



DBS Bank (Hong Kong) Limited

星展銀行(香港)有限公司

DBS PAPER GOLD SCHEME

TERMS AND CONDITIONS

Linklaters

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Ref L-303314

In these terms and conditions herein contained (these “**Conditions**”), “**we**”, the “**Bank**”, “**us**” and “**our**” refer to DBS Bank (Hong Kong) Limited. “**You**” and “**your**” refer to the customer who has accepted these Conditions.

You agree that these Conditions together with the relevant Confirmation, govern each transaction of Paper Gold made with us which is expressed to be subject to these Conditions. In case of inconsistency between the terms of the Confirmation and the provisions of these Conditions, the terms of the Confirmation shall prevail.

These Conditions set out below are not intended to be exhaustive and must be read together with the Bank Accounts and Services Terms and Conditions and the Terms and Conditions for Accounts under Wealth Management Investment Portfolio (Wealth Management Accounts), each as varied, amended or supplemented from time to time (collectively the “**Master Terms**”). In case of inconsistency between these Conditions and any other terms of the Master Terms, these Conditions shall prevail in so far as the Scheme is concerned.

1 INTERPRETATION

Unless defined in this Agreement, defined terms in the Master Terms shall have the same meaning when used in this Agreement. In addition, in this Agreement:

“Agreement”	means these Conditions and the Confirmations, if any, as may be amended or supplemented from time to time.
“Business Day”	means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York, London, Hong Kong (only in respect of transactions involving Hong Kong Dollar or Renminbi) and Sydney (only in respect of transactions involving Australian Dollar).
“Confirmation”	in respect of a Transaction, means a confirmation relating to Paper Gold confirming the terms of that Transaction.
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China.
“Loco London Gold”	means Loco London Gold as specified by the London Bullion Market Association, which is denominated in USD per fine ounce and is cleared through the London bullion market clearing system.
“Paper Gold”	means a type of reference asset offered by us under the Scheme.
“Reference Asset”	means Loco London Gold.
“Scheme”	means the Paper Gold Scheme issued by us.
“Trade Date / Time”	in respect of a Paper Gold Transaction, means the date or time specified as such in the Confirmation relating to that Paper Gold.

“Transaction” refers to each purchase or sale of Paper Gold made by you with us.

2 GENERAL PROVISIONS

- 2.1** The parties have entered into and will enter into each Transaction in reliance upon the fact that all Transactions constitute a single contractual relationship. Accordingly, each of the parties agrees (a) to perform all of its obligations in respect of each Transaction, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions, (b) that each of the parties shall be entitled to set off claims against it and apply property held by it in respect of any Transaction against obligations owing to it in respect of any other Transaction.
- 2.2** You may from time to time request us to accept a Transaction from you. We may, but are not obliged to, accept any such request from you on such terms as we in our sole discretion think fit. Acceptance may be effected by our sending to you a Confirmation to record the terms of the Transaction.
- 2.3** For the avoidance of doubt, a binding contract between you and us in respect of a Transaction is formed upon our acceptance of a request in respect of that Transaction from you. You acknowledge and agree that such contract will be on the terms set out in a Confirmation delivered to you by us and such Confirmation is conclusive as to the terms of the contract between you and us in respect of the relevant Transaction.
- 2.4** Notwithstanding anything herein contained, you agree and acknowledge that all calculations and determinations in connection with a Transaction will be conclusively made by us and will, save for manifest error, be binding on you.

3 PAPER GOLD

3.1 Account

- 3.1.1** You may, with our agreement, open a multi-currency non-interest bearing account under your Wealth Management Accounts with the Bank to invest in the Scheme from time to time specified by us (the **“Account”**).
- 3.1.2** In addition, you may also need to open or designate a settlement account for settling the relevant amount receivable or payable by you for each Transaction (the **“Settlement Account”**).
- 3.1.3** You will execute such document(s) as the Bank may require for opening and operating the Account and the Scheme. If there is any inconsistency between these Conditions and the terms of any account maintained by you with the Bank, these Conditions shall prevail for the purposes of the Scheme.
- 3.1.4** No passbook and certificate of title will be issued for Paper Gold. Apart from the Confirmation issued by us for each Transaction, all the Transactions you have conducted in any particular month and any balance of your Paper Gold at the end of that month will be recorded in the consolidated statement of your Wealth Management Accounts.
- 3.1.5** We will not deliver physical gold for any Transactions. You have no right to obtain physical gold. The balance of your Paper Gold maintained at your Account does not represent that you have any right, ownership and possession of physical gold. All

transactions are settled through the Settlement Account. The balance of Paper Gold units maintained at the Account is notional and for the sole purpose of determining the value of the Paper Gold investment. When you wish to liquidate the Paper Gold, you may only do so by selling the balance of your Paper Gold and receiving the proceeds of sale.

