

**Airstar Bank Limited (the “Bank”)**

**Fund Subscription Services Agreement (this “Agreement”)**

**1. Application and Definitions**

1.1. These terms and conditions in this Agreement apply to your use of Fund Subscription Services. They supplement, and should be read together with, the Terms and Conditions of Use of Virtual Banking Services and any other terms and conditions governing the Fund Subscription Services provided by the Bank, as they may be amended from time to time.

For the purpose of these terms, unless the context otherwise requires, the following words and expressions have the meanings below:

**“business day”** is means any day other than a public holiday, a Saturday, and a gale warning day or a black rainstorm warning day as defined in section 71(2) of the Interpretation and General Clauses Ordinance (Cap. 1) of Hong Kong.

**“Customer”** or **“you”** means a customer of the Bank who wishes to use the Fund Subscription Services in accordance with the provisions of this Agreement.

**“Dealing Day”** means, in respect of any Fund, a day on which dealings take place or may be effected in relation to that Fund.

**“Dealing Procedures”** means any procedures agreed between the Bank and the Fund or the fund manager of the relevant Fund from time to time to govern the subscription, switching and redemption of Units therein and other incidental matters.

**“Electronic Services”** means certain computer or electronic services or system provided to the Customer by the Bank and as amended from time to time at its sole and absolute discretion for the purpose of providing the Fund Subscriptions Services.

**“Fund”** means any unit trust, investment fund, mutual fund or any other collective investment scheme distributed by relevant fund manager or otherwise made available through the Bank;

**“Fund Account”** means an account with the Bank opened by a Customer and maintained with the Bank for the purpose of Fund Subscription Services;

**“Fund Subscription Services”** means services provided by the Bank in connection with the purchase, subscription, switching, transfer, redemption or sale of any Unit in any Fund, and the dealing with any relating proceeds or moneys in accordance with the Customer’s instructions.

**“Instruction”** means any authorisation, instruction, request, or order (communicated by the Customer to the Bank through any communication method as the Bank may from time to time determine (including without limitation and where applicable, instructions submitted through the Mobile App, the internet,

face-to-face, by mail or by fax)) given or transmitted to the Bank by the Customer, or which the Bank reasonably believes to be the authorisation, instruction, request or order of the Customer, and includes any authorisation, request, instruction or order to revoke, ignore or vary any previous authorisation, request, instruction or order, that relates to the purchase, subscription, switch, transfer, redeem, sell or otherwise deal with any Units.

**"Monetary Benefits"** means, as the case may be, any monetary benefits and includes, where applicable, any trailer fees, being a share of the manager's management fees, and a share of the manager's performance fees, whether calculated or payable to it annually or otherwise periodically, as more particularly set out by the Bank on the Mobile App.

**"Portfolio"** means a portfolio of Funds selected by the Bank and made available through the Bank to the Customer from time to time.

**"Privacy Policy Statement"** means the privacy principles and notice relating to the Personal Data (Privacy) Ordinance of the Bank in force from time to time.

**"Transaction"** means any transaction, dealing, agreement, action or service contemplated by, provided for, made, effected or conducted pursuant to this Agreement;

**"Savings Account"** means a savings account with the Bank opened by a Customer and maintained with the Bank;

**"Units"** means any shares or units in a Fund (including where such Fund is distributed or made available on a standalone basis or as part of a Portfolio).

For the avoidance of doubt, this Agreement shall apply to any transaction in any fractional holding in any Fund and references to "shares" and "units" shall be construed so as to include references to "fractional shares" and "fractional units", respectively.

## **2. Scope of Fund Subscription Services**

2.1 The Bank may (but is not obliged to) provide to the Customer the Fund Subscription Services. Additional functions and services in connection with the Fund Subscription Services may be provided by the Bank to the Customer from time to time, in which case additional terms and conditions may apply to the Fund Subscription Services which the Customer should read and agree to before using those functions or services, please refer to the Bank's website. The Fund Subscription Services and any additional services in connection with the Fund Subscription Services shall be provided through a Fund Account.

2.2 The Bank shall make available to the Customer via electronic means (including via the Electronic Services), the offering documents, notices, communications or any other documents in connection with the relevant Funds or Portfolios. The Customer consents to the use of such electronic means (including the Electronic Services) as a mode of delivery of the abovementioned documents.

2.3 The Customer's relationship with the Bank, the operation of the Fund and Savings Account and the execution of all Transactions shall be subject at all times to Applicable Regulation. The Bank may take or refrain from taking any action whatsoever, and the Customer shall do all things as required by the Bank, in order to procure or ensure compliance with Applicable Regulation.

