

# Securities Trading Service - China A Shares Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect

HSBC gives you a brand new multi-channel China A Shares trading experience, with comprehensive real-time market information and one-stop straight-through trading service.

## The Groundbreaking Investment Opportunities of China Stock Market

Following the launch of Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect, a mutual market access programme between the Mainland and Hong Kong, you can trade selected stocks listed on the Shanghai Stock Exchange (SSE) and the Shenzhen Stock Exchange (SZSE) via Northbound Trading. The eligible stocks include all the constituent stocks of the SSE 180 Index and SSE 380 Index, constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index with market capitalization of at least RMB 6 billion, as well as A+H shares. Stocks listed on the ChiNext Board are only available to institutional professional investors.

Note: Stocks on "risk alert board" and stocks not traded in RMB are excluded.

## Round-the-clock Service Hours

No matter within or outside the trading hours, you can place orders via HSBC Internet Banking with Stock Express, or HSBC Mobile Banking 24 hours a day, 7 days a week.

Alternatively, you can also place your orders via our dedicated Phonebanking hotline from Monday – Friday, 8.00am – 3.00pm on trading days.

Trading Sessions	SZSE / SSE
Opening Call Auction	09:15-09:25
Continuous Auction (Morning)	09:30-11:30
Continuous Auction (Afternoon)	13:00-14:57
Closing Call Auction	14:57-15:00

## Convenient Online, Mobile Banking and Phonebanking Channels

### (i) Internet Banking

Via HSBC Stock Express, you can trade eligible China A Shares anywhere, anytime.

- ◆ 24-hour round-the-clock online service
- ◆ Comprehensive A Shares market information, including real-time stock prices, market news, various major indices and market calendar with information of major corporate events, such as dividend announcements and ex-dividend dates
- ◆ User friendly stock screening tool to help generate investment ideas
- ◆ One single trading platform for 3 of the key global markets : China A Shares, HK stocks and US stocks
- ◆ You can easily trade eligible China A Shares with only a few clicks to place order.

### (ii) Mobile Banking

With HSBC Mobile Banking, you can conveniently use your mobile or tablet to place eligible China A Shares orders round-the-clock with a simple and user-friendly mobile interface. Market information and real time stock quotes are also available to help you maximize investment opportunities.

Note: HSBC Mobile Banking currently supports selected smartphone and tablet models only, please visit our website [www.hsbc.com.hk](http://www.hsbc.com.hk) for details.

### (iii) Phonebanking

HSBC Jade, HSBC Premier and Advance customers can buy and sell eligible China A Shares through our customer service officers over the phone Monday – Friday, 8.00am – 3.00pm.

HSBC Jade and HSBC Premier	(852) 2996 6822
HSBC Advance	(852) 2996 6833

For general enquiries, customers can also call us Monday – Saturday, 9.00am – 5.30pm:

HSBC Jade	(852) 2233 3033
HSBC Premier	(852) 2233 3322
HSBC Advance	(852) 2748 8333
Personal Integrated Account# or other personal banking customers	(852) 2233 3000

## Custodian Service

Your shares will be placed under the custody of The Hongkong and Shanghai Banking Corporation Limited and our sub-custodian through our nominee services. We will ensure that all your dividends and bonus shares are credited to your HSBC account.

## Start Trading Today

No registration is required if you already have a HSBC integrated investment account and RMB Savings account. You can start trading eligible China A Shares immediately.

If you do not have any HSBC integrated investment account, you can conveniently open one via HSBC Internet Banking\* (for existing HSBC's customers only) or by visiting any HSBC branch.

Note:  
The service is offered to non-US personal customers with valid identification document complying with US tax requirements (e.g. Hong Kong Permanent Identity Card and passport).

Integrated investment account refers to your HSBC Premier / Advance / Personal Integrated Account# Investment account (account suffix 380). All your applicable investments may be held under your investment services account and the account covers all HSBC service channels (e.g. Internet banking service, Phonebanking and Branch).

\* Online investment account opening service is temporarily suspended until further notice.

## Important Note

### (A) Trading

#### Eligible Order Types

Only limit price orders are permitted under the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect.

