or Model Portfolio. We shall determine suitability based on the information that you have provided to us and any other information which we consider to be appropriate.

3.4 One of the factors we take into account for a suitability assessment is the cash you have available in your accounts with us. If you request a service which requires us to make a suitability assessment you consent to us using the information we have about your cash deposits with us for the purpose of the suitability assessment. If you do not consent, we may not be able to provide you the Wealth Management Services which require us to perform a suitability assessment.

3.5 You understand and acknowledge that the presentation of investment funds, available for investment, and categorised investment themes and/or sectors, is not intended to be and does not constitute a solicitation or

recommendation of any investment product listed and there can be no assurance that the any of the investments listed (whether taken alone or in any combination or all collectively) are suitable for your needs having regard to the information recorded in your CIP. The duties described in Clauses 3.2 and 3.3 above do not apply.

#### *Tax*

3.6 The Wealth Management Services we provide do not include tax advice nor do we take into account the tax you may have to pay in Hong Kong or any other country when assessing whether or not an investment is suitable.

3.7 By confirming that you have read these Wealth Management Service Terms you confirm to us that you are tax resident in Hong Kong. Unless you notify us in writing we are entitled to assume and rely on the fact that you are not tax resident in any other country or jurisdiction.

3.8 You acknowledge and agree that

(A) certain information is collected and may be kept by us for the purpose of automatic exchange of financial account information, and

(B) such information and information regarding the account holder and any reportable account(s) may be reported by the financial institution to the Inland Revenue Department of the Government of the Hong Kong Special Administrative Region and exchanged with the tax authorities of another jurisdiction or jurisdictions in which the account holder may be resident for tax purposes, pursuant to the legal provisions for exchange of financial account information provided under the Inland Revenue Ordinance (Cap. 112).

3.9 You undertake to advise us immediately, and in any event within 30 days, of any change in circumstances which affects the tax residency status of the individual or causes the information provided to us for the purpose of these Wealth Management Service Terms to become incorrect.

3.10 Before we are able to execute your Instructions to invest in funds, you will need to make some declarations, representations and warranties. These are contained in the Fund Documents for the relevant fund in which you wish to invest. Some of these are listed in Clause 8.2 below but you must read the relevant Fund Documents for the full set of declarations, representations and warranties. By confirming you wish to proceed with any investment through our Wealth Management Services you acknowledge that:

(A) you will be treated as making all the relevant declarations, representations and warranties;

(B) we may share that information, and other information you have provided to us, in accordance with Clause 3.8(B); and

(C) those declarations, representations and warranties are relevant information for the purpose of your tax status.

3.11 If we become aware that the information which you have provided about your tax status is inaccurate or that you have failed to notify us promptly of any change we may suspend, freeze your account or terminate the Wealth Management Services or take any other actions which we consider to be appropriate. Such action may include, but is not limited to, seeking an indemnity from you in accordance with Clause 21.1.

### *Standing Instructions*

3.12 The Wealth Management Services provided through the App include the ability to give us a Standing Instruction. The nature of a Standing Instruction is an Instruction to make a repeat investment on your behalf every month. Your Standing Instruction will specify the amount of repeat investment, identify the relevant investment and period over which the Instructions are to be repeated.

3.13 Standing Instructions are executed by us on the same day every calendar month. The actual transaction date may vary depending on dealing day of the investment. If the date for a monthly investment, pursuant to a Standing Instruction, falls on a non-dealing day of the investment for that particular month, the execution of the Standing Instruction will be delayed for that month and the investment shall be made on the next dealing day.

3.14 You acknowledge that the actual day on which investments made in accordance with Standing Instruction may vary and that we shall not be liable to you for any loss, damage you may suffer or incur or for any lost profit or lost or missed opportunity.

3.15 Where you have given us Standing Instructions it is your sole responsibility to ensure that there are sufficient funds in your CASA Account to enable us to make a monthly investment, including any associated Fees in accordance with the Standing Instructions in question. We will not send you any reminders.

3.16 You may cancel a Standing Instruction for monthly subscription of Funds or FX by clicking on the relevant Fund position in your Investment Account and set the monthly contribution amount to ZERO on or before the Cut-Off Date and Time. If you cancel a Standing Instruction for a Fund Transaction any FX instruction linked to the Fund Transaction will automatically be cancelled. Once an Instruction to cancel a Standing Instruction is received, we will use reasonable endeavours to cancel the relevant Standing Instruction, but we shall not be obligated to do so with immediate effect and/or before the next investment date. If we do not cancel the relevant Standing Instruction, with immediate effect and/or before the next investment date, we will notify you on the App and we shall not be liable to you for any loss, or damage you may suffer or incur or for any lost profit or lost or missed opportunity.

### *Foreign Currency*

3.17 The Wealth Management Services provided through the App include investment products which may be denominated in a currency other than HKD. If you wish to buy or invest in a product which is not denominated in HKD, you will need to purchase the relevant foreign currency in order to proceed.

3.18 It is possible to purchase foreign currencies by giving Instructions for an FX Transaction using the App.

#### *Instructions Binding*

3.19 Once you place an Instruction it shall be legally binding on you and it may not be withdrawn notwithstanding any change in market conditions following your placement of the Instruction. We have the absolute discretion to reject your Instruction (in its entirety or partially) without providing you with a reason. We shall not be liable to you for any loss or damage you may suffer or incur or for any lost profit or lost or missed opportunity if we have declined an Instruction or have been unable to execute an Instruction.

3.20 If you do not have sufficient funds in your CASA Account to pay for an Instruction including an instalment of a Standing Instruction, we may reject Instruction in question. If a Standing Instruction is not executed because of insufficient funds, the next investment will be made in the following month in accordance with the Standing Instruction. We shall not be liable to you for any loss, damage you may suffer or incur or for any lost profit or lost or missed opportunity as a result of any rejected Instruction.

#### *Deposit Protection*

3.21 The monies, Hong Kong dollar and/or foreign currency, held in your CASA Account qualify for protection under the Deposit Protection Scheme Ordinance (Chapter 581 of the Laws of Hong Kong) up to a total limit of Hong Kong \$500,000.

## **4. Fund Investment Services**

4.1 The investment products available on our wealth management platform, accessible via our App, include investment funds. Using the App you may buy or redeem shares or units in the investment funds listed (Fund Transaction).

4.2 Based on your CRR the "Featured Fund" section of the App will present a list of funds with a matching risk category. The compilation of this list does not take into account any other information recorded in your CIP. The list of investment funds presented is not intended to be and does not constitute a solicitation or recommendation of any investment fund presented and there can be no assurance that any of the investment funds listed (whether taken alone or in any combination or all collectively) are suitable for your needs having regard to the information recorded in your CIP.

4.3 You may place an Instruction to execute a Fund Transaction with us to:

(A) invest in any Fund for as a one-time, stand-alone, subscription (**Subscription Instruction**);

(B) invest in any Fund as Standing Instruction for a recurring subscription every month (**Recurring Subscription Instruction**); and/or

(C) redeem all or part of your interests in any Fund, subject to any limits or restrictions imposed by us or the relevant Fund, and any statutory, regulatory, legal or market requirements (**Redemption Instruction**).

#### 4.4 After you place:

(A) Subscription Instruction, we will immediately debit the requisite amount from your CASA Account, including the investment amount and all other commissions, fees, charges, stamp duties and tax ("**Fees**") that are payable by you. If you do not have sufficient funds in your CASA Account, we shall reject your Instruction. We will credit interests in the relevant Fund(s) which you have purchased to the Investment Account on the date as we notify to you on the App;

(B) Redemption Instruction, we will debit the interests which you wish to redeem from your Investment Account once the relevant Fund confirms the redemption application. We will credit the redemption proceeds, minus any Fees that are payable, to your relevant CASA Account on the date as we notify to you on the App. If you purchase interests in a Fund denominated in any Specified Currency apart from HKD, we will only credit the relevant Specified Currency to your CASA Account after we complete the redemption process. You understand and acknowledge that you will not receive HKD if you redeem interests in any Fund which are denominated in any other Specified Currency. If you wish to convert the relevant Specified Currencies into HKD, you will need to place an instruction in accordance with the Foreign Exchange Services section in these Wealth Management Services Terms.

4.5 Recurring Subscription Instructions are Standing Instructions and the actual date of the investment may vary in accordance with these Wealth Management Service Terms. On each day an investment is made we will immediately debit the requisite amount from your CASA Account, including the investment amount and all other Fees that are payable by you. If you do not have sufficient funds in your CASA Account, we may reject your Instruction. We will credit interests in the relevant Fund(s) which you have purchased to the Investment Account on the date as we notify to you on the App.

4.6 Instructions for Fund Transactions which are for subscriptions shall be executed in the order which they are received. This means a Fund Transaction, which is a monthly investment to be made in accordance with Recurring Subscription Instructions, originally given on an earlier date, will be executed in priority to any subsequent Subscription Instructions. If you do not have sufficient funds in your CASA Account to pay for an Instruction, we shall reject the Instruction in question. This order for the execution may be affected or modified if you have given Instructions in relation to GoWealth Digital Wealth Advisory Services and this clause should be read together with and is subject to Clause 5.7 below.

4.7 You understand and acknowledge that after you subscribe for interests in the relevant Fund(s) or after you place a Recurring Subscription Instructions, you will not be permitted to switch between different classes of the relevant Fund(s).

## 5. GoWealth Digital Wealth Advisory Services

5.1 The services available through the App include goal-based investment services. These GoWealth Digital Wealth Advisory Services are available on request by you through the App by following the procedure in this Clause 5.1.

(A) You will see on the App a range of available Wealth Management Goals. You must select a Wealth Management Goal in our App, prior to using the GoWealth Digital Wealth Advisory Services;



(B) After you select a Wealth Management Goal, you will be required to enter your investment requirements specific to the Wealth Management Goal, such as investment horizon, Target Wealth, one-time investment amount and Standing Instruction (if any), etc.