### **3. Subscription and Redemption Applications and Payment**

3.1 Any Instruction to subscribe for or purchase, redeem, sell or switch any Unit or Portfolio (whether in whole or in part) must be made electronically through the Bank's Mobile App or any manner as prescribed by the Bank, accompanied by any required documentation as may be required by the Bank from time to time.

3.2 All Instructions and the resulting transactions and payment in relation to the subscription, switching or redemption of Units shall be subject to the Dealing Procedures and/or any other requirements as prescribed by the Bank from time to time. The Bank is entitled, without reference to the Customer and without giving any reason, either reject any Instruction that fails to comply with the Dealing Procedures or such other requirements of the Bank, or to execute such Instruction with such modifications to it as may be necessary to comply with the Dealing Procedures or such other requirements of the Bank from time to time. The Bank will not be responsible to the Customer for any losses, damages, costs or expenses that the Customer may suffer or incur arising from or in connection with any delay or failure in transmitting or effecting any Instruction to subscribe, purchase, switch, transfer, redeem, sell or otherwise deal with any Units or Portfolios in connection with exercising such discretion.

3.3 The Bank is authorised to act on any Instruction given or purportedly given by or on behalf of the Customer. The Bank does not have any obligation to authenticate, verify the completeness and accuracy of any such Instruction or verify the identity of any person giving such Instruction. The Bank shall not be responsible for any loss which the Customer may incur as a result. However, the Bank has absolute discretion to refuse to act upon any such Instruction without reason, and the Bank will not be responsible to the Customer for any losses, damages, costs or expenses that the Customer may suffer or incur arising from or in connection with any delay or failure in transmitting or effecting any Instructions to subscribe, purchase, switch, transfer, redeem, sell or otherwise deal with any Units or Portfolios.

3.4 The Customer's right to give Instructions via a particular channel shall at all times be subject to the discretion of the Bank. The Bank may at any time revoke the Customer's right to give Instructions through a particular channel without prior notice. The Bank shall execute any Instructions placed by the Customer by placing it with the relevant fund manager, Fund or product issuer upon receipt of the Instruction and payment of the purchase price, subscription moneys or expenses payable by the Customer to the Bank.

3.5 The Bank will effect any Instruction as soon as practicable, however, the execution of such Instruction may not coincide with the timeframe stipulated in the relevant offering documents of the Fund. The Customer acknowledges that orders placed by the Customer with the Bank may be aggregated and

consolidated either daily or from time to time by the Bank together with orders placed by the Bank's other Customers for the purpose of placement of such orders by the Bank with the relevant fund manager, Fund or product issuer for execution.

3.6 Subject to the continuing operation of a Fund Account, an Instruction will generally be processed on the business day of receipt by the Bank of such Instruction if a valid and complete Instruction (together with all monies, required information and documents) is received by the Bank before the dealing cut off times for the relevant Fund as specified by the Bank in its sole and absolute discretion from time to time. If an Instruction (and monies) is received after this dealing cut off time or on a non-business day when a typhoon Signal No. 8 (or above) or black rainstorm warning has been issued in Hong Kong, execution maybe done on the next Dealing Day of the Fund in accordance with the terms of the offering documents of the relevant Fund (or as otherwise determined by the relevant fund manager, Fund or product issuer). The Customer must specify the choice of the Fund or Portfolio (where appropriate) in order for the Instruction to be processed. The Bank reserves the right to delay or refuse to process or accept any Instruction, if in its reasonable opinion, there are grounds for doing so.

3.7 The actual bid price and offer price of a Fund shall be determined at the time when the transaction is effected and settled and any figures which may be quoted or provided to the Customer by the Bank or its representatives at the time of Instruction (the **"Quoted Price"**) are for reference only and are not binding on the Bank.

3.8 The Bank will determine the price for the redemption of the relevant Fund by the Customer (**"Customer's Redemption Price"**) in different ways depending on the time at which the Customer issues the redemption Instruction, and this will in turn determine the redemption amount received by the Customer (**"Customer's Redemption Amount"**):

(a) If the Customer issues a redemption Instruction before the relevant cut-off time ( as may be specified by the Bank in its sole and absolute discretion) on a trading day, the Customer's Redemption Price will be calculated with reference to the price issued by the relevant Fund house on the previous trading day.

(b) If the Customer issues a redemption Instruction at or after the relevant cut-off time ( as may be specified by the Bank in its sole and absolute discretion) on a trading day, the Customer's Redemption Price will be calculated with reference to the price provided by the relevant Fund house to the Bank in the afternoon (although different Fund houses may have different settlement times) of that day (the **"Settlement Price"**).

