



**NIỀM TIN VỮNG CHẮC, CAM KẾT VỮNG BỀN**

**RISK DISCLOSURE AND REGULATIONS ON USING E-TRADING  
SERVICES AND UTILITIES**

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## **I. E-TRADING RISK DISCLOSURE**

Clients should read carefully the **Risk Disclosure and Regulations on Using E-Trading Services** to be aware of potential risks that may arise during the process of online trading. The risks listed below are related to E-trading services and identified before the **Risk Disclosure and Regulations on Using E-Trading Services** is drafted. Therefore, these are not all the risks that Clients may incur during the process of online trading. The **Risk Disclosure and Regulations on Using E-Trading Services** will be updated when new risks are identified. BVSC recommends Clients to get update on amendments and supplements to the **Risk Disclosure and Regulations on Using E-Trading Services** right after the amendments and supplements are announced by BVSC on our website: <http://www.bvsc.com.vn>

BVSC was licensed by the State Securities Commission of Vietnam under Decision No. 1019/QD-UBCK dated December 7<sup>th</sup>, 2010 to provide E-Trading Services for Clients.

BVSC pioneers in providing new products, services and enhances its E-Trading system continuously to satisfy Client's demand perfectly and minimize possible risks.

### **1. Advantages**

Providing Clients with convenience and flexibility in trading, reducing the time of transaction processing, thus, helping Clients save time and fees.

### **2. Risk disclosure**

Beside its advantages, E-Trading services have potential risk from failure of devices, transmission line or third-party service providers that are out of our control.

Following are potential risks when using E-Trading services:

- Technical failure in hardware and software of the system due to floods, fires, natural disasters, electric shock, damage, human acts of sabotage or fraud, causing E-trading orders not to be made or matched to the original orders.
- Overloading and congestion risks from mobile or internet transmission lines.
- If the number of orders exceed the system's design capacity, the system would come to a halt or slow operations, thereby, stopping Client's orders.
- Placed orders cannot be revoked and impose immediate payment obligations on Clients.
- Failures to verify Client's information (username, password, phone number, fax, and email address) may lead to a denial of the Client's orders.
- The system lag could possibly provide incorrect information about stock quotes and orders receiving and processing and subsequently wrongly affect Client's trading decisions.
- Clients' account information (username, password, phone number, fax, and email address) may be stolen by the third parties, who then perform unwanted transactions on the Client's account.
- Confidential information related to the Client or Client's transactions is leaked during the process of sending and receiving information from BVSC.

### **3. BVSC disclaims responsibility for any risks, loss or damage arising when:**

- Client provides information untimely, mistakenly or inaccurately, subsequently, E-Trading services and/or E-Trading transactions may not perform;
- Failure of any third party including but not limited to BVSC's E-trading services providers;
- Error of the system or of any related technical means results in the system revoking Client's electronic transactions;

- BVSC untimely performs Client's transactions or fails to execute its responsibilities in accordance with the terms and regulations on E-trading due to failures of machinery, data processing, telecommunication information, natural disaster or any event occurring beyond BVSC's control, or as a result of any third party's fraud and falsification;
- Client's authorized people use E-Trading services and/or E-Trading transactions or access E-Trading services' information;
- Client mislays or has security token, username, login password, transaction PIN, electronic signature and/or other identified factors issued by BVSC stolen, so that unauthorized people use these factors for E-trading services and/or unwanted transactions or access information.

## **II. REGULATIONS ON USING E-TRADING SERVICES AND UTILITIES**

### **1. Service Registration Procedures**

#### **1.1. Client's procedures**

- To register for the services, Client must sign an ***Agreement on using E-trading services and utilities*** and other related documents (*if any*).
- Client fills and signs name in the box to register for the services to be provided by BVSC such as: Place orders via Phone, Place orders via Email, Place online orders, Online Advance Payment, Automatic Advance Payment, Online Money Transfer, Register to Exercise the right to buy online, Online Query Information, Inform trading results via SMS, Inform trading results via email, Receive account statements via email, Receive reports of trading orders via email, Receive BVSC's bulletins via email, Receive information on money deposit, withdrawal and transfer via SMS.
- Client registers the password for placing orders via phone, as well as the mobile phone number or email address for using the registered services. For online orders, Client will first receive an autogenerated password from BVSC, then Client can change the password through the online trading system.
- For Online advance payment, Online money transfer, and Register to exercise the right to buy online, Client has to select a method of verifying password, either by digital certificate or OTP message. With digital certificate, Client needs to purchase the digital certificate and register the serial number of the certificate with BVSC. With OTP message verifying, Client has to register a mobile phone number.
- Client has to register bank account for online money transfer service.

