

**Assessment Form for Corporate / Individual Professional Investor Qualification**

To: \*China Galaxy International Securities (Hong Kong) Co., Limited (“Galaxy International Securities”) and/or  
China Galaxy International Futures (Hong Kong) Co., Limited (“Galaxy International Futures”)

**Assessment for clients who fulfill the Professional Investor definition in paragraph 15.2 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (“the Code”) and the Securities and Futures (Professional Investor) Rules (Cap. 571D of the Laws of Hong Kong, “the PI Rules”). Please refer to Appendix I for further details on the definitions of Corporate/Individual Professional Investors.**

Account Name: \_\_\_\_\_ Account Number: \_\_\_\_\_

Please complete below and tick the appropriate boxes.

Type of Professional Investor	Supporting Documents
<b>Individual Professional Investors (For Individual/ Joint Account<sup>1</sup>)</b>	
<input type="checkbox"/> <b>Individuals</b> – an individual having a portfolio comprising deposits and securities of not less than HK\$8 million <sup>2</sup> at the relevant date <sup>3</sup> when any one or more of the following are taken into account: <ul style="list-style-type: none"> <li><input type="checkbox"/> (a) a portfolio on the individual’s own account;</li> <li><input type="checkbox"/> (b) a portfolio on a joint account with the individual’s associate<sup>4</sup>;</li> <li><input type="checkbox"/> (c) the individual’s share of a portfolio<sup>5</sup> on a joint account with one or more persons other than the individual’s associate;</li> <li><input type="checkbox"/> (d) a corporation which has as its principal business the holding of investments and is wholly owned by the individual.</li> </ul>	Any one or more of the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> Custodian statements or certificates issued by registered institution or licensed corporation within 12 months before the relevant date.</li> <li><input type="checkbox"/> Certificate issued by auditor or a certified public accountant within 12 months before the relevant date.</li> <li><input type="checkbox"/> Public filing<sup>7</sup> submitted by or on behalf of the individual (either alone or with the associate) within 12 months before the relevant date.</li> </ul> For selection (b): <ul style="list-style-type: none"> <li><input type="checkbox"/> Marriage certificate or birth certificates evidencing the relationship.</li> </ul> For selection (c): <ul style="list-style-type: none"> <li><input type="checkbox"/> A written agreement among the account holders specified the individual’s share of the portfolio; or</li> <li><input type="checkbox"/> I hereby confirm that there is no agreement among the account holders.</li> </ul>
<b>Corporate Professional Investors (For Corporate Account)</b>	
<input type="checkbox"/> <b>Trust Corporations</b> - a trust corporation acting as a trustee of one or more trusts, have total assets of not less than HK\$40 million at the relevant date.	Any one or more of the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> The most recent audited financial statement prepared within 16 months before the relevant date.</li> <li><input type="checkbox"/> Custodian statements or certificates issued by registered institution or licensed corporation within 12 months before the relevant date.</li> <li><input type="checkbox"/> Certificate issued by auditor or a certified public accountant within 12 months before the relevant date.</li> <li><input type="checkbox"/> Public filing<sup>7</sup> submitted by or on behalf of the trust corporation (whether on its own behalf or in respect of a trust of which it acts as a trustee), corporation or partnership within 12 months before the relevant date.</li> </ul>

<sup>1</sup> Each account holder of a joint account has to satisfy the portfolio threshold to qualify as individual professional investor.

<sup>2</sup> A reference to an amount expressed in Hong Kong dollars includes its equivalent in any foreign currency.

<sup>3</sup> The relevant date means the date on which the obligation is required to be complied with.

<sup>4</sup> In relation to an individual, means the spouse or any child of the individual.

<sup>5</sup> The individual’s share of the portfolio specified in a written agreement among the account holders or in the absence of an agreement, an equal share of the portfolio.