The calculation methods in sub-clauses (a) and (b) above only apply to trading days of the Fund. If the Customer issues a redemption Instruction on a non-trading day of the Fund, such as Saturday, Sunday and public holidays, the Customer's Redemption Amount will be calculated with reference to the Settlement Price of the previous trading day of the Fund.

3.9 The Customer understands that when the redemption transaction of the Relevant Fund is settled, the redemption amount received by the Bank from the Fund house (the “**Actual Proceeds**”) may be different from the Customer's Redemption Amount. If the Actual Proceeds:

(a) exceed the Customer's Redemption Amount, the Customer agrees that the Bank shall retain the excess of the Customer's Redemption Amount, as the handling fee for processing and arranging for the execution of such Instruction; or

(b) are less than the Customer's Redemption Amount, the Bank shall not recover such shortfall from the Customer in any manner.

3.10 Because each Fund house has different operational arrangements, the calculation methods set out in clauses 3.8 to 3.9 above will need to be adjusted in accordance with such operational arrangements. The Customer agrees the agreements between the Bank and the Fund houses shall be determinative of the applicable calculation method, and that the Bank has absolute discretion regarding such matters.

3.11 The Bank has no authority to accept Instructions (or applications) for subscription, switching or redemption of any Unit for and on behalf of any fund manager, Fund or product issuer. Receipt of such Instructions and the requisite payment and any other documentation by the Bank shall not amount to acceptance of the Instruction by the relevant fund manager, Fund or product issuer.

3.12 The Customer acknowledges that any fund manager, Fund or product issuer who receives an Instruction from the Bank is not obliged to accept such order in part or whole. The Bank shall have no responsibility nor liability for ensuring that the relevant Fund manager, Fund or product issuer allots the Units or for any losses (including any loss of investment opportunity) which the Customer may suffer or incur as a result of any refusal to accept or delay in accepting such Instruction by the fund manager, Fund or product issuer.

3.13 The Customer acknowledges that (a) the purchase price, subscription moneys or expenses payable by the Customer to the Bank (or another person as specified by the Bank) in relation to each order to buy or subscribe for Units or Portfolios shall be debited from a Savings Account designated by the Customer; and (b) any redemption proceeds received by the Bank in relation to each order to sell, redeem or otherwise dispose of the Units (whether such Units are part of a Portfolio or not) shall, in any event, be paid to a Savings Account designated by the Customer.

3.14 The Customer further agrees that for purchases or subscriptions of Units or Portfolios, the Bank reserves the right to reject or delay the processing of any orders if there are insufficient funds in the Savings Account designated for payment or if cleared funds (free of any deductions or withholdings) are not received by such time as prescribed by the Bank.

3.15 The Bank is authorised to take such steps as it may consider expedient to enable it to provide Fund Subscription Services to the Customer including the right to withhold and/or make payment of any taxes or duties payable on or in respect of the Units without any liability thereof and to disclose information about the Customer, any Units or Portfolios held by the Customer or any transactions in connection thereto

in accordance with the Applicable Regulations or to any third party service providers or agents of the Bank, a fund manager, a Fund or product issuer (or its representatives) upon request.

3.16 The Customer agrees to provide the Bank with such information, materials and documents in such manner and take such steps and by such time as prescribed by the Bank from time to time so as to enable the Bank to effect an Instruction, perform the Fund Subscription Services and/or to comply with any term of any document in respect of any Funds, Applicable Regulations and the applicable market practice.

#### **4. Title and Registration of Investments**

4.1 If the Customer subscribes for Units in a Fund (including any Units in a Fund that forms a part of a Portfolio), the Units will be registered in the name of the Bank or jointly in the name of the Bank and in the Customer's name, or in the Customer's name only (as the case may be). The Bank will not be the beneficiary of any of your investments in a Fund.

4.2 No Unit certificates will be issued to the Customer. The Customer will be sent a confirmation of its subscription/acquisition (or disposal) of any Unit.

4.3 The Bank may not lend any Unit or title documents to any third party, and may not borrow against the security of any Unit or such documents, unless otherwise provided in the Agreement.

#### **5. Reports and Voting**

5.1 Subject to the requirements of the Applicable Regulations, the Bank and the custodian shall have no duty or obligation to exercise the voting rights or other elective rights of any Units subscribed or acquired, or received or held for the Customer, except upon the prior written Instructions of the Customer in such form and by such time as prescribed by the Bank from time to time, and then only upon such terms, conditions, indemnities, fees and charges as agreed upon between the Bank and the Customer.

