
GLOSSARY OF TECHNICAL TERMS

This glossary contains explanations of certain terms used in this document in connection with our Company and our business. These terminologies and their given meanings may not correspond to those standard meanings and usage adopted in the industry.

“active account” or “active client” or “active margin client”	clients whose accounts recorded at least one trading activity, for purchase and/or sale of securities, broking transaction, in the past twelve months
“AMS” and “AMS/3.8”	Automatic Order Matching and Execution System, an electronic stock trading system of the Stock Exchange, the first generation of which was implemented in 1993 and is currently in its third generation
“Android”	an operating system developed and maintained by Google Inc., an Independent Third Party, and used in touchscreen technology including, smartphones and tablets
“AUM”	asset under management
“B shares”	foreign invested shares that are traded on the Shanghai Stock Exchange or Shenzhen Stock Exchange in U.S. dollars or Hong Kong dollars
“blue-chip”	listed securities that are constituent stocks of the Hang Seng Index
“BSS”	the Broker Supplied System, being a front office solution either developed in-house by the Stock Exchange Participant or a third-party software package acquired from commercial vendors, enabling the Stock Exchange Participant to connect its trading facilities to the Open Gateway to conduct trading
“China Connect Clearing Participant”	a CCASS Broker Participant or a CCASS Clearing Participant which is registered as a China Connect Clearing Participant by HKSCC
“China Connect Exchange Participant”	a Stock Exchange Participant which is registered as a China Connect Exchange Participant by the Stock Exchange
“Chinese wall”	theoretical barrier to ensure that non-public material information regarding listed companies which is obtained in one department is not released to another department. The Chinese wall aims to isolate those persons who make investment decisions from those who are privy to non-public material information which may influence those decisions
“Code of Conduct”	the Code of Conduct for Persons Licensed by or Registered with the SFC

GLOSSARY OF TECHNICAL TERMS

“FATCA”	the Foreign Account Tax Compliance Act
“FFI”	foreign financial institution
“high net worth client”	client with investment portfolio exceeding HK\$1 million
“Internet”	a global system of interconnected computer networks linked by numerous electronic and optical networking technologies for conveying information, resources and services
“IGA”	the intergovernmental agreement signed between Hong Kong and the U.S. for implementation of FATCA
“IPO”	initial public offering
“iOS”	a mobile operating system developed and maintained by Apple Inc., an Independent Third Party, and used exclusively in its mobile device products with touchscreen technology
“IRS”	the U.S. Internal Revenue Service
“ISO”	an acronym for a series of quality management and quality assurance standards published by International Organisation for Standardisation, a non-government organisation based in Geneva, Switzerland, for assessing the quality systems of business organisations
“ISO 9001”	ISO 9001 is an internationally recognised standard for a quality management system. It aims at the effectiveness of the quality management system in meeting client requirements. It prescribes requirements for ongoing improvement of quality assurance
“Open Gateway”	a Windows-based device provided by the Stock Exchange and installed at the Stock Exchange Participants’ office to facilitate electronic interface of the AMS/3.8 with front office systems operated by the Stock Exchange Participant
“Stock Exchange Participants”	corporation(s) licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO who, in accordance with the rules of the Stock Exchange, may trade on or through the Stock Exchange and whose name(s) is/are entered in a list, register or roll kept by the Stock Exchange as person(s) who may trade on or through the Stock Exchange
“Stock Exchange Trading Right”	a right to be eligible to trade on or through the Stock Exchange as an Exchange Participant and entered as such a right in a list, register or roll kept by the Stock Exchange
“T+2”	two trading days from the relevant transaction day