#### **1.2. BVSC's procedures**

- Account Manager verifies all information and signature of the Client in the ***Agreement on using E-trading services and utilities*** and other related documents (*if any*).
- Account Manager confirms the Client in the phone number and email address to receive transaction orders from Client as well as completes the procedures to get digital certificate and hands over to Client or updates the mobile phone to receive verification password for Client in accordance with ***Agreement on using online trading services and utilities***.
- Account Manager verifies information regarding phone number, website address, email address, bank account number, and digital certificate, etc. with Client and instructs Client on how to use the services.
- BVSC approves the application/agreement and activates the online trading services for Client.

### **2. Regulations on using E-trading services and utilities**

## **2.1 Place orders via phone**

- Client can contact any BVSC transaction offices that directly manage and take care of the Client's brokerage and depository account, using the registered phone number for phone orders with BVSC and providing sufficient information. Concurrently, Client by default allows BVSC to record these phone orders for legal proof to resolve disputes (if any). Client is also responsible for treating the password for registered phone orders as confidential.
- Any phone orders conducted in accordance with BVSC trading procedures should have equal validity to other orders placed at BVSC's headquarter or transaction offices.
- Client is aware that this service is aimed at facilitating Client's trading, mistakes can occur during the transaction execution, and that others may assume Client's name to place orders via phone; therefore, Client must protect the confidentiality of the password and follow BVSC's regulations on trading via phone.
- Client is responsible for checking and constantly updating the account balance and transactions of their brokerage and depository account and informing BVSC in a timely manner of any mistakes in phone orders. If BVSC does not receive any feedback or claims from Client within 03 working days, the results of the phone transactions will by default be deemed as correct. Concurrently, BVSC disclaims any responsibility for any dispute arising from the phone orders.
- In the event that BVSC recognizes that placing orders via phone does not assure safety for either BVSC or Client, BVSC reserves the rights to terminate the service and will inform Client.
- All orders placed via phone by the authorized person in conformity with the scope of authorization and all orders placed via phone by Client have equal validity. The Client is completely responsible for the transactions.

## **2.2 Place orders via email**

- Email order is only available for institutional and foreign investors in each specific case and with the approval of BVSC. Client registers Email address if Client wants to place orders via this method at BVSC. To order, Client must send orders from the registered email address to the Email address provided by BVSC.
- All email orders which are sent from the registered Email address to the Email address provided by BVSC should have equal validity to other orders executed at BVSC's transaction offices.
- Client is aware that trading via Email is risky and aimed at facilitating Client's trading. Hence, Client must ensure that all orders via email are sent from the registered Email address and to the Email address provided by BVSC. BVSC disclaims responsibility for any email order which is not sent from the registered Email address and/or not to the Email address provided by BVSC.
- Client is responsible for checking and constantly updating the account balance and transactions of their brokerage and depository account and informing BVSC in a timely manner of any mistakes in email orders. If BVSC does not receive any feedback or claims from Client within 03 working days, the results of the Email transactions will by default be deemed as correct. Concurrently, BVSC disclaims any responsibility for any dispute arising from the Email orders.
- In the case BVSC recognizes that placing orders via Email does not assure safety, BVSC reserves the rights to terminate the service and will inform Client.

## **2.3 Place orders online**

- Client places orders online at the address <http://www.bvsc.com.vn> with the registered transaction PIN.
- Any trading orders placed via the online trading system in accordance with BVSC's procedures should have equal validity to other trading orders executed at BVSC's transaction offices.

- Client is aware that mistakes and errors can occur during the order execution from Client's actions. Client will be fully responsible for his/her actions.
- Client's online orders will only be confirmed and transferred to the Stock Exchanges when there is enough money and/or freely transferable stocks and/or margin on the Client's brokerage and depository account to settle 100% of the placed orders.
- Client is liable for all commitments between Client and BVSC prescribed in the Application form for opening securities trading account, Agreement on using online trading services and utilities and other related documents (*if any*).
- In the process of placing orders online, Client will duly comply with and apply BVSC's instructions on trading support and confidentiality enhancement.