<p><input type="checkbox"/> <b>Corporations –</b></p> <ul style="list-style-type: none"><li><input type="checkbox"/> (a) a corporation having a portfolio comprising deposits and securities of not less than HK\$8 million or total assets of not less than HK\$40 million, at the relevant date</li><li><input type="checkbox"/> (b) a corporation wholly owns the corporation specified in (a) above</li><li><input type="checkbox"/> (c) a corporation which has as its principal business the holding of investments and is wholly owned by any one or more of Institutional Professional Investor<sup>6</sup> or Individual / Corporation / Partnership / Trust Corporation which are qualified as professional investor.</li></ul>	
<p><input type="checkbox"/> <b>Partnerships –</b> a partnership having a portfolio comprising deposits and securities of not less than HK\$8 million or total assets of not less than HK\$40 million, at the relevant date.</p>	

<sup>6</sup> Professional investor within the meaning of paragraph (a), (d), (e), (f), (g) or (h) of the definition of professional investor in section 1 of Part 1 of Schedule 1 to the Ordinance.

<sup>7</sup> Public Filing means a document that, pursuant to the legal or regulatory requirements in Hong Kong or in a place outside Hong Kong, has been submitted to a person or body that is under a duty to publish the document to, or otherwise make the document available for inspection by, members of the public in Hong Kong or in a place outside Hong Kong, by or on behalf of (a) an individual, (b) a trust corporation (whether on its own behalf or in respect of a trust of which it acts as a trustee), (c) a corporation (other than a Trust Corporation) or (d) a partnership.

**Assessment on Corporate Professional Investors (“CPI”) applicable for exemption from the provisions set out in paragraph 15.4 of the Code. Assessment should be in writing and records of all relevant information and documents should be obtained to demonstrate the basis of the assessment.** *(Note)*

Assessment Requirement	Supporting Documents
<b>Part 1 - Corporate Structure and process and controls for making investment decision</b>	
<p>Do you have a team responsible for your investment strategies and investment process? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please specify whether such team is a/an:-</p> <p><input type="checkbox"/> in-house treasury, investment or similar function</p> <p><input type="checkbox"/> designated investment committee being responsible for making investment decisions on your behalf or its advice will be taken into account in relation to any informed investment decisions</p> <p><input type="checkbox"/> external investment advisory team being responsible for making investment decisions on your behalf or its advice will be taken into account in relation to any informed investment decisions Please specify: _____</p> <p><input type="checkbox"/> related corporation having a team responsible for its investment strategies and investment process Please specify whether it is a/an:-</p> <p><input type="checkbox"/> in-house treasury, investment or similar function</p> <p><input type="checkbox"/> designated investment committee as described above</p> <p><input type="checkbox"/> external investment advisory team as described above</p> <p><input type="checkbox"/> Others: _____</p>	<p><input type="checkbox"/> Organizational chart</p> <p><input type="checkbox"/> Policy and procedures for investment process and controls</p> <p><input type="checkbox"/> Other documents which considered as appropriate: _____</p>
<b>Part 2 - Investment background of the person(s) responsible for making investment decisions on behalf of the CPI</b>	
<p>Is/are the responsible person(s) currently working or has/have previously worked in the relevant financial sector for at least one year in a professional position that involves the relevant product(s)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Has/have the responsible person(s) undergone training or studied courses which are related to the relevant product(s)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Is/are the responsible person(s) aware of the trading risk in the relevant product(s) and/or market(s)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Resume of the person(s) responsible for making investment decisions on behalf of the CPI</p> <p><input type="checkbox"/> Certificate of academic or professional qualifications relating to the relevant products and markets</p> <p><input type="checkbox"/> Other documents which considered as appropriate: _____</p>
<b>Part 3 - Risk awareness</b>	
<p>Are you aware of the risks involved which is considered in terms of the person(s) responsible for making investment decisions? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<b>Part 4 – Additional note on CPI assessment</b>	
<p>_____</p> <p>_____</p>	

*(To be continued on the next page)*

*Note* A re-assessment will be undertaken where you, as a CPI, have ceased to trade in the relevant product(s) or market(s) for more than 2 years, as set out in paragraph 15.3A(e) of the Code.