Order amendments are not supported in SSE and SZSE. As an alternative, you may cancel your previous order and place a new one. In this case, however, your new buy order may not be accepted under circumstances where, for example, the remaining Daily Quota has already dropped below zero.

#### Price Limit for Buy and Sell Orders

For China A Shares, there is a general price limit of  $\pm 10\%$  ( $\pm 5\%$  for stocks in the risk alert board) based on previous closing price.

In addition, buy orders with an input price that is 3% lower than the current best bid\* will be rejected. According to the arrangement of HKEX, the price limit may be adjusted from time to time subject to market conditions.

\* The reference price will be the last traded price in the absence of current best bid, or previous closing price in the absence of both current best bid and last traded price

#### Note:

When we, HSBC (or its relevant broker) submits your order to an exchange, we do so in an orderly manner and in comply with any applicable local regulation/exchange trading rules/market requirements. Under certain circumstances, for example, if your order requested price is away from where the security is trading or if the order is particularly large to the market, we may need to reject the order without prior notice to you to ensure the market integrity and protect your interest. If your order is rejected, the order status will change to 'unexecuted' within the 'Order Status' enquiry. Please be reminded to check the latest order status.

In situations where we need to contact you to confirm the order details, we will not place your order to the exchange for execution until clarification is obtained.

#### Quota

Trading under Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect will each be subject to a Daily Quota.

The Daily Quota for each China A share market will apply on a "net buy" basis. Under that principle, investors will always be allowed to sell their cross-boundary securities or input order cancellation requests regardless of the quota balance. The balance of the Daily Quota for each China A Share market will be disseminated on HKEx website at 1-minute intervals.

#### Daily Quota (RMB52 billion for each China A Share market)

Daily Quota Balance = Daily Quota – Buy Orders + Sell Trades + Adjustments

The Daily Quota for each China A Share market is calculated in real-time during trading hours. It limits the maximum net buy value of cross-boundary trades on the relevant China A Share market under Shanghai-Hong Kong or Shenzhen-Hong Kong Stock Connect (as the case may be) on each trading day. Once the Daily Quota Balance for the relevant China A Share market drops to zero or is exceeded:

<b>During opening call auction</b>	New buy orders on the relevant China A Share market are rejected until quota balance becomes positive (e.g. due to buy order cancellation). You can retry placing your buy orders at a later time on the same trading day.
<b>During continuous auction</b>	Buy orders on the relevant China A Share market are suspended for the remainder of the trading day. You can retry placing your buy orders in the next trading day.
<b>During closing call auction (for Shenzhen only)</b>	Buy orders are suspended for the remaining of the trading day. (i.e. following the mechanism of continuous trading)

Buy orders already accepted will not be affected by the Daily Quota being used up and will remain on the order book of SSE or SZSE (as the case may be) unless otherwise cancelled by the customers or by the trading system of the SSE or SZSE (as the case may be).

#### Board Lot/Odd Lot Orders

All China A Shares are subject to the same board lot size, which is 100 shares. Buy orders must be in board lot.

Please note odd lot trading in China A Shares is available only for sell orders. You must sell your available odd lots of the same stock in one single order, but not partial only. It is common that a board lot buy order may be matched with different odd lot sell orders, resulting in odd lot trades.

Unlike the trading of SEHK-listed shares in Hong Kong, board lot and odd lot of China A Shares are both matched on the same platform on SSE or SZSE (as the case may be) and are subject to the same share price.

#### Day Trading

Day trading in China A Shares is not permitted. If you buy shares on T day, you may be able to sell only on or after settlement of the buy trade has been completed (normally on T+1 day).

#### Shareholding Restriction

According to PRC rules, all foreign investors' shareholding in the A shares of a PRC listed company is not allowed to exceed 30% of its total issued shares. When the aggregate foreign shareholding exceeds the 30% threshold, the foreign investors concerned will be requested to sell the shares on a last-in-first-out basis within 5 trading days which may lead to gain or loss to investors.

The maximum shareholding of a single foreign investor in the A shares of a PRC listed company is 10%. If you hold or control up to 5% of a PRC listed company, you have the responsibility to disclose the holding and are not allowed to trade in the shares of that company within 3 working days.