5.2 Based on the information we collect from you through the App, we will present to you a Model Portfolio. The composition and weightings of the constituent Funds in the Model Portfolio are calculated by algorithms or methodologies determined by us taking into account your CIP, Wealth Management Goal, investment requirements and parameters, any pre-existing Standing Instructions and any other factors which we consider to be appropriate. In addition, we will provide information in relation to the Model Portfolio such as its risk rating and the allocation mix in Funds in chart format, key figures for risk/return profile and the Probability of Success.

5.3 You understand and acknowledge that the inclusion of a specific Fund in the Portfolio does not represent that investment in such Fund, taken alone, is suitable for you.

5.4 We may, in accordance with Clause 5.2, also provide you with an option to choose an alternative Model Portfolio with a higher possible target wealth ("**Alternative Option**"). If you choose the Alternative Option, we will provide you with an alternative Model Portfolio with a higher target wealth. You acknowledge that the Probability of Success to achieve the higher target wealth may be lower. This may also alter the Constituent Funds comprising the Model Portfolio and/or their weighting within the Model Portfolio.

5.5 The Model Portfolio presented to you is intended to align with and is limited to a specific Wealth Management Goal. If you want to set more than one Wealth Management Goal you will need to repeat the process in Clause 5.1 above in order to set up additional Model Portfolio(s). If you select an additional Wealth Management Goal we will present you with a Model Portfolio appropriate for the additional Wealth Management Goal you have selected. You understand and acknowledge that if you proceed to invest in the Model Portfolio associated with an additional Wealth Management Goal, the additional financial commitment and other factors, may affect the suitability of your existing Portfolio(s) and we will not, nor are we obligated to, suggest any change to your existing Portfolio(s).

5.6 Before you place any Instruction to purchase a Model Portfolio you must read all of the Fund Documents for each Constituent Fund in the Portfolio. By giving an Instruction to purchase a Model Portfolio you are representing to us that you have read all the Fund Documents for the Constituent Funds.

5.7 Instructions for Fund Transactions and Instructions in connection with a Portfolio shall be executed in the order which they are received. This Clause 5.7 should be read in conjunction with Clauses 4.5 and 4.6.

5.8 If you do not have sufficient funds in your CASA Account to pay for an Instruction, we may reject Instruction in question. This Clause 5.8 should be read in conjunction with Clause 3.20.

5.9 Instructions to invest in a Model Portfolio will be treated as a Subscription Instruction or a Recurring Subscription Instruction in accordance with Clause 4.4(A) and 4.5 for the purpose of debiting your CASA Account.

5.10 Subsequent to a Standing Instruction to subscribe for funds in a Model Portfolio, you may request to change the amount of monthly investment (if applicable) by giving us an Instruction through the App. You understand and acknowledge that:

(A) an Instruction to change the monthly investment is an unsolicited Instruction;

(B) we shall be entitled to decline your Instruction and we shall not be obligated to provide you with any reasons for declining your Instruction. Examples of scenarios where we may decline your Instruction include where in our reasonable opinion, it may not be in your best interest for you to change your monthly investment or if after the changes, and the change may result in the Portfolio no longer being suitable having regard to the relevant information you have previously provided to us; and

(C) if we accept the Instruction to change the monthly investment amount, as an unsolicited Instruction, it means that we will not actively assess the suitability of the change requested to the Portfolio, that it may affect the suitability of the Model Portfolio originally recommended and that the Instruction to change the monthly investment amount is your personal investment decision.

5.11 We may use wealth management tools that provide hypothetical projections of possible investment outcomes and Probability of Success over an investment time horizon in respect of a Model Portfolio. Hypothetical projections and Probability of Success do not reflect or project actual investment performance of the Model Portfolio or performance of any Constituent Fund. They are not guarantees of future results nor guarantees that you will achieve your Wealth Management Goal.

## 6. Redemption of your Portfolio

6.1 You may redeem all or part of the Portfolio by giving us an Instruction through the App, subject to any minimum holding requirement imposed by the relevant Constituent Fund. You understand and acknowledge that:

(A) a redemption Instruction is an unsolicited Instruction;

(B) Instructions for redemption may only be entered in terms of a monetary amount;

(C) due to the fluctuation of fund share or unit prices, the final redemption amount may differ from the actual amount entered in connection with Clause 6.1(B);

(D) you are not permitted to designate one or more specific Constituent Funds within a Portfolio for redemption. If you choose to redeem a portion of the Portfolio then we will only redeem the Constituent Funds in the Portfolio in accordance with the weighting of each of the Constituent Fund in the Portfolio with the objective that the weighting of each of the Constituent Fund in the Portfolio before and after the redemption remains substantially the same;

(E) If for any reason, you wish to redeem one or more specific Constituent Funds in its/their entirety, you must give us an Instruction to redeem the Portfolio in its entirety; and

(F) executing a redemption Instruction may affect the Wealth Management Goal completion status and the suitability of the of the Model Portfolio originally recommended and that the Instruction is your personal investment decision.

6.2 Instructions to redeem part or all of a Portfolio will be treated as a Redemption Instruction in accordance with Clause 4.4(B) for the purpose of crediting your CASA Account.

6.3 Goal completion status would be shown if the Target Wealth of a Wealth Management Goal is completed. Upon goal completion, only redemption of the Portfolio in its entirety is allowed and no further goal tracking or alerts will be given on the completed Investment Goal.

## **7. Goal Editing & Rebalancing of your Portfolio**

7.1 You may update your personal information or change your answers to the CRPQ. You may also edit your Wealth Management Goal, Target Wealth, and/or increase or decrease your monthly investment amount from time to time.

7.2 Before making a change to any of the information referred to in Clause 7.1 you are reminded and you acknowledge you understand that:

(A) updating your personal information or changing your answers to the CRPQ may result in a change to your CRR and/or CIP;

(B) your CRR and CIP are important factors we take into consideration when assessing the suitability of investment recommendations, including a Model Portfolio, we provide to you; and

(C) any specified Wealth Management Goal, Target Wealth and/or the amount of any Standing Instructions for monthly investment are also important factors we take into consideration when assessing the suitability of investment recommendations, including a Model Portfolio, we provide to you.

7.3 You acknowledge that by making a change to any of the information referred to in Clause 7.1 any investment recommendation which we may have made before the change(s), and the Portfolio you have invested in based on such recommendations, may no longer be suitable for you based on your new information.

7.4 Once you have notified a change to any of the information referred to in Clause 7.1 we may, but are not obligated, to present to you a revised Model Portfolio.

7.5 You acknowledge that if we do not present you with a revised Model Portfolio:

(A) it is not a recommendation to continue holding your existing Portfolio; and

(B) it is not a representation that your existing Portfolio is suitable for you based on your new information.

7.6 In the event we present a revised Model Portfolio to you, we will use and rely on algorithms and methodologies which we consider to be appropriate in determining the composition and the weighting of each constituent Fund to be acquired or redeemed for a revised Model Portfolio. The revised Model Portfolio will take into account your updated information, CIP, Wealth Management Goal, Target Wealth, investment horizon, monthly investment, market value of your existing Portfolio and any other factors which we consider to be appropriate.

7.7 If we present you with a revised Model Portfolio, which may be a new portfolio or one based on your existing portfolio with a change to the weighting of the Constituent Funds, based on your updated and/or new information, you should consider carefully whether you wish to replace your existing Portfolio with the revised Model Portfolio. You may choose to take no action. In making the decision you acknowledge and understand that:

(A) upon receipt of your Instruction to acquire the revised Model Portfolio, we may redeem all or a portion of a Constituent Fund comprised in your existing Portfolio and that may result in taxable gains or losses or Fees;

(B) if the new Model Portfolio recommends investments to replace or to substitute Funds in your Portfolio, subscription for such Funds may result in additional Fees; and

(C) you can only specify the timeframe to achieve the updated Target Wealth and/or the increase or decrease in monetary amounts for monthly investment in a Portfolio, but not any specific constituent Fund which you wish to purchase or redeem for the Portfolio.

7.8 If you give an Instruction to invest in accordance with a revised Model Portfolio, you will be treated as having given an Instruction to: -

(A) first redeem interests in the relevant Fund(s) in your existing Portfolio by debiting your interests in the relevant Fund(s) in that Portfolio and crediting the redemption proceeds (extra fees and charges may apply);

(B) automatically apply such amount of redemption proceeds to purchase interests in the relevant Fund(s) to create a new Portfolio, which will be credited to the Investment Account on the date as we notify you on the App, in each case in such amount so as to achieve substantially the same as the composition and weightings of the Funds in the revised Model Portfolio;

(C) if the redemption proceeds are not sufficient to allow us to purchase the updated Portfolio, you authorise us to debit all costs and Fees which are necessary from your Account in order to complete purchasing the updated Portfolio in accordance with these terms; and

(D) to invest in accordance with a recurring monthly investment for the new Portfolio (if applicable).

7.9 Instructions to redeem part or all of a Portfolio and for subscriptions to give effect to the new Model Portfolio will be treated as Instructions in accordance with Clause 4.4 and Clause 4.5 above for the purpose of crediting and debiting your CASA Account.

7.10 If you choose not to proceed to acquire the new Model Portfolio, you acknowledge that your Portfolio may become no longer suitable to you and/or no longer be able to meet your relevant Wealth Management Goal following the changes made by you pursuant to Clause 7.1, and you will be solely responsible for any loss which you may suffer or incur as a result.

7.11 We are not obliged to conduct any review of your Portfolio or to provide you with updates on the progress of your Portfolio or reassessment of the risk of the Portfolio you have already selected with your most updated CIP and investment requirements. It is your responsibility to update your CIP and investment requirements and to review the performance and progress of the Portfolio in the App.

## 8. Fund Documents

8.1 The investment services available through the App include the ability to invest in certain funds either as a single investment or as part of a Portfolio.

