

**CLIENT AGREEMENT
FOR SECURITIES TRADING**

THIS AGREEMENT is made the date stated in the Account Mandate

BETWEEN

- (1) **AUGUSTINE SECURITIES COMPANY LIMITED**, a company incorporated in Hong Kong with its registered office at Suite 1803,18/F, Tower 1, The Gateway, Harbour City, Tsim Sha Tsui, Hong Kong and a corporation licensed for Type 1 regulated activities under the Securities and Futures Ordinance with CE number BMR 576 (the "**Broker**"); and
- (2) The party whose full name, address and other details are set out in the Account Mandate (the "**Client**").

NOW IT IS AGREED as follows:-

1. DEFINITIONS

1.01 In this Agreement (including the Schedules), the following expression shall have the following meanings unless the context otherwise requires:-

"Account"	any one or more securities trading accounts now or hereafter opened in the name of the Client with the Broker in connection with this Agreement;
"Account Mandate"	the account mandate as completed, signed and delivered by the Client to the Broker during the process of account opening;
"Applicable Law"	any law, rule, regulation, order, ruling, judicial interpretation, directive, obligation or restriction (whether or not having the force of law and whether in Hong Kong or overseas) applicable to the Broker or a Client (as the context requires), their respective agents and/or Associates, any of the Group's or the Client's activities, an Account or any of the services or products provided including without limitation: (a) the SFO and any requirement, code, guideline, policy, recommendation or request (whether or not mandatory) made by any relevant Authority; (b) FATCA, IRS, IRD or similar initiatives relating to tax issues, with which the Broker is required or has decided to comply; and (c) the constitution, by-laws, rules, customs and practices of any exchange, market, clearing house, registration system or depository;
"Associate(s)"	in relation to the Broker, a body corporate which is its subsidiary or affiliated company;
"Authorised Person"	the persons or any of them designated in or pursuant to this Agreement to give Instructions and receipts on behalf of the Client for and in relation to any matter and/or the operation of any Accounts or Transactions and initially the persons named in and appointed pursuant to the Account Mandate;
"Authority"	any Regulators, government, tax authority, law enforcement agency, court, Exchange, clearing house, clearing or settlement system or professional, statutory, judicial or administrative body (including, without limitation, any industry association and self-regulatory bodies) in or outside Hong Kong;
"Business Day"	any day (other than a Saturday, a Sunday or a public holiday or a day on which a tropical cyclone warning No.8 or above or a "black rainstorm" warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks are open for general banking business in Hong Kong;
"Client"	the individual(s), sole proprietor, firm or body corporate whose name, address and details are set out in the Account Mandate and includes, as the case may be :- (a) personal account : the person entering into this Agreement with the Broker to open and/or continue one or more personal accounts and whose name is specified on the signature page of the Account Mandate; (b) sole proprietorship account : the firm named on the signature page of the Account Mandate (the " Firm ") and the person, being the sole proprietor of and carrying on business under the name of the Firm, specified on the signature page of the Account Mandate (the " Proprietor ") who enters into this Agreement with the Broker to open and/or continue one or more sole proprietorship accounts for the Firm; (c) joint account : the persons, acting jointly and severally, and each of them entering into this Agreement with the Broker to open and/or continue one or more joint accounts and whose names are specified on the signature page of the Account Mandate (the " Joint Account Holders "); or (d) partnership account : the Firm and the persons, being all the partners of and carrying on business under the name of the Firm and acting jointly and severally, and each of them specified on the signature page of the Account Mandate (the " Partners ") who enter into this Agreement with the Broker to open and/or continue one or more partnership accounts for the Firm;
"Code of Conduct"	the Code of Conduct for Persons Licensed By or Registered with the SFC as amended, supplemented modified or replaced from time to time;
"Exchange"	SEHK and any Foreign Stock Exchange;
"FATCA"	(a) sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986; (b) any intergovernmental agreement (including, without limitation, any agreement for the purposes of implementation of automatic exchange of information ("AEOI") and common reporting standards ("CRS") as may be relevant and/or applicable to the Broker from time to time), memorandum of undertaking, undertaking and other arrangement between governments and regulators in connection with (a) including as entered into by the government of Hong Kong; (c) agreements between the Group and the IRS and/or the IRD and/or any other government agency or regulator pursuant to or in connection with (a); and (d) any Applicable Laws, interpretations or practices adopted in the U.S., Hong Kong or elsewhere pursuant to any of the foregoing. In each case as amended, supplemented modified or replaced from time to time.

