

# Template

## Contract between Applicant/Entrant and Financial Intermediary in respect of the New Capital Investment Entrant Scheme

**THIS CONTRACT** is made on (DD/MM/YYYY).

**BETWEEN:**

- (1) (Name of Applicant/Entrant)(the “**Client**”), holder of Passport Number \_\_\_\_\_ [and/or Hong Kong Identity Card Number \_\_\_\_\_]\*, with the New CIES Application Reference Number as assigned by the New CIES Office \_\_\_\_\_; and
- (2) (Name of the Appointed Financial Intermediary)(the “**Appointed FI**”) whose registered office is situated at (registered office address).

### **WHEREAS**

- (1) The Client is the Applicant/Entrant under the New CIES operated by InvestHK and Immigration Department.
- (2) The Client will open a designated account (the “**Designated Account**”) for the purpose of purchasing and/or holding Permissible financial asset(s) in order to fulfill the Investment Requirements and Portfolio Maintenance Requirements under the New CIES.
- (3) The Appointed FI is [an authorised institution defined in the Banking Ordinance (Cap. 155 of the Laws of Hong Kong) / a corporation licensed to perform Type 1 or 9 regulated activities under the Securities Futures Ordinance (Cap. 571 of the Laws of Hong Kong) / an insurer permitted to carry on Class C business as specified in Part 2 of Schedule 1 under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong)]\*.

\* Please delete as appropriate.

**NOW IT IS HEREBY AGREED** as follows:

### **1. DEFINITIONS AND INTERPRETATIONS**

- 1.1 Unless otherwise defined, capitalised terms used in this Contract shall have the same meanings as defined in the Scheme Rules.
- 1.2 “**Annex**” means the annex to this Contract, which is extracted from Annex A of the Scheme Rules, having the same force and effect as if expressly set out in the body of this Contract.
- 1.3 “**Applicant/Entrant**” referred to in the Annex means the Client.
- 1.4 “**Approval-in-Principle**” means a preliminary and provisional grant of approval in writing given by DoI to the Applicant to enter Hong Kong and/or remain in Hong Kong pursuant to the New CIES.
- 1.5 “**Designated Account**” referred to in the Annex means the account opened by the Appointed FI and operated in accordance with the instruction of the Client for the purpose of acquiring and/or holding Permissible financial assets in order to fulfill the Investment Requirements and Portfolio Maintenance Requirements under the New CIES. The Designated Account shall only hold in own name of the Client.
- 1.6 “**DGIP**” means the Director-General of Investment Promotion of InvestHK.
- 1.7 “**DoI**” means the Director of Immigration of the Immigration Department.
- 1.8 “**Entry Application**” means an entry application submitted to DoI for a visa/entry permit to enter Hong Kong and/or remain in Hong Kong for residence under the New Capital Investment Entrant Scheme.

- 1.9 “**Financial Intermediary**” referred to in the Annex means the Appointed FI.
- 1.10 “**Formal Approval**” means a confirmed grant of approval in writing given by the DoI to the Applicant to enter Hong Kong and/or remain in Hong Kong pursuant to the New CIES.
- 1.11 “**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China.
- 1.12 “**Immigration Department**” means the Immigration Department of the Government of Hong Kong, which is responsible for assessing applications for visa/entry permit, extension of stay and unconditional stay pursuant to the New CIES.
- 1.13 “**InvestHK**” means Invest Hong Kong of the Government of Hong Kong, which is responsible for attracting and facilitating direct investment into Hong Kong.
- 1.14 “**New CIES**” means the New Capital Investment Entrant Scheme which was launched on 1 March 2024, subject to amendments and/or supplements from time to time.
- 1.15 “**New CIES Office**” means the New Capital Investment Entrant Scheme Office under InvestHK, overseen by DGIP, which is responsible for assessing the financial assets and investment of Applicants/Entrants as well as monitoring their continuous compliance of the Investment Requirements and Portfolio Maintenance Requirements under the New CIES.
- 1.16 “**Permissible financial assets**” means the assets referred to by that name in paragraph 5.1(a) to (f) of the Scheme Rules including equities, debt securities, certificates of deposits, subordinated debt, eligible collective investment schemes and ownership interest in limited partnership funds registered under the Limited Partnership Fund Ordinance (Cap. 637 of the Laws of Hong Kong).
- 1.17 “**Scheme Rules**” means the Rules for the New CIES published by DGIP and DoI for the purpose of the New CIES, subject to amendments and/or supplements from time to time.
- 1.18 “**Working Day**” means a day other than a Sunday, a public holiday or a gale warning day or a black rainstorm warning day as defined in section 71(2) of the Interpretation and General Clauses Ordinances (Cap. 1 of the Laws of Hong Kong).

