

親愛的客戶：

修訂通知: (一) “風險披露聲明” 及
(二) “在香港交易及結算所有限公司(「香港交易所」)買賣的衍生產品風險披露聲明”

茲通知本行之“風險披露聲明”及“在香港交易及結算所有限公司(「香港交易所」)買賣的衍生產品風險披露聲明”作出以下修訂，有關的修訂分列如下：

一、“在香港交易及結算所有限公司(「香港交易所」)買賣的衍生產品風險披露聲明”作出以下修訂。

A. 交易所買賣基金

- i. 修訂第 1 條如下：“交易所買賣基金（“ETFs”或個別稱為“ETF”）主要設計為追蹤或投資於某些指數、行業/領域或資產組別(如股票、債券或商品)的表現。ETF 並非主動式管理基金，而交易所買賣基金經理可以使用不同模擬策略達至目標，但通常也不能在跌市中酌情採取防守策略。本人/吾等要有因為相關指數/資產受到政治、經濟、貨幣、匯率、法律、稅務或其他風險影響產生的波動而蒙受損失的準備。”
- ii. 修訂第 4 條第四段如下：“投資者亦應考慮有關衍生工具發行人的潛在連鎖影響及集中風險(例如由於衍生工具發行人主要為國際金融機構，因此若合成交易所買賣基金的其中一個衍生工具交易對手倒閉，便可能對該基金的其他衍生工具交易對手產生「連鎖」影響)。最終，本人/吾等所承受的虧損，或會遠高於預期。”
- iii. 修訂第 6 條第一段如下：“ETF 雖然在香港交易所上市或買賣，但這並不保證基金必有流通市場。若 ETF 有使用結構性票據及掉期等金融衍生工具，而這些工具在第二市場的買賣並不活躍，價格的透明度又不及現貨證券，則流通風險會更高，導致較大的買賣差價。而且金融衍生工具的價格也較容易波動，波幅也較高。因此，要提早解除這些工具的合約就比較困難，成本也較高。如若市場設有買賣限制，流通量也有限，解除合約便更加困難。”
- iv. 修訂第 7 條如下：“若合成 ETF 投資的衍生工具未到期前提早平倉，平倉的成本或會因應市場情況而變得較高，因而影響 ETF 的資產淨值。因此，假設本人/吾等贖回基金單位，或合成 ETF 終止運作(例如當基金規模下跌至很低水平)，退回給本人/吾等的金額可能由於衍生工具在未到期前提早平倉的成本，大幅低於基金的資產淨值，可能令本人/吾等蒙受重大損失。”
- v. 修訂第 9 條第二段如下：“持有有關 ETF 的投資者會或因地稅務當局執行徵稅及/或基金經理調整稅務撥備政策而受到影響。如果投資者在執行徵稅和/或改變撥備政策之前已賣出/贖回 ETF 的權益，其回報則不會受到影響，但該等投資者亦不會受惠於 ETF 稅務撥備的回撥。因此，本人/吾等買入 ETF 前，應詳細閱讀基金銷售文件內披露的資本增值稅撥備政策及相關風險及如有疑問，應諮詢專業顧問。”

B. 槓桿及反向產品

- i. 修訂第 4 條第一段如下：“槓桿及反向產品並非為持有超過重新平衡活動的頻率(一般為一天)而設，因此長線持有或存在一定風險。在每日重新平衡及複合效應下，有關產品超過一天的表現會從幅度或方向上偏離相關指數同期的槓桿或相反表現。在市況波動、槓桿倍數上升、投資反向產品及持有時間越長時，有關偏離會更明顯。本人/吾等如持有槓桿及反向產品超過一日，就不應預期該產品的實際回報，會等於相關指數變動的特定倍數或特定反向倍數。”
- ii. 修訂第 4 條第二段如下：“隨著一段時間受到每日重新平衡活動、相關指數波動，以及複合效應對每日回報的影響，可能會出現相關指數上升或表現平穩，但槓桿產品卻錄得虧損。同樣地亦有可能會出現相關指數下跌或表現平穩，但反向產品卻錄得虧損。本人/吾等需密切地管理(例如每日)及監察該本人/吾等的投資。”
- iii. 修訂第 6 條如下：“槓桿及反向產品一般會在交易日接近完結時才進行重新平衡活動以減低追蹤偏離度(相關市場收市前的一段較短時間)，頻繁的重新平衡活動可能使有關槓桿及反向產品更受市場波動影響和面對較高的流通風險。”
- iv. 修訂第 10 條如下：“如所有證券莊家均辭任，槓桿及反向產品必須終止運作。槓桿及反向產品必須在最後一名證券莊家辭任生效時同時終止運作。本人/吾等需留意槓桿及反向產品的終止運作風險。”
- v. 新增第 11 條如下：“期貨合約風險：投資期貨合約會涉及一些特定風險，例如大幅波動、槓桿、期貨合約轉倉及保證金等風險。期貨合約的槓桿成分或會令虧損遠多於投資在期貨合約的金額。產品投資於期貨合約的名義金額亦會因此存在嚴重虧損的高風險。期貨合約的回報與其標的表現可以完全無關，令產品未能達成其投資目標。”
- vi. 新增第 12 條如下：“期貨合約轉倉風險：「轉倉」是指當現有期貨合約即將到期，以代表同一相關資產但到期日較後的期貨合約取代。產品資產組合的價值(即每單位資產淨值)或會因轉倉成本而受到負面影響。有關效應在槓桿比率較高的產品身上會更加明顯。”
- vii. 修訂第 13 條(原第 11 條)如下：“槓桿風險：在槓桿效應下，當相關指數變動，或者當相關指數的計價貨幣不同於有關槓桿及反向產品的基準貨幣，而有關貨幣的匯價出現波動時，會令槓桿及反向產品的盈利和虧損倍增。”
- viii. 修訂第 14 條(原第 12 條)如下：“有別於傳統的回報模式(僅適用於反向產品)：反向產品旨在提供與相關指數表現特定倍數的相反的單日回報。如果有關指數長時間上升，或者當相關指數的計價貨幣不同於有關反向產品的基準貨幣，而該計價貨幣的匯價長時間上升時，反向產品可能會損失大部分或所有價值。本人/吾等可能會蒙受重大甚至全盤損失。”

