

AGREEMENT FOR
Virtual Asset Dealing Services
Version Series Number: VA202507

THIS AGREEMENT is made between:

- (A) **GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED** whose registered office is at 27th Floor, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong (hereinafter referred to as "**GTJAS**"); and
- (B) the undersigned client(s) whose name(s) as appeared on the signatory page of the Account Opening Form (hereinafter referred to as the "**Client**").

WHEREAS

- (1) This Agreement shall be read in conjunction with and as a supplement to the Client Agreement for Securities Trading entered into by the Client and GTJAS or the Terms and Conditions for Securities Trading for Institutional Professional Investor Client (collectively, the "**Client Agreement for Securities Trading**"). Where any conflict arises between the provisions of the Client Agreement for Securities Trading and this Agreement, the provisions of this Agreement shall prevail.
- (2) The Client is desirous and agreeable to open a virtual asset account with GTJAS to invest and deal in virtual assets. In consideration of GTJAS' provision of Virtual Asset Dealing Services (as defined below) to the Client under an omnibus account arrangement, the Client hereby agrees to abide by the following terms and conditions.

NOW IT IS HEREBY AGREED as follows:-

1. Definitions and interpretation

- 1.1 Capitalized terms used in this Agreement (including the Appendix) have the same meanings as in the Client Agreement for Securities Trading unless otherwise defined in this Agreement. For the avoidance of doubt, reference to "virtual assets" in the Account Opening Form shall have the same meaning as the definition of "virtual assets" in this Agreement.
- 1.2 Reference to "**Securities**" or "**securities**" in the Client Agreement for Securities Trading shall be construed as to include "**virtual assets**", where applicable, for the purposes of this Agreement.
- 1.3 Reference to "**Account**" in the Client Agreement for Securities Trading is deemed to include the virtual asset account as established pursuant to this Agreement.
- 1.4 Reference to "**Transaction**" in the Client Agreement for Securities Trading shall be construed as to include any executed Instruction involving virtual assets and/or the allocation, acquisition and disposal of virtual assets, where applicable, for the purposes of this Agreement.
- 1.5 In this Agreement, the following terms shall bear the following meanings:-

"**AMLO**" means the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap.615).

"**client money**" means any money received or held by or on behalf of GTJAS, which is so received or held on behalf of the Client or in which the Client has a legal or equitable interest, and includes any accretions thereto whether as capital or income.

"**client virtual asset**" means any virtual asset received or held by or on behalf of GTJAS, which is so received or held on behalf of the Client or in which the Client has a legal or equitable interest, and includes any rights thereto.

"**Code of Conduct**" means the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission issued by the SFC, as supplemented and updated from time to time.

"**Complex Product**" refers to an investment whose terms, features and risks are not reasonably likely to be understood by a retail investor because of its complex structure, having regard to the factors set out in paragraph 5.5 of the Code of Conduct.

"**Qualified Corporate Professional Investor**" refers to corporate professional investor which has passed the assessment requirements under paragraph 15.3A and gone through the procedures under paragraph 15.3B of the Code of Conduct.

"**SFC-licensed platform**" or "**VA trading platform**" means a virtual asset trading platform operated by an operator which is licensed by the SFC pursuant to section 116 of the SFO and/or section 53ZRK of the AMLO.

"**VA Custodian Account**" has the meaning ascribed to it in clause 3.1.

"**virtual asset**" or "**VA**" means any virtual assets as defined in section 53ZRA of the AMLO.

"**Virtual Asset Dealing Services**" means any virtual asset dealing services provided by GTJAS to purchase, invest in, sell, exchange or otherwise dispose of and generally deal in and with all kinds of virtual assets on the Client's behalf through operating one or more omnibus accounts established and maintained with an SFC-licensed platform.

"**Website**" means the official website of GTJAS, or any mobile application or electronic platforms operated and

maintained by GTJAS in relation to the Virtual Asset Dealing Services.

