



Terms and Conditions of Service – U.S. Fractional Share trading and entitlements

KGI Asia Limited (“KGI Asia”) enables its clients to purchase, sell or otherwise deal in and hold fractions (rather than whole shares) of certain U.S. stocks and U.S. exchange traded funds (ETFs) which are traded or listed on stock exchanges or markets in the United States of America (“U.S. Fractional Shares”).

Irrespective of whether a client conducts any transactions in U.S. Fractional Shares through KGI Asia or not, the terms and conditions below are applicable to any dealing in or entitlements to any U.S. Fractional Shares under the account held by the client with KGI Asia.

1. Capacity – In connection with any transactions in U.S. Fractional Shares, KGI Asia will generally act as an agent on behalf of its clients and pass the clients’ orders to execution brokers for execution. Orders for whole shares will continue to be handled by KGI Asia in an agency capacity. The clients’ U.S. Fractional Shares will generally be segregated in KGI Asia’s books and records in the same manner and to the same extent as whole shares held by such clients.
2. Transfer of U.S. Fractional Shares – While clients maintain complete day-to-day control of any U.S. Fractional Shares in their accounts, U.S. Fractional Shares are not transferable to another broker or custodian. If a client wants to transfer the holdings in an account to another brokerage firm or custodian, the U.S. Fractional Shares cannot be transferred and will need to be liquidated before transfer, which may have tax consequences and will result in commission charges and then, the client may transfer the remaining whole share quantities.
3. Available Order Types – KGI Asia will only accept limit orders and such other order types as KGI Asia may approve from time to time for trading U.S. Fractional Shares. In the event that a client chooses to place an order with a fractional share component that is not supported by KGI Asia, the fractional share component may not be executed at all on the market.
4. Voting Rights – Clients will not have voting rights in respect of any U.S. Fractional Shares held in their accounts and will not be able to make voluntary elections on any corporate actions (including, without limitation, any tender offers or rights offerings) with respect to any U.S. Fractional Shares, and KGI Asia cannot provide clients with any shareholder documentation for any holdings of less than one share.
5. Corporate Actions – Clients will receive payments of cash dividends and participate normally in any stock splits, mergers or other mandatory corporate actions. In respect of share dividends and other distributions in the form of shares accruing from any securities held in the clients’ accounts, such shares will be handled in the following manner:
 - (a) If as a result of any dividends or other distributions, a client is entitled to any U.S. Fractional Shares, the client authorizes KGI Asia to hold, retain, sell or otherwise deal with such U.S. Fractional Shares for KGI Asia’s own account and benefit and retain any benefits, profits and proceeds resulting from such sale or dealing in its sole discretion without accounting to the client for the same, subject to the applicable laws, rules and regulations.

Without prejudice to the aforesaid, to the extent that it is in the opinion of KGI Asia practicable to sell such U.S. Fractional Shares on any U.S. stock exchanges or markets, KGI Asia may (but is not obliged to) credit the client’s account with an amount of money representing the value of such U.S. Fractional Shares which is determined in KGI Asia’s sole discretion. In this connection, the client agrees not to make any demands or claims (if any) against KGI Asia if, for any reason, KGI Asia does not so credit the client’s account. Furthermore, the client agrees to waive and give up all rights, entitlements and benefits in respect of such U.S. Fractional Shares.
 - (b) Where KGI Asia receives any whole shares of U.S. stocks or U.S. ETFs by way of dividends or other distributions, KGI Asia will credit such whole shares of U.S. stocks or U.S. ETFs to the client’s account.
 - (c) For the avoidance of any doubts, where KGI Asia receives any dividends or other distributions comprising a whole-share component together with a fractional share component of U.S. stocks or U.S. ETFs, the whole shares will be credited to the client’s account and the fractional share component will be handled in manner as set out in paragraph 5(a) above.
6. Five-Decimal Place Recording – KGI Asia generally records the quantities of the U.S. Fractional Shares traded or otherwise held in a client account down to five decimal places.