#### For more information:

- ◆ Go to our website at [www.hsbc.com.hk](http://www.hsbc.com.hk)
- ◆ Call our investment product information hotline on (852) 2233 3733
- ◆ Visit any HSBC branch

## **(B) Order status and results**

### **Order Status**

You can check order status of your China A Shares holding for up to the last 10 calendar days on Stock Express / HSBC Mobile Banking.

The possible order statuses are:

	<b>Order Status</b>	<b>Description</b>
1.	Fully Executed	All order quantity is executed upon the order expiry date.
2.	Partially Executed	Part of the order quantity is executed upon the order expiry date.
3.	Unexecuted	Order cannot be executed upon the order expiry date.
4.	Fully Cancelled	Request of order cancellation is accepted by broker (without partial executions).
5.	Partially Cancelled	Request of order cancellation is accepted by broker (with partial executions).
6.	Pending Cancellation	Pending for broker's acceptance for the request of order cancellation, no further cancellation is allowed.
7.	Pending Dealing	Pending for order execution.
8.	Pending Capture	Orders placed after business hours and pending for validity checking. For orders with "pending capture" status, customers must check whether such orders have been successfully accepted by the Bank with a pending dealing" status or rejected due to insufficient funds or other reasons before 9.00am on the next business day.

### **Order Status and Execution Results Notification**

You are always suggested to check the latest order status via "My Order Status" to see if your instruction is accepted, after you submit a new order or cancellation request. We will also send you an email of the execution result.

Furthermore, you will receive your stock order execution result via SMS if you have a valid personal mobile phone record maintained at HSBC.

## **(C) Settlement**

### **Settlement Currency**

Your China A Shares transactions will be settled in RMB. For your convenience, please reserve sufficient amount of RMB into your default settlement account (i.e. RMB foreign currency account) before the trading.

Note: For China A Shares trading, your default settlement account can be your HSBC Premier / Advance / Personal Integrated Account# RMB savings account.

### **Settlement Date**

China A Shares are settled on the trade date (T+0) whereas the cash is then settled on the following business day (i.e. a day when banks in Hong Kong and Shanghai (in the case of Shanghai-Hong Kong Stock Connect) or Hong Kong and Shenzhen (in the case of Shenzhen-Hong Kong Stock Connect), are open for business(T+1).

### **Multiple Price Execution**

Where your China A Shares are traded by way of multiple price execution, the Bank will follow market practice to calculate the gross consideration as well as cash debit based on the average price.

Example:

- ◆ 100 shares of stock A buy at RMB22.30, and
- ◆ 500 shares of stock A buy at RMB22.41

Average price

(for buy / sell orders with multiple price execution)

Rounding method: simple rounding at 4 decimal points

$(\text{RMB}22.30 \times 100 \text{ shares} + \text{RMB}22.41 \times 500 \text{ shares}) / 600 \text{ shares}$

i.e. Total 600 shares at average RMB22.391667

After rounding, the average price is RMB22.3917

Contract note including all executed prices will be sent to you within 48 hours from the trade date. Average price can be conveniently accessed via monthly statement and "transaction history" section in online channels.

### **Holiday Arrangement**

You will be allowed to trade eligible China A Shares only on days where both the relevant Mainland A-share market and the Hong Kong market are open for trading, and banking services are available in both markets on the corresponding settlement days. Example:

	<b>Mainland</b>	<b>Hong Kong</b>	<b>Open for Northbound trading?</b>
<b>Day-1</b>	Business Day	Business Day	Yes
<b>Day-2</b>	Business Day	Business Day	No – HK market closes on money settlement day
<b>Day-3</b>	Business Day	Public Holiday	No – HK market closes on trading day
<b>Day-4</b>	Public Holiday	Business Day	No – Mainland market closes

## **(D) Corporate Actions**

The actual payment of bonus shares may be on the payment date or the day after the payment date, subject to the time when the Bank receives the scrip. You can only sell the shares after the share entitlement has been credited to your account.

Multiple proxies may not be available in the Mainland market. Under the existing Mainland rules and nominee structure, investors being the beneficial owners of China A Shares may not be able to attend meetings as proxy in person, as opposed to what you can do in Hong Kong if you hold SEHK-listed shares.

The Bank reserves the right to seek your consent to take action for voluntary corporate actions with short instruction deadlines if necessary.