#### **2.4 Online Advance Payment**

- From the notification of a matched selling order until the settlement date, Client can use BVSC's online advance payment service at <http://www.bvsc.com.vn> by verifying Client's advance payment requirements with digital certificates or OTP SMS from BVSC online trading system.
- Using the online advance payment service, Client by default commits to irrevocably authorize BVSC to transfer money from Client's brokerage and depository account and sub-accounts into BVSC's account on settlement date or to request the bank where Client's settlement account for securities trading is opened, to transfer the advanced amount with interest (if any) to BVSC's account without any further requirement or documents.
- Client agrees and commits to make full payment for advanced amount to BVSC under BVSC's applicable quotation. Client agrees to pay this fee on the date of implementing online advance payment.
- If the matched selling order is cancelled by Vietnam Securities Depository Center (VSD) for any reason, Client is obligated to refund BVSC the advanced amount plus fees arising up to the refund date under BVSC's regulations.
- Any online advance payment request which is fully implemented under BVSC's procedures should have equal validity to other written commitment letters of advance payment at BVSC's transaction offices.

#### **2.5 Automatic Advance Payment**

- Client requests and agrees to use BVSC's automatic advance payment service based on the results of matched selling orders if:
  - Client uses any securities trading services in any sub-account under Client's brokerage and depository account with insufficient money to settle those services (withdraw or transfer money, clear debt including principal and/or interest, pay borrowing fees, settle securities trading, exercise the right to buy additional securities, implement margin trading, and other securities services, etc.) at BVSC; and
  - Client has outstanding receivables in that sub-account.
- BVSC allows Client to use automatic advance payment service if BVSC has full rights to benefit from these receivables without any Client's further consent.
- The advance amount after deducting advance fee should be the shortage amount to pay for the service and within the size of receivables.
- Advance payment date is defined as the date when Client requests and starts using the service.
- On the advance payment date, under the **Terms and Conditions of Application form for online trading services and other value-added services**, BVSC will automatically implement advance

payment after deducting advance payment fee from related sub-account under Client's account; BVSC will also deduct advance payment fee from Client's related sub-account under BVSC's applicable regulations.

- On the clearing settlement date, Client by default irrevocably authorize BVSC to collect the advance amount automatically from the sub-account using the advance payment service without Client's further consent or documents.
- If the matched selling order is cancelled by VSD for any reason, Client is obligated to refund BVSC the advance amount plus fees arising up to refund date under BVSC's applicable regulations.
- In all cases, BVSC reserves the right to refuse or accept to Client's advance payment.

## **2.6 Online Money Transfer**

- Client with outstanding balance eligible for trading on his/her brokerage and depository account can use BVSC online money transfer service at <http://www.bvsc.com.vn> by verifying the transfer with password from digital certificate or OTP SMS sent from BVSC online trading system.
- Client can transfer an amount of up to the outstanding balance and at most **VND499,000,000** per transfer or any other maximum amount under BVSC's applicable regulations.
- In case Client transfer money online to a Bank account, this account must be listed on Client's ***Application for online trading services and other value-added services.***
- Using online money transfer service, Client agrees that BVSC transfers money from their brokerage and depository account to the beneficiary's account upon Client's request. Client commits to be responsible for the accuracy of beneficiary's account information.
- Client commits and agrees that BVSC transfers money from their brokerage and depository account to settle transferring fee upon the amount charged by the Bank where BVSC opens its account in accordance with BVSC's applicable regulations.
- Any request for online money transfer in accordance with BVSC's procedures and regulations should have the same validity as a written letter of money transfer signed by Client at BVSC's transaction offices.
- BVSC can request Client to verify the information of online money transfer at any time. Upon BVSC's request, Client is obliged to verify account information and ensure that this information is the same as the originally registered one. If the verified information is different from the initially registered information of online money transfer on BVSC's online trading system, BVSC has the rights to refuse the request for online money transfer.
- Any request for online money transfer sent to BVSC's system from 8:00 am to 4:00 pm of a working day will be completed within the day. Other than that, Client's request will be completed on the next working day.
- Client is responsible for checking and constantly updating the account balance and online transfer transactions of their brokerage and depository account and informing BVSC in a timely manner of any mistakes (*if any*). If BVSC does not receive any feedback or claims from Client within 03 working days, the online transfer transaction will by default be deemed as correct. Concurrently, BVSC disclaims any responsibility for any dispute arising from that online transfer transaction.

## **2.7 Register to exercise online purchase right**

- Client named in the list of rights to buy additional shares and with enough balance on his/her brokerage and depository account can register to exercise his/her online purchase right at website <http://www.bvsc.com.vn> by verifying the purchase right registration with password from digital certificate or OTP SMS sent from BVSC's online trading system. Client is responsible for

registering to exercise purchase right within the limited time stipulated by the Issuer and VSD. Any request for online purchase right from 8:00 am to 4:00 pm of a working day will be completed within the day. Other than that, Client's request will be completed on the next working day.

