

## Dividend Reinvestment Operation Procedure of HK & US Stocks

### About the Plan

- The Stocks Dividend Reinvestment Days are on the 5th and/or 15th trading day(s) of each month.
- Dividend reinvestment enables you to reinvest your dividend income into additional shares of the same stock to grow your shareholding<sup>^</sup>.
- By reinvesting the dividends, you can easily accumulate your positions and compound your returns.
- **No commission is required.** Dividends received from the Dividend Reinvestment Stocks designated by clients will be used for purchasing the same stocks twice a month on the Dividend Reinvestment Days<sup>#</sup>.
- You have the flexibility of opting in and out of the plan anytime.

<sup>^</sup> For this plan, the amount of dividend reinvestment represents the actual amount received from each dividend distribution, including: 1) Cash dividends (special cash dividends inclusive) after deduction of the cash dividend collection fee and scrip fee; 2) Any remaining dividend entitlement brought forward from previous scrip dividends

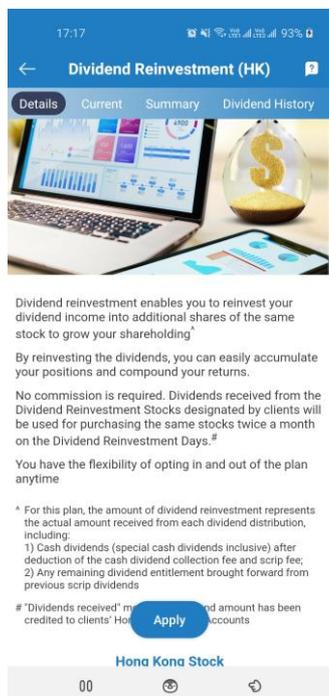
<sup>#</sup>"Dividends received" means the dividend amount has been credited to clients' HK Securities Accounts or Global Securities Master Accounts.

### Trading Fees

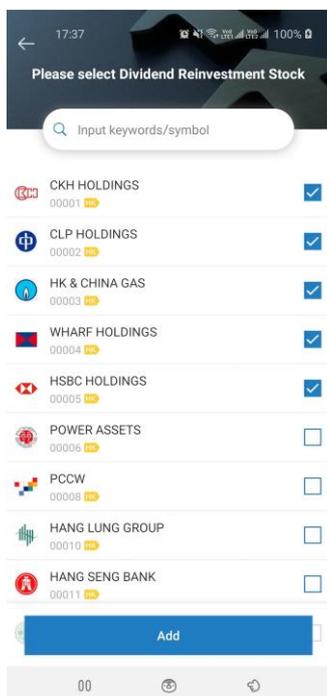
**HK Stocks: No commission is required.** Clients are required to pay stamp duty, SFC transaction levy, HKEX trading fee, and CCASS stock settlement fee. ° Cash Dividend Collection Fee and Scrip Fee will still be charged during dividend collection.

**US Stocks: No commission is required.** Clients are required to pay for other transaction fees including but not limited to NSCC (DTC) Clearing Fee. Generally, dividend tax and dividend collection fee will be deducted. However, clients should aware that some US listing stocks will distribute the dividend without deducting dividend tax and may be required to pay back the dividend tax in the future. US Stocks Dividend Reinvestment Plan is based on dividend payment (USD) in your Global Securities Master Accounts. If you receive the dividend in non-USD currency, the instruction of dividend reinvestment will not be executed.

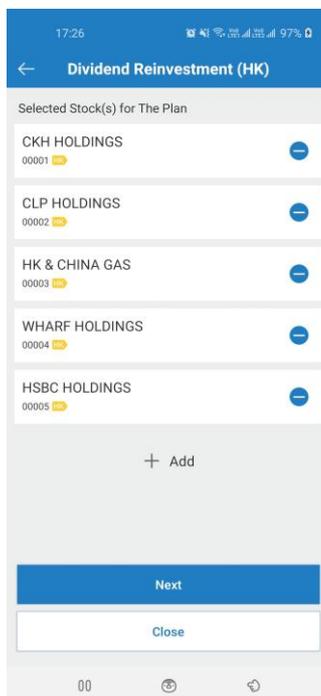
### How to apply for Dividend Reinvestment Plan? (Below are the example of application steps on HK Stocks Reinvestment Plan, the steps for US Stocks Dividend Reinvestment are the same)



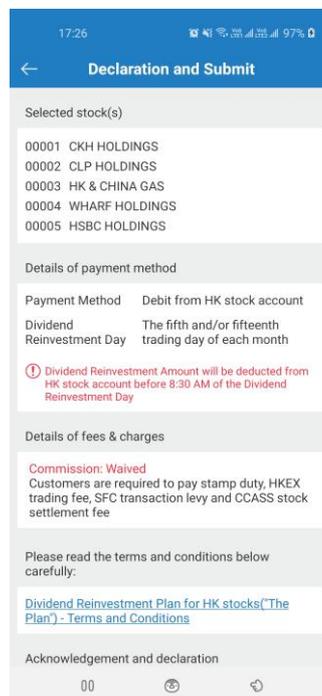
1. Select "Apply"