- 3.1.6 You acknowledge that we may terminate this Agreement and / or the Account in accordance with these Conditions and / or the Master Terms at any time. Upon termination, we may sell the Paper Gold in accordance with the provisions of Condition 3.2. You may suffer a loss from the sale of Paper Gold upon termination, depending on the prevailing price of Paper Gold as quoted by us at that time.
- 3.1.7 You understand that conflicts of interest may arise and affect your interests if any of our subsidiaries, affiliates or associates involve in connection with the Paper Gold, even though we have internal measures in place to minimize such conflicts. Nevertheless, we will act in good faith and in a commercially reasonable manner in making determinations and calculations with respect to the Paper Gold. If by virtue of or arising out of the Transactions in accordance with these Conditions, any profit, commission, fee, benefit or other advantage shall accrue to us (or any of our subsidiaries, affiliates or associates), you agree that we (or any such subsidiaries, affiliates or associates) shall be entitled to retain the same for our own account.

3.2 Trading of Paper Gold

- 3.2.1 Each purchase and sale of Paper Gold will be at the price offered by us (as principal) at the time of the Transaction and in the minimum quantity of one unit, and incremental of one unit thereafter. The maximum transaction amount is USD 5 Million (or its equivalent in other currencies as determined by the Bank).
- 3.2.2 Each unit of Paper Gold is referenced to 1 troy ounce of Reference Asset. We will at your request quote indicative prices of Paper Gold on a real-time basis, unless we are unable to do so. We are not obliged to transact at such indicative prices.
- 3.2.3 All prices of Paper Gold are determined by the Bank with reference to the Bank's prevailing purchase or selling prices of one ounce of Loco London Gold in United States Dollar ("**USD**") (as quoted by market dealers to the Bank, with the Bank taking into account such factors as the Bank deems appropriate) and, where applicable, converted into a specific currency, including Hong Kong Dollar, Australian Dollar, Pound Sterling, or Renminbi, at the prevailing exchange rate determined by the Bank in good faith and commercially reasonable manner with reference to the quotes provided by the Bank itself or on the interbank foreign exchange market at the time such price is determined, plus the Bank's profit margins.
- 3.2.4 You may give your instructions to purchase or sell the Paper Gold during the trading hours determined by us from time to time. You may only purchase or sell the Paper Gold on terms acceptable to us which terms may include but not limited to, where applicable, the price, quantity, trade date / time, total consideration, settlement date, settlement currency and amount of the Transaction. The terms of the Transaction will be recorded in a Confirmation which will be issued to you.
- 3.2.5 All Transactions, if time permits, will be executed upon receipt of your instructions. Settlement for a purchase of Paper Gold shall be completed by a direct debit of your Settlement Account within two Business Days following the date of our receipt of

your purchase instruction. The proceeds of any sale of Paper Gold shall, if time permits, be paid to you within two Business Days following the date of our receipt of your sale instruction by a direct credit of your Settlement Account. You hereby authorise us to debit from your Settlement Account necessary funds for settlement of the Transaction. If the available fund is not sufficient for settlement, we will not proceed to carry out your instructions.

4 FORCE MAJEURE

The Bank is not liable for any failure or delay to meet its obligations due to any one or more of the following:

- 4.1** any act of God or sovereign;
- 4.2** acts, restrictions, regulations, edicts, mandates, refusals to grant any licenses or permissions, changes in policy or prohibitions or measures of any kind on the part of any government or regulatory authority or the exercise of military or usurped powers;
- 4.3** interruptions, calamity, war, invasion, riots, hostilities, terrorism, sabotage or other blockade or embargo, insurrection, natural disasters, adverse weather conditions, strikes, industrial actions;
- 4.4** breakdown, malfunction or failure of transmission or power, communication or computer facilities or systems;
- 4.5** infection or disease epidemic(s) or contamination; and
- 4.6** a material change in the monetary, political, financial or economic conditions or exchange or capital controls or other moratorium or restrictions on currency exchange or remittance, whether in Hong Kong or elsewhere,

(each, a “**Force Majeure Event**”). The Bank will use reasonable endeavours to meet its obligations under the Scheme as soon as reasonably practicable upon cessation of such event(s).