(If there is any inconsistency between the Chinese and the English versions, the English version shall prevail.)



服務條款及條件 – 美國碎股的交易及權益

凱基證券亞洲有限公司（「**凱基亞洲**」）讓客戶能夠購買、出售或以其他方式處置及持有在美利堅合眾國證券交易所或市場上買賣或上市的若干美國股票及美國交易所買賣基金（ETFs）的碎股份（並非完整股份）（「**美國碎股**」）。

不論客戶是否透過凱基亞洲進行美國碎股的任何交易，以下條款及條件均適用於客戶在凱基亞洲持有的賬戶下任何美國碎股的任何交易或權益。

1. 身份 – 有關美國碎股的任何交易，凱基亞洲一般會以代理的身份代表客戶行事，並將客戶的指令轉交予執行經紀執行。完整股份的指令將會繼續由凱基亞洲以代理身份處理。客戶的美國碎股一般會以與該等客戶持有的完整股份的相同方式及相同程度在凱基亞洲的賬簿及記錄中分開記賬。
2. 美國碎股的轉移 – 儘管客戶就其賬戶中的任何美國碎股均保持全面的日常管理及控制，但美國碎股概不可轉移給其他經紀或託管人。倘客戶欲將賬戶的持股轉移至另一間經紀公司或託管人，則美國碎股將不能夠被轉移並且將需要在轉移前變現，而這或會產生稅務後果及佣金收費，其後客戶方可轉移餘下的完整股份數量。
3. 可提供下單類別 – 凱基亞洲將僅接受限價下單及凱基亞洲可能不時批准作買賣美國碎股的其他下單類別。倘客戶選擇就凱基亞洲不支援的碎股部分下單，則碎股部分可能不會在市場上執行。
4. 投票權 – 客戶將不會就其賬戶中持有的任何美國碎股擁有投票權，並且將不能夠就任何美國碎股的任何公司行動（包括但不限於任何收購要約或供股）作出自願選舉，以及凱基亞洲不能向客戶提供有關持有少於一股股份的任何股東文件。
5. 公司行動 – 客戶將收到現金股息付款，並會正常參與任何股票分拆、合併或其他強制性公司行動。就於客戶賬戶持有的任何證券產生的股份股息及其他以股份形式作出的分派，該等股份將按以下方式處理：

- (a) 倘因任何股息或其他分派，客戶有權獲得任何美國碎股，則客戶授權凱基亞洲為凱基亞洲本身賬戶及利益持有、保留、出售或以其他方式處理該等美國碎股，並可自行決定保留該等出售或交易產生的任何利益、溢利及所得款項，而毋需就此向客戶說明，惟須遵守適用的法律、規則及法規。

在不影響上述事宜的情況下，倘凱基亞洲認為在任何美國證券交易所或市場出售該等美國碎股屬可行的情況內，凱基亞洲可以（但並無責任）將凱基亞洲全權酌情決定相當於該等美國碎股價值的金額存入客戶的賬戶。就此而言，倘凱基亞洲因任何原因而未有存入款項至客戶的賬戶，則客戶同意不會向凱基亞洲提出任何要求或索賠（如有）。此外，客戶同意放棄有關該等美國碎股的所有權益、權利及利益。

- (b) 倘凱基亞洲通過股息或其他分派的方式接收任何完整買賣單位的美國股票或美國交易所買賣基金，則凱基亞洲會將該等完整買賣單位的美國股票或美國交易所買賣基金入賬至客戶的賬戶。
 - (c) 為免生疑問，倘凱基亞洲收到的任何股息或其他分派包括美國股票或美國交易所買賣基金的完整買賣單位部分連同碎股部分，則完整買賣單位部分將入賬至客戶的賬戶，而碎股部分將按上文第 5(a) 段所述的方式處理。
6. 按小數點後五個位記錄 – 凱基亞洲一般會將在客戶賬戶中交易或以其他方式持有的美國碎股數目記錄至小數點後五個位。

(如中英文版本有任何歧義，概以英文版本為準。)