If the share entitlements are not China A Shares that are eligible for Northbound trading, you are only allowed to sell such share entitlements.

## **(E) Tax**

Apart from withholding tax (where applicable), trading of China A Shares may have other PRC tax implications. You are fully responsible for all applicable Hong Kong and/or PRC taxes in respect of China A Shares. Please seek professional advice from independent tax and/or legal advisor as necessary beforehand.

## Comparison of China A Shares and Hong Kong Stock Market

	China A Shares via Shenzhen - Hong Kong Stock Connect	China A Shares via Shanghai - Hong Kong Stock Connect	Hong Kong Stock Market
Trading hours <sup>1</sup>	Opening Call Auction: 9.15am – 9.25am Continuous Auction (Morning): 9.30am – 11.30am Continuous Auction (Afternoon): 1.00pm – 2.57pm Closing Call Auction: 2.57pm-3.00pm		Pre-opening Session: 9.00am – 9.30am Continuous Trading Session (Morning): 9.30am – 12.00pm Continuous Trading Session (Afternoon): 1.00pm – 4.00pm Closing Auction Session: 4.00pm-4.10pm
Trading and Settlement Currency	RMB		HKD or RMB
Stock code	6 digits (start with 00)	6 digits (start with 60)	5 digits
Board lot	100 shares		Determined by company
Tick size	RMB0.01		Depends on share price
Price limit	±10% against previous closing price or ±5% against previous closing price for stocks under risk warning In addition, buy orders with input prices 3% lower than the current best bid <sup>2</sup> will be rejected. According to the arrangement of HKEx, the price limit may be adjusted from time to time subject to market conditions.		No price limit
Order type	Limit price order only No order amendment; Only order cancellation is available		Limit price order, market order, at-auction limit order, etc Order amendment is allowed.
Order expiry date	1 calendar day		7 calendar days
Order with odd lots	Odd lot orders are available for sell orders only. Investors must sell their available odd lots of the same stock in one single order, but not partial only. Board lot orders and odd lot orders are both matched on the same platform on SZSE and SSE (as the case may be). Therefore board lot buy orders can possibly match with odd lot sell orders.		All odd lot orders are traded in a separate market system. Share prices of odd lots may be slightly lower than that of the same security in the board lot market due to their lower liquidity.
Maximum order size	1 million shares as per market practice If the limit is exceeded, HSBC will manually handle.		3,000 times board lot size as per market practice If the limit is exceeded, HSBC will manually handle.
Day trading	Not allowed. Shares bought on T-day can only be sold on and after T+1 After settlement of the buy trade has been completed in the evening of T-day, HSBC customers are allowed to place sell order which is effective on T+1		Allowed
Clearing and settlement cycle	Shares: T+0 Money: T+1		Shares and money: T+2
Issuing of corporate announcements	Through SZSE and SSE websites for Shenzhen and Shanghai listed shares respectively and four officially appointed newspapers (Shanghai Securities News, Securities Times, China Securities Journal and Securities Daily)		SEHK's HKExnews website
Language of corporate announcements	Simplified Chinese		Traditional Chinese and English
Physical scrip	Not available		Available
IPO	Not allowed		Allowed

1. Notes on trading hours of Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE):

- ◆ 9.20am – 9.25am and 2:57pm-3.00pm: SSE and SZSE will not accept order cancellation
- ◆ 9.10am – 9.15am; 9.25am – 09.30am; 12.55pm – 1.00pm: Orders and order cancellations can be accepted by SEHK but will not be processed by SZSE or SSE (as the case may be) until its market opens
- ◆ Orders that are not executed during the opening call auction session will automatically enter the continuous auction session

2. The reference price will be the last traded price in the absence of current best bid, or previous closing price in the absence of both current best bid and last traded price.

## Key Risks relating to Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect

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Investment in China A Shares through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect involves risks. You should carefully consider whether any investment products or services mentioned herein are appropriate for you in view of your investment experience, objectives, financial resources and relevant circumstances. The price of securities may move up or down. Losses may be incurred and profits may be made as a result of buying and selling securities.

This Fact Sheet does not set out all the key risks to Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect. For further information, you should refer to the risk disclosures and other terms set out in the China Connect / Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect Terms and Conditions.