"Financial Product"	any securities, futures contracts or leveraged foreign exchange contracts as defined under the SFO.
"Foreign Stock Exchange"	a stock exchange which is permitted to operate in a country outside Hong Kong by the law of that country, or any over the counter market;
"Group"	Augustine Holdings Limited and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Identity Information"	in relation to any person, means the true and full identity of such person, including such person's alias(es), address(es), date(s) of birth, occupation(s) and contact details;
"Instruction"	any instruction or order given by the Client or its Authorised Persons to the Broker in accordance with Clause 4.01;
"IRD"	the Inland Revenue Department of the Government of Hong Kong;
"IRS"	the U.S. Internal Revenue Services;
"Non-Hong Kong Securities"	any Securities that do not fall within the application of section 3(1) of the Securities and Futures (Client Securities) Rules, Chapter 571H of the Laws of Hong Kong, as amended, supplemented modified or replaced from time to time;
"PDPO"	the Personal Data (Privacy) Ordinance (Cap. 486) of Hong Kong as amended, supplemented modified or replaced from time to time;
"Regulators"	the SEHK, the SFC, and any other Exchange or government agency or regulatory authority;
"Securities"	shall have the meaning ascribed to the terms "securities" in the SFO including but not limited to (1) stocks, shares, units and other equity securities, (2) bonds, notes and other debt securities, (3) spot and forward contracts, funds, options, warrants, futures, contracts for differences, swaps, exchanges, instruments and derivatives (whether or not linked or related in any way to any of the foregoing or to any moneys, index or other asset, property or item); (4) interests in any collective investment scheme; and (5) other investments of any kind whatsoever, in each case whether listed or unlisted, traded or not traded on any exchange or market, privately placed or publicly offered and whether or not constituted, evidenced or represented by a certificate or other document (bearer, negotiable or otherwise) or by an entry in the books of an issuer, a clearing house, a depository, a custodian or any other person, together with rights against any issuer, clearing house, depository, custody or other person in respect of any of the foregoing and other rights, benefits and proceeds in relation to any of the foregoing;
"SEHK"	The Stock Exchange of Hong Kong Limited;
"SFC"	the Securities and Futures Commission of Hong Kong;
"SFO"	the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any subsidiary legislation made thereunder as amended, supplemented modified or replaced from time to time;
"Short Selling Order"	as defined in Section 1 of Part 1 of Schedule 1 of the SFO;
"Transaction"	any transactions concerning the purchase, subscription, sale, exchange or other disposal of and dealings in any and all kinds of Securities on any Exchange or any over-the-counter non-Exchange traded Securities including but not limited to safe-keeping of Securities and the provision of nominee or custodian service therefore and other transactions effected under or pursuant to this Agreement;
"Ultimate Owner"	in relation to any transaction effected or to be effected by the Broker for the Client pursuant to this Agreement, means each and every person who (i) is the principal for whom the Client is acting as agent in relation to such transaction or (ii) stands to gain the commercial or economic benefit of such transaction and/or to bear its commercial or economic risk or (iii) is ultimately responsible for giving the Instruction in relation to such transaction.
"U.S."	the United States of America

- 1.02 For the purposes of this Agreement any reference to a Clause, sub-Clause or Schedule is a reference to a Clause, sub-Clause or Schedule of this Agreement, and the Schedules form part of and are deemed to be incorporated in this Agreement.
- 1.03 The headings used in this Agreement and the Schedules are inserted for convenience only and shall be ignored in construing this Agreement.
- 1.04 References to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions of which they are re-enactments (whether with or without modification) and shall also include regulations or orders from time to time made pursuant to them.
- 1.05 Unless otherwise specified in this Agreement, all representations, warranties, covenants, indemnities, agreements and obligations made, given or entered into in or under this Agreement by more than one person are given or entered into jointly and severally.
- 1.06 In this Agreement words connoting any gender include all genders; words connoting the singular include the plural and words connoting the plural include the singular; and references to persons include bodies corporate or unincorporated.

