

Sample Language for Inclusion in Personal Information Collection Statement concerning Northbound China Connect Orders ^(Notes)

Processing of Personal Data as part of the [Stock Connect Northbound Trading]

You acknowledge and agree that in providing our [Stock Connect Northbound Trading Service] to you, we will be required to:

- (i) tag each of your orders submitted to the CSC with [a Broker-to-Client Assigned Number ("BCAN") that is unique to you]¹; and
- (ii) provide to the Exchange your assigned BCAN and such identification information ("Client Identification Data" or "CID") relating to you as the Exchange may request from time to time under the Rules of the Exchange.

Without limitation to any notification we have given you or consent we have obtained from you in respect of the processing of your personal data in connection with your account and our services to you, you acknowledge and agree that we may collect, store, use, disclose and transfer personal data relating to you as required as part of our [Stock Connect Northbound Trading Service], including as follows:

- (a) to disclose and transfer your BCAN and CID to the Exchange and the relevant SEHK Subsidiaries from time to time, including by indicating your BCAN when inputting a China Connect Order into the CSC, which will be further routed to the relevant China Connect Market Operator on a real-time basis;
- (b) to allow each of the Exchange and the relevant SEHK Subsidiaries to: (i) collect, use and store your BCAN, CID and any consolidated, validated and mapped BCANs and CID information provided by the relevant China Connect Clearing House (in the case of storage, by any of them or via HKEX) for market surveillance and monitoring purposes and enforcement of the Rules of the Exchange; (ii) transfer such information to the relevant China Connect Market Operator (directly or through the relevant China Connect Clearing House) from time to time for the purposes set out in (c) and (d) below; and (iii) disclose such information to the relevant regulators and law enforcement agencies in Hong Kong so as to facilitate the performance of their statutory functions with respect to the Hong Kong financial markets;
- (c) to allow the relevant China Connect Clearing House to: (i) collect, use and store your BCAN and CID to facilitate the consolidation and validation of BCANs and CID and the mapping of BCANs and CID with its investor identification database, and provide such consolidated, validated and mapped BCANs and CID information to the relevant China Connect Market Operator, the Exchange and the relevant SEHK Subsidiary; (ii) use your BCAN and CID for the performance of its regulatory functions of securities account management; and (iii) disclose such information to the Mainland regulatory authorities and law enforcement agencies having jurisdiction over it so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets; and
- (d) to allow the relevant China Connect Market Operator to: (i) collect, use and store your BCAN and CID to facilitate their surveillance and monitoring of securities trading on the relevant China Connect Market through the use of the China Connect Service and enforcement of the rules of the relevant China Connect Market Operator; and (ii) disclose such information to the Mainland regulatory authorities and law enforcement agencies so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets.

¹ For clients having a joint account, CCEPs / TTEPs may replace the language in brackets with the following: "a Broker-to-Client Assigned Number ("BCAN") that is unique to you or the BCAN that is assigned to your joint account with us, as appropriate".

By instructing us in respect of any transaction relating to China Connect Securities, you acknowledge and agree that we may use your personal data for the purposes of complying with the requirements of the Exchange and its rules as in force from time to time in connection with the [Stock Connect Northbound Trading]. You also acknowledge that despite any subsequent purported withdrawal of consent by you, your personal data may continue to be stored, used, disclosed, transferred and otherwise processed for the above purposes, whether before or after such purported withdrawal of consent.

Consequences of failing to provide Personal Data or Consent

Failure to provide us with your personal data or consent as described above may mean that we will not, or no longer be able, as the case may be, to carry out your trading instructions or provide you with our [Stock Connect Northbound Trading Service].

[Acknowledgement and Consent

I acknowledge I have read and understand the content of the Personal Information Collection Statement of [insert name of the CCEP/TTEP]. By ticking the box below, I signify my consent for [insert name of the CCEP/TTEP] to use my personal data on the terms of and for the purposes set out in the Personal Information Collection Statement.

I agree to [insert name of the CCEP/TTEP]'s use of my personal data for the purposes set out in the Personal Information Collection Statement.

Signed by:

Name of individual:

Date:]²

² A CCEP/TTEP should obtain its clients' prescribed consent unless its existing Personal Information Collection Statement is broad enough to cover the purposes as set out in the paragraph headed "Processing of Personal Data as part of the [Stock Connect Northbound Trading]". Please also see Explanatory Note B below.

Explanatory Notes

- A. As stated in the Information Paper titled “Investor ID Model for Northbound Trading under Stock Connect” dated November 2017 issued by HKEX (the “Information Paper”), CCEPs and TTEPs should review and, if necessary, make appropriate amendments to their existing client documentation and personal information collection statement (or documents of a similar effect) to ensure that all necessary authorizations and written consents are obtained from their clients regarding the collection, storage, use, disclosure and transfer of personal data under the Investor ID Model for Northbound Trading under Stock Connect.
- B. Pursuant to Data Protection Principle 3 (“DPP3”) in Schedule 1 of the Personal Data (Privacy) Ordinance (“PDPO”), where a CCEP/TTEP intends to use a client’s personal data which it has collected for a new purpose (i.e. a purpose or a directly related purpose that was not disclosed to such client at or before the time of collection), the CCEP/TTEP is required to obtain the client’s prescribed consent (i.e. consent given expressly and voluntarily, which consent may subsequently be withdrawn by notice of the data subject in writing) before the personal data is used for the new purpose. As the Investor ID Model for Northbound Trading under Stock Connect is a newly introduced arrangement, the use of personal data as described in the paragraph headed “Processing of Personal Data as part of the [Stock Connect Northbound Trading]” will be for a new purpose, in which case the requirement for a CCEP/TTEP to obtain its clients’ prescribed consent under DPP3 would be triggered unless the purpose for which personal data was first collected or any consent previously obtained is broad enough to cover use under the new arrangement. Consent in writing can be obtained electronically in accordance with the Electronic Transactions Ordinance. Where the consent is given electronically, a record of the consent must be accessible and useable for future reference.
- C. This Sample Language for Inclusion in a CCEP/TTEP’s Personal Information Collection Statement seeks to provide a template of the language on the new purposes as contemplated under the Investor ID Model for Northbound Trading under Stock Connect for CCEPs’ and TTEPs’ reference only and is not intended to be, nor should it be regarded as, legal or other professional advice for CCEPs, TTEPs and their respective clients. CCEPs and TTEPs are recommended to seek professional advice in order to ensure that they are in full compliance with all applicable requirements under the PDPO and data protection laws of other applicable jurisdictions when collecting, storing, using, disclosing and transferring personal data under the Investor ID Model for Northbound Trading under Stock Connect.
- D. CCEPs and TTEPs should ensure that the terms of their client documentation and personal information collection statement are consistently defined. Unless otherwise stated or the context otherwise requires, capitalized terms used in this document shall have the same meanings as defined in the Rules of the Exchange.
- E. CCEPs and TTEPs should refer to the amendments to the Rules of the Exchange, which will be published in due course for details of the Investor ID Model for Northbound Trading under Stock Connect. In the meantime, please refer to the Information Paper and the FAQ (updated from time to time) on the HKEX website.
- F. HKEX and its subsidiaries shall not be responsible or liable for any loss or damage, directly or indirectly, arising from the use of or reliance upon any information provided in this document.