## 2. REPRESENTATIONS AND WARRANTIES

- 2.1 Both the Client and the Appointed FI hereby warrant, represent and undertake the following:
- (1) In the Designated Account of the Client, opened with the Appointed FI and operated in accordance with the Client’s instruction, shall only hold in Client’s name:
    - (a) Permissible financial assets (as defined and referred to in the Scheme Rules);
    - (b) cash of HK\$3 million for placing into the CIES Investment Portfolio (“CIES IP”);
    - (c) cash proceeds of sale or other realisation of Permissible financial assets;
    - (d) cash transferred to the Designated Account by the Client for investment in Permissible financial assets; and
    - (e) cash representing cash dividends or interest accruing in the Designated Account.
  - (2) All cash transferred to the Designated Account by the Client and all cash proceeds of sale or other realisation of Permissible financial assets shall be invested or re-invested in Permissible financial assets and/or non-residential real estate in accordance with the Scheme Rules;
  - (3) As soon as the Client obtains the Approval-in-Principle (if applicable) and/or Formal Approval and/or other relevant documents from DoI in relation to his Entry Application under the New CIES, the Client shall notify the Appointed FI with all relevant approvals in writing and documents accordingly;
  - (4) The Client shall understand and agree that the Appointed FI is required to comply with the reporting requirements provided in the Scheme Rules and in this Contract. In addition, the Client shall understand and agree that the Appointed FI is required to carry out customer due diligence

and fulfill relevant anti-money laundering and counter-terrorist financing obligations under the Anti-Money Laundering and Counter Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong), and report to the New CIES Office on his/her continuous compliance with the Scheme Rules. The Client shall provide the relevant information, documents or evidence to the Appointed FI for compliance of the abovementioned rules and regulations;

- (5) The Client shall acknowledge and agree that if he/she fails to timely provide the Appointed FI with any relevant information, documents or evidence required by the Appointed FI to fulfill its reporting obligations under the New CIES, this may affect his/her application to DGIP and/or DoI under the New CIES; and
- (6) The Client and the Appointed FI shall acknowledge that the terms and conditions which DGIP may require to be included in the agreement shall be of the essence of any such agreement (unless DGIP otherwise agrees in writing) and override a different intention arising from or which might otherwise (apart from the Scheme Rules) arise from the provisions of this agreement regarding the appointment of the financial intermediary(ies).

### **3. THE NOTIFICATION DUTY OF THE APPOINTED FI TO DGIP**

3.1 The Appointed FI shall notify DGIP in writing within seven working days of acquiring actual knowledge of any of the followings:

- (1) any instruction by the Client to appoint as a new Financial Intermediary;
- (2) the Client has withdrawn any assets from the Designated Account (other than cash dividends or interest accruing in the Designated Account) or received any new injection of assets into the Designated account;
- (3) any instruction from the Client to withdraw any assets from the Designated Account (other than cash dividends or interest accruing in the Designated Account) or to receive any new injection of assets into the Designated Account;
- (4) the Client has not re-invested the proceeds of sale or other realisation of Permissible financial assets in further Permissible financial assets within the following period (or such other period as may be provided by the Scheme Rules then in force):
  - (a) no more than 14 calendar days may elapse between the date of the contract for the sale of the asset being sold and the date of the contract for the purchase of the reinvestment asset;
  - (b) in calculating the period mentioned in (a) above:
    - (i) "date of the contract" means the date on which the written agreement comes into legal effect;
    - (ii) the first date referred to shall be excluded and the last date referred to shall be included;
    - (iii) if the first and/or last day of the period would otherwise be a Sunday, a public holiday, a gale warning day or a black rainstorm warning day, the first and/or last day shall instead be the next following working day and the period shall be extended accordingly;
- (5) any instruction from the Client to transfer the Designated Account or any assets in the Designated Account (other than cash dividends or interest accruing in the Designated Account) to any other Financial Intermediary or other person;
- (6) (except for any lien to secure payment or the Appointed FI's proper fees and expenses,) the Client has charged, assigned or created any interest in favour of a third party in any assets in the Designated Account (including cash dividends or interest accruing therefrom, if any, provided that these are still held in the Designated Account);
- (7) the Client has ceased to be the sole beneficial owner of all assets in the Designated Account (other than cash dividends or interests accruing in the Designated Account);
- (8) any instruction by the Client to close the Designated Account; and