2. Services and transactions

- 2.1 GTJAS will provide Virtual Asset Dealing Services to the Client in respect of its business in Type 1 regulated activity as defined under the SFO.
- 2.2 GTJAS will only execute Transactions for the Client on the platform of the SFC-licensed platform. Please refer to GTJAS' Website for the name and website of the SFC-licensed platform through which the Client's Transactions are executed and settled and the list and relevant information of virtual assets available for trading.
- 2.3 GTJAS will accept the Client's order to buy or sell a virtual asset only if the Client has sufficient fiat currencies and/or virtual assets in the Account to meet the Client's obligations under the proposed trade, inclusive of any applicable fees and charges. Short selling of virtual assets is prohibited in the Account.
- 2.4 GTJAS and members of the GTJA Group do not provide margin facility or any other financial accommodation for the Client to acquire virtual assets.
- 2.5 The Client acknowledges that:
 - (a) GTJAS may not enable the Account to trade all virtual assets that are available to trade on an SFC-licensed platform(s);
 - (b) If the Client is not a Professional Investor, the Client will only be able to trade those virtual assets which are available for trading by retail investors on the SFC-licensed platform; and
 - (c) GTJAS may, in its absolute discretion, refuse any application to open an Account, refuse a Client's access to any of the Virtual Asset Dealing Services, choose not to accept an Instruction to trade virtual assets at any time and for any reason (including without limitation, if the Client's Instructions will exceed such limits as mentioned below in clause 2.6, if GTJAS detects that the Client's IP address is in a jurisdiction which prohibits or restricts trading virtual assets, or if GTJAS is of the view that the Client does not satisfy all applicable laws and/or does not fulfil any requirements or complete all procedures imposed by GTJAS from time to time), or impose any limits, restrictions or conditions to the Account or the provision of the Virtual Asset Dealing Services to the Client.
- 2.6 Except where the Client is an Institutional Professional Investor or a Qualified Corporate Professional Investor, GTJAS will assess the Client's risk tolerance level, financial situation (including net worth) and personal circumstances and require the Client to pass a virtual asset knowledge assessment and/or complete prescribed training in relation to virtual asset trading, before offering the Virtual Asset Dealing Services to the Client. The Client acknowledges and agrees that any limits and controls imposed by GTJAS shall solely be for GTJAS' protection and accordingly, GTJAS will not be in any way whatsoever be responsible for monitoring or ensuring the Client's compliance with any limits imposed by all applicable laws or by any party. In addition, GTJAS may set a trading limit and/or position limit for the Account. The Client shall indemnify GTJAS against any loss, damage, costs, charges or expenses as a result of the Client's breach of any limits or controls imposed by GTJAS pursuant to this Clause 2.6.
- 2.7 If GTJAS solicits the sale of or recommends any product including any virtual assets to the Client, the product must be reasonably suitable for the Client, having regard to the Client's financial situation, investment experience and investment objectives. No other provision of this Agreement or any other document GTJAS may ask the Client to sign and no statement GTJAS may ask the Client to make derogates from this clause. For the avoidance of doubt, this clause 2.7 shall not apply where the Client is an Institutional Professional Investor or a Qualified Corporate Professional Investor.
- 2.8 For Instructions in relation to orders in virtual assets which are placed by the Client directly on GTJAS' Website or directly to staff of GTJAS for onward passing to the SFC-licensed platform for execution, GTJAS is not required to ensure that the Transaction is suitable for the Client, if there has been no solicitation or recommendation made by GTJAS.
- 2.9 According to the terms of business between GTJAS and the SFC-licensed platform(s), the SFC-licensed platform with which GTJAS maintains its omnibus account has ultimate decision in relation to the treatment of rights, such as voting rights as well as rights to participate in network events, including but not limited to airdrops and hard forks, arising out of ownership of virtual assets. Provided that the SFC-licensed platform has notified GTJAS the occurrence of any network event (if scheduled in advance and made known to the public), GTJAS will, where applicable, inform the Client as soon as practical upon receiving notification from the SFC-licensed platform as to whether the Client is entitled to certain rights arising out of its ownership of a virtual asset, and how these rights may be exercised or handled by the SFC-licensed platform, unless to do so is impossible or reasonably impracticable.
- 2.10 The Client acknowledges that the actual date on which virtual assets purchased by the Client are credited to its Account may differ due to various factors, including but not limited to, the discretion exercised by the issuer of such virtual

assets, as well as the transfer procedures of the relevant SFC-licensed platform through which the Client's Transactions are executed and settled.

2.11 The acceptance and execution of all Instructions relating to Transactions are subject to the cut-off/trading times, rules and requirements set by the SFC-licensed platform and/or GTJAS. Please refer to GTJAS' Website for the service/trading hours and other trading and operational matters in relation to the Virtual Asset Dealing Services.

2.12 Without prejudice to any other rights or remedies available to GTJAS under the Client Agreement for Securities Trading or under law, in the event that GTJAS suspects or becomes aware of any actual or potential market manipulative or abusive trading activities or other illegal or suspicious activities by the Client, GTJAS has the right to immediately suspend or terminate the Account or any Transaction without prior notice to the Client and shall not be liable for any loss or damages caused by such suspension or termination. Further, GTJAS shall be entitled to report such actual or potential activities to applicable regulators and authorities. The Client shall fully indemnify GTJAS against any loss suffered as a result of the Client's actual or potential market manipulative or abusive trading activities or other illegal or suspicious activities.

2.13 Notwithstanding any contrary provisions in the Client Agreement for Securities Trading, GTJAS may in its sole and absolute discretion, from time to time and without notice or reason to the Client:

- (a) amend, modify, suspend or terminate the operation of the Virtual Asset Dealing Services and/or the terms of use for such Virtual Asset Dealing Services;
- (b) suspend or terminate the access of the Client to or use of the Virtual Asset Dealing Services; and/or
- (c) deactivate the Account,

and shall not be liable to the Client for any loss, damage, costs, charges or expenses which may be suffered by the Client consequent upon any of the above actions.

2.14 The Client expressly agrees that, after GTJAS has effected a Transaction for the Client, GTJAS is not required to confirm promptly the essential features of the Transaction with the Client in accordance with paragraph 8.2 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission, although GTJAS may continue to confirm such features with the Client by way of electronic mail, short message service (SMS) or other electronic notifications from GTJAS.

3. Custodial arrangements

3.1 The Client acknowledges that, unless otherwise required by the provisions of the SFO and any applicable laws and regulations, GTJAS will:

- (a) maintain one or more omnibus accounts (designated as a trust or client account) with one or more SFC-licensed platform(s) for holding client virtual assets for the Client;
- (b) with respect to client money received by GTJAS in Hong Kong, maintain one or more segregated bank accounts with an authorized financial institution in Hong Kong for holding such client money;
- (c) with respect to client money received by GTJAS in any other jurisdiction, maintain one or more segregated bank accounts with an authorized financial institution in Hong Kong or another bank in another jurisdiction as agreed by the SFC from time to time for holding such client money;
- (d) with respect to client virtual assets received by GTJAS, hold such client virtual assets on trust for the Client in segregated accounts established and maintained with an SFC-licensed platform, an authorized financial institution which meets the expected standards of virtual asset custody issued by the Hong Kong Monetary Authority ("HKMA") from time to time, or with an SFC-licensed/registered virtual asset custodian service provider (each a "**VA Custodian Account**"); and
- (e) for so long as there exists any indebtedness to GTJAS on the part of the Client, refuse any withdrawal of money in the Client's Account and the Client shall not without consent of GTJAS withdraw any such money.