5 SUSPENSION OF DEALING

The Bank may suspend dealing of trading units of the Scheme if (i) any suspension of or limitation on trading of Loco London Gold, whether in the event of any technical failure of trading channel, unavailability of price quote or a Force Majeure Event, occurs; (ii) any event occurs that disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for Loco London Gold; or (iii) any event occurs that disrupts or impairs the Bank in general to effect transactions under the Scheme, in each case is material in the determination of the Bank acting in good faith and in a commercially reasonable manner. In case of a suspension of dealing of units of the Scheme, the Bank shall inform you as soon as reasonably practicable (including posting a relevant notice at the Bank’s website (www.dbs.com.hk) or displaying a notice at our branches).

6 REPRESENTATIONS

In connection with each Transaction, you represent and acknowledge to us that:

- 6.1** you have full capacity and authority to perform your obligations under this Agreement and each Transaction;

- 6.2 you are not relying on any advice, statements or recommendations (whether written or verbal) from us regarding that Transaction;
- 6.3 you have made your own independent decision to enter into the Transaction and as to whether that Transaction is appropriate or proper for you based upon your own judgment and upon advice from such third party advisors as you have deemed necessary;
- 6.4 you have not received from us any assurance or guarantee as to the expected results of that Transaction;
- 6.5 we are not acting as a fiduciary or an advisor for you in respect of that Transaction;
- 6.6 you understand and accept the terms, conditions and risks of that Transaction and you are willing to accept those terms and conditions and to assume (financially and otherwise) those risks;
- 6.7 you are entering into that Transaction as principal and not as agent for any other person, unless you notify us otherwise in writing;
- 6.8 you are entering into that Transaction for the purpose of managing your borrowings or investments, hedging your underlying assets or liabilities or in connection with your business;
- 6.9 you have all necessary licenses and approvals, and are duly authorised, to perform your obligations under that Transaction;
- 6.10 you are not restricted under the terms of your constitution (if applicable) or in any other manner from performing your obligations under that Transaction;
- 6.11 all documents and information you deliver and provide to us for the purpose of these Conditions are valid, complete and accurate; and
- 6.12 we are not making, and have not made any representation whatsoever on the performance of the gold market.

The representations contained in this Condition 6 will survive termination of this Agreement.

7 INFORMATION

You have read our Data Policy Notice to customers (as amended from time to time) relating to the Personal Data (Privacy) Ordinance. You authorize us to use your information for the purposes and to disclose them to the persons referred to in such notice (as from time to time varied) and to our service providers, and regulatory authorities, networks, exchanges and clearing houses.

8 INSTRUCTIONS

- 8.1 Unless you have otherwise advised us, your authorized signatories have full authority to do everything for you in relation to your accounts including to operate your accounts, buy or sell any investments (in the case of an investment account), make withdrawals or transfers (of cash, investments, title documents and other property), register, deregister or close accounts, change transaction limits, arrange with us for any facilities and accommodation, enter into any agreement, give any instructions and complete and sign all documents including account opening forms, but not to change your other authorized signatories, and, if you are one or more individuals, not to open accounts or apply for new services, unless agreed by us.

- 8.2** All instructions (whether written or verbal) given or purported to be given by any means by you or your authorised representative to us are binding on you and you agree to fully indemnify us for any loss suffered by us as a result of our accepting such instructions unless such loss is caused by the gross negligence or wilful default of the Bank, the Bank's authorised officers, employees or agents. We may, in our discretion, decline to accept any instructions without giving any reason.
- 8.3** You will give instructions to us in writing or through other means which have been agreed upon between us. We may reject or act on an instruction not so given. We may act on an instruction which is inconsistent with an existing arrangement, without enquiry.
- 8.4** Any instruction given by the use of your password is valid and binding on you. This is so notwithstanding any different requirements in your mandate or any other arrangement. Changes in your authorized signatories or signing arrangement will not affect operation by your password.
- 8.5** You may change your authorised representative or signing arrangements by notice to us and by providing us with required documents. We may reject an instruction dated prior to the change but subsequently received.
- 8.6** We may regard your instructions as received by us as being what you intended to send. We need not verify the identity or authority of the person giving an instruction or the authenticity of an instruction. We may at our discretion require evidence of identity or authority.
- 8.7** An instruction once accepted cannot be altered or cancelled without our agreement.

