

HashKey Exchange Account Opening and Trading Rules

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HashKey Exchange is a virtual asset trading platform operated by Hash Blockchain Limited (“HBL”), which is a limited liability company incorporated in Hong Kong with company number 2669359 and is licensed with the Securities and Futures Commission (Central Entity Number BPL992) for Type 1 (dealing in securities) and Type 7 (providing trading services) regulated activities under the Securities and Futures Ordinance (“SFO”).

1. How to Open an Account with HashKey Exchange?

To open an account with HashKey Exchange, you shall complete, sign and be bound by the terms and conditions as required by HBL and provide such other documents as HBL may require. Your account opening process and documents will depend on which type of investors you are. Currently, HashKey Exchange provide services to a “professional investor” as defined in Schedule 1 to the SFO (“Professional Investor”) and non-Professional Investor which are broadly divided into the following categories:

- (a) Individual Professional Investor: An individual (whether on his own or with someone in a joint account) or a company wholly owned by the individual with principal business of holding investments) with a portfolio of eligible investments of not less than HK\$8 million (or its equivalent in foreign currency) as of the relevant date.
- (b) Corporate Professional Investor: A corporation or a partnership with a portfolio of eligible investments of not less than HK\$8 million (or its equivalent in foreign currency) or total assets of not less than HK\$40 million (or its equivalent in foreign currency) as of the relevant date.
- (c) Institutional Professional Investor: A entity falling under paragraph (a) to (i) of the definition of “professional investor” in section 1 of Part 1, [Schedule 1 to the SFO](#), which by way of examples is a bank, a brokerage firm, an insurance company or other regulated intermediaries etc.
- (d) Retail Client or Retail Investor: Any person other than a Professional Investor

Please refer to the definition of Professional Investor in Part 1 of [Schedule 1 to the SFO](#) for detail.

You can open an account online through the following process:

1. Register an account on the official website of HashKey Exchange. After completing the registration, log in to your account, click [Security], go to the KYC Certification section and click [Verify]. Please go through the certification process based on your status (i.e. individual or corporate); and once selected cannot be modified.
2. Depending on your status, you will be required to complete the below steps:
 - Virtual Asset Knowledge Test
 - Risk Assessment
 - Basic Information Verification

3. After receiving all the required information, HashKey Exchange will review submitted information and send feedback to the client via email. Subject to the sufficiency of the information provided, HashKey Exchange may ask for more supporting information.
4. After completing and passing the Basic Information Verification step, please proceed to complete the Bank Information Verification step by transferring a minimum amount of 1,500 USD (or equivalent) to HBL's designated bank account from your bank account with a bank licensed in Hong Kong or an eligible jurisdiction as published on the [SFC website](#) from time to time. The Bank Information Verification is not applicable if you open an account in person.
5. Once all of the above steps have been satisfactorily completed, we will open an account for you at HashKey Exchange.

2. How to activate your account and trade at HashKey Exchange?

Please follow the instructions below to activate your account and trade at HashKey Exchange.

1. Complete the KYC certification.
2. Deposit sufficient virtual assets or fiat currencies to fund your account. Please refer to the Virtual Asset catalog at point 4 below to select the Virtual Asset that you intend to trade.
3. HashKey Exchange currently supports limit order and market order. On the trading webpage, the "Buy" and "Sell" buttons can be used to place buy or sell orders for a particular crypto trading symbol.
4. Once the order is confirmed, the system will try to match your order with the liquidity on the opposite side of the orderbook according to the price and quantity client requested. For a limit order, if it is not matched or only partially matched the status of your order will remain as unexecuted and will be displayed in the [Open Order] of [Trade Records] until the order is completely executed. For a market order, if it is not matched or only partially matched, the unexecuted quantity of the order will be cancelled immediately.
5. The transaction details of an order, e.g., time, price, and size of each fill, are displayed in the [Transaction Details] of [Trading Orders].

3. Fees

Below are the mechanisms of fees that HashKey Exchange's charge for services. Please refer to the fee schedule at [Fees – HashKey Exchange](#) for details of fee rate.

Trading Fee

The trading fee rate of HashKey Exchange uses the Maker and Taker mechanisms.