**Client consent to treatment as Corporate / Individual Professional Investor**

I/We confirm the information above provided by me/us is true, complete and accurate, and consent that **Galaxy International Securities** and/or **Galaxy International Futures** to classify me/us as \*a Corporate / an Individual Professional Investor (henceforth "Professional Investor") pursuant to Paragraph (j) of the definition of professional investor in section 1 of Part 1 of Schedule 1 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), section 3 of the PI Rules and Paragraph 15.2 of the Code.

We, as a corporation which is qualified as a professional investor, confirm that we have informed our shareholders regarding our status as a Corporate Professional Investor and the risks and consequences of being treated as a Corporate Professional Investor. Please refer to **Appendix II** for further details on the risks and consequences of being treated as a Professional Investor.

I/We declare and acknowledge that I/we have read, fully understood and accepted the contents of the risks and consequences of being treated as a Professional Investor.

I/We acknowledge and confirm that I/we have the right to withdraw from being treated as a Professional Investor at any time upon giving a written notice of not less than fourteen (14) days to **Galaxy International Securities** and/or **Galaxy International Futures** in respect of the relevant product(s) or market(s) or any part thereof have been explained to me/us and I/we confirm that I/we have no objection to be treated as a Professional Investor.

I/we undertake to inform **Galaxy International Securities** and/or **Galaxy International Futures** promptly if any information I/we have provided to **Galaxy International Securities** and/or **Galaxy International Futures** ceases to be accurate or changes in any other way and I/we undertake on demand to provide **Galaxy International Securities** and/or **Galaxy International Futures** with such evidence as required in support of my/our qualification as a Professional Investor. In addition, I/we shall provide **Galaxy International Securities** and/or **Galaxy International Futures** with an annual confirmation and the relevant supporting documents to ensure that I/we continue to fulfill the requisite requirements of being treated as a Professional Investor under the Securities and Futures (Professional Investor) Rules. If I/we fail to provide such information to **Galaxy International Securities** and/or **Galaxy International Futures** before the anniversary of my/our account opening date, I/we acknowledge that **Galaxy International Securities** and/or **Galaxy International Futures** shall have the right at any time to stop treating me/us as a Professional Investor.

*\*Please delete where appropriate*

Confirmed and Signed by:

\_\_\_\_\_  
Authorized Signature(s) / Company Chop  
Name:

Date: \_\_\_\_\_

Note: For joint account, the signatures of all account holders are required to confirm the above client consent.

**Declaration by Licensed Representative**

I, \_\_\_\_\_ (Name and CE number of licensed representative), declare that I have explained the contents of this document and the risks and consequences of consenting to being treated as a Professional Investor to \_\_\_\_\_ (name of client) at \_\_\_\_\_ (place where the explanation took place) / through a recording-telephone in a language which the client fully understands and have invited the client to ask questions and take independent advice if the client so wishes. I have also informed the client of its right to withdraw from being treated as a Professional Investor.

Telephone Recorded Line No.: \_\_\_\_\_

Date & Time: \_\_\_\_\_

Confirm:

Approval under the PI Rules:  Yes  No  
Approval under the Code - CPI assessment:  Yes  No

\_\_\_\_\_  
Signature of Licensed Representative  
Date:

\_\_\_\_\_  
Signature of Responsible Officer  
Date:

Definition of Corporate / Individual Professional Investor**Persons prescribed as Corporate / Individual Professional Investor**

Where a client of a licensed or registered person is a Corporate Professional Investor referred to in paragraph 15.2 (who complies with paragraph 15.3B and meets the three criteria set out in paragraph 15.3A(b) in relation to the relevant products and markets, i.e. (i) the Corporate Professional Investor has the appropriate corporate structure and investment process and controls; (ii) the person(s) responsible for making investment decisions on behalf of the Corporate Professional Investor has(have) sufficient investment background; and (iii) the Corporate Professional Investor is aware of the risks involved) of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission ("the Code"), the licensed or registered person will be exempted from fulfilling the requirements set out in paragraphs 15.4 and 15.5 of the Code while serving such clients in respect of relevant products and/or markets of which they are treated as Corporate Professional Investors.