C. 衍生產品

- i. 修訂第 2 條如下：“衍生產品如衍生權證及牛熊證均是槓桿產品，其價值可按相對相關資產的槓桿比率而快速改變，甚至跌至零，屆時當初投資的資金將會盡失。”
- ii. 修訂第 3 條如下：“衍生產品如衍生權證及牛熊證均設有到期日，到期後的產品將變得一文不值，所以本人/吾等須留意產品的到期時間，確保所選產品的尚餘的有效期能配合投資策略。”
- iii. 修訂第 7 條如下：“若其他因素不變，衍生權證及牛熊證價格會隨時間而遞減，衍生權證及牛熊證不宜視為長線投資工具。衍生權證及牛熊證的價格亦會隨其相關資產的價格波動而升降。”
- iv. 修訂第 10 條如下：“衍生產品附有效期，交易風險甚高，可導致相當大的損失。投資者買賣衍生產品前，應認識期權市場及有相關經驗。本人/吾等應考慮衍生產品的買賣是否適合閣下財政狀況及投資目標。”
- v. 重編一般風險披露的第 1 條至本部分第 11 條如下：“倘若衍生產品發行商破產及/或未能履行其對所發行的責任，投資者

只被視為無抵押債權人，對發行商任何資產均無優先索償權。因此，在投資前須特別留意衍生產品發行商的財力及信用狀況。”

- vi. 重編一般風險披露的第 2 條至本部分第 12 條，內容不變。
 - vii. 新增第 13 條如下：“界內證類屬結構性產品。界內證的收益關連是取決於到期日時，有關界內證是處於界內還是界外。即使界內證處於界內，但其相關資產的價格表現波動，或呈單一行走（即保持上升或下跌走勢），便會增加該界內證跌入界外的風險。”
 - viii. 新增第 14 條如下：“界內證使投資者可在到期時獲得預定的固定收益，而具體收益取決於相關資產價格在到期日是上限價及下限價之內（界內）或之外（界外）。投資者可獲得的最高利潤以預定的固定收益為上限，最大的虧損為已投入之所有投資金額。低於或高於固定收益水平時的界內證，可能未反映其實際價值。由於最低固定收益為 0.25 港元，界內證價格預計會在 0.25 港元或以上。”
 - ix. 新增第 15 條如下：“由於界內證的回報上限為固定金額（每證 1 港元），因此界內證的交易價格不應高於回報上限 1 港元。所以，任何高於 1 港元的界內證交易將被取消，且不獲聯交所承認。”
 - x. 新增第 16 條如下：“本人/吾等明白買賣衍生產品的性質和風險，並確保已有足夠的淨資產來承擔因買賣該等衍生產品而可能招致的風險及損失。”
- D. “在香港交易及結算有限公司(「香港交易所」)買賣的衍生產品風險披露聲明”將被取消，並以修訂後的“風險披露聲明”取代。

二、“風險披露聲明”作出以下修訂

A. 第 3 條證券交易的風險

- i. 新增第二段如下：“投資於證券市場，很有可能受到本地或國際不同市場的經濟、地理、政治、社會等因素影響，證券價格可能變得難以預測及非常波動。同時亦有機會需承受利率風險、全球風險、業務風險、企業管治失當、股票停牌、流通風險及政策風險等因素，令本人/吾等蒙受重大損失。”

B. 第 6 條在香港交易及結算有限公司(「香港交易所」)買賣的衍生產品 - 交易所買賣基金 (“ETFs” 或個別稱為 “ETF”) 的風險

- i. 修訂第一段如下：“交易所買賣基金 (“ETFs” 或個別稱為 “ETF”) 主要設計為追蹤或投資於某些指數、行業/領域或資產組別(如股票、債券或商品)的表現。ETF 並非主動式管理基金，而交易所買賣基金經理可以使用不同模擬策略達至目標，但通常也不能在跌市中酌情採取防守策略。本人/吾等要有因為相關指數/資產受到政治、經濟、貨幣、匯率、法律、稅務或其他風險影響產生的波動而蒙受損失的準備。”
- ii. 修訂第七段如下：“投資者亦應考慮有關衍生工具發行人的潛在連鎖影響及集中風險(例如由於衍生工具發行人主要為國際金融機構，因此若合成交易所買賣基金的其中一個衍生工具交易對手倒閉，便可能對該基金的其他衍生工具交易對手產生「連鎖」影響)。最終，本人/吾等所承受的虧損，或會遠高於預期。”
- iii. 修訂第十段如下：“ETF 雖然在香港交易所上市或買賣，但這並不保證基金必有流通市場。若 ETF 有使用結構性票據及掉期等金融衍生工具，而這些工具在第二市場的買賣並不活躍，價格的透明度又不及現貨證券，則流通風險會更高，導致較大的買賣差價。而且金融衍生工具的價格也較容易波動，波幅也較高。因此，要提早解除這些工具的合約就比較困難，成本也較高。如若市場設有買賣限制，流通量也有限，解除合約便更加困難。”
- iv. 修訂第十二段如下：“若合成 ETF 投資的衍生工具未到期前提早平倉，平倉的成本或會因應市場情況而變得較高，因而影響 ETF 的資產淨值。因此，假設本人/吾等贖回基金單位，或合成 ETF 終止運作(例如當基金規模下跌至很低水平)，退回給本人/吾等的金額可能由於衍生工具在未到期前提早平倉的成本，大幅低於基金的資產淨值，可能令本人/吾等蒙受重大損失。”
- v. 修訂第十五段如下：“持有有關 ETF 的投資者會或因內地稅務當局執行徵稅及/或基金經理調整稅務撥備政策而受到影響。如果投資者在執行徵稅和/或改變撥備政策之前已賣出/贖回 ETF 的權益，其回報則不會受到影響，但該等投資者亦不會受惠於 ETF 稅務撥備的回撥。因此，本人/吾等買入 ETF 前，應詳細閱讀基金銷售文件內披露的資本增值稅撥備政策及相關風險及如有疑問，應諮詢專業顧問。”