Taker

The portion or the entirety of a limit order that is matched immediately upon entry is a market order and is considered a Taker order. This happens when the price of a limit buy order is equal or higher than the best ask price, or the price of a limit sell order is equal or lower than the best bid price.

Maker

The portion or the entire size of a limit order that cannot be matched immediately upon entry will enter orderbook as a limit order and is considered a Maker order.

A limit order can be charged with two fees, the portion that is considered market order will be charged with Taker Fee and the portion that is considered limit order will be charged with Maker Fee.

Deposit Fee & Withdrawal Fee

When depositing and withdrawing fiat currencies and virtual asset, the fees incurred will be adjusted according to transaction congestion situation, processing costs and bank charges.

Admin Expenses

When any person who is not a client of HashKey Exchange mistakenly deposits virtual assets into HashKey Exchange via its wallet address and requests for a return, HashKey Exchange will first verify the person's identity and conduct AML review, and only after the satisfactory completion of which, the virtual assets will be automatically returned to the person. HashKey Exchange will charge a fixed amount of admin fees for the checking and handling process.

HashKey Exchange reserves the right to amend the Fee Schedule, including adjustments to any tiers or rates, subject to the requirements of the Professional Investor Business Terms. The most updated version will be available on the HashKey Exchange website.

Any change to the Fee Schedule will be emailed the client and/or posted to HashKey Exchange website, no more than 30 calendar days before such changes take effect and subject to any shorter period of time that may be required by the applicable law or regulation. Clients who object to the changes will be given an opt-out option to terminate their accounts and should send written objections to HBL within fourteen (14) business days after the publication of such amendment notice at HashKey Exchange's website, failing which acceptance shall be deemed of such amendment, deletion, substitution or addition.

The new Fee Schedule will apply to the order placed on or after the effective date of the new Fee Schedule.

Please refer to the Investor Business Terms posted on HashKey Exchange website for more details.

4. Virtual Assets available for trading on HashKey Exchange

We make virtual assets available for trading on HashKey Exchange's trading page subject to a client's eligibility.

5. General Rules for Deposit/Withdrawal

Deposit of virtual assets:

For deposit via personal wallet, the deposit transaction will be processed when a certain number of confirmations are reached and has completed HashKey Exchange's internal reviews, the deposit will then be credited and displayed on the client's account.

Deposit via other exchange, the deposit transaction will also require HashKey Exchange's review via the FATF's Travel Rule and is subject to the FATF's Travel Rule requirement.

In both cases please be patient and make sure client enter the correct address. Otherwise, HashKey Exchange cannot receive the client's virtual assets.

Withdrawal of virtual assets:

After the withdrawal application is issued, the confirmation will be sent to the requesting client which delivery speed time will depend on the blockchain network. Therefore, the time for the client to receive the requested virtual assets may vary from a few minutes to several hours or longer.

Number of block confirmations for successful withdrawal application:

Block confirmation depends on network conditions. Delays may occur due to network congestion.

Deposit of fiat currencies:

Deposit transaction will be processed after the funds are received and cleared by our designated bank. The deposit will then be credited and displayed on the client's account after HashKey Exchange completed its internal review.

In order to comply with our KYC and AML procedures, we may require additional information and documentation from the client. We will also review the information provided and may contact the client for further verification.

Please provide accurate information and make sure to include the correct reference number to avoid any delay in processing the transaction. Additionally, please note that there may be additional fees charged by intermediary banks or payment processors.

Withdrawal of fiat currencies:

After the withdrawal application is accepted, the request amount will be reflected in the client's bank account after processed by our designated bank, however, this may subject to bank procedures. Therefore, the time for the client to receive the withdrawal funds may vary.

Please make sure to provide accurate information and double-check the recipient's bank account details. Otherwise, our compliance team may need to put the withdrawal on hold for further verification.

6. Trading Hours

HashKey Exchange provides 7 days x 24 hours of electronic trading services. If there is system maintenance or system interruption, HashKey Exchange will notify client through announcements on HashKey Exchange's official website and system notification upon user login.