- (9) any instruction by the Client for the Appointed FI to cease the appointment as his/her Financial Intermediary.
- 3.2 Within 14 working days after the first anniversary of the grant of Formal Approval to the Client to join the New CIES, and within 14 working days after each subsequent anniversary if the Appointed FI still operates the Designated Account at such anniversary, the Appointed FI shall:
- (1) notify DGIP in writing of the composition of the Designated Account at the relevant anniversary and the acquisition cost (exclusive of all dealing charges, commission and stamp duty) of the Permissible financial assets held in the Designated Account at that date; and
  - (2) confirm in writing to DGIP that to the best of its knowledge, the Appointed FI has complied fully with the reporting obligations set out above in respect of the period since the appointment as the Client's Financial Intermediary until the relevant anniversary, or notify DGIP in writing of all matters which should have been reported in respect of that period.
- 3.3 The Appointed FI shall promptly answer all queries addressed to it by DGIP concerning the Designated Account and supply such documents (whether copies or originals) concerning the Designated Account as DGIP requests. The Client irrevocably authorises the Appointed FI to answer all such questions and provide such documents.
- 3.4 The Appointed FI shall supply to DGIP within seven working days from the day it is made a copy of the contract between the Client and the Appointed FI and every amendment or variation to such contract (subject to the provisions of paragraph 3.5 below).
- 3.5 In accordance with paragraph 8 of Annex A of the Scheme Rules, the provisions in Annex A of the Scheme Rules shall prevail over any other provisions in this Contract between the Client and the Appointed FI in the event of any conflict or inconsistency between them.
- 3.6 All reports and written notifications to DGIP referred to in the above provisions in this Contract shall be submitted to the responsible team of the New CIES Office. The New CIES Application Reference Number as assigned by the New CIES Office and the relevant subject matter should be quoted in any communication with the New CIES Office.
- 3.7 The English version of this Contract shall prevail in the event of any inconsistency between the English and Chinese versions.

#### **4. GENERAL AGREEMENT PROVISIONS**

- 4.1 No margin trading facilities shall be provided by the Appointed FI to the Client in relation to the Client's investment in the Permissible financial assets in the Designated Account.
- 4.2 Subject to any lien which the Appointed FI may have for unpaid fees or expenses in the ordinary course of the business under the New CIES in relation to Permissible financial assets, the Client must be and remain the absolute beneficial owner of the Permissible financial assets and is required to prove to the satisfaction of DGIP all the relevant details of the material transaction(s) by him/her or on his/her behalf on the Designated Account by providing documentary evidence.

#### **5. OTHERS**

- 5.1 This Contract shall be governed by the law of Hong Kong. The parties agree to submit to the exclusive jurisdiction of the courts of Hong Kong.

IN WITNESS whereof this Contract is duly executed on the date first above written.

Signed by

\_\_\_\_\_  
(Name of the Client)

In the presence of Witness\*

\_\_\_\_\_  
(Name of the Witness)\*  
(Title of the Witness)\*

Representative of (Name of the Appointed Financial Intermediary)

\_\_\_\_\_  
(Name of the Authorised Signatory)  
(Title of the Authorised Signatory)

In the presence of Witness\*

\_\_\_\_\_  
(Name of the Witness)\*  
(Title of the Witness)\*

\* Please delete as appropriate.

**Annex**

Source: Annex A of the Scheme Rules

**Annex A**

**Contract(s) between Applicant/Entrant and Financial Intermediary(ies)  
in respect of the New Capital Investment Entrant Scheme**

The contract(s) between the Applicant/Entrant and the Financial Intermediary(ies) must contain the following specific provisions which (1) shall be of the essence of the contract(s) and prevail in the events of any conflict or inconsistency between these essential provisions and the other terms of the contract, and (2) shall bear the same meaning as in the New Capital Investment Entrant Scheme (“Scheme”):

1. The designated account of the Applicant/Entrant, opened with the Financial Intermediary and operated in accordance with the instruction of the Applicant/Entrant, shall only hold in his own name:
  - (1) Permissible financial assets (as defined and referred to in the Scheme Rules published by the Director-General of Investment Promotion of InvestHK (“DGIP”) and the Director of Immigration (“DoI”) for the purpose of the Scheme);
  - (2) cash of HK\$3 million for placing into the CIES Investment Portfolio (“CIES IP”);
  - (3) cash proceeds of sale or other realisation of Permissible financial assets;
  - (4) cash transferred to the designated account by the Applicant/Entrant for investment in Permissible financial assets; and
  - (5) cash representing cash dividends or interest accruing in the designated account.