3.2 The Client acknowledges that, so far as client virtual assets stored in VA Custodian Account(s) with SFC-licensed platform(s) are concerned, these SFC-licensed platforms are required to comply with relevant guidelines from the SFC, including without limitation: (a) the minimum required percentage of client virtual assets stored in cold storage (such as Hardware Security Module (HSM)-based cold storage) except under limited circumstances permitted by the SFC on a case-by-case basis with remaining in hot and other storages (i.e., online environments which provide an interface with the internet), and they are required to implement required security measures to ensure security of client virtual assets; and (b) the compensation arrangement approved by the SFC to cover potential loss of client virtual assets. So far as client virtual assets stored in VA Custodian Account(s) with authorized financial institution are concerned, they are required to comply with relevant requirements of the Hong Kong Monetary Authority from time to time.

3.3 The Client agrees and acknowledges that no income, interest or return will be generated from any client virtual asset credited to the Client's Account.

3.4 The Client acknowledges the following risk disclosures in relation to custodial arrangements:

- (a) Client virtual assets may not enjoy the same protection as that conferred on "client securities" under the SFO and the Securities and Futures (Client Securities) Rules (Cap. 571H).
- (b) Client money (as defined in this Agreement) may not enjoy the same protection as that conferred on "client money" under the SFO and the Securities and Futures (Client Money) Rules (Cap. 571I).

4. Authorization in respect of client money and client virtual assets

4.1 Without prejudice to any other authority, right or remedy available to GTJAS and in addition to any standing authority and any other authority that the Client has previously granted to GTJAS in respect of any asset held or received on the Client's behalf, the Client hereby agrees to give a standing authority to GTJAS to authorize GTJAS, in its sole discretion, to deal with client money and client virtual asset (as the case may be) as follows:

4.1.1 In relation to client money:

- (a) pay/transfer the client money to the Client's Accounts held with GTJAS (including without limited to securities trading accounts or virtual assets trading accounts) and/or to Client's other trading accounts held with any member of the GTJA Group for the purpose of trading, settlement, satisfying margin requirements, settling any liabilities owed by the Client to GTJAS and/ or any member of the GTJA Group or meeting any obligations of the Client under or pursuant to any agreement and/or documents between the Client on the one part and GTJAS and /or any member of the GTJA Group on the other part, whether such liabilities and obligations are actual, contingent, primary or collateral, secured or unsecured, or joint or several;
- (b) pay/transfer the client money from the Client's Accounts held with GTJAS: (i) to other execution brokers, or banks in Hong Kong or elsewhere for the purpose of trading, settlement or satisfying margin requirements in respect of the Client's dealing in securities, futures or foreign exchange contracts (where applicable) in Hong Kong or elsewhere through that broker or bank; or (ii) to SFC-licensed platforms (including any omnibus account maintained with SFC-licensed platforms) in order to meet the Client's obligations, whether existing at the time of transfer or contemplated in the future, in respect of any Transaction that the Client carries out or intends to carry out;
- (c) deposit any sum of client money into, or transfer any sum of client money interchangeably between, any segregated bank accounts (and other bank accounts outside Hong Kong) opened and maintained at any time by GTJAS and the omnibus accounts maintained by GTJAS with any SFC-licensed platform, even in the absence of any Instruction for any Transaction; and
- (d) exchange the client money into any other currency(ies) under such rate of exchange as conclusively determined by GTJAS at its absolute discretion.

4.1.2 In relation to client virtual asset:

- (a) instruct the SFC-licensed platform as GTJAS may in its absolute discretion deem fit to execute any Transactions, under the terms of business and the applicable rules of the relevant SFC-licensed platform through which such Transactions are executed and settled;
- (b) transfer any of client virtual assets interchangeably between any VA Custodian Accounts;
- (c) transfer any client virtual assets to or from the VA Custodian Account(s) for the purpose of trading and settlement in respect of the Client's dealing in VA-related products; and
- (d) deposit, transfer, lend, pledge, repledge, exchange the client virtual asset into any other virtual asset(s) under such rate of exchange as conclusively determined by GTJAS at its absolute discretion or otherwise deal with or create encumbrance over client virtual assets for the purpose of trading, settlement, satisfying margin requirements, settling any liabilities owed by the Client to GTJAS and/ or any member of the GTJA Group or meeting any obligations of the Client under or pursuant to any agreement and/or documents between the Client on the one part and GTJAS and/ or any member of the GTJA Group on the other part, whether such liabilities and obligations are actual, contingent, primary or collateral, secured or unsecured, or joint or several.

4.2 Provided standing authority is obtained from the Client, GTJAS may do any of these things above without giving notice to or obtaining confirmation/Instruction from the Client. This Agreement constitutes such standing authority. **This standing authority is valid for a period of 12 months only, effective from the date of signing this Agreement.**

4.3 The Client has the right to revoke this standing authority by giving GTJAS not less than fourteen (14) days' prior written notice (starting from the date of GTJAS's actual receipt of such notice), provided that the Client has no outstanding debts owed to GTJAS or any member of the GTJA Group at that time. If the Client requests for revocation of such standing authority, GTJAS reserves the right to terminate this Agreement and operations of the Account(s).