2. Select Dividend Reinvestment Stock(s)



3. Confirm Selected Stock(s)



4. Confirm Declaration and Submit Application

## Frequently Asked Questions

1. When does the Stock Dividend Reinvestment take place?  
The Stock Dividend Reinvestment Days fall on the 5<sup>th</sup> and/or 15<sup>th</sup> trading day of each month. Dividends from the Dividend Reinvestment Stocks will be fully credited to clients' HK Securities Accounts or Global Securities Master Accounts, and will be used for purchasing the same stocks on the next Dividend Reinvestment Day.
2. Can I apply the Dividend Reinvestment both Global Securities Master Account and Global Securities Sub-account?  
Clients should apply the Dividend Reinvestment via Global Securities Master Account. Global Securities Sub-account does not support Dividend Reinvestment.
3. Can I determine the amount of dividend reinvestment?  
No, the amount of dividend reinvestment represents the actual dividends received from the Dividend Reinvestment Stocks. In other words, all dividends received will be used for purchasing the same stocks.
4. How to apply for the Stock Dividend Reinvestment Plan?  
I. Open a CHIEF HK Securities Account or Global Securities Master Accounts.  
II. Apply via "Chief Trader" Mobile APP (Android or iOS)  
III. Enroll eligible stocks ("Dividend Reinvestment Stock(s)") in the plan
5. Can I make changes to the plan?  
Yes, you may enroll in or remove any Dividend Reinvestment Stocks from the plan at any time. For HK Stocks, any enrollment or removal requests will be submitted before 8:30 am of a Dividend Reinvestment Day. For US Stocks, any enrollment or removal requests will be submitted before 2:00pm. In case where a Dividend Reinvestment Stock is removed from the plan, the relevant dividends will not be debited, and will remain in the client's HK Securities Account/ Global Securities Master Accounts.
6. What charges are involved?  
The plan is commission-free.  
For HK Stocks, clients are still subject to stamp duty, SFC transaction levy, HKEX trading fee, and CCASS stock settlement fee. A cash dividend collection fee and scrip fee will also be charged for collecting distributed dividends.  
  
For US Stocks, clients are required to pay for other transaction fees including but not limited to NSCC (DTC) Clearing Fee. Generally, dividend tax and dividend collection fee will be deducted. Clients should be aware that some US Stocks will distribute the dividend without deducting dividend tax and clients may be required to pay back the dividend tax in future. US Stocks Dividend Reinvestment Plan is based on dividend payment (USD) in your Global Securities Master Accounts. If you receive the dividend in non-USD currency, the instruction of dividend reinvestment will not be executed.
7. Is it necessary to apply for the HK/US Stocks Dividend Reinvestment Plan every time before and after dividend distribution?  
No, only one application is required. If the dividends from the Dividend Reinvestment Stocks are credited to your HK Securities Account/ Global Securities Master Accounts before the next Dividend Reinvestment Day, we will automatically purchase further shares of the same stocks.
8. What happens if the trading of a stock elected for dividend reinvestment is suspended on a Dividend Reinvestment Day?  
If the trading of a stock elected for dividend reinvestment is suspended on a Dividend Reinvestment Day, the dividend reinvestment on that day will be cancelled and no stock will be purchased. The relevant monies will be credited to the client's stock account without any trading fees being charged.
9. If my original holdings of a Dividend Reinvestment Stock have been sold or the relevant dividends have been withdrawn from my account, will the dividend reinvestment in that stock continue?  
Under the HK Stocks Dividend Reinvestment Plan, reinvestment is made based on the cash dividends amount received by the clients. As long as the clients' accounts has the buying power equivalent to that of the dividends withdrawn on the Dividend Reinvestment Day, we will proceed with the reinvestment, regardless of any changes in the clients' holdings. If you would like to remove a particular stock from the HK Stock Dividend Reinvestment Plan, please submit your request before 8:30 am of a Dividend Reinvestment Day. Removing a particular stock from US Stocks Dividend Reinvestment, please submit your request before 2:00 pm of the Dividend Reinvestment Day.

10. Can I join the plan if my stocks for Dividend Reinvestment are in the HK Stock Options Account?

As the dividend collection is subjected to the deposited amount in client's HK Stocks Account, if the stocks are in Stock Options Account before ex-date, dividend will be deposited in the Stock Options Account.

If client would like to join the HK Stocks Dividend Reinvestment Plan, please transfer the stocks from Stock Options Account to HK Stocks Account before ex-dividend date.