8.2 Each Fund (and each Constituent Fund of a Portfolio) will be offered by a prospectus, a fact sheet, a key facts statement, an annual report (if any) and a semi-annual report (if any) (collectively, **Fund Documents**) which contain detailed information on a number of important matters including the investment objectives, fees, risk factors, conflicts of interests, transfer restrictions, subscription, redemptions, compulsory redemption, and other matters relating to such Fund. You agree and acknowledge that: -

(A) prior to executing any Fund Transaction, you must read all of the Fund Documents carefully and ensure that you understand them and the associated risks before you make an investment. If you have any questions relating to the content of the Fund Documents, you must obtain independent advice;

(B) the Fund Documents may include declarations, representations and warranties that you, as an investor in the Fund, are required to make and by proceeding with your investment you will be treated as having made the required declarations, representations and warranties and (where relevant) that for each subsequent investment made in accordance with a Standing Instructions you will be treated as repeating the required declarations, representations and warranties;

(C) in order to execute your Instructions for and fund investments we shall rely on information you have provided to us, when opening your Account(s), in connection with the beneficial ownership and control of those Account(s) and that for each Instruction (including the subsequent monthly investments for Standing Instructions) you will be taken to have confirmed that such information is accurate and correct;

(D) without prejudice to Clause 8.2(B) and Clause 8.2(C) that by giving an Instruction or Standing Instruction to invest in a fund, you are confirming to us that:

(1) you are acting as a principal and acquiring the investment for your own account and that you are the ultimate beneficial owner of the investment;

(2) in accordance with Clause 3.7 that you are tax resident in Hong Kong;

(3) you are aware of the risks of the investment;

(4) you are not

(a) a resident, citizen or taxpayer of the United States of America ("US") and none of your address information on our record is in the US, or

(b) resident of Canada;

(5) if your circumstances change so that you become or are deemed to be (a) a resident, citizen or taxpayer of the US, or (b) a resident of Canada, or if any of your address information on our record is or should be changed to US or Canada in future, you undertake to inform us in writing immediately of the change;

(6) you understand that in which case we may be obliged to sell the shares or units in your Account, close out any relevant outstanding financial contracts (if any), and/or cancel your Account;

(7) you are not a US Person, you are not applying as the proxy-holder or the nominee of a person who is a US Person;

(8) you have not been solicited to purchase funds while physically present within the US;

(9) at the time you placed your order, you were outside the US; and you will not transfer any of the shares or units or any interest in them to a US Person;

(10) you will not sell the investment on the secondary market;

(11) you will comply with the applicable laws and regulations referred to in the Fund Documents;

(12) you have read and understood the Foreign Account Tax Compliance Act ("FATCA") Statement and Common Reporting Standards ("CRS") Statement;

(13) the monies used for the subscription for the relevant Fund are not directly or indirectly derived from activities that may contravene applicable laws and regulations, including, but not limited to, anti-money laundering laws and regulations;

(14) you shall, at our request, for the purpose of but not limited to anti-money laundering and counter terrorist financing legislation and regulation which apply in Hong Kong and other jurisdictions relevant to your fund investment, provide additional documentation to confirm your identity or provide other relevant information even if you are already an existing investor in the relevant fund; and

(15) you consent to the transfer of your personal data in accordance with our Privacy Statement specifically for the purposes described in, but not limited to, Clause 15.1 and Clause 15.2;

(E) all of the Fund Documents are prepared by third party fund managers. We have not and will not examine or verify the accuracy or completeness of any information in such Fund Documents and accordingly we make no representation that such Fund Documents are accurate or complete and that any returns will be achieved. We exclude any liability relating to all of the Fund Documents, including any express or implied representations or warranties for statements or errors in, or omissions from, such Fund Documents;

(F) your investment in any Fund will not be principal protected and is subject to the risk factors as described in the relevant Fund Documents. Past performance is not indicative of future results;

(G) for the purposes of complying with any anti-money laundering, counter-terrorist financing, sanctions or other financial crime related requirements, we, on behalf of ourselves and/or the relevant Fund, the fund manager, the trustee or the distributor, may require you to submit further identification or documentation before you are entitled to buy or sell interests in any Fund. If you do not comply with such request within the specified timeframe:

(1) we may not be able to provide or continue to provide any Wealth Management Services to you; and

(2) the Fund, its manager or its administrator may prevent us from proceeding with an investment on your behalf, and/or withhold any monies payable to you; and

(H) we shall not be liable to you for any loss or damage you may suffer or incur or for any lost profit or lost or missed opportunity arising from or in connection with:

(1) the representation and warranties you are treated as having given or have failed to give;

(2) you fail to provide or delay in providing further identification or other documentation requested in connection with (G) above; and

(3) any failure on your part to read the Fund Documents.

## 9. Foreign Exchange Services

9.1 The terms and conditions in this Clause 9 apply to the FX Services which will be provided by us through our App.

9.2 You may enter into FX Transactions with us using our App. If you propose to purchase interests in a Fund denominated in any Specified Currency other than HKD, you may place an instruction with us to convert HKD into the Specified Currency by using our App. Specifically, you may place an FX Order or a Standing Instruction with us for the following purposes:

(A) to execute a spot foreign exchange transaction. Subject to this Clause 9, we may purchase or sell a specified amount of a Specified Currency to be credited to your CASA Account on the Settlement Date;

(B) to execute a spot foreign exchange transaction which will be used for one-time purchase of interests in any Fund; or

(C) to execute a Standing Instruction which will be used for monthly subscription of interests in any Fund.

9.3 You understand and acknowledge that none of the Specified Currencies (except HKD) which you deposit in the CASA Account will generate any interest and that unless and until we notify you otherwise, you may only:

(A) deposit or withdraw HKD into or from your CASA Account with us and not in any other currencies;

(B) transfer HKD from your CASA to your other Accounts or accounts which you hold with any third party institutions;

(C) place an FX Order to execute FX Transactions in HKD which will be converted into other Specified Currencies, or in other Specified Currencies which will be converted back into HKD; and

(D) give us an FX Order or a Standing Instruction to convert HKD into other Specified Currencies for the purposes of Clause 9.2.

9.4 For FX Transactions we will display an exchange rate (which will include our costs, fees and charges to be determined by us in our absolute discretion) on our App where you can place an FX Order. The exchange rate we quote on the App may change from time to time due to the nature of the foreign exchange market and we have no obligation to make such rate available to you on a continuing basis. The exchange rate will expire after the Rate Expiration Time.

9.5 For any FX Order other than a Standing Instruction, the exchange rate quoted on the App will only be valid and available for execution up to the Rate Expiration Time. You acknowledge and agree that the exchange rate quoted on the App may be withdrawn or changed after the Rate Expiration Time without any further notice to you or in accordance with Clause 9, and in each case your FX Order may not be executed at the exchange rate quoted on the App.

9.6 For any Standing Instruction, the exchange rate displayed on the App when you place a Standing Instruction is indicative and for your reference only. If you place a Standing Instruction, we will execute each Standing Instruction at such exchange rate (which will include our costs, fees and charges to be determined by us in our absolute discretion) to be determined by us, acting reasonably. We will not notify you in advance of the exchange rate applicable to each Standing Instruction.

9.7 We will confirm the actual exchange rate if we successfully execute your FX Order.

9.8 You understand and acknowledge that:

(A) we enter into FX Transactions under this Agreement on a principal-to-principal basis and you are therefore subject to the risk that we fail to perform our obligations under these FX Terms;

(B) FX markets are subject to unpredictable fluctuations and may be affected by complex political and economic risks. Therefore, if you (i) convert HKD to any other Specified Currencies and (ii) convert any other Specified Currencies to HKD, such FX Transactions will be subject to risk arising from exchange rates fluctuation. As a result, you may suffer losses; and

(C) (in relation to FX Orders and Standing Instructions to execute FX Transactions to subscribe for interests in Funds) even if we have confirmed we have executed the FX Transactions, there may be circumstances where we will not be able to subscribe for interests in any Fund. We shall not be liable for any direct losses which you may suffer or incur in this regard. We will notify you if we are unable to process an FX Order or a Standing Instruction. We may either refund the funds to your CASA Account in HKD or the relevant Specified Currency or we may hold such funds until we are able to subscribe for interests in any Fund.

9.9 Once you place a Standing Instruction for FX transaction, we will execute and continue to execute such Standing Instruction monthly, or at such time as we may determine from time to time in accordance with Clause 3.13. You must notify us on or before the Cut-Off Date and Time if you want to cancel the relevant Standing Instruction for FX transaction and we will use reasonable endeavours to cancel your Standing Instruction for FX Transaction, but we shall not be obligated to do so. If we do not terminate your Standing Order early, we will notify you.

9.10 Cancelling a Standing Instruction may mean that we are unable to execute other instructions which require an investment to be made in a currency other than HKD.

9.11 We have no responsibility for verifying any error or inaccuracy in an FX Order. You are solely responsible for ensuring that all relevant fields for an FX Order are properly completed and the content thereof is accurate when you submit the FX Order. Therefore, before you place an FX Order with us, you must carefully review the details provided by you and (if applicable) the quote of exchange rate received from us.

9.12 If you do not have sufficient funds in your CASA Account, we shall reject the FX Order.



9.13 In addition we have the absolute discretion to reject your FX Order (in its entirety or partially) without providing you with a reason. We shall not be liable to you where we have declined an FX Order or have been unable to execute an FX Order.

9.14 In placing an FX Order, you shall be deemed to have authorised us to debit any amounts owed by you or credit any amounts owed to you (as applicable):

(A) immediately on the Settlement Date; or

(B) at such other time on another date as we may determine in our absolute discretion

from or to your CASA Account in the Specified Currency designated by you in accordance with your FX Order, even if this results in the CASA Account being overdrawn. You shall also be deemed to have authorised us to debit any amounts owed by you in the frequency as set out above and apply such amounts to subscribe for interests in any Fund in accordance with your FX Order. For the avoidance of doubt, we are not obligated to execute your FX Order if you do not have sufficient funds in your CASA Account.