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### 1. Pre-Trade Checking

You must ensure that there are sufficient available shares in your account to cover any proposed sell order under Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect. Otherwise, your sell order may be rejected.

### 2. Settlement

Northbound trades will follow the A share settlement cycle of the relevant Mainland market, where settlement of shares will occur on T day free of payment, and settlement of funds will be effected on T+1 day.

Although the transfer of shares precedes the transfer of cash under Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect, title to the shares will not be released until receipt of confirmation of payment (normally on T+1 day). Where the purchase is pre-funded (by way of a debit of cash in your account and a corresponding cash prepayment by the Bank to HKSCC), shares may be released on T day.

### 3. Quota Restrictions

As at May 2018, the Daily Quota (which limits the net value of Northbound buy trades on each trading day) is set at RMB 52 billion for each China A Share market. The Daily Quota may be revised by the PRC authorities from time to time without prior notice.

As a result of the quota restrictions, there is no assurance that a buy order can be successfully placed through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect.

### 4. Restriction on Day Trading

If you buy shares on T day, you may be able to sell only on or after settlement of the buy trade has been completed (normally on T+1 day).

### 5. Disclosure of Interests

If you hold or control 5% or more\* of the issued shares of a PRC listed company, you must disclose such interest.

If there is any change in your shareholding of 5% or more\*, or if a change results in your shareholding falling below 5%, you also have disclosure obligations.

### 6. Short Swing Profit Rule

If you own 5% or more\* of the issued shares of a PRC listed company, you must return to the company any profit made from a sale of shares within six months of the purchase thereof (or vice versa).

\* Calculated on an aggregate basis, i.e., across both domestically and overseas issued shares of the PRC listed company, whether the relevant holdings are through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect, QFII/RQFII regime or other investment channels

### 7. Foreign Ownership Limits

A single foreign investor's shareholding in a PRC listed company must not exceed 10%. The aggregate of all foreign investors' shareholding in a PRC listed company must not exceed 30%.

The foreign ownership limits may have an adverse effect on the liquidity and performance of an investment in China A Shares. As a result, you may suffer losses through your trading or investment in China A Shares.

### 8. Taxation

You will be fully responsible for all applicable Hong Kong and/or PRC taxes in respect of China A Shares traded or held by you.

The Hongkong and Shanghai Banking Corporation Limited assumes no responsibility for advising on or handling any tax issues, liabilities and/or obligations in connection with Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect. You are strongly advised to consult your own tax advisers with respect to your possible tax consequences of any investment through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect.

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### **9. Ownership of China A Shares**

HKSCC is the nominee holder of China A Shares traded through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect, and Hong Kong and overseas investors as the ultimate investors is recognised under PRC laws and regulations as having beneficial ownership in China A Shares traded through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect. Any beneficial owner who decides to take legal action is responsible for seeking its own independent legal advice to satisfy itself and HKSCC that a cause of action exists and the beneficial owner should be prepared to conduct the action and take up all costs in relation to the action, including providing HKSCC with indemnities and legal representation in proceedings.

### **10. Company Announcements on Corporate Actions**

You should note that SSE-listed and SZSE-listed issuers publish corporate documents only in Chinese and English translations will not be available. You will not be able to attend shareholders' meetings by proxy or in person.

### **11. Disclosure of Information**

The Stock Exchange of Hong Kong may require The Hongkong and Shanghai Banking Corporation Limited to provide information on your profile and the type and value of your orders and trades placed through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect.

### **12. No Off-Exchange Trading and Transfers**

You shall not trade or transfer any shares through any venue other than through Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect.

### **13. Risk of Default by China Securities Depository and Clearing Corporation (CSDCC)**

If CSDCC defaults, HKSCC may (but shall have no obligation to) take any legal action or court proceeding to seek recovery of the outstanding China A Shares and monies from CSDCC through available legal channels and through CSDCC's liquidation process, if applicable. HKSCC will in turn distribute the China A Shares and/or monies recovered to clearing participants on a pro-rata basis. The Hongkong and Shanghai Banking Corporation Limited in turn will only be distributing the China A Shares and/or monies to the extent recovered directly or indirectly from HKSCC.