2. AUTHORITY

- 2.01 If the Client (in the case of an individual) wishes to appoint Authorised Persons, the Client shall in addition to completing the Account Mandate, furnish to the Broker a duly executed power of attorney or other similar instrument of appointment in a form prescribed by or acceptable to the Broker. The Client agrees that the Broker is entitled to act on the Instructions of the Authorised Person until the Client notifies the Broker in writing that the power of attorney has been revoked or varied.
- 2.02 The Client (in the case of a corporation) authorises the Authorised Persons to represent the Client in all matters in relation to all Transactions with the Broker and to sign on the Client's behalf all agreements and documents relating to the Account and its operation, including this Agreement. All such documents and Instructions shall be absolutely and conclusively binding on the Client. The Client agrees that the Broker is entitled to act on the Instructions of the Authorised Persons until the Client notifies the Broker in writing that the authorisation has been revoked or varied.
- 2.03 The Client acknowledges and agrees that the Client retains full responsibility for all Transactions and the Broker is responsible only for the execution, clearing, and carrying of Transactions and has no responsibility or obligation regarding any conduct, action, representation or statement of any introducing firm, investment advisor or other third party in connection with the Account or any Transaction therein.
- 2.04 The Client acknowledges and agrees that any advice or information provided by the Broker, its directors, officers, employees or agents, unless in the course of soliciting the sale of or recommending any Financial Product to the Client having regard to its financial situation, investment experience and investment objectives, shall not constitute an offer to enter into a transaction, or an investment recommendation. In all other circumstances, the Client agrees that it will independently and without reliance on the Broker, make its own judgments on the Transactions.

- 2.05 The Client may from time to time appoint one or more Authorised Persons to give instructions to the Broker in relation to any matter regarding the Account and its operations.
- 2.06 Unless otherwise agreed by the Broker, if the Client wishes to change an Authorised Persons or the authorised signing arrangement in relation to any Account or other services, the Client shall submit to the Broker:
- (a) in the case of an individual, sole proprietor, joint account or partnership, written instructions from the Client (if an individual or sole proprietor), all the accountholders (if a joint account) or all the partners comprising the Client (if a partnership), as the case may be;
 - (b) in the case of a company, a certified true copy of a board resolution of the Client, in such form as the Broker may approve, authorising the change of Authorised Persons or signing arrangement, as the case may be; and
 - (c) in any other case, such other duly authorised instructions as shall be in form and substance satisfactory to the Broker, requesting such change.
- 2.07 Nothing in this clause shall oblige the Broker to give effect to any change requested by the Client. If any change of an Authorised Person or the authorised signing arrangement is accepted by the Broker, such change shall only become effective when it has been recorded in the Broker's books or system.
- 2.08 The Client agrees that the Authorised Persons (if any) shall have full powers and authority to deal with the Broker if acting in accordance with the then current Account Mandate and/or other documents for the time being in effect governing the relevant Account or service and all instructions, acts, things and matters given or done on behalf of the Client by Authorised Persons if acting in accordance with the then current Account Mandate and/or other documents for the time being in effect governing the relevant Account, or service shall be binding on the Client.
- 2.09 Notwithstanding any provision in the terms and conditions of this Agreement, the Client agrees and acknowledges that the Broker shall have the right at any time without prior notice to the Client and without giving any reason therefor, to refuse to act on any instruction given by any Authorised Person to refuse to accept or act on any instruction upon such grounds as the Broker thinks fit, including without limitation, where the Broker determines in its sole discretion that an instruction is incomplete, erroneous, fraudulent, unauthorised, in breach or potential breach of Applicable Law.
- 2.10 If the Client dies or any one or more of the persons constituting the Client dies, all instructions, acts, things and matters done or given by Authorised Person(s) if acting in accordance with the then current Account Mandate and/or such other documents for the time being in effect governing the relevant Account or service after such death but prior to the actual receipt in writing thereof by the Broker shall be absolutely and conclusively binding on the Client, all persons comprising the Client (if applicable), the executors, administrators and successors of the Client or the deceased (if applicable) and all other persons claiming from or under the Client or the deceased (if applicable) until notice in writing of such death shall have been given to the Broker.
- 2.11 The Client and each Authorised Person (if any) must comply with all Applicable Laws.

