

Acknowledgment Letter Template for Trust or Client Accounts opened with Banks holding Client Assets

[letterhead of intermediary including full name and address]

[name and address of bank]

[date]

Client Asset Acknowledgment Letter

We refer to the following [current/deposit account[s] and/or [securities account[s]] which [name of intermediary] ("us", "we" or "our"), regulated by the Securities and Futures Commission (CE Reference Number [CE Ref. e.g. AAA111]), [has opened or will open] in the name of [name of intermediary] with [name of bank] ("you" or "your") as identified in the Schedule (each a "Client Asset Account").

In relation to each Client Asset Account, you acknowledge that we have notified you that:

- (a) we are under an obligation to keep money and/or securities we hold belonging to our clients separate from our own money and/or securities;
- (b) we have opened, or will open, the Client Asset Account for the purpose of depositing money and/or securities with you on behalf of our clients; and
- (c) we hold all money standing to the credit of the Client Asset Account and/or all securities in the Client Asset Account in our capacity as trustee under the laws applicable to us.

In relation to each Client Asset Account you agree that:

- (d) (i) subject to paragraph (d)(ii), the money standing to the credit of the Client Asset Account and/or securities in the Client Asset Account shall at no time be used directly or indirectly as security for a loan by you, or any sub-custodian, agent or delegate appointed (whether directly or indirectly) by you, to us nor be subject to any recourse, right, charge, security interest, lien or claim of any kind in favour of you or any person claiming through you – for example, you do not have any right to combine the Client Asset Account with any other account, nor do you have any right of set-off or counterclaim against money and/or securities in the Client Asset Account;
(ii) sub-paragraph (i) does not apply to any recourse against money and/or securities in the Client Asset Account required by any applicable legislation or court order;
- (e) we hereby instruct you to designate and title, and you agree that you will designate and title, or have designated and titled, the Client Asset Account to indicate that it is a [client account]/[trust account] (as the case may be) and that such title is different to the title of any other account containing money and/or securities that belongs to us or to any third party; and
- (f) payment of charges incidental to the servicing and maintenance of the Client Asset Account, if any, shall not be deducted from the Client Asset Account. We agree to pay the charges associated with the Client Asset Account.

You and we agree that:

- (g) the terms of this letter shall remain binding upon the parties, their successors and assigns, and, for the avoidance of doubt, regardless of any change in name of any party;
- (h) this letter supersedes and replaces any previous agreement between the parties in connection with the Client Asset Account[s], to the extent that such previous agreement is inconsistent with this letter;
- (i) in the event of any conflict between this letter and any other agreement between the parties in connection with the Client Asset Account[s], this letter agreement shall prevail;
- (j) this letter shall be governed by the laws of Hong Kong; and
- (k) the courts of Hong Kong shall have non-exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this letter or its subject matter or formation (including non-contractual disputes or claims).

Please sign and return this letter as soon as possible. We remind you that we are not allowed to use the Client Asset Account[s] to deposit any money and/or securities belonging to our clients with you until you have acknowledged and agreed to the terms of this letter.

For and on behalf of [name of intermediary]

x_____

Authorised Signatory

[Signed by [name of intermediary]]

Print Name:

Title:

Date:

ACKNOWLEDGED AND AGREED:

For and on behalf of [name of bank]

x_____

Authorised Signatory

Print Name:

Title:

Contact: [insert signatory's phone number and email address]

Date:

Schedule – List of Client Asset Account[s]

[Please insert a list of Client Asset Account[s] in a tabular form]

Account title[s]	Account unique identifier[s] (for example, as relevant, bank code, account number or any other reference code)	[(if applicable) any abbreviated name of the account[s] as reflected in the bank's systems]