7. Trading Participants and Their Roles

Participants on HashKey Exchange are categorized into the following sectors:

- (a) Individual Professional Investor: An individual (whether on his own or with someone in a joint account) or a company wholly owned by the individual with principal business of holding investments) with a portfolio of eligible investments of not less than HK\$8 million (or its equivalent in foreign currency) as of the relevant date.
- (b) Corporate Professional Investor: A corporation or a partnership with a portfolio of eligible investments of not less than HK\$8 million (or its equivalent in foreign currency) or total assets of not less than HK\$40 million (or its equivalent in foreign currency) as of the relevant date.
- (c) Institutional Professional Investor: An entity falling under paragraph (a) to (i) of the definition of "professional investor" in section 1 of Part 1, [Schedule 1 to the SFO](#), which by way of examples is a bank, a brokerage firm, an insurance company or other regulated intermediaries etc.
- (d) Retail Client or Retail Investor: Any person other than a Professional Investor. Retail Investor will only be able to trade tokens approved by regulators for Retail Investor.

8. Order Channel

Market participants can place an order via the following two channels:

- Manually enter an order on trading portal of the HashKey Exchange.
- Electronically via the API provided by Hashkey Exchange, the API information can be found on HashKey Exchange's official website.

9. Types of Order

Market Order:

A market order is an order that does not specify a price. It is executed immediately upon entry. The size of the order that can be filled is dependent on the following conditions:

- the amount of liquidity available
- the price of the matching liquidity does not exceed the price band of the last executed price

Any unexecuted portion of a market order is cancelled immediately.

Limit Order:

A limit order is an order that specifies an execution price. The fill price of a limit order cannot be higher/lower than the limit price if the order is a buy/sell order.

10. Time Limit of an Order

Valid Until Cancelled (GTC—Good Till Cancelled) :

Client GTC orders will remain valid until any of the following events occurs:

1. Orders are executed
2. Orders are cancelled by the client
3. Orders are cancelled by the system (For example: product removal)

Execute Immediately or Cancel (IOC—Immediate Or Cancel) : (API only)

An IOC order is executed immediately. Any portion of an IOC order that cannot be filled immediately will be cancelled.

11. Order Verification Rules

To mitigate potential user mistakes in order placement, Hashkey Exchange adopts a transaction confirmation mechanism. The time involved below is expressed in Hong Kong time zone, i.e. UTC + 8 time.

When a client places an order, HashKey Exchange platform will provide the client with the following information:

i) Order details:

- Order type
- Product
- Quantity

ii) Order estimation:

- Transaction fee
- Transaction net amount (after deduction of transaction fee)

Once the transaction is executed, it cannot be cancelled.

When the order is successfully completed, client can view the following information about the order in the [Transaction History] webpage:

- Executed Time
- Trading Symbols Name
- Direction of the Trade
- Executed Price
- Executed Volume
- Fees
- Total Volume of the order

HashKey Exchange will send client the “Daily Account Statement” by email the next day for the transaction status of the client’s order on the day. The data cycle is from 00:00 to 24:00 of the previous day. For example, the daily settlement report between 00:00 and 24:00 on the 1 May will be sent on the 2 May at 18:00 by email.

Client can see the following information in the “Daily Account Statement”:

- Trading Summary
- Order Detail
- Deposit and Withdrawal Summary
- Deposit History
- Withdrawal History
- Account Overview

HashKey Exchange will send client the “Monthly Account Statement” by email within the first week of the following month for the transaction status of clients’ orders in the current

month. The data cycle is from 00:00 of the first day of the previous month to 24:00 of the last day of the month. For example, the settlement report between 00:00 of 1st May and 24:00 of 31st May will be sent by email on June 1 (UTC + 8) at 18:00.

Client can see the following information in the “Monthly Account Statement”:

- Trading Summary
- Executed Orders
- Deposit and Withdrawal Summary
- Deposit and Withdrawal History
- Account Overview

12. Limits and Price Limit of an Order

Position Limits

Client needs to complete a risk assessment questionnaire during KYC certification. Based on the results of the assessment, clients’ risk tolerance can be divided into 5 levels: Conservative, Cautious, Moderate, Active and Aggressive. Subject to HashKey Exchange’s sole discretion and on-going review, clients with different risk tolerances, investment objectives, financial situation (including net worth) and personal circumstances will be given different position limits. Below is an indicative list of maximum position limits for individual and corporate investors.