C. 第 7 條在香港交易及結算有限公司(「香港交易所」)買賣的槓桿及反向產品的風險

- i. 修訂第四段如下：“槓桿及反向產品並非為持有超過重新平衡活動的頻率(一般為一天)而設，因此長線持有或存在一定風險。在每日重新平衡及複合效應下，有關產品超過一天的表現會從幅度或方向上偏離相關指數同期的槓桿或相反表現。在市況波動、槓桿倍數上升、投資反向產品及持有時間越長時，有關偏離會更明顯。本人/吾等如持有槓桿及反向產品超過一日，就不應預期該產品的實際回報，會等於相關指數變動的特定倍數或特定反向倍數。”
- ii. 修訂第五段如下：“隨著一段時間受到每日重新平衡活動、相關指數波動，以及複合效應對每日回報的影響，可能會出現相關指數上升或表現平穩，但槓桿產品卻錄得虧損。同樣地亦有可能會出現相關指數下跌或表現平穩，但反向產品卻錄得虧損。本人/吾等需密切地管理(例如每日)及監察該本人/吾等的投資。”
- iii. 修訂第七段如下：“槓桿及反向產品一般會在交易日接近完結時才進行重新平衡活動以減低追蹤偏離度(相關市場收市前的一段較短時間)，頻繁的重新平衡活動可能使有關槓桿及反向產品更受市場波動影響和面對較高的流通風險。”
- iv. 修訂第十一段如下：“如所有證券莊家均辭任，槓桿及反向產品必須終止運作。槓桿及反向產品必須在最後一名證券莊家辭任生效時同時終止運作。本人/吾等需留意槓桿及反向產品的終止運作風險。”
- v. 新增第十二段如下：“期貨合約風險：投資期貨合約會涉及一些特定風險，例如大幅波動、槓桿、期貨合約轉倉及保證金等風險。期貨合約的槓桿成分或會令虧損遠多於投資在期貨合約的金額。產品投資於期貨合約的名義金額亦會因此存在嚴重虧損的高風險。期貨合約的回報與其標的的表現可以完全無關，令產品未能達成其投資目標。”
- vi. 新增第十三段如下：“期貨合約轉倉風險：「轉倉」是指當現有的期貨合約即將到期，以代表同一相關資產但到期日較後的期貨合約取代。產品資產組合的價值(即每單位資產淨值)或會因轉倉成本而受到負面影響。有關效應在槓桿比率較高的產品身上會更加明顯。”