4.4 The standing authority granted herein, which is not revoked prior to its expiry:

- (a) may be renewed for one or more further periods not exceeding 12 months at any one time, with the written consent of the Client; or
- (b) shall be deemed renewed for 12 months if at least 14 days prior to the expiry of the standing authority granted in this clause 4, GTJAS sends a notice to the Client stating that such standing authority shall be deemed renewed upon expiration upon the same terms and conditions as specified above unless the Client objects and the Client does not object to the renewal prior to its expiration.

4.5 The Client hereby agrees to indemnify, and to keep indemnified, GTJAS from and against all and any losses, damages, interests, costs, expenses, actions, demands, claims and/or proceedings of whatsoever nature which GTJAS may incur, suffer and/or sustain as a consequence of any act, transfer and/or transaction done or undertaken pursuant to the standing authority granted under this clause 4.

5. Fees and charges for virtual asset trades

GTJAS may charge fees/commissions for the provision of Virtual Asset Dealing Services. Please refer to GTJAS' Website for details of fee structure for Virtual Asset Dealing Services. GTJAS reserves the right to amend such fees and charges from time to time by giving the Client reasonable notice of the changes in writing via any reasonable mode of communication, including, without limitation, by posting notice of such amendments on GTJAS' Website or by sending a written notice by letter, email or short message service to the Client.

6. Representation and warranty

6.1 The Client represents and warrants that:

- (a) the Client is the sole and beneficial owner of the virtual assets that the Client purchases and enters into the Transaction as principal and not as a nominee or agent for any other person;
- (b) the Client understands the nature and terms of the Transactions contemplated under this Agreement and is capable of assuming, and do assume, all risks associated with this Agreement and any Transaction;
- (c) the Client has considered his own circumstances, including but not limited to his financial situation, and made his own independent decision to enter into this Agreement and the Transactions, and that each Transaction is appropriate, suitable and proper for him based on his own judgment and on advice from independent advisers he has considered it necessary;
- (d) the Client has obtained all necessary authorizations, approvals and consents from any applicable government or regulatory body or authority for any Transactions and has complied with all relevant laws and regulations of such body and authority, and the Client's jurisdiction does not prohibit or restrict trading in virtual assets or any obligations under this Agreement;
- (e) the Client has read, understood and accepted the product information, risk disclosure statements (including those in the Appendix to this Agreement), terms and conditions of the standing authority herein and other functional, technical and explanatory documentation regarding the Virtual Asset Dealing Services and the Client agrees to bear the risks related to the Virtual Asset Dealing Services provided;
- (f) the Client understands and accepts that any information provided by GTJAS, whether or not solicited, is provided to the Client for the Client's information and reference only. GTJAS is, subject to applicable laws, under no obligation to update any information that may have been furnished to the Client. Any events occurring after such information is given may render such information no longer current, and that there can be no assurance that the virtual asset will perform in accordance with such information;
- (g) the Client has sufficient knowledge and experience of virtual assets, blockchain technology, cryptography and smart contracts and is aware of the nature, features and risks associated with the virtual asset class;
- (h) the Client understands and accepts that it is the responsibility of the Client to abide by local laws in relation to the legal usage of the Virtual Asset Dealing Services in his local jurisdiction. The Client must also consider, to the extent relevant under his local law, all aspects of taxation, withholding, collection, reporting and remittance to his appropriate tax authorities; and
- (i) the Client acknowledges and declares that the source of his funds comes from a legitimate manner and is not directly or indirectly derived from any criminal, illegal or fraudulent activities. The Client understands and accepts that GTJAS maintains a stance of cooperation with law enforcement authorities globally and will not hesitate to seize, freeze, or terminate the Client's Account and funds of Clients which are flagged or investigated by legal mandate.

6.2 Should any representations or warranties that the Client has provided under this Agreement cease to be true in any manner at any time, the Client must notify GTJAS in writing immediately and acknowledge that GTJAS may, upon receipt of such notice, at GTJAS' absolute discretion, choose to suspend or terminate the Account without any prior notice.

7. Exclusion of liability and indemnity

To the maximum extent permitted by applicable laws, GTJAS shall not be liable to the Client or any other person for any loss (including indirect or consequential loss), cost or damage of any kind, arising from or attributable to (a) the exercising of any or all of GTJAS' right or for taking or not taking any action (including any legal action or proceeding) in connection with any Transaction, (b) the insolvency of any issuer of any virtual assets, any SFC-licensed platform or any other custodian, or (c) any hacking or default of such issuer(s), such SFC-licensed platform(s) with which GTJAS maintains an omnibus account, or such custodian(s) with which client virtual assets are kept. The Client expressly waives any claim or any action against GTJAS and agrees to fully indemnify and hold harmless GTJAS and its directors, officers, employees and agents from and against any loss, liability, damage, costs (including legal costs) or proceedings that any of them may incur directly or indirectly in connection with the provision of the Virtual Asset Dealing Services to the Client at his request, accepting the Client's Instruction and acting thereon.