9 LIMIT OF LIABILITY, INDEMNITY AND INTEREST

- 9.1** Unless caused by our gross negligence, wilful misconduct or fraud, we are not liable for:
- 9.1.1** any delay or interruption in your having access to an account or service, or any inability to use an account or service;
 - 9.1.2** any loss, error, delay, misdirection, corruption or unauthorized alteration or interception of a message sent through the internet, telephone or any other means, or any unauthorized access to a service, account or information;
 - 9.1.3** (in the absence of our gross negligence) any failure to execute or error in executing your instructions;
 - 9.1.4** any error, malfunctioning, interruption, suspension or failure of any software, equipment or system;
 - 9.1.5** anything (including any computer virus) which may impair the functions of a computer system; or
 - 9.1.6** any loss or damage arising from termination of your Account or any service provided to you.
- 9.2** We are not liable for any loss caused by a third party, government, market disruption or any event beyond our control (including a Force Majeure Event). We are not liable for any act or omission unless due to our gross negligence, wilful misconduct or fraud. We are not obliged to account to you if our relevant office is prevented from acting.

- 9.3** Unless caused by our gross negligence, wilful misconduct or fraud, we are in any event not liable for any indirect, special, incidental or consequential damages caused by any event beyond our control (including a Force Majeure Event).
- 9.4** We have no duty to verify the validity or genuineness of any documents or the title to your property to be received or held by us.
- 9.5** We have no duty to enquire whether any person involved in the issue or management of any investment is performing its duties.
- 9.6** These limits of our liability operate to the extent permitted by applicable law.
- 9.7** You shall on demand fully and effectively indemnify us against any liabilities, losses, reasonable expenses and legal costs resulting from your settlement failures or other default or our provision of the services hereunder including without limitation our accepting in good faith any instructions placed by phone, fax, electronic means or any other means purportedly given by you to us.
- 9.8** You agree to pay interest on all overdue balances (including interest arising after a judgment is obtained against you) at such rates and on such other terms as we have notified you from time to time.
- 9.9** We may effect any necessary currency conversions for the purposes hereunder at the spot rate of exchange (as determined by us in our discretion) prevailing in the relevant foreign exchange market (as selected by us in our discretion) on the relevant date.

10 TERMINATION

- 10.1** You may terminate your Account after selling all the Paper Gold in the Account.
- 10.2** We may at any time terminate the Scheme (in good faith and in a commercially reasonable manner) by giving at least one month's prior written notice to you. We may at any time terminate your Account (in good faith and in a commercially reasonable manner) by giving at least one month's prior written notice to you.
- 10.3** Upon the occurrence of an Event of Default, we may immediately without prior notice designate a day as a termination date in respect of this Agreement and / or liquidate and close out any or all Transactions. In addition, upon the occurrence of any of the Events of Default described under Conditions 11.2.2 or 11.2.3, without prejudice to any rights that we may have, the Transactions shall be deemed terminated / liquidated.
- 10.4** Upon termination of the Scheme and/or your Account, if you could not sell the Paper Gold in the Account back to us before a termination date, the amount payable by us to you on such termination will be determined by us (in good faith and in a commercially reasonable manner) based on the prevailing price of the Paper Gold in your Account as of the termination date. As soon as reasonably practicable after the termination date, we will provide to you a statement showing, in reasonable detail, the calculations and any amount payable. Such amount will be payable on the day specified in the notice. Except as otherwise provided under these Conditions, neither party will be entitled to recover any damages for losses arising in connection with such calculations.
- 10.5** Termination of an account or a service will not affect accrued rights or obligations under this Agreement. Conditions 9 and 12 will survive such termination.

11 EVENTS OF DEFAULT

11.1 We will make payments and deliveries under each Transaction, subject to the condition precedent that no Event of Default set out in Condition 11.2 below has occurred.

11.2 The following events are Events of Default under this Agreement:

11.2.1 your failure to satisfy any obligation under this Agreement (including any Transaction entered into under this Agreement);

11.2.2 the presentation of a petition for your bankruptcy, winding-up or insolvency (or any analogous proceedings) or seeking any reorganization, arrangement, composition, re-adjustment, administration, bankruptcy, liquidation, dissolution or similar relief or you admitting in writing your inability to pay your debts as they become due;

11.2.3 the appointment of a receiver, administrator, nominee, liquidator or trustee or analogous officer over all or a material part of your property;

11.2.4 we reasonably determine in good faith that there has been a material adverse change in your circumstances, business, financial condition, legal status or capacity;

11.2.5 any representation made by you being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated;

11.2.6 if you are an individual, your death or becoming mentally incapacitated; and

11.2.7 it is or would be unlawful under any applicable law for you to comply with any material provision of this Agreement or any Transaction entered into under this Agreement.

