

IMPORTANT NOTICE TO CUSTOMERS

1. Customers can place their orders ("trading instructions") via:
 - a Trading hotlines: 3768-9988 ("phone orders")
 - b CHCF i-futures Online Trading System (www.chcf.com.hk) (N.B.: Customers are required to apply for this service separately and are obliged to read the "Important Notice to System Users" carefully before each login.)

2. While making enquiries or phone orders, a customer is required to provide his/her "Futures Account Number" and "Name" for identification. If necessary, other personal information (such as: registration address) may be required for further verification. For issuing trading instructions, customers are obliged to speak out the transaction details clearly as follows:
 - a whether the trading instruction is a "new order", a "modification order", or "cancellation order" **N.B.:** All orders are defaulted as "new orders" unless clearly stated out as modification or cancellation. Moreover, all new orders will be classified as "open orders" or "liquidation orders" automatically by the trading system in accordance with the current portfolio of the customer's account. Besides, holding long and short positions of the same type of contracts in one single account simultaneously is also forbidden.)
 - b whether the trading instruction is long or short;
 - c the types of contracts (including their expiry month, strike price, call/put);
 - d the relevant price and quantities of the order.

Our staff will repeat the order details for customers' confirmation. Customers shall listen carefully and rectify any discrepancies at once. Otherwise, the order will be executed according to the repeated information which shall be used to conclude final decision for any enquiries regarding the order thereafter.

3. For all Stop-limit Orders (including both types of Stop Gain Orders and Stop Loss Orders) submitted, information such as "Stop Price", "Order Price ("Price")" and "Quantity ("Qty")" have to be clearly specified. While a stop-limit order is triggered by the prevailing market price, (i.e. the conditions that the market price is equal to or higher than the Stop Price of a "Stop-limit Buy Order" or the market price is equal to or lower than the Stop Price of a "Stop-limit Sell Order") then the Stop-limit Order with specified Price will be automatically sent to the market. Whether the order can be completely or partially transacted merely depends on the prevailing market condition, both Hong Kong Futures Exchange and the Company will not guarantee the execution of the order. In other words, Stop-limit Orders do not guarantee customers successful stop-loss or stop-gain protections. Please also note that all "Stop-limit Orders" are valid for the current trading day only. Customers are responsible to fully understand how a Stop-limit order is operated before placing such kind of orders. The act of submitting a Stop-limit order expressively means that the customer has already fully understood the operation of a Stop-limit order and is willing to bear any financial responsibility resulting from the order. Should you have further inquiries, please contact our trading hotline as above-mentioned.

4. In accompany with its nature of margin trading, trading in futures /options contracts involves high market risk and its operation is strictly regulated. Customers are absolutely liable for monitoring changes in the market condition and their investment portfolio by themselves. Customers may sustain losses in excess of cash over their paid margin. Therefore, every customer should thoroughly study his/her own financial strength and make sure that there is sufficient available margin (including "Initial Margin" and "Additional Margin" required when the net equity of his / her account is less than the required maintenance margin) in his / her designated settlement account maintained with the Chong Hing Bank Limited ("settlement account") before lodging any orders. In response to the occasional change for margin requirements of the Hong Kong Futures Exchange Limited ("HKFE"), the amount of both initial and maintenance margin will be increased accordingly and it may result in a sudden demand for additional margin.

5. The total margin required to maintain a portfolio is calculated with SPAN and the “Claim Spread” principle of HKFE and the “net equity” for any account includes the net floating loss or gain of all the open contracts. Whenever a customer placing a trading order, the resultant amount of “initial margin” of his / her portfolio (including the order) must not be more than the current net equity in or the Margin Limit of his / her account. Generally, the preset Margin Limit of a new account is HK\$250,000 but subject to the final approval of the company. To apply for any adjustment, a customer shall fill and send the form “Adjustment on Margin Limit” together with documents related to his / her financial strength to our office.
6. Before making new positions in trading futures / options contracts, customers shall issue “Deposit Instructions” to pay for the necessary initial margin (for those customers who trade via online system, they need to submit “Deposit Instructions” by themselves directly). All the “Deposit Instructions” cannot be cancelled thereafter. The company will hold the prescribed amount* and transfer in full later from the designated settlement account, regardless whether there has been any futures / options contracts traded before. Please don’t deposit any cheque, cashier order or cash to CHCF’s bank account directly. We reserve the right (but not obligation) to reject any orders with insufficient equities or margin. In addition, customers should be fully responsible to handle all other arrangements related to their settlement accounts, such as any auto-pay standing instruction. We shall take no obligations there from.