9.15 If we

(A) reject and FX Order as permitted by these Wealth Management Services Terms, or by the Complete Terms;

(B) are unable to execute an FX Order for any reason (other than fraud); or

(C) do not execute an FX Order because you have cancelled a Standing Instruction

we shall not be liable for any expense, loss or damage incurred by you, or for any missed or lost opportunity, arising from or in connection with a rejected or unexecuted FX Order.

9.16 Representations, Warranties and Undertakings for FX Order

(A) On each occasion you place an FX Order, you represent and warrant that such FX Transaction is:

(1) not for the purposes of entering into speculative foreign exchange transactions or arbitraging foreign exchange rates;

(2) not to provide a foreign exchange rate benchmarking service or otherwise distribute any exchange rate (or any derivative thereof) to any third party foreign exchange trading platform or rate provider; and

(3) a legitimate and bona fide transaction.

(B) You further represent and warrant that:

(1) you shall not use any high speed or automated mass data entry system to enter FX Orders and that you shall only use the FX Services in Hong Kong;

(2) you are capable of and have satisfied yourself (and where necessary taken independent advice) as to the suitability of the FX Services and any FX Transaction;

(3) you are acting on your own account and you have made your own decision when using the FX Services or entering into any FX Transaction based upon your own judgment and any independent advice you have deemed necessary and received;

(4) you are not relying on any information or communication of any kind from us as investment advice, or as a recommendation of the suitability of the FX Services or any FX Transaction. You acknowledge that nothing contained in these FX Terms or relating to the FX Services (on the App or otherwise) constitutes investment advice and that we have not guaranteed or given any assurance on the outcome of any FX Transaction;

(5) you have sufficient knowledge and experience of such FX Transactions of the type anticipated by the FX Services to enter into these FX Terms and confirm that you have assessed the risks of entering such FX Transactions and using such FX Services;

(6) at the time any FX Transaction is concluded you have understood and agreed to these FX Terms and any other information provided by us to you pursuant to the FX Services;

(7) you are capable of understanding and understand the terms and risks of using the FX Services and each FX Transaction and are willing to assume (financially or otherwise) those risks; and

(8) we are not responsible for providing you with independent legal, tax, accounting, security or other advice in relation to the FX Services, any FX Transaction or these FX Terms, and we do not owe you any advisory, fiduciary or similar duties.

#### 9.17 Erroneous FX Transactions

(A) Even if we confirm the FX Transaction has been executed, if we, acting reasonably, believe that the exchange rate deviates significantly from the market price of such FX Transaction, we may: (i) declare that the FX Transaction is not binding between you and us; and (ii) require that you shall immediately return any amounts which you have received under the FX Transaction to us.

(B) We may re-execute the FX Transaction at the correct rate or we may decline to execute further FX Transaction until we provide further notice to you.

(C) We shall not be liable to you for any losses which you may suffer if we decline, cancel and/or unwind any FX Transactions under any circumstances in accordance with this Clause 9.

#### 9.18 Market Disruption relating to FX Transaction

(A) Upon the occurrence of any Market Disruption events, we: (i) shall notify (which notice shall have immediate effect) you of such Market Disruption; and (ii) may continue to execute any FX Transaction which we have already received before we notify you that a Market Disruption event has occurred. However, we are not obliged to do so or we are not obliged to do so at the exchange rate previously quoted by us to you.

(B) After we provide you notice in accordance with sub-clause (A) above, we may revise the exchange rate which we have previously quoted to you with immediate effect.

#### 9.19 Payment Netting of FX Transactions

If on any date, amounts would otherwise be payable in the same Specified Currency by you to us and by us to you in respect of two or more FX Transactions, then on such date your obligation and our obligation to make payment of any such amounts may, in our absolute discretion, be automatically satisfied and discharged and, if applicable, replaced by an obligation upon the party to these FX Terms by whom the larger amount would have been payable to pay the other party the excess of the larger amount over the smaller amount.

## 9.20 Circumstances where the FX Services May be Suspended

(A) Notwithstanding any provision in these FX Terms, we may in our sole discretion without prior notice to you decide to immediately suspend or restrict your access to and use of the FX Services in the event of any of the following:

- (1) it is necessary or desirable to do so because of any Market Disruption;
- (2) the unavailability of, or interruption to, any payment systems, our trading systems and/or third party trading systems which we need access to execute and FX Order and/or to provide you with FX Services;
- (3) you are misusing, or you intend to misuse, the FX Services in our reasonable determination;
- (4) in our judgment the performance by us or by you or by both parties in accordance with any FX Instructions or these FX Terms may violate or contravene any Applicable Laws;
- (5) you have materially breached your representations under these FX Terms in our reasonable determination;  
or
- (6) occurrence of any Unforeseeable Event or force majeure, until such event has ended in our reasonable determination.

## 10. Other Legal Matters

We will not advise or act for you with respect to any legal matters for any Fund and/or Portfolio held in your Investment Account, including bankruptcies or class actions, and we will use our best efforts to send you any documents received with respect to such matters.

## 11. Electronic Delivery Service

11.1 You agree and consent to electronic delivery of all documents and materials, including: -

- (A) these Wealth Management Services Terms and any changes, supplements or amendments to these materials as well as other notices and materials in relation to your Investment Account, Portfolio(s) and Funds;
- (B) contract notes, transaction confirmations, statements of accounts and other advices (collectively, "Trade Documents")

through our App and/or such other electronic means as specified by us from time to time ("electronic delivery service"). We will not send you paper versions of such documents and materials unless required by Applicable Law or in our sole discretion.

11.2 You understand and accept the following arrangements:

- (A) appropriate hardware and software, internet access and a specific email address, mobile phone number or other electronic address provided and designated by you for receiving email, SMS or other electronic notifications from the Bank are required;
- (B) internet, email, SMS and other electronic information services may be subject to certain IT risks and disruption;

(C) it is your responsibility to ensure that the settings on your hardware or software are not set to block communications from us;

(D) revocation of consent to the e-delivery service will be subject to the giving of such advance notice in the manner specified in this Clause 11;

(E) you may be required to pay a reasonable charge for:

(1) obtaining a copy of any trade document that is no longer available for access and download via electronic means (including the App); or

(2) requesting us to provide trade documents to it, in addition to the request for the electronic delivery service, by other means; and

(F) In order to avoid missing notifications, you should inform us as soon as practicable upon a change of your email address and mobile phone number registered with us.

11.3 Please note that that you may, by giving us not less than 2 months' (or such shorter period as we may accept) notice in writing to us revoke your consent to our electronic delivery service. As the electronic delivery service e-delivery service is an integral part of our Wealth Management Service, we may not be able to continue to provide you with our Wealth Management Service and your revocation of your consent may result in the termination of your Investment Account.

## 12. Fees

12.1 You agree to pay to us Fees and any other commissions, fees and charges, which we may prescribe and specify in the fees and charges in the App from time to time, and/or duties and taxes payable by you under these Wealth Management Services Terms. You also agree and authorised us to deduct the same directly from your CASA Account.

12.2 You agree to make timely payment of all amounts due to us under these Wealth Management Services Terms, and any unpaid Fees payable may result in the termination of your Investment Account.

## 13. Disclosure of Monetary Benefits and Other Sales Related Information

13.1 We are not an independent intermediary because we may receive fees, commissions or other monetary benefits from other parties (which may include fund managers) in relation to our distribution or recommendation of Funds and/or Portfolio to you.

13.2 We also have a non-binding agreement with Allianz Global Investors Asia Pacific Limited ("**AllianzGI**"). Under the terms of the agreement, AllianzGI provides certain services to us, which are a non-monetary benefit, to enable us to provide the Wealth Management Services to you. In return a certain weighting of the Constituent Funds comprised in a Model Portfolio will be funds managed by AllianzGI or one of its affiliates for which it charges a management fee.

13.3 In respect of all Funds offered via the App we will receive a monetary benefit from the product issuer. Monetary benefits include remuneration such as distribution fees received from fund managers for distributing or recommending Funds. We may receive an ongoing commission every year for the period you hold the relevant Fund.

13.4 In addition to quantifiable monetary benefits, we may also receive non-monetary benefits from fund managers. These monetary benefits include research services, market analysis and any benefits which we may receive in accordance with the SFC Code of Conduct.

## **14. Client Assets and Corporate Actions**

14.1 You acknowledge and agree that your investment in any Fund may be held or registered in our name or such other person as we may direct, including our nominee company, or in accounts which we maintain with fund managers. We may also hold your investment in the Funds with custodians or in central securities depositories.

14.2 We will not be responsible for the acts or omissions or defaults of any custodians or central securities depositories. We will exercise reasonable care in choosing and monitoring any custodians which we appoint.

14.3 We will inform you of any corporate actions that relate to your investment in any Fund.

14.4 We will be responsible for claiming and receiving dividends and other entitlements arising in respect of your investments. We will reflect these dividends and entitlements in your Account in such Specified Currency as received from the Fund.

14.5 We may receive dividends, interest and other rights or payments after local withholding taxes or other deductions. You agree that we may, when required to comply with legal or regulatory requirements, withhold or deduct tax or other amounts from such payments. Costs incurred by us when complying with these obligations may be deducted from your CASA Account. If you are eligible to reclaim any such withholdings or deductions it will be your sole responsibility to do so.

14.6 If we appoint a custodian or a third party administrator to hold or deal with your investments in any Fund, you authorise us to provide your information to such custodians or third party administrators and to take any actions in relation to your investments in any Fund as may be required under the arrangements or agreements which we have agreed with such custodian or third party administrator.

## 15. Delegation and Personal Data

15.1 You agree that we may, in our absolute discretion, delegate or outsource to any local or overseas agent or third party service provider the performance of all or any part of our duties under these Wealth Management Services Terms, upon such terms as we shall consider fit. In doing so we may disclose any information related to you (including your personal data), in accordance with our Privacy Statement to any agent or third party service provider and we may disclose and transfer information related to you and your personal data overseas (including but not limited to the European Economic Area).