3. COMMISSIONS, CHARGES AND INTEREST

- 3.01 On all Transactions, the Broker is authorised to deduct the Broker's commissions and charges in connection with any Transactions and other charges in relation to trading services including without limitation stock quote price services effected for the Client (as notified to the Client from time to time), all applicable levies imposed by the Exchange or clearing house, brokerage, stamp duty, bank charges, transfer fees, interest and nominee or custodial expenses, immediately when due.
- 3.02 The Broker shall be entitled to deposit all monies held in the Account and all monies received for or on the account of the Client into one or more trust account(s) at one or more authorised financial institution(s) as defined in the Securities and Futures Ordinance or as otherwise permitted by the Securities and Futures Ordinance.
- 3.03 The Client agrees to pay interest on the daily overdue debit balance on the Account (including interest arising after a judgment debt is obtained against the Client) at the rate per annum which is equal to (a) the prime rate charged by members of The Hong Kong Association of Banks from time to time plus (b) the margin specified in the Account Mandate or at such other rate as notified to the Client by the Broker from time to time (payable on the last day of each calendar month and on any demand by the Broker) and there shall also be debited to the Account such commission and other charges (including reimbursement of legal and other costs) as the Broker may from time to time impose.
- 3.04 The Client agrees to pay a monthly maintenance fee that the Broker may charge for the maintenance of the Account and authorises the Broker to debit the Account for the same.

4. INSTRUCTIONS AND GENERAL MATTERS

- 4.01 All Instructions shall be given by the Client (or its Authorised Person) orally either in person or by telephone, or in writing, delivered by hand, by post or in such other form as from time to time accepted by the Broker.
- 4.02 The Broker will be entitled (but not obliged) to require any oral, telex, fax, electronic mail or other electronically transmitted Instructions to be confirmed by letter within such period as the Broker may specify, provided that any failure on the Client's part to confirm or delay in confirming will not prejudice the Broker in acting on oral, telex, fax, electronic mail or other electronically transmitted Instructions alone and the Client shall indemnify the Broker on demand against any loss or expense incurred by the Broker in connection with acting on any such Instruction.
- 4.03 The Broker will act as the Client's agent in effecting Transactions unless the Broker indicates (in the contract note for the relevant Transaction or otherwise) that the Broker is acting as principal.
- 4.04 The Broker shall be entitled in its absolute discretion (without any liability at all to the Client) to refuse to act for the Client or to give effect to any Instructions at any time, and shall not be obliged to give reasons for doing so.
- 4.05 The Client acknowledges and agrees that any Instructions given or purported to be given by any means to the Broker by the Client or by any Authorised Person and which are acted on or relied on by the Broker shall at all times be irrevocable and bind the Client, whether or not such Instructions are in fact given or authorised by the Client. Under no circumstance the Broker has any duty to enquire or verify the identity or authority of the person giving Instruction by any accepted means.
- 4.06 Any instructions from the Client and/or Authorised Person on behalf of the Client bearing signature(s), chop(s) or seal(s) (if applicable) conforming to those in the Account Mandate and/or such other documents for the time being in effect governing the operation of an Account or any other services shall be binding on the Client. The Broker shall be entitled to rely, and shall not be liable for any loss or damage if acting, on instructions signed by or on behalf of the Client using signature(s), chop(s) or seal(s) (if applicable) conforming to those in the then current Account Mandate and/or such other documents.
- 4.07 The Broker shall be entitled to refuse to act upon any instruction bearing signature(s), chop(s) or seal(s) (if applicable) which, in its reasonable opinion, do not conform to those in the Account Mandate and/or such other documents for the time being in effect.

5. DEALING PRACTICES

- 5.01 Unless the Client gives the Broker specific and precise Instructions to the contrary, all orders for Securities are good for the day only and they will lapse at the end of the official trading day of the relevant Exchange in respect of which they are given.
- 5.02 In carrying out any Instructions from the Client, if the Broker or any of its agents shall not be able to buy or sell such quantity of Securities on the Client's behalf as

may have been specified in that Instruction, the Broker may buy or sell on the Client's behalf such quantity of Securities fewer than the quantity specified in that Instruction as the Broker may in its absolute discretion decide, and the Client shall be bound by those Transactions.

- 5.03 The Client accepts that the Broker may not always be able to execute orders at the prices quoted at any specific time or "at best" or "better" or "at market" and agrees in any event to accept and be bound by any dealings which take place on the Client's behalf.
- 5.04 In the event the Client instructs the Broker to enter into any Transaction on an Exchange or other market on which such transactions are effected in a currency other than the currency in which the Account is denominated then :-
- (i) any profit or loss arising from fluctuations in the exchange rate of the relevant currencies shall be for the account of the account of the Client solely; and
 - (ii) when such Securities are bought, sold, set off or otherwise liquidated, the Broker may in its absolute discretion debit or credit the Account in the currency in which the Account is denominated at an exchange rate determined conclusively by the Broker on the basis of the then prevailing market rates of exchange between the relevant currencies.