Client Type	Risk tolerance level	Maximum Position Limits (USD)
Individual Investor	Conservative	0
	Cautious	
	Moderate	
	Active	5,000,000
	Aggressive	8,000,000
Corporate Investor	Conservative	0
	Cautious	
	Moderate	
	Active	8,000,000
	Aggressive	10,000,000

Price Limit of an Order

For Market Order:

A market buy order cannot be executed if the filled price exceeds 120% of latest market price. When the filled price exceeds 120% level, the order will be partially executed, with the portion that exceeding 120% level being cancelled.

A market sell order cannot be executed if the filled price is below 80% of the latest market price. If the filled price is below 80% level, the order will be partially executed, with the portion that below 80% level being cancelled.

For Limit Order:

A limit buy order cannot be successfully placed if the order price exceeds 120% of the latest market price.

A limit sell order cannot be successfully placed if the order price is below 80% of the latest market price.

13. Order Priority

The orders of the HashKey Exchange platform are matched in the trading system according to price and then time priority.

Price Priority: Bid orders with higher prices are ranked higher and ask orders with lower prices are ranked higher.

Time Priority: Orders with the same price are ranked by their arrival time stamp. The earlier the order arrives at Hashkey Exchange, the higher the ranking of the order.

14. Execution, cancellation, and amendment of Order

When a client places a limit order, HashKey Exchange will freeze the amount of asset that is involved in the order plus trading fee, i.e., either the maker or the taker fee, whichever is higher.

When a client places a market order, HashKey Exchange will determine if the available balance in trading account exceeds the total trading amount plus all necessary fees and subsequently freeze it. Order entry will be blocked if the trading amount exceeds available balance.

When a buy order price and a sell order match in price, the maximal size of either order that can be matched at the price will be executed. An order may be executed with multiple matching orders.

Clients may submit a request to cancel any of their orders that are not fully matched on Hashkey Exchange.

15. Conflict of Interest

HashKey Exchange provides services for Professional Investors and non-Professional Investors, including employees of HBL and its group companies and affiliates who qualify to trade on the HashKey Exchange.

Clients' interests are crucial to HashKey Exchange. HBL has a "Compliance Policy" that regulates conflicts of interest. This policy applies (including but not limited to) all employees and short-term and long-term consultants of HBL. Once employees find a conflict of interest, they should report to the immediate supervisor or HBL's compliance department immediately.

16. Information Synchronization

When the HashKey Exchange Account Opening and Trading Rules of the HashKey Exchange platform change, we will inform client as soon as possible by system notification and announcement on HashKey Exchange's official website. Please pay attention to it.

17. System Maintenance Arrangement

Majority of system upgrade are managed across different zones with zero downtime, while some type of system upgrade that might induce system downtime occasionally, will fall into our scheduled system maintenance window.

When HashKey Exchange needs to perform system maintenance, the following measures will be taken:

- Evaluating the specific impact scope, start time and the estimated end time of the maintenance in advance;
- Notifying clients on the impact, start time and estimated end time of the maintenance as soon as possible through email, SMS, system notification and announcement on HashKey Exchange's official website; and
- Notifying clients as soon as possible when the maintenance is over.

If system maintenance induces a suspension of withdrawal transaction, HashKey Exchange will take the following measures:

- Evaluating the start time and the estimated end time of such suspension in advance;
- Notifying clients of the transaction suspension arrangements through email, SMS, system notification and announcement on HashKey;
- Notifying SFC of the withdrawal transaction suspension arrangements;
- Starting system maintenance and the suspension of withdrawal transaction;
- Notifying clients through system notification and announcement on HashKey Exchange's official website when withdrawal transaction function return back to normal;
- Notifying SFC when withdrawal transaction resume back to normal.

18. Unexpected Interruption Handling

When the service or transaction is stopped unexpectedly due to technical reasons or other force majeure, HashKey Exchange may take one or more of the following measures as appropriate.

- Suspending deposit and withdrawal temporarily;
- Cancelling all orders in the order book;
- Suspending trading function (including order placement, matching and cancellation);
- Suspending login;
- Suspending API functionality;
- Closing the website service temporarily; or
- Changing the status of all unfilled orders to "cancelled" status.

In the event there's a service or transactional interruption, HashKey Exchange will inform clients by email, notification on HashKey Exchange's official website or system message alert and notification upon user login.