

**Important Notice**

This product is available for sale to Professional Investors or non-Professional Investors

This is a structured product involving derivatives. The investment decision is yours but you should not invest in the product unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.

This is an unlisted structured investment product and is not covered by the Investor Compensation Fund.

This product is NOT protected deposits and is not protected under the Deposit Protection Scheme in Hong Kong.

This product is NOT principal-protected.

This product does NOT provide an early termination feature.

The contents of this summary sheet have not been reviewed by the Securities and Futures Commission of Hong Kong. You are advised to exercise caution before making any investment. If you are in any doubt, you should obtain independent professional advice.

Offering documents for this product

The following documents for this product (“Offering Documents”) contain detailed information about the Issuer/Bank and the terms of this product. You should read and understand all of the Offering Documents before deciding whether to invest in this product:

- Product Summary

If English is not your preferred language, you may request for the Chinese version of this product summary from our Relationship Managers.

倘若英文並非閣下屬意的語言，閣下可向本行的客戶經理索取此產品概要的中文版本。

**Quick Facts**

<b>Bank</b>	CMB Wing Lung Bank Limited
<b>Product Type</b>	Currency Linked Investment (CLI)
<b>Minimum Investment amount</b>	HKD 40,000 (or its equivalent)#
<b>Tenor</b>	1 week - 6 months
<b>Dealing Time</b>	The Bank's normal banking hours in Hong Kong
<b>Fees &amp; Expenses</b>	The Bank may receive profit for this transaction which, together with any operating or administrative costs it may incur in this transaction, will be subsumed in the amount of offering price or bid/offer spread.

# Not applicable to all currency combinations. Please contact our relationship managers for details.

**What is this product and how does it work?**

Currency Linked Investment is a structured product that involves currency option (derivatives) where you can enjoy interest derived from the currency option premium, offering you higher interest returns.

On Transaction Date, you need to select the investment currency, linked currency, investment duration, conversion rate and investment amount, and agree the interest rate with the Bank. The investment amount will be frozen at your settlement account on Transaction Date, and deducted on trade settlement date.

On Fixing Date the Bank will determine, with reference to the exchange rate at Hong Kong Time 2:00 pm (“Fixing Rate”), whether maturity amount will be paid in investment currency or linked currency on Maturity Date by comparing the Conversion Rate and Fixing Rate:

- (i) If linked currency appreciates or remains the same against the investment currency, maturity amount will be paid in investment currency;
- (ii) If linked currency depreciates against the investment currency, maturity amount will be paid in linked currency.

On Maturity Date (generally 1 business day after Fixing Date), the maturity amount (equal to the sum of investment amount and the enhanced interest) will be paid.

### **What are the Key Features?**

<b>Available Investment Currency</b>	HKD, USD, AUD, CAD, EUR, GBP, NZD, CHF, SGD, RMB and JPY (excluding USD/ HKD)
<b>Available Linked Currency</b>	HKD, USD, AUD, CAD, EUR, GBP, NZD, CHF, SGD, RMB and JPY (excluding USD/ HKD)
<b>Conversion rate</b>	To be agreed subject to market conditions
<b>Interest rate</b>	To be agreed subject to market conditions
<b>Interest payment date</b>	Maturity Date
<b>Principal protection at maturity</b>	No
<b>Early termination right by the customer</b>	No
<b>Callable by the Bank</b>	No <sup>^</sup>
<b>Embedded derivatives</b>	Yes (embedded a put option over the Linked Currency) By investing in a CLI: (i) you are selling a put option over the Linked Currency to the Bank (ii) you will receive an option premium in return which forms part of the enhanced interest
<b>Maximum potential gain</b>	Predetermined interest rate as agreed between the Bank and the customer
<b>Maximum potential loss</b>	100% of investment amount

<sup>^</sup> For early termination of this product by the Bank, please refer to “Can the Bank or Issuer adjust the terms or early terminate this product?” below.