As CSDCC does not contribute to the HKSCC Guarantee Fund, the HKSCC Guarantee Fund will not be used to cover any residual loss as a result of closing out any of CSDCC's positions in the event of default by CSDCC.

In the event of default by CSDCC, there is no guarantee that The Hongkong and Shanghai Banking Corporation Limited will be able to fully recover any affected China A Shares and/or monies from CSDCC through HKSCC.

### **14. Risk of Default by Hong Kong Securities Clearing Company Limited (HKSCC)**

Any action or inaction of the HKSCC or a failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of China A Shares and/or monies. As a result, you may suffer losses.

### **15. Client Error**

Quota restrictions (see Paragraph 3 above) and the restriction on off-exchange transfers (see Paragraph 12 above) may affect The Hongkong and Shanghai Banking Corporation Limited's ability to rectify an error trade or otherwise mitigate the consequences of an error trade.

### **16. PRC-related Risks**

Investing in the PRC, an emerging market, involves special considerations and risks, including but not limited to greater price volatility, less developed regulatory and legal framework, and economic, social and political instability.

### **17. Renminbi (RMB) Currency Risk**

There may be exchange rate risks if you choose to convert RMB payments made on the securities to your home currency.

### **18. ChiNext Shares**

ChiNext Shares involve a high investment risk. In particular, profitability and other financial requirements for listing on the ChiNext Board are less stringent than the Main Board and the SME Board of the SZSE. ChiNext Shares may also be very volatile and illiquid. You should make the decision to invest only after due and careful consideration and seek independent professional advice if you are uncertain of or have not understood the nature and risks involved in trading of ChiNext Shares.

## Glossary

### CCASS

CCASS stands for Central Clearing and Settlement System, which is operated by Hong Kong Securities Clearing Company Limited (HKSCC).

### CSRC

CSRC stands for China Securities Regulatory Commission, the main regulator of the securities industry in China.

### Default Settlement Account

Default Settlement Account is the account specified by you for settlement purpose. For China A Shares trading, your default settlement account can be your HSBC Premier / Advance / Personal Integrated Account# RMB savings account.

### HKEx

HKEx stands for the Hong Kong Exchanges and Clearing Limited.

### Risk Alert Board

According to the SSE and SZSE Listing Rules, any SSE/SZSE-listed company (other than a company listed on the ChiNext Board):

- ◆ which is in the delisting process, or
- ◆ whose operation is unstable due to financial or other reasons, to the extent that it is running the risk of being delisted or exposing investors' interest to undue damage, will be earmarked and traded on the "risk alert board".

### SAT

SAT stands for State Administration of Taxation, a ministerial-level department within China. It is responsible for the collection of taxes and enforces the state revenue laws.

### SEHK

SEHK stands for The Stock Exchange of Hong Kong Limited, the stock exchange in Hong Kong.

### SSE

SSE stands for Shanghai Stock Exchange, a major stock exchange in Shanghai.

### SZSE

SZSE stands for Shenzhen Stock Exchange, a major stock exchange in Shen

### Remarks:

# "Personal Integrated Account" is also named as 'SmartVantage'; Personal Integrated Account and SmartVantage are used interchangeably in customer communications including account statements, bank forms / advices, internet banking platform etc.