15.2 In order to provide you with Wealth Management Services and/or to make investments for you, we are required to collect certain information from you (see Clause 2.1, Clause 3.8, Clause 3.10 and Clause 8.2(D)). That information is protected by the terms of our Privacy Statement (see Clause 2.12). You acknowledge that:

(A) we are permitted to share that information:

(1) with a Fund, or its agents, in which you wish to invest in order to facilitate your investment in accordance with Clause 5(a) of the Privacy Statement; and

(2) with government authorities in Hong Kong and other countries in accordance with Clause 5(l), Clause 5(m) and Clause 5(n) of the Privacy Statement;

(B) a Fund or its agents, to whom your information is transferred, may be required to share your information with government authorities in other countries for similar purpose to those described Clause 5(l), Clause 5(m) and Clause 5(n) of the Privacy Statement; and

(C) the method of transfer may include the use of electronic communications, gateways and/or computer systems operated by us, our agents, a Fund or its agents, or government authorities and that the information may be stored digitally for limited periods of time in accordance with applicable law.

## 16. Risk Disclosures

16.1 Our Wealth Management Services being offered through the App involve investment in Funds. Investment involves risks. These risk disclosures will inform you of the risks that may arise as a result of using our Wealth Management Services.

16.2 These risk disclosures comprise the following sections:

(A) Risk disclosures involved in the Wealth Management Services generally;

(B) Risk disclosures involved in the Funds;

(C) Risk disclosures involved in the GoWealth Digital Wealth Advisory Services; and

(D) Risk disclosures involved in FX Transactions.

16.3 These risk disclosures cannot disclose all the risks involved in using our Wealth Management Services. You should undertake your own research and study before you make any investment. You should carefully consider whether the investment is suitable in light of your own financial situation, investment experience and investment objectives. Investment is not appropriate for you unless you are able and willing to accept all the

associated risks. Prior to making any investment, you should familiarize yourself with all relevant materials that has been provided to you, including the Fund Documents referred to in Section 8 of these Wealth Management Services Terms and ensure that you fully understand the terms of the investment and the risks involved. The investment is not appropriate for you unless you are able or willing to accept the risks involved in the investment. You should seek independent professional advice if you are uncertain of or have not understood any aspect of the following risk disclosures or the nature and risks involved in investment.

16.4 These risk disclosures shall form an integral part of the Wealth Management Services Terms. All terms defined in our Wealth Management Services Terms shall have the same meanings when used herein, unless otherwise defined.

16.5 If you have any questions on the Risk Disclosures you may contact the customer service officer at +852 3898 6988 or [wecare@welab.bank](mailto:wecare@welab.bank).

16.6 Risk disclosures involved in the Wealth Management Services generally

(A) Risk of Investment

(1) Investment involves risks. Value of investments may go up as well as down. Past performance of investment products may not be indicative of future performance. There is always the potential of losing money when you invest. You may not get back the amount invested and the worst case will result in loss of your entire investments.

(B) No Guarantee

Investment in funds, whether as a one-time Funds Transactions or as a part of GoWealth Digital Wealth Advisory Services is different from placing moneys on deposit with a bank. Funds provide no guarantee of return or yield on investment.

(C) Risk of Securities Trading

(1) The Wealth Management Services involve investment in Funds. Since Fund is a kind of securities, you should understand the risks associated with securities trading.

(2) The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.

(3) For risks involved in investment in Funds, please refer to Section 3 hereof for details.

(D) Transaction Costs

Before making any investments, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. Transaction costs (including but not limited to commission, fees and other charges) charged by us or third parties and any relevant tax liabilities should be considered before making an investment decision because they will affect your net returns from the investment.

#### (E) Conflict of Interest

(1) We will normally be paid by the fund manager a commission or rebate for arranging transactions of Funds. This applies both for one-time Funds Transactions and GoWealth Digital Wealth Advisory Services.

(2) For example, we may receive monetary and/or non-monetary benefits (such as mark-up, commission, retrocession fees) from any Fund which we solicit or recommend you to acquire. See Clause 13.2 to 13.3 above.

#### (F) Counterparty Risk

If issuers and counterparties fail to make payments on the underlying investments held by a Fund, the Fund will suffer from losses which will affect the value of the Fund and your investment return. In addition, the value of the underlying investments held by a Fund is dependent on the financial condition or credit rating of the relevant issuers. The value of the Fund may be negatively affected if the financial condition or credit rating of a relevant issuer deteriorates.

#### (G) Risk of Custody and Risk of Assets Received or Held outside Hong Kong

(1) Your assets may be held or registered in our name (or our nominee) with custodians or in the central securities depositories in Hong Kong or elsewhere. There may be risks in leaving your assets in our safekeeping. For example, if we are holding your investment and we become insolvent, you may experience significant delay in recovering the investment.

(2) On the other hand, your assets received or held by us or our nominee outside Hong Kong are subject to the applicable laws and regulations of the relevant jurisdiction outside Hong Kong which may be different from the Securities and Futures Ordinance (Cap 571, Laws of Hong Kong) and the rules made thereunder. Consequently, such assets may not enjoy the same protection as that conferred on customer assets received or held in Hong Kong.

#### (H) Currency Risk

(1) You may be investing in a Fund which is denominated in foreign currency. The profit or loss in transactions in the foreign currency-denominated Fund (whether they are traded in your 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 Fund to another currency.

(2) FX Transactions may take place when using our Wealth Management Services. Please refer to Clause 16.9 for details of the risks involved in FX Transactions.

#### (I) Electronic and Online Trading Risks

(1) Wealth Management Services are being offered through the App and are subject to electronic trading risks and online trading risks.

(2) Trading on an electronic trading system may differ from other forms of trading. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions, execution of your order is delayed or is not executed at all.

(3) Online trading may be subject to interruption, transmission blackout, delayed transmission due to Internet traffic or incorrect data transmission due to the public nature of the Internet. There may also be a time lag in



transmission of information, instruction and communication via the Internet. This may subject instructions to non-execution, delays or error in execution or execution at prices different from those indicated on the Internet.

#### (J) Cybersecurity Risks

(1) We are susceptible to cybersecurity and related risks. In general, cyber incidents may arise from internal or external sources and can result from deliberate cyberattacks or unintentional events.

(2) Cyberattacks include (i) unauthorized access through "hacking", malicious software coding or other means to digital systems for purposes of misappropriating assets or sensitive information; corrupting data, equipment, or systems; or causing operational disruption, and (ii) attacks which do not involve unauthorized access, for example, causing denial-of-service attacks on websites (making network services unavailable to intended users).

(3) Cyber incidents may cause disruptions and affect our business operations, potentially resulting in financial losses, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

(4) While we have established business continuity plans in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cyber incidents, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks may have not been identified.

(5) Also, similar adverse consequences could result from cyber incidents affecting a Fund which you are investing, the issuers of the underlying equities, bonds or other interests in which such Fund may invest, counterparties with which such Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers), and other parties.

### 16.7 Risk disclosures involved in Funds

#### (A) General Investments Risks

All Fund investments carry the risks identified in Clause 16.6 above. Set out in this Clause 16.7 are additional risks associated with Fund investments.

#### (B) Investment Risk

Investment in Funds involve risks. The prices of Funds fluctuate, sometimes dramatically. The price of Funds may move up or down, and may become valueless. It is likely that losses will be incurred rather than profit made as a result of buying and selling Funds.

#### (C) Risks of Underlying Assets

Each Fund is generally subject to the same risk factors as those relating to its underlying assets. For example, the value of a Fund that invests in high yield bonds may be negatively affected if there is a default of any underlying high yield bonds that the Fund invests in or if the interest rate changes.

#### (D) Concentration Risk

Investing in Funds concentrated on only one or a few market sectors, asset classes or markets may involve greater concentration risk than investing in Funds that have greater diversification.

#### (E) Leverage Risk

Some Funds may utilize financial instruments and techniques with embedded leverage. As a result, small movement in the market or in the level or price of an underlying investment in the Fund will have a magnified effect on value of the Fund and, consequently, on the returns on your investment, which may be beneficial or detrimental.

#### (F) Derivatives Products Risk

(1) Some Funds may utilise derivatives such as warrants, futures, options and forward contracts for hedging, efficient portfolio management and investment purposes. However, it can also be detrimental to the Fund's performance if the fund manager's prediction regarding the direction of movement of the relevant investment is incorrect. In adverse situation, the use of derivatives may become ineffective and the Funds may suffer significant losses.

(2) The Fund may use derivatives extensively for investment purposes and may therefore suffer significant loss.

(3) The investment decision is yours but you should not invest unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.

#### (G) Complex Products Risk

(1) Some investment are difficult to value accurately because there are no publicly available prices. The only time it is possible to obtain an accurate price is when the investment is sold and that price may differ from previously reported values.

(2) Such investments include derivatives or funds which invest in derivatives. They also include illiquid investments for which there is no secondary market and there may be a limited number of other investors interested in such products. It may therefore be difficult to sell such investments.

(3) Some investment funds will only permit subscriptions and redemptions on specified dealing days. Dealing days may be restricted to weekly or monthly trading or for even longer periods. In some cases funds will not permit any redemptions and you must hold the investment for a fixed period. Without daily subscriptions and redemptions it may take long periods before you are able to convert your investment into cash.

#### (H) Risk with Payment of Dividends out of Capital

Some Funds may distribute dividends to be paid out of capital of the Funds. A high distribution yield for a fund may not necessarily lead to positive or high returns on the total investment since it will decrease the available capital of the Fund for investment in the future and may therefore reduce the capital growth. Any distributions of dividends out of the capital may result in an immediate reduction of the Fund's net asset value per unit.