- vii. 修訂第十四段(原十二段)如下：“槓桿風險：在槓桿效應下，當相關指數變動，或者當相關指數的計價貨幣不同於有關槓桿及反向產品的基準貨幣，而有關貨幣的匯價出現波動時，會令槓桿及反向產品的盈利和虧損倍增。”
- viii. 修訂第十五段(原十三段)如下：“有別於傳統的回報模式（僅適用於反向產品）：反向產品旨在提供與相關指數表現特定倍數的相反的單日回報。如果有關指數長時間上升，或者當相關指數的計價貨幣不同於有關反向產品的基準貨幣，而該計價貨幣的匯價長時間上升時，反向產品可能會損失大部分或所有價值。本人/吾等可能會蒙受重大甚至全盤損失。”
- D. 第 8 條在香港交易及結算所有限公司（「香港交易所」）買賣的衍生產品的風險
- i. 修訂第二段如下：“衍生產品如衍生權證及牛熊證均是槓桿產品，其價值可按相對相關資產的槓桿比率而快速改變，甚至跌至零，屆時當初投資的資金將會盡失。”
- ii. 修訂第三段如下：“衍生產品如衍生權證及牛熊證均設有到期日，到期後的產品將變得一文不值，所以本人/吾等須留意產品的到期時間，確保所選產品的尚餘的有效期能配合投資策略。”
- iii. 修訂第七段如下：“若其他因素不變，衍生權證及牛熊證價格會隨時間而遞減，衍生權證及牛熊證不宜視為長線投資工具。衍生權證及牛熊證的價格亦會隨其相關資產的價格波動而升降。”
- iv. 修訂第十段如下：“衍生產品附有關期權，交易風險甚高，可導致相當大的損失。投資者買賣衍生產品前，應認識期權市場及有相關經驗。本人/吾等應考慮衍生產品的買賣是否適合閣下財政狀況及投資目標。”
- v. 修訂第十一段如下：“倘若衍生產品發行商破產及/或未能履行其所發行的責任，投資者只被視為無抵押債權人，對發行商任何資產均無優先索償權。因此，在投資前須特別留意衍生產品發行商的財力及信用狀況。”
- vi. 新增第十三段如下：“界內證類屬結構性產品。界內證的收益關建是取決於到期日時，有關界內證是處於界內還是界外。即使界內證處於界內，但其相關資產的價格表現波動，或呈單一方行向走（即保持上升或下跌走勢），便會增加該界內證跌入界外的風險。”
- vii. 新增第十四段如下：“界內證使投資者可在到期時獲得預定的固定收益，而具體收益取決於相關資產價格在到期日是上限價及下限價之內（界內）或之外（界外）。投資者可獲得的最高利潤以預定的固定收益為上限，最大的虧損為已投入之所有投資金額。低於或高於固定收益水平時的界內證，可能未反映其實際價值。由於最低固定收益為 0.25 港元，界內證價格預計會在 0.25 港元或以上。”
- viii. 新增第十五段如下：“由於界內證的回報上限為固定金額（每證 1 港元），因此界內證的交易價格不應高於回報上限 1 港元。所以，任何高於 1 港元的界內證交易將被取消，且不獲聯交所承認。”
- ix. 新增第十六段如下：“本人/吾等明白買賣衍生產品的性質和風險，並確保已有足夠的淨資產來承擔因買賣該等衍生產品而可能招致的風險及損失。”
- E. 第 10 條證券，外匯及其他保證金買賣的風險
- i. 修訂第 10 條標題如下：“證券，新股融資，外匯及其他保證金買賣的風險”
- ii. 修訂第一段如下：“槓桿式證券、外匯、其他保證金買賣及以存放抵押品而取得融資作交易的虧損風險極大。本人/吾等所蒙受的損失可能超過本人/吾等存放於貴銀行作為抵押的現金或其他任何的資產。即使本人/吾等定下備用買賣指令，例如「止蝕」或「限價」買賣指令，市場情況可能使這些買賣指令無法執行。因而未必可以將虧損局限於本人/吾等原先設想的數額。本人/吾等可能被要求一接到貴銀行通知即存入額外的保證金款項或繳付利息。如本人/吾等未能在所訂的時間內提供所需的款項或利息，本人/吾等的持倉合約可能會在未經本人/吾等的同意下被強制平倉。本人/吾等將要為本人/吾等的戶口所出現的任何虧損及需繳付的利息負責。額外的保證金要求並非根據有關條款清算本人/吾等未平倉合約的先決條件，而且無論如何不會對貴銀行的有關權利構成限制。因此，本人/吾等必須仔細考慮，鑑於自己的財務狀況及投資目標，這種保證金買賣是否適合本人/吾等。”
- F. 第 11 條期權交易的風險
- i. 修訂第五段如下：“購入期權的投資者可選擇抵銷或行使期權或任由期權到期。如果期權持有人選擇行使期權，便必須進行現金交收或購入或交付相關的資產。如所購入的期權在到期時已無任何價值，本人/吾等將損失所有投資金額，當中包括所有的期權金及交易費用。假如本人/吾等擬購入極價外期權，應注意本人/吾等可以從這類期權獲利的機會極微。”
- G. 第 20 條授權再質押本人/吾等的證券抵押品等的風險
- i. 修訂為標題如下：“提供把本人/吾等的證券抵押品等再質押的授權書的風險”
- ii. 修訂第一段如下：“假如本人/吾等向貴銀行提供授權書，准許貴銀行根據證券借貸協議動用本人/吾等的證券或證券抵押品，就取得財務通融而再質押本人/吾等的證券或證券抵押品，或就履行或償還貴銀行的交收責任及債務而將本人/吾等的證券抵押品存放作為抵押品，則存在風險。”
- iii. 修訂第二段如下：“假如貴銀行在香港收到或持有本人/吾等的證券或證券抵押品，則只限於本人/吾等的書面同意下方可作出上述安排。此外，除非本人/吾等是屬專業投資者，本人/吾等的授權必須指明有效期，並且該有效期不得超過 12 個月。假如本人/吾等是屬專業投資者，則限制則不適用。再者，假如貴銀行於該授權屆滿前向本人/吾等發出至少 14 天的該授權續期提示通知書，而本人/吾等於本人/吾等當時的既有授權屆滿日前並無就該等授權續期提出反對，則該既有授權可在沒有本人/吾等的書面同意下被視為已獲續期。”
- iv. 修訂第三段如下：“現時並無任何法例規定本人/吾等必須簽署此等授權書。惟貴銀行可能需要得到授權書，例如向本人/吾等借出保證金，或獲准將本人/吾等的證券或證券抵押品借給第三者或存放於第三者處當為抵押品。貴銀行應就使用授權書作任何一項目的對本人/吾等作出解釋。假如本人/吾等簽署任何一項授權書，而本人/吾等的證券或證券抵押品已借予或寄存於第三者，則該等第三者將擁有本人/吾等的證券或證券抵押品的留置權或作出押記。儘管貴銀行需對本人/吾等授權借出或寄存的證券或證券抵押品向本人/吾等負責，但貴銀行的違責行為亦可能會使本人/吾等損失本人/吾等的證券或證券抵押品。”
- v. 修訂第四段如下：“貴銀行提供不涉及證券借入及借出的現金賬戶服務。假如本人/吾等無需使用保證金信貸或不願意借出或質押本人/吾等的證券或證券抵押品，則不會簽署上述授權書及可要求開立該類現金賬戶。”
- H. 第 21 條在香港境外取得或持有資產的風險
- i. 修訂標題如下：“在香港境外地方取得或持有資產的風險”

- ii. 修訂第 1 條如下：“貴銀行或代名人在香港境外地方取得或持有本人／吾等的資產須受有關海外司法管轄區的適用法律及法規所監管的，而此等法律及法規可能有別於證券及期貨條例(第 571 章)及以該條例制訂的規則。故此，該等本人/吾等的資產未必享有在香港取得或持有本人/吾等的資產所獲賦予的相同保障。”
- I. 第 26 條在其他司法管轄區進行交易
 - i. 修訂第一段如下：“在其他司法管轄區的市場(包括與本地市場有正式連繫的市場)進行交易，或會涉及額外的風險。根據這些市場的規則，投資者享有的保障程度可能有所不同，甚或有所下降。在進行交易前，本人／吾等應先行查明有關本人／吾等將進行的該項交易的所有規則。本人／吾等本身所在地的監管機構，將不能迫使本人／吾等已執行的交易所在地的所屬司法管轄區的監管機構或市場執行有關的規則。有鑑於此，在進行交易之前，本人／吾等應先向有關商號查詢本人／吾等本身地區所屬的司法管轄區及其他司法管轄區可提供哪種補救措施及有關詳情。”
- J. 第 27 條電子交易
 - i. 修訂第一段如下：“透過某個電子交易系統進行買賣，可能會與透過其他電子交易系統進行買賣有所不同。如果本人／吾等透過某個電子交易系統進行買賣，便須承受該系統帶來的風險，包括有關係統硬件或軟件可能會失靈的風險。系統失靈可能會導致本人／吾等的交易指示不能根據指示執行，甚或完全不獲執行。”
- K. 第 28 條滬股通交易服務的風險
 - i. 新增段落如下：“本人/吾等明白以上風險披露。”
- L. 第 29 條深股通交易服務的風險
 - i. 新增段落如下：“本人/吾等明白以上風險披露。”