* The “fund holding” process is one of our risk control measures. We have rights to hold the full or partial amount of required margin at any time from the customers’ settlement accounts in accordance with our operational need. Customers should never rely on this measure whenever placing any type of orders. In any circumstances, customers are solely responsible for all transactions instructed by them or their authorized representatives. Besides, we reserve the rights to reject any orders.
7. When a customer is liquidating a portfolio with margin-offsetting contracts, total margin requirement of the portfolio may actually increase and prior “Deposit Instructions” should be completed to cover the extra margin required before such kind of liquidation.
8. We have the right (but not obligation) to hold fund from or debit customers’ settlement accounts at any time so as to maintain the “net equity” not less than the required margin. If a customer fails to deposit sufficient fund to his / her settlement account, or we fail to hold or debit the required fund from his / her settlement account by the prescribed time, we have the right (but not obligation) to liquidate any open contracts on behalf of the customer without prior notification (“Forced Liquidation”) and an interest calculated on a daily basis at the rate of “P+3%p.a.”, where P is the prime rate of the Chong Hing Bank Limited, can be resulted. In addition, the customer remains liable for any deficit and other obligations after “Forced Liquidation”. Customers are required to update us about their latest contact numbers and other personal details.
9. When a customer wants to withdraw the excess amount (subject to the condition that the net equity is not less than the initial margin level) from his/her futures accounts, Client needs to fill in the “Client Fund Withdrawal Request Form” and submit it to our head office or one of our branches. Generally, clients can use the request amount in his/her settlement account on next business day afternoon.
10. When the customer's futures account does not maintain any position on a certain trading day, and also there is no executed transaction, deposit and withdrawal instruction performed, the company will implement the arrangement of automatically returning the account cash balance to the customer's settlement account. Generally, the cash balance can be deposited into the customer's settlement account on next business day morning.
11. We do not provide After-Hours trading services, all unfilled orders (including Stop-limit Orders) placed during the regular trading session (i.e. the morning and afternoon trading sessions, “R Session”) will be cancelled automatically after the close of the R Session. Please pay much attention on the risk management of your portfolio regarding the above-mentioned arrangements.

12. To correspond the announcement made by Hong Kong Exchanges and Clearing Limited (HKEX) for the implementation of Severe Weather Trading (SWT)* of Hong Kong Securities and Derivatives Markets starting from 23 September 2024, Chong Hing Commodities & Futures Limited (CHCF) will provide the following services under severe weather condition.

Services	Arrangement under severe weather condition starting from 23 Sept 2024
All customer services handled at CHCF Branches, including but not limited to: (1) Face-to-face account opening; (2) Closing accounts; (3) Other enquiries services	All securities centers will be closed and NO on-site services at branches
The services provided via CHCF E-Channel Services, including: (1) Trading Services of Futures and Options Contracts; and (2) Other Online Services	Remain Normal
Futures and Options Contracts Dealing Hotline (3768 9988)	Limited Services (subject to actual situation)

To facilitate customers to identify the phone calls coming from CHSL, under severe weather condition, only the following 6 phone numbers: 37689888, 37689688, 37689988, 62577551, 63074115 and 66237941 will be adopted for our dialing to customers.

**Severe Weather Trading (SWT) means trading and settlement of securities on or through HKEX will remain available during severe weather condition which refers to the scenario where a typhoon signal No. 8 or above or a black rainstorm warning is hoisted by the Hong Kong Observatory, or an "extreme conditions" announcement is made by the HKSAR Government.*