## Scenario analysis

### Illustrative Example:

Investment Currency	HKD
Linked Currency	AUD
Transaction Date	28 Aug, 20xx
Fixing Date	28 Sep, 20xx (Hong Kong Time 14:00)
Maturity Date	29 Sep, 20xx
Investment Duration	32 days
Spot Rate	AUD/HKD 6.8800
Conversion Rate	AUD/HKD 6.8600
Interest Rate (% p.a.)	13.52%
Investment Amount	HKD100,000

### Return Example

Scenarios	Fixing Rate	Conversion Rate	Maturity Amount	Net Gain / Loss	Return Rate (% p.a.)
<b>Scenario 1 Best case scenario</b> AUD strengthens against HKD or remains unchanged	6.9000	6.8600	HKD101,185.32 <sup>#</sup>	HKD 1,185.32	Gain 13.52%
<b>Scenario 2 Breakeven</b> AUD weakens against HKD	6.7796	6.8600	AUD14,750.05* (HKD100,000.00 equivalent <sup>^</sup> )	HKD 0.00	Breakeven 0.00%
<b>Scenario 3 Worst case scenario</b> AUD becomes valueless	0.0000	6.8600	AUD14,750.05* (HKD 0.00 equivalent <sup>^</sup> )	-HKD 100,000.00	Total Loss
<b>Scenario 4 The Bank becomes insolvent or defaults on its obligations</b>	Assuming that the Bank becomes insolvent during the tenor of this product or defaults on its obligations under this product, you can only claim as its unsecured creditor. You may get nothing back and suffer a total loss of your investment amount.				

<sup>#</sup> Investment amount + (investment amount X interest rate X investment duration / day count basis)  
 = HKD100,000 + (HKD100,000 X 13.52% X 32 days / 365 days)  
 = HKD 101,185.32

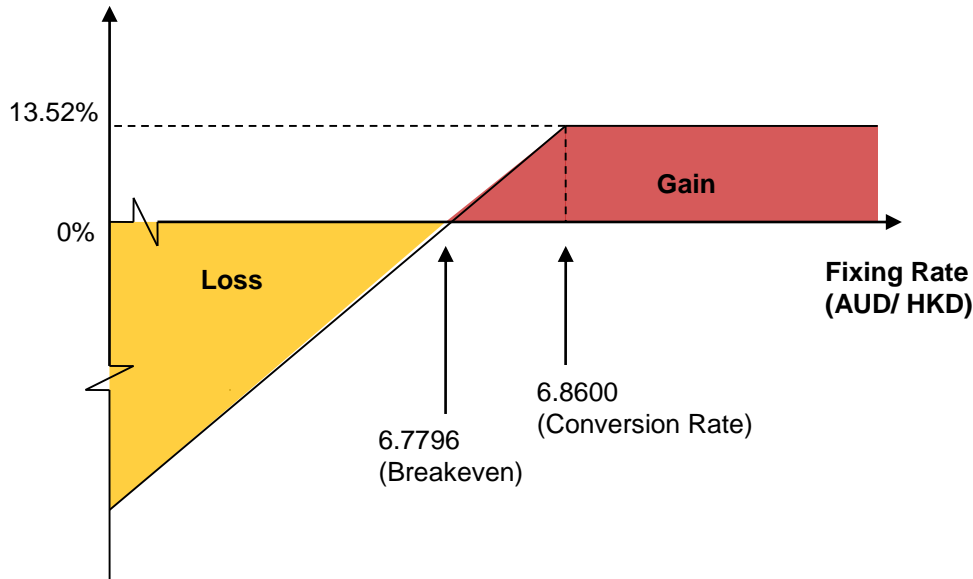
\* [Investment amount + (investment amount X interest rate X investment duration / day count basis)] / conversion rate  
 = [HKD100,000 + (HKD100,000 X 13.52% X 32 days / 365 days)] / 6.8600  
 = AUD14,750.05

<sup>^</sup> HKD equivalent = maturity amount X fixing rate

**Note: The above examples shown are for reference only and shall not constitute any representation or warranty by the Bank in respect of any possible gain or loss.**

## Diagram - Return Example Analysis

Return Rate (% p.a.)



**Note:** The above diagram is for reference only and the scale of the diagram is not in proportion. The actual performance of the product may differ from the examples shown.

### What are the Key Risks?

You should read and understand the nature of all the risks before deciding whether to invest in this product.

#### **Not a time deposit**

This product is NOT equivalent to, nor should it be treated as a substitute for, time deposit. It is NOT a protected deposit and is NOT protected by the Deposit Protection Scheme in Hong Kong.

#### **Full downside risk (NOT principal-protected)**

This product is not principal protected. The return in relation to this product is subject to market conditions and the performance of the underlying instrument. Fluctuations in prices of underlying instrument can be substantial and past performance is not necessarily a guide to future performance. You could lose all of your investment amount.

#### **Derivatives risk**

This product is a derivative product which involves risks. You may suffer substantial loss in the event of an adverse movement in the relevant underlying instrument.