如需索取最新版本之“風險披露聲明”，請瀏覽本行網頁之“最新資訊”，聯絡本行任何分行職員或致電客戶服務熱線(852) 218 95588。

請注意，客戶如於生效日期後繼續使用有關服務，將被視為同意有關修訂。倘客戶不接受修訂，客戶有權終止賬戶，請致電上述客戶服務熱線通知本行以作安排。

中國工商銀行(亞洲)有限公司謹啟

2021 年 1 月 26 日

(本通知之中英文文本如有歧異，概以英文本為準)

Dear Customer,

Notice of Amendment: (I) Risk Disclosure Statements and

(II) Risk Disclosure Statement for Derivative Products Traded on Hong Kong Exchange and Clearing Limited (“HKEx”)

The Risk Disclosure Statements and the Risk Disclosure Statement for Derivative Products Traded on Hong Kong Exchange and Clearing Limited (“HKEx”) will be amended as follows:

I. The Risk Disclosure Statement for Derivative Products Traded on Hong Kong Exchange and Clearing Limited (“HKEx”) will be amended as follow:

A. Exchange Traded Funds

- i. Amend Clause 1 as follow: “Exchange Traded Funds (“ETFs”, or individually “ETF”) are typically designed to trace or invest the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities. ETF are not actively managed funds. ETF managers may use different strategies to achieve this objective, but in general they do not have the discretion to take defensive positions in declining markets. I/We must be prepared to bear the risk of loss and volatility associated with the fluctuation of the underlying indices/assets caused by the influence of political, economic, currency, exchange rate, legal, taxation and other risks.”
- ii. Amend paragraph 4 of Clause 4 as follow: “Potential contagion and concentration risks of the derivative issuers should be taken into account (e.g. since derivative issuers are predominantly international financial institutions, the failure of one derivative counterparty of a synthetic ETF may have a “knock-on” effect on other derivative counterparties of the synthetic ETF). In the end, the loss I/we will suffer may be much higher than my/our expectation.”
- iii. Amend paragraph 1 of Clause 6.1 as follow: “Listing or trading on the HKEx does not by itself guarantee that a liquid market exists for an ETF. Besides, a higher liquidity risk is involved if an ETF uses financial derivative instruments, including structured notes and swaps, which are not actively traded in the secondary market and whose price transparency is not as easily accessible as physical securities. This may result in a bigger bid and offer spread. Financial derivative instruments also are susceptible to more price fluctuations and higher volatility. Hence, they can be more difficult and costly to unwind early. It is more difficult to unwind such contract when the market has trading restrictions and liquidity is limited.”
- iv. Amend Clause 7 as follow: “The costs associated with the unwinding of the Synthetic ETFs derivatives before maturity may vary depending on prevailing market conditions. Such costs may be significant, thus affecting the net asset value of the fund units. This may lead to substantial loss to investors. Therefore, if I / we redeem the fund units, or the synthetic ETF is terminated (for example, when the fund size drops to a very low level), the amount returned to me / us may be significantly lower than the fund’s net asset value due to unwind the derivatives early before the expiration, it may cause me / us to sustain significant losses.”
- v. Amend paragraph 2 of Clause 9 as follow: “Enforcement of the CGT by Mainland tax authorities and/or change in tax provisioning policy by a fund manager will impact investors remaining in the ETF. Investors who have sold/redeemed their interests prior to such enforcement and/or change will not be impacted. Likewise, such investors will not benefit from any release of tax provisions back into the ETF. Therefore, I/We should carefully read the CGT provisioning policy of an ETF in fund’s sales documents before investing in the ETF, and if in doubt, I/We should consult a professional consultant.”

B. Leveraged and Inverse Products

- i. Amend paragraph 1 of Clause 4 as follow: “L&I Products are not intended for holding longer than the rebalancing interval, typically one day. Daily rebalancing and the compounding effect will make the L&I Product’s performance over a period longer than one day deviate in amount and possibly direction from the leveraged/inverse performance of the underlying index over the same period. The deviation becomes more pronounced in a volatile market, when the leverage factor goes up, for inverse exposure and/or for longer holding periods. I/We should not expect the actual percentage of return or investing in the L&I Product to be equal to the multiple and/or the inverse multiple change in the underlying index for periods longer than one day.”
- ii. Amend paragraph 2 of Clause 4 as follow: “As a result of daily rebalancing, the underlying index’s volatility and the effects of compounding of each day’s return over time, it is possible that the leveraged product will lose money over time while the underlying index increases or is flat. Likewise, it is possible that the inverse product will lose money over time while the underlying index decreases or is flat. I/We should actively manage (e.g. daily) and monitor my/our investments.”
- iii. Amend Clause 6 as follow: “Rebalancing typically takes place near the end of a trading day to minimize tracking difference (shortly before the close of the underlying market). The short interval of rebalancing may expose L&I Products more to market volatility and higher liquidity risk.”
- iv. Amend Clause 10 as follow: “L&I Products must be terminated when all the market makers resign. Termination of the L&I Product should take place at about the same time when the resignation of the last market maker becomes effective. I/We should be aware of the risk of L&I Products termination.”
- v. Add the new Clause 11 as follow: “Futures contracts risks: Investment in futures contracts involves specific risks such as high volatility, leverage, rollover and margin risks. The leverage component of futures contracts can result in a loss significantly greater than the amount invested in the futures contracts by the product. Exposures to futures contracts may lead to a high risk of significant loss by the product. There may be imperfect correlation between the values of the underlying assets and the futures contracts, which may prevent the product from achieving its investment objective.”
- vi. Add the new Clause 12 as follow: “Rolling of futures contracts risks: A “roll” occurs when an existing futures contract is about to expire and is replaced with a futures contract representing the same underlying but with a later expiration date. The value of the product’s portfolio (and so the net asset value per unit) may be adversely affected by the cost of rolling positions forward as the futures contracts approach expiry. This effect may be more pronounced in products with higher leverage ratio.”
- vii. Amend Clause 13(the original Clause 11) as follow: “Leverage risk: The use of leverage will magnify both gains and losses of leveraged and inverse products, resulting from changes in the underlying index or, where the underlying index is denominated in a currency other than the leveraged and inverse product's base currency, from fluctuations in exchange rates.”
- viii. Amend Clause 14(the original Clause 12) as follow: “Unconventional return pattern (for inverse products only): Inverse products aim to deliver a daily return that is a multiple of opposite of the daily return of the underlying index return. If the value of the underlying index increases for extended periods, or where the exchange rate of the underlying index denominated in a currency other than the inverse product's base currency rises for an extended period, inverse products can lose most or all of their value. I/We may suffer significant or even total losses.”