The Client authorises the Broker to debit the Account for any expenses incurred in effecting the currency conversion. The Broker hereby reserves the right at any time to refuse to accept any Instructions from the Client in relation to currency conversion.

- 5.05 The Client shall be responsible for all losses, costs, fees and expenses incurred by the Broker resulting from the Client's settlement failures or Client's failure to meet any of the Client's other obligations to the Broker. The Client shall immediately on demand provide sufficient cleared funds to the Broker to enable the Broker to discharge any liability incurred or to be incurred in connection with any Transaction effected or to be effected on the Client's behalf under the Account. If the Client fails to comply with this Clause 5.05, the Broker may sell, borrow, purchase or otherwise deal with the relevant Securities in accordance with Clause 5.06.
- 5.06 Unless otherwise agreed, following any failure by the Client to settle any Transaction in accordance with Clause 5.05, the Broker is authorised, in the case of a purchase Transaction, to transfer or sell the purchased Securities to satisfy the Client's obligations to the Broker or, in the case of a sale Transaction, to borrow and/or purchase the sold Securities to satisfy the Client's obligations to the Broker and the Client shall reimburse the Broker for all loss, damage, fee, cost or expense suffered or incurred by the Broker in connection with any such transfer, sale, borrowing or purchase or the Client's failure to make payment or delivery.
- 5.07 The Broker shall be entitled to delegate or subcontract to, or appoint as agents, such persons as the Broker may from time to time select for the purposes of the Account.
- 5.08 Where the Broker instructs a third party to deal in Securities on the Client's behalf on any Exchange, the Client consents to the Broker's sharing of commission, or the receipt of rebates, soft dollars, or such other amounts relating to such Transactions or contracts with those persons as the Broker thinks fit, subject to applicable laws, rules and regulations.
- 5.09 The Broker may cause and control the execution of the Client's orders on Exchanges and other markets anywhere in the world through any of its Associates or members of the various Exchanges and clearing houses or independent floor brokers or market makers or principals in other markets, by arrangements which the Broker in its absolute discretion shall make from time to time with various companies and persons as may be necessary to provide order execution, and references in this Agreement to transactions or execution by the Broker shall be construed accordingly.
- 5.10 The Broker may aggregate the Client's orders with its own orders or with those of persons connected with the Broker or with those of other clients. Such aggregation may on some occasions operate to the Client's disadvantage and on other occasions to the Client's advantage. However, the Broker shall ensure that no such aggregation with the Broker's own orders will operate to the Client's disadvantage and shall endeavour to ensure that any aggregation with other clients' orders will not, over a period of several such orders, disadvantage the Client in relation to other clients.
- 5.11 If the Broker at any time receives a payment (including by set-off) in the wrong currency and the amount of the right currency which the Broker is able to buy (after deduction of any relevant costs) with the amount received falls short of the amount payable in the right currency, the Client as a separate and independent obligation shall on demand from time to time indemnify the Broker against such shortfall and pay interest on such shortfall at the rate chargeable on the Account from the date of such receipt until such shortfall is paid.
- 5.12 The Client will notify the Broker that it is acting as an agent for others when giving to the Broker any Instruction in respect of which the Client is so acting as an agent. Accordingly, unless the Client expressly notifies the Broker to the contrary, the Broker may assume that the Client is acting as principal and not as agent for others and the Client warrants that the Client is the true owner of the Account and that the Client is not holding any such account on behalf of or for the benefit of any other person. The Broker will act as the Client's agent in effecting all Transactions with respect to the Securities under this Agreement, but the Broker may indicate (in the contract note for the relevant Transaction or otherwise) that the Broker or any person related to the Broker is also acting as principal as the counterparty to any such Transaction effected by the Broker on the Client's behalf.
- 5.13 The Client, the Broker and all Transactions with respect to the Securities made for or on the Client's behalf shall be subject to the constitution, by-laws, rules, rulings, regulations, transaction levies and other levies, customs and usages (including, without limitation, with respect to trading and settlement) prevailing from time to time of the Exchange or market and its clearing house, if any, where made (including, without limitation, the Exchange, the Hong Kong Securities Clearing Company Limited ("**HKSCC**") and The SEHK Options Clearing House Limited ("**SEOCH**") and to all Applicable Laws that may be applicable (including, without limitation, the laws of Hong Kong) as amended from time to time. All actions taken by the Broker in accordance with such Applicable Laws shall be binding on the Client. The Broker is authorised to collect any such Transaction or other levies in accordance with the rules prescribed by the relevant Exchange, market or clearing house. The Broker does not by this Agreement offer finance for any such Transactions. The Client agrees to be bound by all the Broker's rules and regulations applicable from time to time to the Account or the Client's Securities trading.
- 5.14 Subject to Clause 5.15, the Broker has no authority to :-
- (a) deposit any of the Client's Securities with a banking institution as collateral for an advance or loan made to the Broker, or with the HKSCC as collateral for the discharge of the Broker's obligations under the clearing system unless a specific authorisation is given by the Client;
 - (b) borrow or lend any of the Client's Securities; or
 - (c) otherwise part with possession (except to the Client or on the Client's Instructions) of any of the Client's Securities for any purpose.
- 5.15 The Client acknowledges and agrees that the Broker can :-
- (a) deposit any of the Client's Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions as collateral for any financial accommodation provided to the Broker;
 - (b) borrow or lend any of the Client's Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions;
 - (c) deposit any of the Client's Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions as collateral for the discharge and satisfaction of the Broker's settlement obligations and liabilities; and
 - (d) deposit any of the Client's Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions as collateral in respect of the Broker's transactions in or relating to options contracts.
- 5.16 The Client acknowledges and agrees that, in the event that there are insufficient cleared funds in the Account and/or the Client fails to comply with a demand notice from the Broker to provide sufficient funds to the Broker, the Broker may be obliged to advance funds to the Client and credit the same to the Account to enable the Broker to settle any Transaction effected or to be effected on the Client's behalf in connection with the Account. The advanced funds shall be construed as financial