12 SET-OFF AND LIEN

12.1 We are entitled, at any time without notice to you, to combine or consolidate any credit balances of your accounts with us and set-off, debit, withhold and / or transfer any sum thereof or any moneys, rights, interest and / or liabilities owing to you by us under any such accounts in or towards satisfaction of all your liabilities (whether actual or contingent, future or existing, alone or jointly with others) owing to us.

12.2 We are also authorised to exercise a lien over all your property which is in or coming into our possession or control, with power for us to sell such property and apply the proceeds of sale to satisfy the liabilities owed by you to us.

13 FEES AND CHARGES

We may vary or impose fees and charges in connection with each Transaction and/or your Account with at least one month's prior written notice.

14 CHANGES

14.1 We may change our services, the manner of operation, any requirements, time limits or monetary amounts, or impose restrictions, or suspend or withdraw any services. We may vary the name of a service. We may change our business hours or the hours during which a service is available. Except as otherwise provided in this Condition 14, such changes may be made without notice or liability.

14.2 We may change the scheduled trading means and the scheduled trading hours from time to time with at least one month's prior written notice to you.

14.3 We may change any terms, conditions, and rules applicable to a service or an account at any time in accordance with these Conditions and the Master Terms. If the changes affect fees, charges or your rights or obligations, the changes will take effect with at least one month's prior written notice to you, unless such changes are not within the Bank's control. In other cases, reasonable notice shall be given. Such notice may be given by such means as the Bank at its discretion sees fit. If you do not close your relevant account(s) prior to the effective date of any changes, you are deemed to have agreed to such changes.

15 MATERIAL INTEREST

15.1 When effecting Transactions for you, our affiliates or we may have a material interest in relation to the Transaction. For example, our affiliates or we may:

15.1.1 have a position in relation to the investments or are involved as issuer, manager, custodian, trustee or otherwise; or

15.1.2 match your order with those of other customers.

15.2 If we have an actual or potential conflict of interest in relation to a Transaction, we will not act unless we have disclosed that conflict to you and have taken all reasonable steps to treat you fairly.

15.3 We may have existing or future commercial or banking relationships with any person involved in the issue or management of any investment or their affiliates, and will pursue actions which we deem appropriate to protect our interests, without obligation to disclose or account to you, and regardless of whether such action might adversely affect you.

16 MISCELLANEOUS

16.1 We may do or refrain from doing anything that we believe is required in order to comply with any laws, regulations, rules and practices, including the rules, codes, guidelines and practices of regulatory authorities, the Hong Kong Association of Banks, exchanges and clearing houses. All such actions and omissions bind you.

16.2 We may destroy any document or record relating to your Account after recording it in a manner determined by us. Records will only be retained for the period determined by us.

16.3 No failure or delay by us to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Any remedies provided to us herein are not intended to be exclusive of any other remedy and each and every remedy shall be cumulative and in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity, by statute or otherwise.

16.4 Time is of the essence in respect of anything to be done by you under each Transaction.

16.5 Your rights and obligations hereunder and in each Transaction may not be transferred, mortgaged or charged to any third party without our prior written consent. Subject to the foregoing, these Conditions and each Transaction shall be binding upon and shall inure to the benefit of the parties and their respective estates, heirs, successors and assigns.

16.6 If the Customer consists of 2 or more persons, the obligations of the Customer are joint and several, and the powers of the Customer are joint. We may notify the Customer by notifying any one of the Customers. We may accept instructions from, give receipts to and for all

purposes deal with any one of the Customers unless we have received written instructions to the contrary. Our payment of cash or delivery of securities / units to any one of the Customers discharges our obligations to all of the Customers. Without affecting our rights against any of the Customers, we may compound or vary the obligations of or grant time or other indulgence to any of them.

- 16.7** These Conditions, the Master Terms and each Confirmation constitute the entire agreement of the parties with respect to its subject matter and supersede all prior writings and oral communications with respect thereto. The provisions of any other written agreements made between you and us shall apply in addition to these Conditions.
- 16.8** In this Agreement, the singular includes the plural and vice versa unless the context otherwise requires.
- 16.9** If any term or condition or part thereof is invalid, all other terms and conditions remain in full force and effect.
- 16.10** In case of inconsistency between the English and Chinese versions of these Conditions, the English version shall prevail.
- 16.11** A person who is not a party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong).
- 16.12** This Agreement and each Transaction are governed by the laws of Hong Kong. The parties submit to the non-exclusive jurisdiction of the Hong Kong courts.