C. Derivative Products

- i. Amend Clause 2 as follow: “Derivative products such as derivative warrants and callable bull/bear contracts (CBBCs) are leveraged products and can change in value rapidly according to the gearing ratio relative to the underlying assets. I/we should be aware that the value of a derivative product may fall to zero resulting in a total loss of the initial investment.”
- ii. Amend Clause 3 as follow: “Derivative products such as derivative warrants and CBBCs have an expiry date after which the derivatives may become worthless. I/we should be aware of the expiry time and choose a product with an appropriate duration to suit for their investment strategy.”
- iii. Amend Clause 7 as follow: “If all conditions remain unchanged, the value of a derivative warrants and CBBCs will decay over time as it approaches its expiry date. Derivative warrants and CBBCs should therefore not be viewed as long term investments. Prices of derivative warrants and CBBCs can increase or decrease in line with the implied volatility of underlying asset price.”
- iv. Amend Clause 10 as follow: “Derivative Products are imbedded with options. Transactions in options carry a high degree of risk. The risk of loss in trading options can be substantial. Prospective investor should have prior knowledge of, or experience in option markets. I/we should therefore carefully consider whether such trading is suitable in the light of my/our own financial position and investment objectives.”
- v. The existing Clause 1 of General Risk Disclosure Statement is renumbered as Clause 11 of this part and amend as follow: “In the event that a derivative product issuer becomes insolvent and/or defaults, investors will be considered as unsecured and will have no preferential claims to any assets held by the issuer. I/We should therefore pay special attention to the financial strength and credit worthiness of the issuer.”
- vi. The existing Clause 2 of General Risk Disclosure Statement is renumbered as Clause 12 of this part and remains unchanged.
- vii. Add the new Clause 13 as follow: “Inline Warrants are structured product. The payoff of an inline warrant depends on whether it is in-the-range or out-of-the-range at expiry. If the underlying asset price of an in-the-range inline warrant exhibits volatile or unidirectional movement (i.e. keep moving upwards or downwards), it will have higher risk of falling out-of-the-range.”
- viii. Add the new Clause 14 as follow: “Inline warrants entitle the investors to receive a pre-determined fixed payment at expiry, depending on whether the underlying falls at or within (i.e. In-The-Range) or outside (i.e. Out-of-The-Range) the Upper and Lower Strikes at expiry. Profit potential for investors are capped by a maximum payoff of HK \$1. Maximum loss for investors are limited to initial investment. Inline Warrants which below or above the fixed pre-determined fixed payment may not be reflected the true value. Due to the minimum fixed payment at expiry, Inline Warrants are expected to trade at or above HK\$0.25.”
- ix. Add the new Clause 15 as follow: “Due to the pre-determined fixed maximum payment at expiry of HK\$1, an inline warrant should not be traded above HK\$1. Any trades executed at the price above HK\$1 shall not be recognized and will be cancelled by the Exchange.”
- x. Add the new Clause 16 as follow: “I/We understand the nature and risks of trading derivative products and ensure that there are sufficient net assets to bear the risks and losses that may be incurred as a result of trading these derivatives.”

D. “Risk Disclosure Statement for Derivative Products Traded on Hong Kong Exchange and Clearing Limited (“HKEx”) will be cancelled and replaced by the amended “Risk Disclosure Statements”.

II. The Risk Disclosure Statements will be amended as follow:

A. Clause 3 Risk of securities trading

- i. Add new paragraph 2 as follow: “Investing in the securities market is likely to be affected by economic, geographic, political, and social factors in different local or international markets, and securities prices may become unpredictable and fluctuant. There are possibilities that my/our investment will be subject to interest rate risk, global risk, business risk, improper corporate governance, stock suspension, circulation risk and policy risk, which caused me / us to sustain significant losses.”

B. Clause 6 Risk of trading Derivative Products - Exchange Traded Funds (“ETFs”, or individually “ETF”) at Hong Kong Exchange and Clearing Limited (“HKEx”)

- i. Amend paragraph 1 as follow: “Exchange Traded Funds (“ETFs”, or individually “ETF”) are typically designed to trace or invest the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities. ETF are not actively managed funds. ETF managers may use different strategies to achieve this objective, but in general they do not have the discretion to take defensive positions in declining markets. I/We must be prepared to bear the risk of loss and volatility associated with the fluctuation of the underlying indices/assets caused by the influence of political, economic, currency, exchange rate, legal, taxation and other risks.”
- ii. Amend paragraph 7 as follow: “Potential contagion and concentration risks of the derivative issuers should be taken into account (e.g. since derivative issuers are predominantly international financial institutions, the failure of one derivative counterparty of a synthetic ETF may have a “knock-on” effect on other derivative counterparties of the synthetic ETF). In the end, the loss I/we will suffer may be much higher than my/our expectation.”
- iii. Amend paragraph 10 as follow: “Listing or trading on the HKEx does not by itself guarantee that a liquid market exists for an ETF. Besides, a higher liquidity risk is involved if an ETF uses financial derivative instruments, including structured notes and swaps, which are not actively traded in the secondary market and whose price transparency is not as easily accessible as physical securities. This may result in a bigger bid and offer spread. Financial derivative instruments also are susceptible to more price fluctuations and higher volatility. Hence, they can be more difficult and costly to unwind early. It is more difficult to unwind such contract when the market has trading restrictions and liquidity is limited.”
- iv. Amend paragraph 12 as follow: “The costs associated with the unwinding of the Synthetic ETFs derivatives before maturity may vary depending on prevailing market conditions. Such costs may be significant, thus affecting the net asset value of the fund units. This may lead to substantial loss to investors. Therefore, if I / we redeem the fund units, or the synthetic ETF is terminated (for example, when the fund size drops to a very low level), the amount returned to me / us may be significantly lower than the fund’s net asset value due to unwind the derivatives early before the expiration, it may cause me / us to sustain significant losses.”
- v. Amend paragraph 15 as follow: “Enforcement of the CGT by Mainland tax authorities and/or change in tax provisioning policy by a fund manager will impact investors remaining in the ETF. Investors who have sold/redeemed their interests prior to such enforcement and/or change will not be impacted. Likewise, such investors will not benefit from any release of tax provisions back into the ETF. Therefore, I/We should carefully read the CGT provisioning policy of an ETF in fund’s sales documents before investing in the ETF, and if in doubt, I/We should consult a professional consultant.”