Where a client of a licensed or registered person is an Individual Professional Investor referred to in paragraph 15.2 who complies with 15.3B or a Corporate Professional Investors who only complies with 15.3B but fails to meet the three criteria set out in paragraph 15.3A(b), the licensed or registered person will not be required to fulfill the requirements set out in paragraph 15.5 of the Code while serving such clients in respect of relevant products and/or markets of which they are treated as Individual Professional Investors or Corporate Professional Investors.

As defined in the Securities and Futures (Professional Investor) Rules, a corporation indicated in any of the following paragraphs (a), (c) and (d) is prescribed as a Corporate Professional Investor and a person indicated in the following paragraph (b) is prescribed as an Individual Professional Investor:

- (a) Any trust corporation having been entrusted under one or more trusts of which it acts as a trustee with total assets of not less than \$40 million or its equivalent in any foreign currency at the relevant date or as ascertained in accordance with paragraph (e).
- (b) Any individual having a portfolio of not less than \$8 million or its equivalent in any foreign currency at the relevant date or as ascertained in accordance with paragraph (e), when the portfolio of any one or more of the following are taken into account-
  - (i) individual's own account;
  - (ii) with any of individual's associates on a joint account;
  - (iii) with one or more persons other than individual's associate on a joint account;
  - (iv) a corporation which, at the relevant date, has as its principal business the holding of investments and is wholly owned by the individual.

An individual's share of a portfolio on a joint account with one or more persons other than the individual's associate is—

- (i) the individual's share of the portfolio as specified in a written agreement among the account holders; or
  - (ii) in the absence of the aforesaid agreement, an equal share of the portfolio.
- (c) Any corporation or partnership having-
    - (i) a portfolio of not less than HK\$8 million or its equivalent in any foreign currency; or
    - (ii) total assets of not less than \$40 million or its equivalent in any foreign currency, at the relevant date, or as ascertained in accordance with paragraph (e).
  - (d) Any corporation the principal business of which at the relevant date is to hold investments and which at the relevant date is wholly owned by any one or more of the following persons-
    - (i) a trust corporation specified in paragraph (a);
    - (ii) an individual specified in paragraph (b);
    - (iii) a corporation specified in this paragraph or paragraph (c);
    - (iv) a partnership specified in paragraph (c);
    - (v) a professional investor within the meaning of paragraph (a), (d), (e), (f), (g) or (h) of the definition of professional investor in section 1 of Part 1 of Schedule 1 to the Chapter 571 Securities and Futures Ordinance; or
 any corporation which, at the relevant date, wholly owns a corporation referred to in paragraph (c).
  - (e) The total assets entrusted to a trust corporation, the portfolio of an individual, or the portfolio or total assets of a corporation or partnership, are to be ascertained by referring to any one or more of the following—
    - (i) for a trust corporation, corporation or partnership, the most recent audited financial statement prepared within 16 months before the relevant date in respect of the trust corporation (or a trust of which it acts as a trustee), corporation or partnership; or
    - (ii) for a trust corporation, individual, corporation or partnership, any one or more of the following documents issued or submitted within 12 months before the relevant date—
      1. a statement of account or a certificate issued by a custodian;
      2. a certificate issued by an auditor or a certified public accountant; or
      3. a public filing submitted by or on behalf of the trust corporation (whether on its own behalf or in respect of a trust of which it acts as a trustee), individual, corporation or partnership.

"**relevant date**" means the date by or on which the obligation is required to be complied with; and

"**associate**" in relation to an individual, means the spouse or any child of the individual.

Any other definition should follow the interpretation of Chapter 571D Securities and Futures (Professional Investor) Rules of SFO.