- Registering to exercise online purchase right, Client by default authorizes BVSC to extract money from Client's brokerage and depository account to settle the registered amount without any further requirement or documents.
- Any registration for exercising online purchase right in accordance with BVSC's procedures and regulations should have equal validity to a written form of registration signed by Client at BVSC's transaction offices.

### **2.8 Online account information inquiry**

- The password used for online account information inquiry will be autogenerated and sent to the registered Email address of Client.
- Client can take online account information inquiry at <http://www.bvsc.com.vn> and search for securities balance, transaction report, and account statement, etc.
- Client commits not to use provided passwords to copy, distribute and damage any data or information from BVSC's computer system. If Client violates the regulations, Client will not be entitled to implement online account information inquiry and will hold legal responsibilities.

### **2.9 Matching order notification via SMS**

- When there are trading results from the Stock Exchanges, the system will automatically send the trading results to Client's registered mobile phone number.
- To enquire other information such as order-placing time, account information, market information, etc., Client must send an formatted SMS to the phone automatic directory, which will then automatically reply to Client. With each message sent out, a fee will be collected from Client's phone account for the information provided.
- When Client receives transaction notification via SMS, Client is aware that this is the order-matching result directly downloaded from the Stock Exchanges; therefore, mistakes may occur. Client is responsible for promptly informing BVSC of any erroneous results. If Client has no feedback or BVSC makes no denial of the trading results via SMS within 03 (three) working days, the results will implicitly be deemed as correct by both Parties.

### **2.10 Inform changes in account balance via SMS**

- When some operations such as money deposit, money withdrawal, internal and external money transfer, receiving a bank transfer are made on Client's brokerage and depository account, they are recorded on BVSC's customer management system. This system will automatically send the notification and incurred amount to Client's registered mobile phone number. With each message sent out, a fee will be collected from Client's phone account for the information provided.
- When Client receives changes in account balance via SMS and detects any mistake, Client is responsible for promptly informing BVSC. In case Client has no feedback or BVSC makes no denial of the changes in account balance via SMS within 03 (three) working days, this information will implicitly be deemed as correct by both Parties.

## **3. General commitments**

- 3.1. Client has studied and been fully instructed by BVSC about the above services, as well as completely understood potential risks when using online trading services. At the same time, Client commits to strictly comply with the regulations on using services as prescribed in the above Item 2. Client will be fully responsible for any losses and damages incurred by Client in the case that Client does not duly



follow BVSC's instructions and subsequently generates losses to the Client, BVSC or any third party and will compensate in accordance with current Vietnamese Laws.

- 3.2. Registering to use online trading services, Client has been informed and is aware that during the upload of account information to the internet, or while placing orders via phone or using other online services, Client's account information may be accessed and used by a third party. Client undertakes to keep confidential the information and security devices registered with BVSC and follow the measures put forward by BVSC to enhance confidentiality. BVSC is responsible for protecting the confidentiality of Client's account password and takes no responsibility in the event that Client's account is accessed due to Client's fault or due to the illegal intrusion of a third party. Client commits to accept all risks, losses and damages incurred during the use of the above services due to systematic defects, errors of any third party or the acts and operations of Client that affect the use of Online Trading Services and/or the execution of Online transactions.
- 3.3. Client agrees to pay and authorizes BVSC to automatically deduct from Client's securities trading account to pay Service Fees and/or other additional expenses according to BVSC's existing regulations regarding the use of BVSC's Online Trading Services and other value-added services.
- 3.4. If Client uses online securities trading services and other value-added services which violate money laundering regulations, BVSC has the rights to stop providing these services and block Client's trading account in accordance with applicable Vietnamese Law (if any) or upon the requests of the competent State authority.
- 3.5. Client commits and agrees that BVSC has the rights to amend and supplement articles specified in this **Application form for online trading services and other value-added services**, and other related documents (*if any*) in accordance with BVSC's policies, business practices and ability to provide services to customers as well as the new rules of Vietnamese Laws. These revised and supplemented regulations are automatically applied following BVSC's announcement by documents.
- 3.6. BVSC commits to provide Online Securities Trading Services for Client in accordance with the standards certified by competent authorities and comply fully with applicable Vietnamese Law.
- 3.7. BVSC commits to provide Client with the best services and minimize risks incurred due to systematic defects.
- 3.8. While providing services, BVSC will apply duly appropriate measures in accordance with Vietnamese Law to avoid conflicts of interest between BVSC and Client.

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If you find any third party using your password to log into your account and perform illegal transactions or if you have any inquiry about online trading services and other value-added services (service consultancy and transaction and technical support, etc.), please contact your account manager or our transaction offices for detailed instructions.

***We would like to send our sincere thanks to you for your trust when choosing to use our E-trading services and other value-added services!***