In the event of (a) the insolvency of any SFC-licensed platform or any other custodian, (b) any hacking or default (including embezzlement or theft) of such SFC-licensed platform(s) with which GTJAS maintains an omnibus account, or such custodian(s) with which client virtual assets are kept, or (c) any events in relation to the aforesaid entities causing loss to any client virtual assets or any client money which are not attributable to the default of GTJAS, GTJAS will only be obliged to return client virtual assets and client money held with such SFC-licensed platform(s) or custodian(s) if and to the extent that those money, virtual assets or equivalent are recovered by GTJAS from such SFC-licensed platform(s) or custodian(s), or any relevant insurer(s). In respect of the assets belonging to the Client that are recovered under this clause 7, under no circumstances will GTJAS be required to return any client money or client virtual assets that is more than the amount of money or virtual assets that GTJAS can recover and actually receive from such SFC-licensed platform(s) and custodian(s), or any relevant insurer(s), on behalf of the Client.

8. Governing law and jurisdiction

This Agreement shall be governed by, interpreted and construed in accordance with the laws of Hong Kong. The Client irrevocably submits to the exclusive jurisdiction of the Hong Kong courts.

9. General provisions

9.1 Clause 13 of the Client Agreement for Securities Trading shall apply to this Agreement *mutatis mutandis*.

9.2 The Client confirms that the Client has read the English or Chinese version of this Agreement and that the contents of this Agreement have been fully explained to the Client in a language which the Client understands, and that the Client accepts this Agreement in its entirety. In the event that there is inconsistency between the English version and the Chinese version of this Agreement, the English version shall prevail.

Appendix
Risk Disclosure Statements relating to Virtual Assets

1. GENERAL RISK STATEMENTS

1.1. Volatility risks

The extreme volatility and unpredictability of the price of virtual asset relative to other virtual asset or fiat currencies may result in a total loss of the investment over a short period of time. Such fluctuations could affect the price of any virtual assets. Any virtual asset may decrease in value or lose all of its value due to various factors including discovery of wrongful conduct, market manipulation on trading, lending or other dealing platforms (due to the unregulated status of many virtual assets and trading, lending or other dealing platforms of these virtual assets), change to the nature or properties of the virtual asset, governmental or regulatory activity, legislative changes, suspension or cessation of support for a virtual assets by SFC-licensed platforms or service providers, public opinions, or other factors outside of GTJAS' control. Technical advancements, as well as broader economic and political factors, may cause the value of virtual assets to change significantly over a short period of time. Virtual assets are highly risky, and the Client should exercise caution when trading with any virtual assets.

1.2. Issuer default risks

Unless expressly stated otherwise, GTJAS does not issue virtual assets. Virtual assets are issued by third parties. Clients should read the relevant terms, offering document, whitepaper, information, risk disclosures and other documents provided by the issuers carefully before entering into any Transaction. The Client should note that the offering document, whitepaper or product information provided by the issuer have not been subject to scrutiny by any regulatory body, including any regulators in Hong Kong.

For any virtual assets authorized by a regulator, the Client should note that authorization does not imply any official recommendation or endorsement of the virtual asset, nor does it guarantee the commercial merits of such virtual asset or its performance.

In the event that a virtual asset issuer becomes insolvent and defaults on their issued products, the Client may be considered as unsecured creditor and may have no preferential claims to any assets of the issuer. The Client should therefore pay close attention to the financial strength and credit worthiness of issuers and conduct his own assessment on the potential of the project. Since virtual assets are not legal tender and virtual asset products are not backed by any government and authorities, in the event of the bankruptcy, administration or liquidation of the issuer or the cessation of operations of the issuer, the virtual asset products issued by the issuer may no longer have any value, and the Client can lose their entire investment. GTJAS makes no representations or warranties about whether any virtual asset will always continue to trade in an SFC-licensed platform. Any virtual asset is subject to delisting by an SFC-licensed platform without prior notice and in the sole discretion of the SFC-licensed platform. The Client should seek independent professional advice before making any investment decision.

1.3. Market, liquidity and conversion risks

Where Transactions are denominated in a particular type of virtual assets or fiat currencies, or where the Client uses one type of virtual assets to purchase another type of virtual assets upon carrying out a Transaction, there is a risk of the exchange markets moving against the Client, resulting in the net proceeds being significantly less than the initial amount upon maturity or any earlier dealing, and any income or gains may be entirely negated.

The value of a virtual asset may be derived, among other things, from the continued willingness of market participants to exchange fiat currency for that virtual asset; this means that the value of a particular virtual asset may decline or be completely and permanently lost, should the market for that virtual asset disappear. The Client should further note that there is no assurance that a market that existed for a particular virtual asset will continue to exist in the future, or that a person who accepts a virtual asset as payment today will continue to do so in the future. The Client may not be able to trade any virtual asset outside the trading/service hours, even if the market declines or advances sharply.

Liquidity risk is the risk of losses attributable to a lack of liquidity (for example very few active market participants) in a particular market. This is usually indicated by wide bid/offer spreads and very few transactions being carried out in a particular product or market. The risk is that changes in the underlying market price may be infrequent but very large, and that it is not possible to unwind or transfer a particular transaction in a timely manner, at near the price the Client had expected, or at all. Such liquidity risk in an asset may be caused by the absence of buyers, limited buy/sell activity or underdeveloped secondary markets for certain virtual assets.

The Client may also suffer loss as a result of depreciation of the value of the fiat currency paid as a result of foreign exchange controls imposed by the country issuing the fiat currency. Repayment or payment of amounts due to the Client may be delayed or prevented by foreign exchange controls or other actions imposed by governmental or regulatory bodies over fiat currencies which they control or regulate.

1.4. Inflation and deflation risks

Virtual assets may, either because of the inherent design of the virtual assets, not be a fixed supply of assets. Where additional virtual assets are created or the total supply of a virtual asset is reduced, their price may change due to inflationary or deflationary effects.