## (I) Emerging Market Risk

Some Funds may invest in markets which (i) may be subject to a higher than usual risk of political or economic instability, (ii) may not be subject to accounting, auditing and financial reporting standards and practices comparable to those applicable in more advanced countries, and/or (iii) may be less government supervision, legal regulation and less well-defined tax laws and procedures than in countries with more advanced securities markets. The capital of and income from such Funds may be affected detrimentally by fluctuations in currency rates, exchange control and fiscal regulations. As a result, the shares of such Funds may be subject to substantial price volatility.

## (J) Risk specific to Equity Fund

(1) An equity Fund invests in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

(2) The stock of small-capitalisation/ mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

(3) High market volatility and potential settlement difficulties in certain markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of a Fund.

## (K) Risks specific to Bond Fund

(1) Credit and default risks: If the issuer of any underlying bonds becomes bankrupt, the Fund may suffer losses.

(2) Interest Rate Risk: The value of the bond may fall if the market interest rate rises. As a result, the value of a Bond Fund may fall.

(3) Risks for High Yield Bond Fund:

Such Funds will invest in higher yielding bonds rated lower than investment grade, which may be considered speculative and can include bonds that are unrated or in default. As a result, investment in such Funds is accompanied by a higher degree of credit risk than Funds which invest in higher rated, lower yielding securities.

## (L) Risks specific to Money Market Fund

As mentioned above, investing in Funds are not the same as placing funds on deposit with a bank. The Funds have no obligation to redeem units at their offering value and such Funds are not subject to the supervision of the Hong Kong Monetary Authority. You may not get back the original amount invested in the Funds.

## 16.8 Risk disclosures involved in the GoWealth Digital Wealth Advisory Services

### (A) General Investments Risks and Fund Risks

All GoWealth Digital Wealth Advisory Services carry the risks identified in Clauses 16.6 and 16.7 above. Set out in this Clause 16.8 are additional risks associated with GoWealth Digital Wealth Advisory Services.

## (B) Risks of Investment in Portfolio

(1) All investments involve risks. The value of the Portfolio may increase or decrease. Whilst we recommend a Portfolio to you using algorithms and methodologies which we consider to be appropriate, we do not guarantee that the Portfolio will achieve your Wealth Management Goal;

(2) We construct Portfolio using algorithms and methodologies which we consider to be appropriate. Such process is algorithm and rule-based instead of attempting to recommend position taking with respect to the direction of markets. Our algorithms and methodologies may use historic market data when making recommendation. However, there is no guarantee that a recommendation based on historic market data will produce the desired results in the future, and if market dynamics change, the effectiveness of algorithms and methodologies may be limited;

(3) The performance of the Portfolio is highly dependent on the performance of individual Funds which comprise the Portfolio. There is no assurance that the Portfolio recommended to you will achieve your Investment Goal;

(4) Whilst we regularly test and monitor the algorithm, inadvertent errors or bugs may occur and in such case, we will suspend the GoWealth Digital Wealth Advisory Services. Accordingly, there is no assurance that the algorithm will always behave correctly; and

(5) All performance data and statistics provided in relation to our Wealth Management Services, including but not limited to the Probability of Success are derived based on historic market data and methodologies which are formulated based on various assumptions. They do not reflect or project actual investment performance of the Portfolio or performance of any Funds in the Portfolio and are not guarantees of future results.

(6) If an alternative recommendation matching your CIP with higher possible target wealth is available as per Clause 5.4, upon your confirmation to discover a new Model Portfolio, our algorithm will return a Model Portfolio with higher possible target wealth based on your CIP. However, the Probability of Success to achieve the higher target wealth may be lower, since this new Model Portfolio may come with larger fluctuations and the risks associated with this Model Portfolio may be higher, although the Model Portfolio matches with your risk appetite and risk capacity. Although both the original and alternative recommendations are considered suitable to you, the risks associated with the two recommendations may be different and you should carefully consider before investing.

(C) We shall not be liable to you for any expenses, losses or damages which you may suffer or incur as a result of the failure of the algorithms to construct the composition and weightings of the Funds in the Portfolio to achieve your Wealth Management Goal or if we suspend the GoWealth Digital Wealth Advisory Services in accordance with this Clause, provided we have exercised reasonable skills and care in testing and maintaining the algorithms.

(D) You acknowledge and agree that:

(1) after you purchase the Portfolio, if you change your Wealth Management Goal, we may advise you to redeem the Portfolio which you have purchased. If you decide to retain all or part of the original Portfolio, such Portfolio may no longer be suitable for you. We shall not be liable for any expenses, loss or damages which you suffer or incur as a result of your decision to retain the original Portfolio; and

(2) if you redeem part of your Portfolio, the Portfolio may no longer be suitable for you or may not be able to achieve your Wealth Management Goal.

## (E) Market Risks

The purchase of Funds will take place as soon as possible after your Instructions have been received. It is possible that market conditions have changed when the actual purchase of Funds takes place.

The value of the Funds in a Portfolio may go up or down. Also, the Funds in a Portfolio may become valueless due to adverse market conditions, termination of Funds, etc. The Funds in a Portfolio can perform differently from each other at any given time or over the long term. Fluctuations in the value of one or more Funds in a Portfolio could affect the value of the Portfolio. This will also affect the ability of the Portfolio to produce the desired result to achieve your Investment Goal, and the Portfolio may become no longer suitable for you.

## (F) Suitability

(1) Under the Code of Conduct, and in accordance with Section 3 of these Wealth Management Services Terms, we will take reasonable steps to ensure the recommendation or solicitation is suitable in all the circumstances. This is not a guarantee that your investment will increase in value.

(2) The suitability assessment we undertake takes into account information which is available to us at the time the assessment is made at the time we execute your Instruction or the initial investment of a Standing Instruction. It cannot account for any subsequent changes to that relevant information we have taken into account. Relevant information includes but is not limited to changes to market conditions, foreign exchange rates, interest rates, geopolitical developments (e.g. foreign relations between countries) and your personal information and circumstances.

(3) Changes to any of those factors and others, taken individually or in combination may affect the suitability of an investment after it has been made, making it no longer suitable.

(4) Without derogating from Clause 3.3 of these Wealth Management Services Terms, we shall not be liable to you for any expenses, losses or damages which you may suffer or incur if the Portfolio fails to achieve your Investment Goal under any circumstances.

## (G) Risks associated with recommendation and switching of Portfolio(s)

(1) We are not obligated to review and shall not keep under review the performance of your Portfolio(s). Our obligation in relation to suitability applies up to the time when the relevant assessment is made. It is not a continuing obligation and it does and cannot take into account market conditions and the performance of your investments. It is your responsibility to monitor the performance of your investments.

(2) If you notify us of any change in your relevant information we may, but are not obligated to, recommend a revised Model Portfolio in accordance with Clauses 7.4 to 7.10 above.

(3) We will not perform any action as recommended in the alert unless you instructed us to do so. If you do not provide relevant Instruction to us or if there is any delay in providing such Instructions, your holding of Funds may become no longer suitable for you and you should bear such consequences. When you receive such alerts from us, you should consider such implications and make your own risk assessment, seek professional advice where necessary and make your own decision. When making your decision, you should also consider the transaction costs (including but not limited to commission, fees and other charges) to be incurred as they will affect your value of investment.

(4) When we process your Instruction, while the intention is to keep the market value of your relevant investment unchanged by having estimated proceeds from selling and buying Funds largely the same, the actual execution may deviate from the intention. This may result in an increase or decrease of market value of your relevant investment.

(5) The purchase of Funds will take place as soon as possible after the sale of Funds has been processed. It may be possible that market conditions have changed when the purchase of Funds takes place and we will need to charge additional subscription fees for purchase of the Funds. Additional funding will be required from you where the actual sales proceeds of the Funds are insufficient to fund the purchase of Funds (which for the avoidance of doubt, includes the payment of subscription fees). If you fail to provide additional funding, some or all of the Funds may not be purchased and you will only have a partially executed model Portfolio which may not be able to achieve your Investment Goal and may not be suitable for you. You should take into consideration such implications and make your own risk assessment and seek professional advice, where necessary.

#### (H) Partial Execution Risks

Due to various reasons such as market conditions, suspension of trades, drastic movements of prices, temporary suspension of Wealth Management Services, we may not be able to execute Instruction to purchase or sell all the Funds comprising a model Portfolio in full. As a result, you will only have a partially executed Portfolio which may not be able to achieve your Investment Goal and/or Target Wealth and the Portfolio may not be suitable for you. You should take into consideration such implications and make your own risk assessment and seek professional advice, where necessary.

#### (I) Termination/Suspension of the GoWealth Digital Wealth Advisory Services

(1) We may terminate or suspend the GoWealth Digital Wealth Advisory Services in our sole and absolute discretion. Upon termination or during the period of suspension of the GoWealth Digital Wealth Advisory Services, all the services under the GoWealth Digital Wealth Advisory Services (including but not limited to recommendation of a Model Portfolio to achieve your Investment Goal, provision of any alerts to switch your investment from one Portfolio to another or rebalance your holding of Funds in the Portfolio, and receiving, processing or executing any Instructions in relation to any Portfolio) will become unavailable.

(2) You understand and agree that if such services become unavailable, your holding of Portfolio may no longer be suitable for you and may not be able to achieve your Investment Goal and/or Target Wealth.

#### (J) Disposal of the Portfolio

You may dispose all or part of your holding of Funds in your Portfolio. If you dispose part of your interest of Funds in the Portfolio, your remaining holding of Funds may no longer be suitable for you and may not be able to achieve your Investment Goal and/or Target Wealth. If you dispose all of your holding of Funds in your Portfolio, we will not and shall be released from any obligation to provide any alerts to you in respect of such Portfolio.

#### (K) Regulatory Risks

If any of your holding of Funds in the Portfolio results in any actual or potential non-compliance with any applicable laws, rules and regulations, subject to the applicable laws, rules and regulations, we may have to force sell such holding. Your remaining holding of Funds may no longer be suitable for you and may not be able to achieve your Investment Goal and/or Goal Target.

