

The Fry Group (H.K.) Limited

Terms of Business

These terms of business (Terms) represent the agreement made between you and The Fry Group (H.K.) Limited (TFGHK) under which TFGHK will provide financial advice services to you. Please read these terms carefully. All work carried out is subject to these terms except where changes are expressly agreed in writing by both parties or where we have the right to amend these terms by giving notice to you.

Please do not hesitate to contact us should you have any queries on these Terms. Contact details of the Fry offices relevant to Hong Kong based clients are as follows:-

Hong Kong: The Fry Group (H.K.) Ltd, Room 2005, Tower 1, Lippo Centre, 89 Queensway, Admiralty, Hong Kong. Telephone 852 2526 9488. (email: info@thefrygroup.hk.com).

Worthing (Head Office): The Fry Group, Crescent House, Crescent Road, Worthing, West Sussex BN11 1RN. Telephone 44 (0) 1903 231545. (email: info@thefrygroup.co.uk).

Interpretation

SFC means the Securities & Futures Commission, Hong Kong.

Commencement

These Terms will come into force when signed by you and by TFGHK.

The Company

1. TFGHK – Authorisation Status

TFGHK is authorised to provide financial advice by the Securities & Futures Commission in Hong Kong. It has Type 1 (dealing in securities) and Type 4 (advising on securities) licences.

All Directors and staff engaged in the provision of investment advice to clients will be appropriately licensed with the SFC.

In addition TFGHK is licensed as an insurance broker with the Hong Kong Confederation of Insurance Brokers (HKCIB).

The Terms

2. Services to be provided by us to you

In your dealings with the TFGHK you will be regarded as a Retail Client. This status affords you the highest level of regulatory protection in relation to your dealings with us. There may be situations where this status may vary depending upon your personal circumstances, experience or the type of investment involved. There are for example separate rules relating to professional investors (as defined by the SFC) and rules that apply to product categories such as private placements and high minimum subscription offers. If any of these scenarios are in prospect you will be advised in advance of any advice being provided. The service levels you can expect from us are detailed throughout the remainder of this document.

In consideration of the payment of our commissions and/or fees, we agree to provide the following services to you:

- At our initial meeting with you we will complete our client fact find and risk profiler to obtain a good idea of your attitude to investment risk, your objectives and timescales so that we can advise you on the most suitable options for your circumstances. We will also gather suitable anti money-laundering evidence from you to enable us to enter a business relationship. We will also discuss your existing portfolio of investments to obtain a good knowledge of your current situation.
- We will discuss any fees that we intend to charge and these will always be agreed in writing with you before any work has begun. They will be set out in writing for you.
- Following our initial meeting we will send you a Report that will contain our recommendations and
- We will then undertake any agreed work to restructure your investments as set out in our Report.

Unless you confirm otherwise in writing, we will assume that you do not wish to place any restrictions on the advice we give you or the type of investments available to you. In order for us to advise you properly you must give us full details of your personal and financial circumstances. Failing to do so may affect the quality and suitability of the advice that we are able to give you.

Reviewing your portfolio against ongoing requirements and changes in circumstances will be at intervals agreed between you and your adviser.

Investment related taxation advice will be provided where appropriate.

3. Fund based fees or fees for work undertaken

We derive income from either fees based on assets under management or by individually invoiced fees for work undertaken.

Where, on receipt of instructions from you, a financial report is prepared or additional work has to be undertaken that does not generate fund based fees, or advice is given but no transaction is arranged on your behalf, fees as invoiced may be payable on a time-spent basis. Fees will be agreed with you in advance and be subject of a separate agreement.

4. Your Instructions

We may accept instructions from you in writing or by email.

Where we enter into this Agreement with two or more individuals jointly, we will accept instructions from any one of those individuals on behalf of all the individuals, unless agreed otherwise with you in writing. All such individuals will be jointly and severally responsible to us for any amounts owing to us under this Agreement.

5. Cancellation

If any of the products or investments we recommend has a right of cancellation you will be informed about those rights, normally through the product literature. You should be aware that most of the investments you may take out will have no such rights.

6. Registration of your Investments

We will register all investments in your name unless otherwise agreed in writing. All contract notes and documents of title in respect of your investment will be forwarded to you, unless otherwise instructed in writing, as soon as practicable after being received by us. Where a number of documents relating to a series of transactions are involved, we will normally retain the documents until the series is complete and then we will forward them to you.

7. Records

We keep records of all your investment transactions for at least seven years. You, or your appointed agent, have the right to inspect the records at a mutually convenient time. As we treat all our clients' records as confidential, we reserve the right to give you copies of your records where in certain circumstances to release the original would compromise other clients' confidentiality. We reserve the right to charge a small administration fee should you wish to view the records we keep about you.

8. Liability

We are responsible for all investment advice given to you when providing our services and the subsequent arranging of any investments that we undertake on your behalf.

We shall not be responsible for any loss caused from market conditions or market fluctuations or any other cause unless such loss is caused by our negligence, fraud, willful default or breach of SFC rules. Under no circumstances will we be responsible for any indirect loss, loss of profits, consequential loss or incidental loss arising from our breach of this Agreement or our obligations to you under SFC rules.

Nothing in this Agreement is intended to exclude any liability we may have to you for breaching the requirements of the regulatory system.