1.5. Concentration risks

At any point in time, one or more persons may directly or indirectly control significant portions of the total supply of any particular virtual asset. Acting individually or in concert, these holders may have significant influence, and may be able to influence or cause forks or network events which may have a detrimental effect on price, value or functionality of the virtual assets. Network participants may make decisions that are not in the Client's best interest as a holder of virtual assets.

1.6. Country risks

If a Transaction involving virtual assets is made in respect of virtual assets issued by a party subject to foreign laws or transactions made on markets in other jurisdictions, including markets formally linked to a domestic market, recovery of the sums invested and any profits or gains may be reduced, delayed or prevented by foreign exchange controls, debt moratorium or other actions imposed by the government or other official bodies. Before conducting any Transaction, the Client should be sufficiently familiarized with the applicable laws and any rules or laws relevant to the particular Transactions.

The Client should note that their local regulatory authority (and if applicable, the regulators in Hong Kong) will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where the Client's Transactions have been effected. It is the sole responsibility of the Client to obtain independent advice about the different types of redress available in both the Client's home jurisdiction and other relevant jurisdictions before starting to trade. If the Client's country of residence imposes restrictions on Transactions involving virtual assets, GTJAS may be required to discontinue the Client's access to the Virtual Asset Dealing Services and may not be permitted to transfer virtual assets back to the Client or permit the Client to withdraw virtual assets from the Account to himself or others, until such time as the regulatory environment permits GTJAS to do so.

Residents, tax residents or persons having a relevant connection with certain jurisdictions are excluded from carrying out Transactions involving virtual assets. Changes in the Client's place of domicile or the applicable laws may result in the Client violating any applicable laws of the relevant jurisdiction and the terms of this Agreement. The Client is responsible for ensuring that any Transaction involving virtual assets is, and remains lawful despite changes to applicable laws, the Client's place of domicile and circumstances.

1.7. Legal and regulatory risks

Legal and documentation risks include the risk that Transactions and/or their related framework arrangements may not be legally enforceable or that the conduct of the parties violates applicable laws. There is also legal uncertainty on whether virtual assets can be regarded as "property" under the law. This may affect the nature and enforceability of the Client's interest in such virtual asset. Legislative and regulatory changes may adversely affect the use, storage, transfer, exchange, and value of virtual assets. The Client is solely responsible for knowing and understanding how the laws applicable to the Client or the Client's property, rights or assets or the applicable tax for the virtual assets the Client trades or the leverage the Client provides.

Virtual assets continue to evolve, and the planning, development, marketing, promotion, execution or otherwise of the virtual assets may be seriously affected, hindered, postponed or terminated as a result of any new laws and/or regulations. Since regulatory policies can change with or without prior notice, any existing regulatory permissions for or tolerance of virtual assets in any jurisdiction may be withdrawn without warning. Cryptographic-tokens and cryptocurrencies could be deemed from time to time as a commodity or virtual commodity, a digital asset or even as money, securities or currency in various jurisdictions and therefore the securities could be prohibited from being entered into, traded or held in certain jurisdictions pursuant to local regulations. In turn, the virtual assets could be deemed to be a regulated or restricted product. There is no guarantee that the virtual assets can maintain any particular legal or regulatory status in any particular jurisdiction at any time.

1.8. Tax treatment and accounting

Some Transactions may be subject to the tax laws and regulations in an applicable jurisdiction. The tax treatment and accounting of virtual assets is a largely untested area of law and practice that is subject to changes. Tax treatment of virtual assets may vary amongst jurisdictions. GTJAS may receive queries, notices, requests or summons from tax authorities and as a result may be required to furnish certain information about the Transaction involving virtual assets.

Among the accounting profession, there are no agreed standards and practices for how an auditor can perform assurance procedures to obtain sufficient audit evidence for the existence and ownership of the virtual assets and ascertain the reasonableness of the valuations.

If the Client is unsure about the tax implications of the Transactions involving virtual assets, the Client should seek independent professional advice before carrying out a Transaction.

2. TRANSACTION AND SERVICES RISKS

2.1. Trading suspension risks

During the suspension of trading of the virtual assets of the SFC-licensed platforms and outside the service/trading hours of GTJAS, the Clients cannot buy and sell virtual assets through such SFC-licensed platform. If the trading is suspended or stopped, the subscription and redemption of such virtual assets or securities may also be suspended. It may also be difficult or impossible to liquidate a position in the virtual assets under certain circumstances. Certain airdrops, forks or network events may occur rapidly and affect GTJAS' ability to execute a Transaction for the Client. Information relating to such events may be difficult to ascertain ahead of time and may be subject to limited oversight by any third party who is capable of intervening to stabilize the network.

2.2. Risks related to delayed funds deposit or transfer

The fund deposits to the Client's Account are not always instantaneous and may take some time to process, even when the fund is transferred from another account maintained with GTJAS. The Client may experience an inability to open a position until the fund deposit or transfer process is completed, and the funds are fully accessible in the Account. Consequently, there is an inherent risk of delay in the availability of funds for executing buy orders. The Client shall anticipate and plan for potential delays when initiating such transfers.

2.3. Investor compensation risks

The protection offered by the Investor Compensation Fund under the SFO does not apply to the Transactions involving virtual assets (irrespective of the nature of the virtual assets). The Clients should note that any virtual assets or fiat currency held in the Client's Account may not be protected. This means that the Transactions involving virtual assets may have reduced level or type of protection compared to other investment products and asset classes afforded by applicable laws.