2. All cash transferred to the designated account by the Applicant/Entrant and all cash proceeds of sale or other realisation of Permissible financial assets shall be invested or re-invested in Permissible financial assets and/or non-residential real estate in accordance with the Scheme Rules.
3. The Financial Intermediary shall notify DGIP in writing <sup>Note 1</sup> within seven working days of acquiring actual knowledge of any of the following:
  - (1) any instruction by the Applicant/Entrant to appoint it as a new Financial Intermediary;
  - (2) the Applicant/Entrant has withdrawn any assets from the designated account (other than cash dividends or interest accruing in the designated account) or received any new injection of assets into the account;
  - (3) any instruction from the Applicant/Entrant to withdraw any assets from the designated account (other than cash dividends or interest accruing in the designated account) or received any new injection of assets into the account;
  - (4) the Applicant/Entrant has not re-invested the proceeds of sale or other realisation of Permissible financial assets in further Permissible financial assets within the following period (or such other period as may be provided by the Scheme Rules then in force):
    - (a) no more than 14 calendar days may elapse between the date of the contract for the sale of the asset being sold and the date of the contract for the purchase of the reinvestment asset;
    - (b) in calculating the period mentioned in (a) above:

<sup>Note 1</sup> The notification could be addressed to the New Capital Investment Entrant Scheme Office (Address: 15/F, Revenue Tower, 5 Gloucester Road, Wan Chai, Hong Kong, Email : newcies@investhk.gov.hk).

- (i) “**date of the contract**” means the date on which the written agreement comes into legal effect;
    - (ii) the first date referred to shall be excluded and the last date referred to shall be included;
    - (iii) if the first and/or last day of the period would otherwise be a Sunday, a public holiday, a gale warning day or a black rainstorm warning day, the first and/or last day shall instead be the next following working day and the period shall be extended accordingly;
  - (5) any instruction from the Applicant/Entrant to transfer the designated account or any assets in the designated account (other than cash dividends or interest accruing in the designated account) to any other Financial Intermediary or other person;
  - (6) (except for any lien to secure payment or the Financial Intermediary’s proper fees and expenses,) the Applicant/Entrant has charged, assigned or created any interest in favour of a third party in any assets in the designated account (including cash dividends or interest accruing therefrom, if any, provided that these are still held in the designated account);
  - (7) the Applicant/Entrant has ceased to be the sole beneficial owner of all assets in the designated account (other than cash dividends or interest accruing in the designated account);
  - (8) any instruction by the Applicant/Entrant to close the designated account; and
  - (9) any instruction by the Applicant/Entrant for the existing Financial Intermediary to cease the appointment as his Financial Intermediary.
4. Within 14 working days after the first anniversary of the grant of Formal Approval to the Applicant/Entrant to join the Scheme, and within 14 working days after each

subsequent anniversary if the Financial Intermediary still operates the designated account at such anniversary, the Financial Intermediary shall:

- (1) notify DGIP in writing of the composition of the designated account at the relevant anniversary and the acquisition cost (exclusive of all dealing charges, commission and stamp duty) of the Permissible financial assets held in the designated account at that date; and
  - (2) confirm in writing to DGIP that to the best of the Financial Intermediary's knowledge the Financial Intermediary has complied fully with the reporting obligations set out above in respect of the period since the appointment as the Applicant's/Entrant's Financial Intermediary until the relevant anniversary, or notify DGIP in writing of all matters which should have been reported in respect of that period.
5. The Financial Intermediary shall promptly answer all queries addressed to it by DGIP concerning the designated account and supply such documents (whether copies or originals) concerning the designated account as DGIP requests. The Applicant/Entrant irrevocably authorises the Financial Intermediary to answer all such questions and provide such documents.
  6. The expression "working day" in the above provisions means a day other than a Sunday, a public holiday or a gale warning day or a black rainstorm warning day (both as defined in paragraph 71(2) of the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong)).
  7. The Financial Intermediary shall apply to DGIP <sup>Note 2</sup> within seven working days from the day it is made a copy of the contract between the Applicant/Entrant and the Financial Intermediary and within seven working days a copy of every amendment or variation to such contract (but subject to the provisions of paragraph 9 below).

8. These provisions set out at paragraphs 1 to 9 shall prevail over any other provisions in the contract between the Applicant/Entrant and the Financial Intermediary in the event of any conflict or inconsistency between them.

9. The above provisions shall not be altered without the written consent of DGIP.

<sup>Note 2</sup> The document could be addressed to the New Capital Investment Entrant Scheme Office (Address: 15/F, Revenue Tower, 5 Gloucester Road, Wan Chai, Hong Kong, Email : [newcies@investhk.gov.hk](mailto:newcies@investhk.gov.hk)).