#### (L) Investment Strategy Risks

You understand that the investment strategy risk of the Portfolio covered by our Wealth Management Services may vary according to your CRR and CIP. The more aggressive your CRR and CIP is, the more likely it is that a recommended Model Portfolio, presented to you in the App may contain larger weights in riskier Funds or classes of Funds.

#### (M) Concentration Risks

The Portfolios may achieve a limited degree of diversification only. A Portfolio may be concentrated on only one or a few market sectors, asset classes or markets. This could have negative impact on their performance. A less diversified Portfolio may be more sensitive to economic, business, political or other changes and this may lead to sizeable fluctuation in the value of your holding in a Portfolio.

### 16.9 Risk disclosures involved in FX Transactions

#### (A) Foreign Exchange Risk

Foreign exchange markets are subject to unpredictable fluctuations and may be affected by complex political and economic risks. Therefore, if you (i) convert Hong Kong dollars to any other Specified Currencies and (ii) convert any other Specified Currencies to Hong Kong dollars in any FX Transactions, such FX Transactions will be subject to risk arising from exchange rates fluctuation. As a result, you may suffer losses.

#### (B) Counterparty Risk

We enter into FX Transactions under the FX Terms on a principal-to-principal basis and you are therefore subject to the risk that we fail to perform our obligations under the FX Terms.

## 17. Conflicts of Interests

17.1 You agree and understand that we can engage as principal or otherwise in any transaction effected by you or by any person for your Account and benefit, or by or on behalf of any counterparty or issuer.

17.2 When instructed to effect any Fund Transaction and/or FX Transaction, we are entitled to effect any transaction by or with any member of the Welab Group and to pay or keep any fee, commission or compensation as specified in your Instruction or, if no specification is provided, any charges, fees, commissions or similar payments generally in effect from time to time with regard to such or similar transactions.

17.3 We maintain arrangements for the management of conflicts of interest. We take all reasonable steps to identify and record conflicts of interest and maintain arrangements with a view to preventing such conflicts from giving rise to a material risk of damage to our clients. We use various arrangements to manage conflicts of interest, including appropriate governance, transparency and oversight to ensure that neither we nor our employees will be remunerated in a manner which will create an incentive to favour one particular Fund over other Fund and promote a culture of integrity. The possible types of conflicts of interest are broad ranging and may arise from a wide range of circumstances. For example, we may receive monetary and/or non-monetary benefits from any Fund which we solicit or recommend you to acquire as disclosed in Clause 13.2 and Clause 13.3 above.

17.4 You agree we are entitled to retain any remuneration or benefit which arises in relation to, or as a result of your investment in any Fund.

17.5 You also agree that we are entitled to solicit or recommend any Fund to you even though we may have a material interest in such Fund.

17.6 We are entitled to enter into any Fund Transaction on your behalf and provide Wealth Management Services to you notwithstanding we may have a relationship which gives rise to a conflict of interest.

## **18. Set-off Right and Lien**

18.1 In addition to and without prejudice to any rights we may have under the Applicable Laws, the Complete Account Terms and these Wealth Management Services Terms and to the extent permitted by the Applicable Laws, we shall be entitled to set off any amounts payable by you under any Fund Transaction or FX Transaction or otherwise related to these Wealth Management Services Terms against any amounts owed by us to you, whether or not such obligations are arising under these Wealth Management Services Terms, present or contingent and irrespective of the currency of such obligation. If the obligations are in different currencies, we may, in our absolute discretion, convert any of such obligations at the prevailing exchange rate determined by us at the relevant time.

18.2 In addition to and without prejudice to any general lien, right of set-off or other similar rights which we may be entitled to exercise over any of your assets (including under the Complete Account Terms), we are entitled to exercise a lien over all of your monies or other assets, insofar as there remain any outstanding amounts payable by you to us in relation to liabilities arising under these Wealth Management Services Terms. We may exercise any right or remedy available to us under all Applicable Laws, including but not limited to the power to dispose of any such assets and apply the proceeds of disposal, after deduction of our reasonable expenses, to satisfy any obligations and liabilities owed by you to us.

18.3 You shall, at your own expense, execute and do all such assurances, acts and things as we may reasonably require to exercise our lien, power of sale or any other power or right of us under these Wealth Management Services Terms over any of your assets.

## **19. Event of Default**

19.1 Upon the occurrence of any Event of Default, you shall be deemed to be in default under all FX Transaction and Fund Transaction and the Complete Account Terms, without regard to any notice to be given, any grace periods or any other conditions to be satisfied.

19.2 Upon the occurrence of an Event of Default or the termination of these Wealth Management Services Terms and to the extent permitted by the Applicable Laws:



(A) all and any of your liabilities under these Investment Terms will become immediately due and payable together with any accrued interest which we shall determine, acting reasonably;

(B) we shall have the right to terminate the Investment Services without prior notice to you;

(C) we are entitled to, without prior notice to you, retain and withhold sufficient cash or assets or retain, withhold and realise interests in any Fund from any of your Account(s) and the Investment Account (as the case may be) respectively to complete any FX Transaction or Fund Transaction that we will be required to settle on your behalf, or in our absolute discretion, cancel or continue to proceed with any Instruction or Standing Instruction placed by you prior to the Event of Default or termination of these Wealth Management Services Terms; and

(D) we shall have the right to take such action or refrain from taking any action, as we may consider in our absolute discretion to be necessary or desirable in order to contain, reduce or remove any loss to us, or any actual or potential liability of us, arising directly or indirectly from or as a result of such Event of Default or termination of these Wealth Management Services Terms, or in order to recover any amount owed to us, in each case without responsibility for any loss or diminution in return or value of any assets you may suffer as a result of any such action.

19.3 Any obligation that we may have to pay or repay any cash or deliver or redeliver interests in any Fund will be conditional upon:

(A) there being no outstanding liabilities (whether or not then due and payable) and expenses (including legal fees) which we may incur in enforcing or maintaining any of our rights whether under the Complete Account Terms;

(B) no outstanding Fund Transaction under which liabilities could arise; and

(C) the complete, final and unconditional payment, satisfaction and discharge in full of any liabilities and expenses (including legal fees) which we may incur in enforcing or maintaining any of our rights whether under the Complete Account Terms.

However, no such payment or repayment of any cash or delivery or redelivery of interests in any Fund by us to you operates as a waiver of, or otherwise prevents the exercise of any right, power, privilege or remedy by us under these Wealth Management Services Terms or the Complete Account Terms.

19.4 You undertake to pay any amount payable in respect of subscription of interests in any Fund on the due date regardless of any right of equity, set-off or counterclaim which you may have or allege against us.

19.5 We may for any purposes under these Wealth Management Services Terms effect any necessary currency conversions at whatever rate of exchange as we, acting in a commercially reasonable manner, consider appropriate, subject to Applicable Laws.

19.6 You undertake to notify us immediately in writing of the occurrence of any such event which may constitute an Event of Default (although any failure to notify us will not prevent an Event of Default from having occurred).

## 20. Limitation and Exclusion of Our Liabilities

20.1 Nothing in these Wealth Management Services Terms shall exclude or restrict (i) any liability which we are prohibited from excluding under Applicable Laws; or (ii) our liability for fraud, death or personal injury.

20.2 Subject to Clause 3.2 and Clause 20.1 above and unless otherwise stated in these Wealth Management Services Terms, unless we have been negligent, committed wilful default or fraud we shall not be responsible for or liable to you for:

(A) Any direct or indirect loss or damage which may be suffered or incurred by you in any way in relation to or arising from any Fund Transaction or GoWealth Digital Wealth Advisory Services covered or contemplated by these Wealth Management Services Terms, howsoever caused, directly or indirectly by (i) us, (ii) our agents or nominees (including service providers acting in their capacities as our agents or nominees), or (iii) our officers or employees or that of our agents or nominees;

(B) any loss or reduction in return on your investment in any Fund which you may suffer by reason of any movement from time to time in the exchange rate between HKD and the Specified Currency (apart from HKD) in which interests in any Fund are denominated;

(C) any taxes or duties payable in respect of your assets; and

(D) any reduction of value in your investment in any Fund or the failure to secure a particular level of income or capital gain, whether or not you make the investment as a result of our advice.

20.3 We shall not be under any obligation to engage in litigation and/or any proceedings or actions relating to your investment in any Fund. In such case, you must instruct us to transfer your investment in the relevant Fund to your designated third party. The obligation to pursue any claim or dispute in relation to your investment in any Fund shall be your sole responsibility.

20.4 We shall not in any way be regarded as a fiduciary to you with respect to the Wealth Management Services to you.

20.5 Following adverse market movements or any other factors, such as the occurrence of an Unforeseeable Event, the Portfolio(s) may no longer be suitable to you.

20.6 In respect of the FX Services:

(A) Nothing in these Wealth Management Services Terms shall exclude or restrict losses suffered by you that are direct and reasonably foreseeable arising directly and solely from negligence or wilful default by us, our agents or nominees (including service providers acting in their capacities as our agents or nominees), or our officers or employees or that of our agents or nominees in respect of FX Transactions.

(B) We do not provide any warranty that the FX Services are fit for purpose, available at all times or error-free. The FX Services are provided on an "as is" and "as available" basis and all terms, conditions, representations and warranties, express or implied by law or otherwise regarding the FX Services, are excluded to the extent permitted by Applicable Laws unless we expressly state otherwise in these FX Terms.

(C) We assume no responsibility to assess or advise on, and make no representation as to, the suitability of the FX Services or any FX Transaction for any particular purpose.