2.4. Not a bank deposit under applicable laws

Any fiat currencies or virtual assets held by the SFC-licensed platform are not held as "deposits" within the meaning of the Banking Ordinance (Cap. 155 of the Laws of Hong Kong). Without limitation, neither GTJAS nor the SFC-licensed platform is regulated by the Hong Kong Monetary Authority in respect of the foregoing.

2.5. Risks relating to authorized persons and unauthorized claim of virtual assets

There are substantial risks in allowing another person to trade or operate an Account, and it is possible that Instructions could be given by persons who are not properly authorized. The Client accepts all of the risks of such operation and irrevocably releases GTJAS from all liabilities arising out of or in connection with such Instructions.

Virtual assets can be claimed in bad faith by any person who successfully gains access to the wallet, email or the Client's Accounts they have registered with GTJAS. This can be as a result of deciphering or cracking the user's password, phishing scams and/or other hacking techniques. Subsequently, these virtual assets may be sent to anyone, and such remittance is not revocable or reversible. It is recommended that all Clients should take appropriate security measures to safeguard their wallet, email and accounts. Each Client is responsible for the security of their wallet, email and account at all times.

2.6. Virtual assets may be Complex Products

Virtual assets may be Complex Products by virtue that the terms, features and/or risk are not understood due to the complex structure, novelty and reliance on technological features.

2.7. Commissions and fees

The Client should obtain details of all fees, costs, charges, expenses and commissions for which the Client will be liable before conducting any Transaction. If any of the foregoing is unclear to the Client, it is the responsibility of the Client to clarify such fees, costs, charges, expenses and commissions before entering into the Transaction.

2.8. Additional risks of trading virtual asset futures exchange traded funds and new types of virtual assets

The risks of the virtual asset futures exchange traded funds (e.g., insufficient liquidity, high price volatility and potential market manipulation) may be magnified by the speculative nature of the underlying virtual assets and the leverage inherent in futures contracts. The difficulty of valuing the underlying virtual assets may pose significant challenges for the Client in reliably valuing virtual asset futures exchange traded funds. Please also refer to clause 14.14 "Risk of Trading Exchange Traded Funds ("ETF")" of the Client Agreement for Securities Trading.

In addition to the above, there could be new risks which may arise from investing in new types of virtual assets or market participants' engagement in more complex transaction strategies.

3. TECHNOLOGY AND CYBERSECURITY RISKS

3.1. Loss of private key is permanent and irreversible

The Client should note that virtual assets not received nor held by GTJAS and/or the SFC-licensed platform in an Account are under the Client's sole responsibility, and that the Client alone is responsible for securing the private key for any address with respect to such virtual assets. Any loss of control of the private key will permanently and irreversibly deny the Client's access to such virtual assets. Neither GTJAS nor any other person will be able to retrieve or protect the virtual assets not held by GTJAS and/or the SFC-licensed platform in an Account. Once lost, the Client will not be able to transfer such virtual assets to any other address or wallet. This means that the Client will also not be able to realize any value or utility that the virtual assets may hold now or in future.

3.2. Cyber-attacks and fraudulent activity, including theft of virtual assets on the SFC-licensed platforms

There may be attempts to steal the virtual assets on the SFC-licensed platforms. The nature of virtual assets exposes the Client to an increased risk of fraud or cyber-attack. Virtual assets, the Account, any service provided by the SFC-licensed platform, and the website or application may be targeted by malicious persons who may attempt to steal virtual assets or fiat currencies, or otherwise intervene in a Transaction or any service provided by the SFC-licensed platform. This includes (but is not limited to) interventions by way of distributed denial of service, sybil attacks, phishing, social engineering, hacking, smurfing, malware, double spending, majority-mining, consensus-based or other mining attacks, misinformation campaigns, forks, and spoofing.

These malicious entities may target the Client in an attempt to steal any asset held by the Client, or to claim any asset that the Client may have purchased. This may involve unauthorized access to an Account, the Client's private keys, addresses, passwords, email or social media accounts, log-in details or access method for the Account, as well as unauthorized access to the Client's computer, smartphone and any other devices used by the Client. The Client alone is responsible for protecting against such actions.

Virtual assets, the Client's Account, any service provided by the SFC-licensed platform, and the website and application of GTJAS may also be vulnerable to exploitation of vulnerabilities in smart contracts and other code, as well as to human error.

Cyber-attacks resulting in the hacking of SFC-licensed platforms and thefts of virtual assets are common. Victims may have difficulty recovering any losses resulting from these attacks. This could result in significant loss and/or other impacts that may materially affect the Client's interests.

The above events may affect the features, functions, operation, use, access or other properties of the virtual assets, the Client's Account, the website or applications or any services provided by SFC-licensed platform. While the SFC-licensed platforms will endeavor to adopt industry best practices to keep the virtual assets safe (including but not limited to the use of cold storage and multi-signature authentications), successful cyber thefts and other fraudulent activities set out above may still occur.

3.3. Irreversible Transactions

A Transaction is binding. Following the execution of a Transaction, the Transaction will not be reversed, and, accordingly, losses due to fraudulent or accidental Transactions may not be recoverable. The Clients should note that once a Transaction has been verified and recorded on a blockchain, loss or stolen virtual assets generally will not be reversible.