5.2 In the absence of such Instructions and agreements, the Bank and the custodian shall be entitled to, but not obliged to, exercise the voting rights or other elective rights of any Fund (if any). Under such circumstance, the Customer agrees that the Bank and the custodian may be exempted from any duty and obligation in respect of notification and delivery of any proxy or other document issued to the Customer, unless otherwise provided in the Applicable Regulations.

#### **6. Termination**

6.1 Upon termination of the Fund Account with the Bank or termination of the Fund Subscription Services, the Customer will be deemed to have given the Bank instructions to, at its discretion:

(a) cause any Units then held by the custodian for the Fund Account to be redeemed or otherwise dealt with on the effective date of termination of the Fund Account, or if that day is not a Dealing Day or is after the latest time for dealing as specified in the offering document of such Fund, on the next Dealing Day ("**Effective Date**") and for the redemption or dealing proceeds thereof (after settling any outstanding liabilities, costs and expenses owed to the Bank or its nominees) to be remitted to the Customer and/or settle any liability incurred by the Customer, the Bank or any custodian;

(b) cause any Units then held by the custodian for the account of the Customer to be transferred by the custodian on the designated Effective Date by the Bank directly into the Customer's name (if applicable); and

(c) cancel any unexecuted transactions.

## **7. Monetary and Non-monetary Benefits**

7.1 The Customer acknowledges that the Bank or any person connected with it may receive and retain Monetary Benefits, whether from brokers, product issuers or any other third parties, which may be in amounts that are not quantifiable prior to or at the point which a Transaction is entered into.

7.2 The Customer acknowledges and consents that the Bank or any person connected with it may receive and retain from brokers, product issuers or other third parties non-monetary benefits, including but not limited to, services, sponsorships, advertising, research and analysis, travel, accommodation and entertainment as the Bank or the connected person deems appropriate.

7.3 Unless otherwise stated in any agreement or by the Bank, the Bank is a non-independent intermediary because (a) it may receive fees, commissions, or other Monetary Benefits, provided by any party in relation to its distribution of any Units to the Customer; and (b) it may have close links or other legal or economic relationships with product issuers, or receive any non-monetary benefits from any party, which are likely to impair its independence to favour any particular Funds, any Units of the Funds or any product issuer.

## **8. Governing Law and Jurisdiction**

8.1 The Agreement and all rights, obligations and liabilities of the parties shall be governed by and construed in accordance with the laws of Hong Kong.

8.2 The courts of Hong Kong have exclusive jurisdiction to settle any dispute arising out of or in connection with the Agreement (including any dispute regarding the existence, validity or termination of the Agreement) (a "**Dispute**"). The parties agree that the courts of Hong Kong are the most appropriate and convenient courts to settle Disputes and accordingly, no party shall argue to the contrary. Notwithstanding the aforesaid, the Bank shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by Applicable Regulations, the Company may take concurrent proceedings in any number of jurisdictions.

## **9. Rights of Third Parties**

Nothing in this Agreement is intended to grant to any third party any right to enforce any term or to confer on any third party any benefits under this Agreement for the purposes of the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the laws of Hong Kong), except to the extent set out below:

- (a) it is expressly stated otherwise in this Agreement; and
- (b) a permitted successor to, or assignee of, such rights or benefits may enjoy and enforce the same.

## **10. Personal data**

Any Customer's personal data and other information that the Bank may collect from the Customer from time to time (the "Data") shall be collected, held, processed and used by the Bank in accordance with the Privacy Policy Statement. The Privacy Policy Statement shall be deemed understood, acknowledged, accepted and consented to by the Customer upon the Customer engaging the Bank for the Fund Subscription Services, and the Privacy Policy Statement shall be binding on the Customer.

## **11. Force Majeure**

In the event of any failure, interruption or delay in the performance by the Bank of its obligations under this Agreement or any other offering documents resulting from acts, events or circumstances not reasonably within the Bank's control, the Bank will not be liable or have any responsibility of any kind for any loss or damage thereby incurred or suffered by the Customer or any other person. Such events include but are not limited to breakdown, failure or malfunction of any telecommunications or computer facilities (including the Electronic Services), pandemic and epidemic, industrial disputes, and acts or regulations of any governmental bodies, supranational bodies or authorities.

## **12. Language inconsistency**

In case of any inconsistencies between the Chinese version and the English version of this Agreement, the English version shall prevail.