C. Clause 7 Risk of trading Leveraged and Inverse Products at Hong Kong Exchange and Clearing Limited (“HKEx”)

- i. Amend paragraph 4 as follow: “L&I Products are not intended for holding longer than the rebalancing interval, typically one day. Daily rebalancing and the compounding effect will make the L&I Product’s performance over a period longer than one day deviate in amount and possibly direction from the leveraged/inverse performance of the underlying index over the same period. The deviation becomes more pronounced in a volatile market, when the leverage factor goes up, for inverse exposure and/or for longer holding periods. I/We should not expect the actual percentage of return or investing in the L&I Product to be equal to the multiple and/or the inverse multiple change in the underlying index for periods longer than one day.”
 - ii. Amend paragraph 5 as follow: “As a result of daily rebalancing, the underlying index’s volatility and the effects of compounding of each day’s return over time, it is possible that the leveraged product will lose money over time while the underlying index increases or is flat. Likewise, it is possible that the inverse product will lose money over time while the underlying index decreases or is flat. I/We should actively manage (e.g. daily) and monitor my/our investments.”
 - iii. Amend paragraph 7 as follow: “Rebalancing typically takes place near the end of a trading day to minimize tracking difference (shortly before the close of the underlying market). The short interval of rebalancing may expose L&I Products more to market volatility and higher liquidity risk.”
 - iv. Amend paragraph 11 as follow: “L&I Products must be terminated when all the market makers resign. Termination of the L&I Product should take place at about the same time when the resignation of the last market maker becomes effective. I/We should be aware of the risk of L&I Products termination.”
 - v. Add new paragraph 12 as follow: “Futures contracts risks: Investment in futures contracts involves specific risks such as high volatility, leverage, rollover and margin risks. The leverage component of futures contracts can result in a loss significantly greater than the amount invested in the futures contracts by the product. Exposures to futures contracts may lead to a high risk of significant loss by the product. There may be imperfect correlation between the values of the underlying assets and the futures contracts, which may prevent the product from achieving its investment objective.”
 - vi. Add new paragraph 13 as follow: “Rolling of futures contracts risks: A “roll” occurs when an existing futures contract is about to expire and is replaced with a futures contract representing the same underlying but with a later expiration date. The value of the product’s portfolio (and so the net asset value per unit) may be adversely affected by the cost of rolling positions forward as the futures contracts approach expiry. This effect may be more pronounced in products with higher leverage ratio.”
 - vii. Amend paragraph 14 (the original paragraph 12) as follow: “Leverage risk: The use of leverage will magnify both gains and losses of leveraged and inverse products, resulting from changes in the underlying index or, where the underlying index is denominated in a currency other than the leveraged and inverse product’s base currency, from fluctuations in exchange rates.”
 - viii. Amend paragraph 15 (the original paragraph 13) as follow: “Unconventional return pattern (for inverse products only): Inverse products aim to deliver a daily return that is a multiple of opposite of the daily return of the underlying index return. If the value of the underlying index increases for extended periods, or where the exchange rate of the underlying index denominated in a currency other than the inverse product’s base currency rises for an extended period, inverse products can lose most or all of their value. I/We may suffer significant or even total losses.”
- D. Clause 8 Risk of trading Derivative Products at Hong Kong Exchange and Clearing Limited (“HKEx”)
- i. Amend paragraph 2 as follow: “Derivative products such as derivative warrants and callable bull/bear contracts (CBBCs) are leveraged products and can change in value rapidly according to the gearing ratio relative to the underlying assets. I/we should be aware that the value of a derivative product may fall to zero resulting in a total loss of the initial investment.”
 - ii. Amend paragraph 3 as follow: “Derivative products such as derivative warrants and CBBCs have an expiry date after which the derivatives may become worthless. I/we should be aware of the expiry time and choose a product with an appropriate duration to suit for their investment strategy.”
 - iii. Amend paragraph 7 as follow: “If all conditions remain unchanged, the value of a derivative warrants and CBBCs will decay over time as it approaches its expiry date. Derivative warrants and CBBCs should therefore not be viewed as long term investments. Prices of derivative warrants and CBBCs can increase or decrease in line with the implied volatility of underlying asset price.”
 - iv. Amend paragraph 10 as follow: “Derivative Products are imbedded with options. Transactions in options carry a high degree of risk. The risk of loss in trading options can be substantial. Prospective investor should have prior knowledge of, or experience in option markets. I/we should therefore carefully consider whether such trading is suitable in the light of my/our own financial position and investment objectives.”
 - v. Amend paragraph 11 as follow: “In the event that a derivative product issuer becomes insolvent and/or defaults, investors will be considered as unsecured and will have no preferential claims to any assets held by the issuer. I/We should therefore pay special attention to the financial strength and credit worthiness of the issuer.”
 - vi. Add new paragraph 13 as follow: “Inline Warrants are structured product. The payoff of an inline warrant depends on whether it is in-the-range or out-of-the-range at expiry. If the underlying asset price of an in-the-range inline warrant exhibits volatile or unidirectional movement (i.e. keep moving upwards or downwards), it will have higher risk of falling out-of-the-range.”
 - vii. Add new paragraph 14 as follow: “Inline warrants entitle the investors to receive a pre-determined fixed payment at expiry, depending on whether the underlying falls at or within (i.e. In-The-Range) or outside (i.e. Out-of-The-Range) the Upper and Lower Strikes at expiry. Profit potential for investors are capped by a maximum payoff of HK \$1. Maximum loss for investors are limited to initial investment. Inline Warrants which below or above the fixed pre-determined fixed payment may not be reflected the true value. Due to the minimum fixed payment at expiry, Inline Warrants are expected to trade at or above HK\$0.25.”
 - viii. Add new paragraph 15 as follow: “Due to the pre-determined fixed maximum payment at expiry of HK\$1, an inline warrant should not be traded above HK\$1. Any trades executed at the price above HK\$1 shall not be recognized and will be cancelled by the Exchange.”
 - ix. Add new paragraph 16 as follow: “I/We understand the nature and risks of trading derivative products and ensure that there are sufficient net assets to bear the risks and losses that may be incurred as a result of trading these derivatives.”
- E. Clause 10 Risk of securities, FX and other margin trading
- i. Amend the title of Clause 10 as follow: “Risk of securities, IPO financing, FX and other margin trading”
 - ii. Amend paragraph 1 as follow: “The risk of loss in securities margin, leveraged foreign exchange, other margin trading and deposit of collateral for trading can be substantial. I/We may sustain losses in excess of my/our cash or any other assets deposited as collateral with the Bank. Placing contingent order, such as “stop-loss” or “stop-limit” orders, market conditions may make it impossible to execute such orders. Therefore, it will not necessarily avoid losses or limit losses to the intended amounts. I/We