9. Anti Money Laundering and Client Due Diligence

In order to comply with the Hong Kong regulations on anti money laundering and the proceeds of crime we are required to verify your identity before we can act for you. We will therefore need you to provide evidence of your identity before we carry out any services for you. In certain circumstances we are also required to ascertain the source of funds available for investment. We will inform you in advance if this is required. At the start of a relationship we will also run standard electronic verification checks using available electronic databases. If you do not wish us to do this please inform us immediately.

10. Client Money

TFGHK is not authorised to handle client money under SFC rules. Your adviser will inform you how payments for your investments can be made.

11. Redress

If you have any complaint about the service you receive please write to the Compliance Officer at the TFGHK at the above address.

Many of the products that we offer will be covered under their own compensation arrangements. Full details will generally be found within the product literature. Cover will vary dependant upon the jurisdiction in which the investment is based and the type of investment vehicle involved.

The SFC operates a complaints investigation service available if you are dissatisfied with our response. They can be contacted at www.sfc.hk or by telephoning 852 2840 9222. This service may not be available to you if you were advised outside Hong Kong.

12. Communicating with you

Where appropriate, we use non-encrypted email for communicating with you, unless you tell us not to do so. You should be aware that email and other modes of electronic and/or internet communication are not secure or error free methods of communication, and information sent in this way can be intercepted, lost, destroyed, arrive late or be incomplete. Similarly, communications on a mobile phone are not secure and can be intercepted. If you do not want us to communicate with you by email or by mobile phone, please tell us.

We will take all reasonable care to ensure that confidentiality is maintained in all communications with you and will take all reasonable precautions to check for common viruses before sending information electronically. By instructing us to act, you agree that TFGHK will not be liable to you for any loss or damage which you may suffer or incur as a result of our proper use of such communication channels.

We monitor emails to investigate or detect unauthorised use of our email system, or for any other purpose permitted by law. As a result, we may collect personal data about the people sending and/or receiving the email, or which is contained in the email.

13. Confidentiality

Information about you and your investments (personal data) you provide to us is subject to the Hong Kong Data Protection legislation and also to International standards. By signing this Agreement you consent to us or any company associated with us to process, both manually and by electronic means, your personal data for the purposes of providing advice, arranging and administration of your investments, subject to restrictions placed on TFGHK, or any company associated with us, by the appropriate regulators.

We may also process information about other individuals (e.g. your spouse) which you provide to us. In providing such information on other individuals you agree that you have obtained those individuals' consent to our processing information about them for the purposes of this Agreement.

"Processing" includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the SFC or any other statutory, governmental or regulatory body for legitimate purposes including, where relevant, to solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data both inside and outside the European Economic Area.

We may also contact you (including by telephone) with details of products, promotions, services or for related marketing purposes in which we think you may be interested.

Your personal data may also contain sensitive personal data being information as to your physical or mental health or condition; the commission or alleged commission of any offence by you; any proceedings for an offence committed or alleged to have been committed by you, including the outcome or sentence in such proceedings; your political opinions, religious or similar beliefs, sexual life; or your membership of a Trade Union.

If you do not consent to us processing any such sensitive data and/or to contact you concerning marketing, either by email, telephone, post or SMS, please contact us on optout@thefrygroup.co.uk or speak to your usual Fry executive.

If you do not consent to us processing your sensitive personal data this may affect the quality and suitability of advice that we can give to you. Any sensitive personal data will only be used for the purposes of applying for and administering certain products, and will only be disclosed to third parties (usually the product provider) where necessary for those purposes. Sensitive personal data will not be used for marketing purposes.

If at any time you wish us to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact the Compliance Officer at TFGHK.

You may be assured that we will treat all personal data and sensitive personal data as confidential and will not process it other than for legitimate purposes. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data.

Subject to certain exceptions, you are entitled to have access to your personal data held by us. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

General Provisions

14. Conflicts of Interest

We offer independent advice but occasions can arise where we, or one of our customers, will have some form of interest in business that we are transacting for you. If this happens, or we become aware that our interests or those of one of our other customers conflict with your interests, we will inform you in writing and obtain your consent before we carry out your instructions.

15. Variation

We may alter, amend or vary any term of this agreement. You will be notified of any change in writing, normally upon the next occasion that your circumstances are reviewed and particularly if further advice is in prospect.

16. Entire Agreement

This agreement and any documents referred to in it sets out the entire agreement between you and us and supersedes any previous agreements between you and us relating to the subject matter of this Agreement. You acknowledge that in entering into this Agreement you have not relied on any representation, warranty, agreement or statement not set out in these terms of business and that (in the absence of fraud) you will not have any right or remedy against us arising out of any such representation, warranty, agreement or statement.

17. Termination

You or we may terminate our authority to act on your behalf at any time without penalty. Notice of this termination must be given in writing. The termination will not affect the completion of any transaction already initiated by us.

If you choose to terminate this Agreement before we have completed a particular aspect of work for you we shall be entitled to charge you for work already undertaken.

18. Notice

Any notice given under these terms of business must be in writing addressed to our Hong Kong address, or any other address as may at the relevant time have been notified to you as the correct address for service of documents. Any notice must be given by hand or sent by first class post (airmail if overseas) or recorded delivery post. Email is not effective notice.

19. Governing law

This agreement shall be governed and construed in accordance with Hong Kong law.

The language of this agreement is English and we will communicate with you in English.

This agreement is signed by the prospective client(s) and on behalf of The Fry Group (H.K.) Limited as follows:

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Signed by client

.....
Dated

.....
Please print name

.....
Signed by client (2) if joint

.....
Dated

.....
Please print name



.....
Signed by Stephen Tucker,
Director of The Fry Group (HK) Ltd

.....
Dated