**Risks and Consequences of being treated as a “Professional Investor”**

**Treatment as a Professional Investor**

Based on the information you have provided to us which shows you, and in view of your representation and warranty that you are a Professional Investor, we will be exempt from complying with certain compliance requirements listed below under the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (“the Code”) provided always that you agree to be treated as the Professional Investor and undertake to complete, sign and return to us the assessment form and consent attached herein and agree to inform us promptly if any information you have provided to us for the Professional Investor assessment ceases to be accurate or changes in any other way and provide information to us at least annually to ensure the requisite requirements under the Code be continually fulfilled by you for being treated as Corporate / Individual Professional Investor.

**(1) Exempt compliance requirements for Corporate Professional Investors where 15.3A and 15.3B are complied and Institutional Professional Investor:-**

(a) Client Agreement and risk disclosure

We will not be required to enter into a written client agreement with you nor provide you with the written warnings in respect of the risks involved in any transactions we enter into with you, or to bring those risks to your attention typically required of us under the Code.

(b) Information about clients

We will not be required to establish your financial situation, investment experience or investment objectives except we are providing advice on corporate finance work.

We will not be required to assess your knowledge of derivatives and characterize you based on your knowledge of derivatives.

(c) Suitability of the recommendation or solicitation

We will not be required to ensure that any recommendation or solicitation we make is suitable for you in the light of your financial position, investment experience, risk appetite, investment objectives and strategies and any investment decision taken by you shall be your sole responsibility.

(d) Discretionary Accounts

We will not be required, in connection with any discretionary account, to follow certain provisions set out in the Code in relation to the procedures to be followed to (i) obtain from your authority in writing prior to effecting transactions for your account and (ii) disclose benefits receivable for effecting transactions for you under a discretionary account. We will not be required to explain the terms of any such authority or reconfirm it with you on an annual basis.

(e) Information for clients

We will not be required to disclose sales related information as set out in paragraph 8.3A of the Code when distributes an investment product to you.

(f) Complex products

We will not be required to (i) ensure the suitability of a transaction in a complex product in all the circumstances; (ii) provide sufficient information on the key nature, features and risks of a complex product before you make an investment decision; and (iii) provide warning statements to you when we distribute an investment product to you, as set out in paragraph 5.5(a) of the Code.

**(2) Exempt compliance requirements for Corporate Professional Investors and Individual Professional Investors where 15.3B are complied and Institutional Professional Investors:-**

(a) Information for clients

We will not be required to confirm promptly with you the essential features of a transaction after effecting a transaction and we will not be required to inform or provide you with the following information or documentation:

- (i) the information about our business or the identity and status of our employees or others acting on our behalf with whom you may have contact; or
- (ii) any documentation on the Nasdaq-Amex pilot Program.

(b) Contract notes, statement of accounts and receipts

We will not provide you with any contract notes, statements of account or receipts under the Hong Kong Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules where such would otherwise be required unless you specifically request.

**Risks of being treated as a “Professional Investor”**

You may be exposed to substantial risks in being treated as a Corporate / Institutional Professional Investor as mentioned in (1) above, including without limitation to the following risks:

Suitability of investment

As we are not required to establish your financial situation, investment experience or investment objectives, we will not be in a position to assess the suitability of any investment for you or any investment decision that you may make. You may bear the full responsibility for all investments and investment decisions that you make and we will incur no liability whatsoever in connection therewith.

You may also be exposed to substantial risks in being treated as a Corporate / Individual / Institutional Professional Investor as mentioned in (2) above, including without limitation to the following risks:

Information about investment

As we are not required to confirm you promptly the essential features of a transaction we effect on your behalf or provide you with regular statements of account but subject to your request for such statements of account, you may face the risk of not knowing fully and/or on a timely basis the status or terms of your investments or the transactions which you may have entered into or your financial exposure arising therefrom.

The above risk disclosure statements do not purport to disclose all the risks associated with being treated as a Professional Investor as described above. You should carefully consider the risks and consequences of such treatment in the light of your own experience, objectives and financial resources and other relevant circumstances.