may be called upon at short notice to make additional margin deposits or interest payments. If the required margin deposits or interest payments are not provided within the prescribed time, my/our position may be liquidated without my/our consent. I/We will remain liable for any resulting deficit in my/our account and interest charged on my/our account. A demand for additional deposit is not a precondition to and does not in any way limit our right to liquidate my/our open positions according to the relevant terms and conditions. I/We should therefore carefully consider whether such margin trading is suitable in light of my/our own financial position and investment objectives.”

F. Clause 11 Risk of trading options

- i. Amend paragraph 5 as follow: “The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the purchased options expire worthless, I/we will suffer a total loss of my/our investment which will consist of the option premium plus transaction costs. If I am/we are contemplating purchasing deep-out-of-the-money options, I/we should be aware that the chance of such options becoming profitable ordinarily is remote.”

G. Clause 20 Risk of Providing an Authority to Repledge My/Our Securities Collateral etc.

- i. Amend the title of Clause 20 as follow: “Risk of Providing an Authority to Repledge My/Our Securities Collateral etc.”
- ii. Amend paragraph 1 as follow: “There is risk if I/we provide the Bank with an authority that allows the Bank to apply my/our securities or securities collateral pursuant to a securities borrowing and lending agreement, repledge my/our securities collateral for financial accommodation or deposit my/our securities collateral as collateral for the discharge and satisfaction of the Bank settlement obligations and liabilities.”
- iii. Amend paragraph 2 as follow: “If my/our securities or securities collateral are received or held by the Bank in Hong Kong, the above arrangement is allowed only if I/we consent in writing. Moreover, unless I am/we are a professional investor, my/our authority must specify the period for which it is current and be limited to not more than 12 months. If I am/we are a professional investor, these restrictions do not apply. Additionally, my/our authority may be deemed to be renewed (i.e. without my/our written consent) if the Bank issue me/ us a reminder at least 14 days prior to the expiry of the authority, and I/we do not object to such deemed renewal before the expiry date of my/our existing authority.”
- iv. Amend paragraph 3 as follow: “I am/We are not required by any law to sign these authorities. But an authority may be required by the Bank, for example, to facilitate margin lending to me/us or to allow my/our securities or securities collateral to be lent to or deposited as collateral with third parties. The Bank should explain to me/us the purposes for which one of these authorities is to be used. If I/we sign one of these authorities and my/our securities or securities collateral are lent to or deposited with third parties, those third parties will have a lien or charge on my/our securities or securities collateral. Although the Bank is responsible to me/us for securities or securities collateral lent or deposited under my/our authority, a default by the Bank could result in the loss of my/our securities or securities collateral.”
- v. Amend paragraph 4 as follow: “A cash account not involving securities borrowing and lending is available from the Bank. If I/we do not require margin facilities or do not wish my/our securities or securities collateral to be lent or pledged, do not sign the above authorities and ask to open this type of cash account.”

H. Clause 21 Risk of assets received or held outside Hong Kong

- i. Amend the title of Clause 21 as follow: “Risk of assets received or held outside Hong Kong.”
- ii. Amend paragraph 1 as follow: “My/Our assets received or held by the Bank or its nominee outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap 571) 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.”

I. Clause 26 Transactions in other jurisdictions

- i. Amend paragraph 1 as follow: “Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose me/us to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before I/we trade I/we should enquire about any rules relevant to my/our particular transactions. My/our local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where my/our transactions have been effected. I/we should ask the firm with which I/we deal for details about the types of redress available in both my/our home jurisdiction and other relevant jurisdictions before I/we start to trade.”

J. Clause 27 Electronic trading

- i. Amend paragraph 1 as follow: “Trading on an electronic trading system may differ from trading on other electronic trading systems. If I/we undertake transactions on an electronic trading system, I/we 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 my/our order is either not executed according to my/our instructions or is not executed at all.”

K. Clause 28 Risk of Shanghai – Hong Kong Stock Connect Northbound Trading Services

- i. Add a new paragraph as follow: “I/We understand the above risk disclosures.”

L. Clause 29 Risk of Shenzhen – Hong Kong Stock Connect Northbound Trading Services

- i. Add a new paragraph as follow: “I/We understand the above risk disclosures.”

To obtain the latest version of "Risk Disclosure Statement", please visit the "Latest News" of our website, contact any of our branch staff or call our Customer Services Hotline at (852) 218 95588.

Please note that if customers continue to use the relevant service(s) after the Effective Date, the customers will be deemed to have agreed to the change(s). You have the right of termination if you decline to accept the amendments. Should you wish to terminate your account, please notify us through the above Customer Services Hotline.

Industrial and Commercial Bank of China (Asia) Limited

26 January 2021

(The English version of this notice shall prevail whenever there is a discrepancy between the English and Chinese versions.)