#### **Capped maximum potential gain**

The maximum potential gain of this product is capped and limited to the pre-determined annualized yield.

#### **Not the same as an investment in underlying instrument**

Investing in this product is not the same as investing in underlying instrument(s). During the investment period, you have no right to the underlying instrument(s) under this product.

#### **Secondary market and liquidity risk**

This product does not have secondary market and is designed to be held till maturity. You do not have the right to request early termination of this product before maturity.

**Credit risk**

This product is not secured by any collateral. When you invest in this product, you will be relying on the Bank's creditworthiness. If the Bank becomes insolvent or defaults on its obligations under this product, you can only claim as an unsecured creditor of the Bank. In the worst case, you could suffer a total loss of your investment amount.

**Market risk**

The return of this product is linked to the market price of underlying instrument(s). Movements in the market price can be unpredictable, sudden and drastic, and affected by complex political and economic factors.

**Currency risk**

If the investment currency or linked currency is not in your home currency, and you choose to convert it back to your home currency upon maturity, you may make a gain or loss due to exchange rate fluctuations.

**Risks relating to RMB**

RMB exchange rate and/or interest rate relevant to this product refer to offshore RMB (CNH). You should note that the value of RMB against other foreign currencies fluctuates and will be affected by, amongst other things, the PRC government's control (for example, the PRC government regulates conversion between RMB and foreign currencies), which may adversely affect your return under this product when you convert RMB into your home currency.

**Risks of early termination by the Bank/Issuers**

The Bank/Issuer has the right (but not the obligation) to terminate this product early upon occurrence of certain events. If this product is terminated by the Bank/Issuer early, you may suffer a substantial loss under this product. See "Can the Bank or Issuer adjust the terms or early terminate this product?" below.

**Exposure to the risks associated with the product from the Transaction Date (even though we do not debit your account until the trade settlement date)**

When you submit your order, a cash amount equal to the Investment Amount (or our estimate of the Investment Amount) will be frozen in your account. After your order has been executed, you cannot withdraw or cancel your order. You are exposed to the risks associated with this product from the Transaction Date. Given the same Tenor, the longer the time gap between the Transaction Date and the trade settlement date, the longer the period of time you will be exposed to the risks associated with this product. Given the same Tenor, the annualised yield of your potential return on this product calculated from the Transaction Date may be lower than the annualised yield calculated from the trade settlement date.

**How can you buy this product?**

You can subscribe this product by visiting any of our branches or by calling us at 2309 5555.

**Pre-Investment Cooling Off Period for retail customers**

Pre-Investment Cooling-off Period (PICOP) is applicable to each particular dealing of this product if you are one of the following retail customer types:

- (1) An elderly customer aged 65 or above who is a first time buyer of currency linked product (or relevant product type), AND
  - a. his/her asset concentration<sup>1</sup> is 20% or above; or
  - b. his/her asset concentration<sup>1</sup> is below 20% AND the customer does not choose to opt out from PICOP arrangement.
- (2) A non-elderly customer who is a first time buyer of currency linked product (or relevant product type) AND his/her asset concentration<sup>1</sup> is 20% or above.

<sup>1</sup> For the purpose of determining whether PICOP is applicable, asset concentration refers to the percentage of your total net worth (excluding real estate properties), including those being held in the Bank and in other banks or financial institutions, that is to be invested in this product.

**Can the Bank or Issuer adjust the terms or early terminate this product?**

The imposition of exchange controls, events of default, force majeure or any other events may trigger adjustment to, or early termination of this product. Such adjustments or early termination events may negatively affect your return or loss under this product.

You can request for early exit, but the acceptance of early exit request is subject to the Bank's discretion. There

is penalty for early exit subject to individual transaction. If you request for early exit, the amount received may be far less than the nominal amount of this product.

**Risk Disclosure Statement**

This document is for reference only and does not constitute and should not be regarded as any offer to purchase or sell. Investment involves risks and the price of investment products may fluctuate or even become worthless. Past record is not an indicator of future performance. Losses may be incurred rather than making a profit as a result of investment. You should carefully and independently consider whether the investment products are suitable for you in light of your investment experience, objectives, financial position and risk profile. Independent professional advice should be obtained if necessary. Please read the relevant terms and conditions together with the risk disclosure statements in the prospectus of the investment product before making any investment decisions. The contents of this document have not been reviewed by the Securities and Futures Commission of Hong Kong.

[In the event of any discrepancy between the English and Chinese version, the English version shall prevail.]