## Securities Service Charge<sup>1</sup>

Service	Rate	Minimum Charge
<b>Trade-related services</b>		
<b>Buying and selling securities</b>		
<ul style="list-style-type: none"> <li>• Brokerage Fee                             <ul style="list-style-type: none"> <li>○ trading through HSBC Internet Banking (Stock Express)/ HSBC Mobile Banking</li> <li>○ trading through Express Stock Order Placement Hotline (for HSBC Jade, HSBC Premier and HSBC Advance customers only)</li> </ul> </li> </ul>	0.25% of transaction amount	RMB100
<ul style="list-style-type: none"> <li>• Handling Fee (collected for SSE/SZSE)</li> </ul>	0.00487% of transaction amount	–
<ul style="list-style-type: none"> <li>• Securities Management Fee (collected for CSRC)</li> </ul>	0.002% of transaction amount	–
<ul style="list-style-type: none"> <li>• Transfer Fee (collected for ChinaClear)</li> </ul>	0.002% of transaction amount	–
<ul style="list-style-type: none"> <li>• Transfer Fee (collected for HKSCC)</li> </ul>	0.002% of transaction amount	–
<ul style="list-style-type: none"> <li>• Stamp Duty (collected for SAT)</li> </ul>	0.1% of transaction amount (for sell transaction only)	–
<ul style="list-style-type: none"> <li>• Deposit Transaction Charge (for purchase transaction only)</li> </ul>	RMB5 per board lot (maximum charge: RMB200)	RMB30
<b>Scrip handling and settlement-related services</b>		
<ul style="list-style-type: none"> <li>• Free of payment through CCASS<sup>2</sup> <ul style="list-style-type: none"> <li>○ Receipt</li> <li>○ Delivery</li> </ul> </li> </ul>	Free of Charge	–
<ul style="list-style-type: none"> <li>• HSBC Premier, HSBC Advance and Personal Integrated Accounts<sup>3</sup></li> </ul>	RMB25 monthly for each customer account which has securities transaction record(s) or securities holdings in the 1 month period on or before the 1st of the following month. (waived until 31 Dec 2019)	–
<b>Nominee service and corporate actions</b>		
<ul style="list-style-type: none"> <li>• Collection of cash and scrip dividend</li> </ul>	0.5% of dividend amount (maximum charge: RMB2,500)	RMB30
<ul style="list-style-type: none"> <li>• Collection of bonus issue</li> </ul>	RMB5 per board lot (maximum charge: RMB200)	RMB30
<ul style="list-style-type: none"> <li>• Exercise rights</li> </ul>	RMB5 per board lot on received stocks resulting from exercising the right (maximum charge: RMB200)	RMB30
<ul style="list-style-type: none"> <li>• Shares consolidation/splitting</li> </ul>	RMB5 per board lot on received stocks resulting from shares consolidation/splitting (maximum charge: RMB200)	RMB30
<ul style="list-style-type: none"> <li>• Cash offers and other corporate actions with cash consideration</li> </ul>	0.5% on each cash consideration (maximum charge: RMB2,500)	RMB30



Service	Rate	Minimum Charge
<b>Online Information Service</b> <ul style="list-style-type: none"> <li>Online real time price quote</li> </ul>	<u>Free quote entitlement per month</u> HSBC Jade and HSBC Premier customers: 1,000 quotes <sup>4</sup> Non HSBC Premier customers: 500 quotes  An additional 200 quotes will be awarded in the following month for every RMB50,000 A share securities turnover  <u>Cost per additional quote</u> RMB0.1 per quote <sup>5</sup>	
<ul style="list-style-type: none"> <li>Investment order confirmation eAlerts</li> </ul>	Free of charge	

- The securities service charges are applicable to HSBC Jade, HSBC Premier, HSBC Advance customers and general securities account customers with account number ended with '380'.
- As China Connect Securities are issued in scripless form, physical deposit and withdrawal of China Connect into/from the CCASS Depository are not available. You can only transfer to the same capacity account within HSBC in Hong Kong or to other banks/brokers in Hong Kong. For shares in the progress to transfer in, you can only sell after the transfer in process is completed.
- The fee is due and payable on or before the 20th of the following month on a day determined by the Bank from time to time. If that day falls on the 1st of the month and is not a business day, the fee may be collected on the business day which immediately precedes that day, subject to the decision of the Bank. The fee is payable upon closure of accounts where the account is closed before the above payment dates.

- HSBC Jade and HSBC Premier customers can enjoy 1,000 free quotes for any particular month if they maintain their HSBC Premier account until the last day of that month.
- The fee is due and payable on or before the fifth working day of the following month and is payable upon closure of accounts where the account is closed before the payment date. All unused quotes will be carried forward up to a maximum of 99,999 quotes with no expiry date.

Notes:

- The Bank does not provide investment advice. The purchases and sales of securities involve an element of risk and securities prices are subject to upward and downward adjustments 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. Full details of the terms and conditions of the above services are available on request.
- There may be other fees, charges, levies, tax and interest that apply to certain securities or particular security trading services provided by the Bank that are introduced and/or charged by the relevant service providers, government or regulatory bodies. You are fully responsible for such fees, charges, levies, tax and interest. Please make enquiry with the Bank for details.
- Charges are subject to revision without notice.

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