## 21. Your indemnity

21.1 To the extent permissible under the Applicable Laws and except as set out in this Clause 21.1, you will indemnify and reimburse (i) us, (ii) our agents and nominees (including service providers acting in their capacities as our agents or nominees), and (iii) our officers and employees and that of our agents or nominees for all actions, proceedings and claims which may be brought by or against us or them, and for all losses, damages and reasonable costs and expenses which we or they may incur or suffer as a result of, or in connection with your Account, the Investment Account, the Wealth Management Services, any FX Transaction, any Fund Transaction or these Wealth Management Services Terms, which shall include but not limited to those in connection with:

- (A) our provision of Wealth Management Services to you;
- (B) the performance or non-performance by you of these Wealth Management Services Terms; and
- (C) our acting or declining to act on your Instruction and Standing Instruction

unless it is proved on the balance of probability that any of the actions, proceedings, claims, losses, damages, costs and expenses was caused by negligence or wilful default of (i) us, (ii) our agents or nominees (including service providers acting in their capacities as our agents or nominees), or (iii) our officers or employees or that of our agents or nominees, to the extent that it is direct and reasonably foreseeable arising directly and solely from such negligence or wilful default.

21.2 Clause 21.1 is in addition to any other indemnity set out in the Complete Account Terms and shall continue after the termination of the Account, the Investment Account, the Wealth Management Services or these Wealth Management Services Terms.

## 22. Complaints

22.1 You may call our Customer Service Hotline or communicate with us (for example, by email, chat window or chatbot) regarding any queries, suggestions or feedback on our Services which will be dealt with according to our relevant internal procedure as revised from time to time.

22.2 If you are unhappy with our response, you have the right to take your complaint to the Financial Dispute Resolution Centre ("**FDRC**"), subject to the eligibility criteria set out in the FDRC's terms of reference. The FDRC is an independent complaints resolution body of which we are a member. Complaints made to the FDRC by an eligible claimant are subject to a monetary limit of HK\$500,000. Eligible claimants include individuals, sole proprietors and small enterprises which are either limited companies or partnerships which have (i) an annual turnover not exceeding HK\$50 million, (ii) gross assets not exceeding HK\$50 million, and (iii) not more than 50 employees in Hong Kong. An eligible claimant must have had established a customer relationship with us or who has been provided with financial services by us. Before filing a complaint with the FDRC, an eligible claimant must have made a written complaint to us and must either have received a final written reply from us, or waited for more than 60 days from the date of filing the complaint with us without receiving a final written reply from us.

22.3 For more information relating to the FDRC, please contact Financial Dispute Resolution Centre, Room 408-409, 4/F, West Wing, Justice Place, 11 Ice House Street, Central, Hong Kong. FDRC's telephone number is 3199 5100 and its e-mail is [fdrc@fdrc.org.hk](mailto:fdrc@fdrc.org.hk).

## Glossary

"CASA Account" means your Hong Kong dollar and/or foreign currency account you have with the Bank.

"Code of Conduct" means the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission of Hong Kong.

"Constituent Fund" means a Fund in a Portfolio.

"Customer Investment Profile" means a profile the Bank established to know your financial situation (total net worth and monthly income), age, investment experience, investment horizon, and risk tolerance.

"Customer Risk Profile Questionnaire" or "CRPQ" means the assessment tool prepared by the Bank to make enquiries in relation to your attitude to and tolerance of risk towards investment. The assessment tool takes the form of a questionnaire containing questions to help you consider the various investment risks and to understand how they may impact on your personal circumstances. The questions define your attitude to security and the level of risk you are prepared to accept for your investments.

"Customer Risk Profiling Process" means the process for assessing your attitude to and tolerance level towards investment. It includes a process whereby you are required to complete the CRPQ.

"Customer Risk Rating" or "CRR" means a rating generated by us following an evaluation of your willingness and ability to take risk based on your information provide to us in the CRPQ.

"Cut-Off Date and Time" means any business day which you must submit a request to cancel a Standing Instruction. We will notify you of the Cut-Off Date and Time in relation to the relevant Fund which you have placed a Standing Instruction through the App.

"Event of Default" means the occurrence of the following events:

(A) you fail to observe or perform, or commit any other breach of, any of these Wealth Management Services Terms and such default (if capable of being remedied) is not remedied immediately;

(B) you fail to make any payment on the due date;

(C) you do not have sufficient cash or assets in your CASA Account or Investment Account;

(D) any representation, warranty or confirmation provided by you to us in connection with these Wealth Management Services Terms or any other agreement between us or between you and any relevant fund

manager proves to be incorrect, untrue or misleading in any material respect or we reasonably believe that you have given us any false information;

(E) a proceeding, procedure or arrangement under any applicable bankruptcy, corporate or insolvency law, an assignment or arrangement for the benefit of creditors or an application for a receiver, custodian, administrator, liquidator or trustee or any person acting in any capacity similar to the above persons shall be filed or applied for, by or against you other than such proceeding that is disputed in good faith and which is discharged or dismissed within 21 days of commencement; or

(F) any order is made in respect of any amount that you owe to us and such order is not discharged or dismissed within 30 days being granted,

provided that any determination of whether an Event of Default has occurred shall be made by us using reasonable judgment.

“force majeure” means:

(A) any act or order of any government, quasi-government, administrative, regulatory or supervisory body or authority, court or tribunal;

(B) any order of any court or other judicial body;

(C) any restriction or impending restriction on the availability, credit or transfer of foreign exchange; or

(D) other circumstances beyond our reasonable control.

“Fund” means a collective investment scheme authorised by the Securities and Futures Commission of Hong Kong that is available on our App.

“Fund Documents” means the documents which contain detailed information on a number of important matters including the investment objectives, fees, risk factors, conflicts of interests, transfer restrictions, subscription, redemptions, compulsory redemption, and other matters relating to such Fund and, as defined in Clause 8.2 above, collectively refers to a prospectus, a fact sheet, a key facts statement, an annual report (if any) and a semi-annual report (if any).

“Fund Transaction” means any transaction to subscribe or redeem interests in any Fund.

“FX Order” means any order or instruction or request from you to give instructions or requests to execute FX Transactions and, unless otherwise specified in these Terms, includes any Standing Instruction you requested the Bank to take on a monthly basis or any other regular frequency interval which you may specify in respect of FX Transactions.

“FX Services” means the foreign exchange services in relation to FX Transactions which we enter into with you in accordance with these Wealth Management Services Terms.

“FX Transaction” means the foreign exchange spot transactions entered into by you which are:

(A) not for speculative purposes or arbitraging foreign exchange rates; and

(B) where applicable, for entering into either one-time or monthly subscription of interests in any Fund.

“GoWealth Digital Wealth Advisory Services” means the goal-based investment services which we provide to you pursuant to these Wealth Management Services Terms and form part of the Wealth Management Services.

“Instruction” means any instruction or request from you to execute a Fund Transaction and/or FX Transaction, unless otherwise specified in these Terms, and unless the context suggests the otherwise, an Instruction includes a Standing Instruction.

“Investment Account” means an account which you will open with us for trading Funds and for us to hold interests in Funds for you.

“Market Disruption” means any action, event or circumstance whatsoever which, as determined by us in our sole and absolute discretion:

(A) has the direct or indirect effect of hindering, limiting or restricting our ability to obtain a firm quote of an exchange rate, convert any currency into any Specified Currency or vice versa, or to transfer any sum to any other country or within the same country;

(B) results in any Specified Currency not being available in the interbank foreign exchange market in accordance with normal commercial practice; or

(C) constitutes unusual price volatility in the foreign exchange market.

“Model Portfolio” means a portfolio of Funds we designed to achieve an expected return with a corresponding risk.

“Probability of Success” is a statistical probability to achieve your target wealth at the end of the investment horizon. It is computed by simulating the potential growth of wealth based on the input parameters provided by you during the goal-creation process, your target wealth, model portfolio allocation and our capital market assumptions. We have classified the probability results into four groups:

(A) Off-track: Less than 50%

(B) Comfortable: 50% to 65%

(C) Very Comfortable: 66% to 80%

(D) Very Very Comfortable: More than 80%

“Portfolio” means the portfolio of Funds you hold with us.

“Rate Expiration Time” means such period as we may display on the App, during which an exchange rate provided by us on the App will be valid and available for execution by you and after which such exchange rate will cease to be valid for the purpose of executing any FX Transaction.

“Settlement Business Day” means in respect of a FX Transaction, a day on which commercial banks in the principal financial centre of each such Specified Currency effect delivery of the Specified Currency which is the subject of a FX Transaction, and in the case of EUR shall mean any day on which the Trans-European Automated Real-Time Gross Settlement (TARGET) System (or replacement thereof from time to time) is open.

“Settlement Date” means in respect of a FX Transaction, the earlier of the date as we may determine in our absolute discretion or the second Settlement Business Day from, but not including, the Settlement Business Day.

“Specified Currency” means the currencies which we may make available to you from time to time under the Wealth Management Services.

“Standing Instruction” means an Instruction from you to be execute an instruction on a monthly basis or such other period determined by us in accordance with these Wealth Management Service Terms.

“Target Wealth” means the target(s) that you set in respect of the Wealth Management Goal you selected, for example, to achieve a certain amount of target wealth within a specific time horizon.

“US” means the United States of America.

“US Person” means A citizen or resident of the United States; a USA domestic partnership; a US domestic corporation; an estate of US Person other than a foreign estate; any trust if a (i) court within the United States is able to exercise primary supervision over the administration of the trust, and (ii) one or more United States persons have the authority to control all substantial decisions of the trust; any other person that is not a foreign person (i.e. a non-resident legal or natural person, partnership trust or estate).

“Wealth Management Goal” means the investment goal which you specify amongst the choices of wealth management goals available through the App.

“Wealth Management Services” means the services being offered by the Bank through the Wealth Management platform in the Bank’s App from time to time pursuant to these Wealth Management Services Terms including funds execution and investment advisory services.

“Wealth Management Services Terms” means these investment terms and conditions.

Core Account's deposit and Foreign Currency Account's deposit are a deposit qualified for protection by the Deposit Protection Scheme in Hong Kong.

In case of any discrepancy between the English and the Chinese versions, the English version shall prevail.

August 2022

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