

**Guosen Securities (HK) Brokerage Company, Limited (CE Number AUI 491)****CATEGORY B PROFESSIONAL INVESTOR NOTICE - REMINDER**

This Professional Investor Notice Reminder is in relation to transactions in securities entered into by you with or through Guosen Securities (HK) Brokerage Company, Limited (“we” or “us”).

**Notice of treatment as a Professional Investor (“Notice”)**

You have been treated as a Professional Investor by reason of your being within a category of person described in the Securities and Futures (Professional Investor) Rules (Cap. 571D). You hereby confirm that you fall within one or more of the categories of Professional Investor shown in the Annex. Provided you meet the investment experience threshold set out in section 2 below in relation to the investment products and markets that you will invest in through us, you will be treated as a Professional Investor in relation to all such investment products and markets. If you do not meet the investment experience threshold or you do not believe that you are a Professional Investor, please notify us in writing immediately.

**1 Consequences of categorization as a Professional Investor**

Please be reminded that, as a consequence of us treating you as a Professional Investor, we are not required to fulfill certain requirements under the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “Code”) and other Hong Kong regulations. While we may in fact do some or all of the following in providing services to you, we have no regulatory responsibility to do so:

- a) to establish your financial situation, investment experience and investment objectives, except where we are providing advice on corporate finance work;
- b) to ensure that a recommendation or solicitation is suitable for you in the light of your financial situation, investment experience and investment objectives;
- c) to enter into a written agreement complying with the Code relating to the services provided to you (other than this Notice) and provide relevant risk disclosure statements;
- d) to inform you about our business and the identity and status of our employees and others acting on our behalf;
- e) to confirm promptly to you the essential features of a transaction after effecting a transaction for you;
- f) to provide you with any contract notes, statements of account or receipts under the Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules where such would otherwise be required, unless you instruct us to the contrary;
- g) to assess your knowledge of derivatives and characterize you based on your knowledge of derivatives;
- h) to deliver the following information to you prior to or at the point of sale where we distribute an investment product to you:
  - the capacity (principal or agent) in which we are acting;
  - our affiliation with the product issuer;
  - disclosure of monetary and non-monetary benefits;
  - terms and conditions in generic terms under which you may receive a discount of fees and charges from us; and
- i) to provide you with documentation on the Nasdaq-Amex Pilot Program if you wish to deal through The Stock Exchange of Hong Kong Limited in securities admitted to trading under the Nasdaq-Amex Pilot Programme.

There are risks and consequences of being treated as a Professional Investor, in particular, the

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information that will not be provided to you. You have the right to withdraw from being treated as a Professional Investor whether in respect of all products or markets or any part thereof.

**2 Investment Experience**

You confirm that, in relation to the products and markets in which you will invest through us, you have the requisite investment experience which allows us to classify you as a Professional Investor. We will carry out our own assessment of you to ensure that you have the requisite investment experience. As part of the assessment we must be satisfied that you are knowledgeable and have sufficient expertise in the relevant products and markets. You confirm that your previous experience of the markets and products you will invest in through us includes some or all of the following;

- a) knowledge, expertise and investment experience in, and familiarity with, the types of products;
- b) a recent history of frequent transactions in the types of products (as a guide, we would consider 40 trades per annum to demonstrate frequent trading);
- c) prior dealing experience in the relevant markets (as a guide, we would consider 2 years prior dealing experience would meet this requirement); and
- d) awareness of the risks involved in trading in the relevant products and/or markets.

**3 Miscellaneous**

Except to the extent permitted by applicable laws and regulations, nothing in this Notice removes, excludes or restricts any of your rights or our obligations under the laws of Hong Kong. We may do or omit to do anything which we believe is necessary or desirable to ensure compliance with any applicable law or regulatory requirement. You acknowledge and agree that your transactions are subject to, and you shall comply with, all applicable laws and regulatory requirements and requests.

**4 Applicability**

This Notice applies to all transactions entered into by you with or through us, whether before or after the date of this Notice.

If you have any questions regarding this Notice, please do not hesitate to contact your customer representative.

Accepted being treated as Professional Investor:

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Client Name:

Date:

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## Annex

Extract of Securities and Futures (Professional Investor) Rules

For the purposes of paragraph (j) of the definition of *professional investor* in section 1 of Part 1 of Schedule 1 to the Ordinance, the following persons are prescribed as within the meaning of that definition for the purposes of any provision of the Ordinance other than Schedule 5-

- (a) **any trust corporation** having been entrusted under the trust or trusts of which it acts as a trustee with **total assets of not less than \$40 million** or its equivalent in any foreign currency at the **relevant date**<sup>1</sup> or-
- (i) as stated in the most recent **audited financial statement** prepared-
    - (A) in respect of the trust corporation; and
    - (B) **within 16 months** before the relevant date;
  - (ii) as ascertained by referring to one or more **audited financial statements**, each being the most recent audited financial statement, prepared-
    - (A) in respect of the trust or any of the trusts; and
    - (B) **within 16 months** before the relevant date; or
  - (iii) as ascertained by referring to one or more **custodian statements** issued to the trust corporation-
    - (A) in respect of the trust or any of the trusts; and
    - (B) **within 12 months** before the relevant date;
- (b) **any individual**, either alone or with any of his or her associates on a joint account, having a portfolio of **not less than \$8 million** or its equivalent in any foreign currency at the relevant date or-
- (i) as stated in a **certificate issued by an auditor or a certified public accountant** of the individual **within 12 months** before the relevant date; or
  - (ii) as ascertained by referring to one or more **custodian statements** issued to the individual (either alone or with the associate) **within 12 months** before the relevant date;
- (c) **any corporation or partnership** having-
- (i) a **portfolio of not less than \$8 million** or its equivalent in any foreign currency; or
  - (ii) **total assets of not less than \$40 million** or its equivalent in any foreign currency, at the relevant date, or as ascertained by referring to-
  - (iii) the most recent **audited financial statement** prepared-
    - (A) in respect of the corporation or partnership (as the case may be); and
    - (B) **within 16 months** before the relevant date; or
  - (iv) one or more **custodian statements** issued to the corporation or partnership (as the case may be) **within 12 months** before the relevant date; and
- (d) **any corporation** the sole business of which at the relevant date is to hold investments and which at the relevant date is **wholly owned** by any one or more of the following persons-
- (i) a trust corporation that falls within the description in paragraph (a);
  - (ii) an individual who, either alone or with any of his or her associates on a joint account, falls within the description in paragraph (b);
  - (iii) a corporation that falls within the description in paragraph (c);
  - (iv) a partnership that falls within the description in paragraph (c).

<sup>1</sup> *relevant date* (有關日期)-

- (a) *in the case of an advertisement, invitation or document described in section 103(3)(k) of the Ordinance, means the date on which the advertisement, invitation or document is issued, or possessed for the purposes of issue;*
- (b) *in the case of a call described in section 174(2)(a) of the Ordinance, means the date on which the call is made;*
- (c) *in the case of an offer described in section 175(5)(d) of the Ordinance, means the date on which the offer is made; or*
- (d) *in any other case which, by virtue of any rules made under the Ordinance, requires compliance with an obligation, means the date by or on which the obligation is required to be complied with;*