3.4. Risks relating to timing

There is a risk that the final binding Transaction does not occur at the same time as Instructions are provided. Some Transactions may be deemed to be executed only when recorded and confirmed by SFC-licensed platform, which may not necessarily be the time at which the Client initiates the Transaction. The Client may suffer loss due to the fact that a Transaction is not carried out at the desired time.

3.5. Flaw in the source code

While GTJAS and/or the SFC-licensed platforms adopt quality assurance procedures to help ensure the source codes as accurately as possible reflect their intended operation, the flawlessness of the source codes, some of which are open-source codes, cannot be guaranteed. They may contain bugs, defects, inconsistencies, flaws or errors, which may disable some functionality, create vulnerabilities or cause instability. Such flaws may compromise the predictability, usability, stability, and/or security of the SFC-licensed platforms. Open-source codes rely on transparency to promote community-sourced identification and solution of problems within the code.

3.6. Permissionless, decentralized and autonomous ledger

The SFC-licensed platforms are being developed to serve various distributed ledger systems and make use of supporting technologies operating on decentralized ledgers, which are permissionless protocols that could be accessed and used by anyone. The utility and integrity of the SFC-licensed platforms rely on the stability, security and popularity of these decentralized ledgers. Risks arising from relying on such distributed ledger technology include the existence of technical flaws in the technology, targeting by malicious persons, majority-mining, consensus-based or other mining attacks, changes in the consensus protocol or algorithms, decreased community or miner support, rapid fluctuations in value of relevant virtual assets, the existence or development of competing networks, platforms and assets, flaws in the scripting language, disputes between developers, miners and/or users and regulatory action. The open, decentralized community and its composition can include users, supporters, developers and other participants worldwide may not be connected with the SFC-licensed platforms in any manner. The SFC-licensed platforms may be decentralized and autonomous in nature as far as its maintenance, governance and evolution are concerned.

3.7. Compromised security

The SFC-licensed platforms rely on open-source software and permissionless decentralized distributed ledgers including but not limited to Ethereum. Accordingly, anyone may intentionally or unintentionally compromise the core infrastructural elements of the SFC-licensed platforms and their underlying technologies. This may consequently result in the loss of any virtual assets held on the SFC-licensed platforms and may cause the system of the SFC-licensed platforms to fall.

3.8. Inadequacy of processing power

The ramp up of the SFC-licensed platforms may be accompanied by sharp increases in transaction numbers and demand for processing power. If the demand for processing power outgrows that forecasted, the network of the SFC-licensed platforms could be destabilized and/or stagnated. This may create opportunities for fraudulent activities including but not limited to false or unauthorized transactions (such as double-spending) to arise. All these may adversely impact the usability, stability and security of the SFC-licensed platforms.

3.9. Cryptographic protection

Cryptography is evolving, and there can be no guarantee of security at all times. Advancement in cryptography technologies and techniques, including but not limited to code cracking, the development of artificial intelligence and/or quantum computers, could be identified as risks to all cryptography-based and/or blockchain based systems including the underlying assets of the virtual assets. The security of SFC-licensed platforms cannot be guaranteed as the future of cryptography or security innovations is unpredictable.

3.10. Forking and attacks

Many cryptographic tokens are developed on open-source protocol blockchains. Once released to the open-source community, anyone may develop a patch or upgrade for the source code of such protocol without prior permission by anyone else. The acceptance of patches or upgrades by a significant, but not necessarily overwhelming percentage of the participants of such protocol could result in a "fork" in the blockchain.

The temporary or permanent existence of forked blockchains could adversely impact the operation of the SFC-licensed platform. Such a fork can undermine the sustainability of the ecosystem of the SFC-licensed platform and may destroy or frustrate the SFC-licensed platform. While a fork in the blockchain could possibly be rectified by community-led efforts to re-merge the two separate branches, success is not guaranteed and could take an undetermined amount of time to achieve.

Virtual assets may also be subject to attacks on the security, integrity or operation of the networks, including network events. Such foregoing events (including a fork) may affect the features, functions, operation, use or other properties of any virtual assets, network or platform.

The events may also severely impact the price or value, function and/or the name of any virtual assets, or even result in the shutdown of the network or platform associated with the virtual assets. Such events may be beyond the control of GTJAS, or to the extent GTJAS has any ability to impact such event, GTJAS' decision or actions may not be in the Client's best interests.

3.11. Reliance on the internet and other and technology-related risks

Transactions involving virtual assets rely heavily on the internet and other technologies. However, the public nature of the internet means that either parts of the internet or the entire internet may be unreliable or unavailable at any given time. Further, interruption, delay, corruption or loss of data, the loss of confidentiality in the transmission of data, or the transmission of malware may occur when transmitting data via the internet and/or other technologies. The result of the above may be that the Client's Transaction is not executed according to the Client's Instructions, at the desired time, or not at all.

The nature of virtual assets also means that any technological difficulties experienced by the SFC-licensed platform may prevent Clients from accessing or dealing in their virtual assets.

No authentication, verification or computer security technology is completely secure or safe.

The internet or other electronic media (including without limitation electronic devices, services of third party telecom service providers such as mobile phones or other handheld trading devices) are an inherently unreliable form of communication, and such unreliability may be beyond GTJAS' control.

Any information (including any document) transmitted, or communication or Transactions made, over the internet or through other electronic media (including electronic devices, services of third party telecommunication service providers such as mobile phones or other handheld trading devices or interactive voice response systems) may be subject to interruption, transmission blackout, delayed transmission due to data volume, internet traffic, market volatility or incorrect data transmission (including incorrect price quotation) or stoppage of price data feed due to the public nature of the internet or other electronic media.