accommodation to the Client and shall be subject to the Broker's prevailing lending policy and any applicable terms and conditions of this Agreement as amended, supplemented modified or replaced from time to time.

6. SHORT SELLING

6.01 The Client undertakes to:

- (a) check and observe all Applicable Laws and restrictions applicable to Short Selling Orders;
- (b) notify the Broker when a selling order relates to Securities which the Client does not own i.e. where it involves short selling (including where the Client has borrowed stock for the purposes of the sale); and
- (c) provide the necessary confirmation in such form and details as may be prescribed by the Broker or as may be prescribed by the SFC under Section 397 of the SFO in relation to Short Selling Orders.

6.02 The Client acknowledges and agrees that no Short Selling Order will be accepted by the Broker unless there is prior agreement with the Broker and the Client shall provide the Broker with such confirmation, documentary evidence and assurance as the Broker in its opinion considers necessary or as required by law to show that the Client has a presently exercisable and unconditional right to vest such Securities in the purchaser before placing any Short Selling Order.

6.03 The execution of any Instruction which is a Short Selling Order by the Broker on the Client's behalf is subject to the full compliance by the Client of all procedures and regulations imposed by the Broker and the SFO.

7. CONFLICT OF INTEREST

7.01 The Client acknowledges and agrees that the Broker, its directors, officers or employees and its agents may trade on its/their own account or on the account of an Associate.

7.02 The Broker is authorised to buy, sell, hold or deal in any Securities or take the opposite position to the Client's order whether it is on the Broker's own account or on behalf of an Associate or its other clients.

7.03 The Broker is authorised to match the Client's orders with those of other clients.

7.04 The Broker is authorised to effect Transactions in Securities where the Broker or its Associate has a position in the Securities or is involved with those Securities as underwriter, sponsor or otherwise.

7.05 In any of the situations referred to in this Clause 7 the Broker shall not be obliged to account to the Client for any profits or benefits obtained.

8. CLIENT IDENTIFICATION

8.01 If, in respect of any Transaction effected or to be effected by the Broker for the Client pursuant to this Agreement, the Client is acting as agent and the Client is for any reason prevented from disclosing or providing to the Broker Identity Information in respect of the Ultimate Owner in respect of that Transaction, the Client undertakes to provide such identity information to the Regulators directly within two Business Days (or such shorter period as the Regulators may reasonably specify) of receipt of a written request either from the Broker or from the Regulators.

8.02 If, in respect of any Transaction effected or to be effected by the Broker for the Client pursuant to this Agreement, the Client is acting as investment manager of any investment scheme, discretionary account or discretionary trust (or any other person) and the Client's discretion is overridden by one or more of the beneficiaries of such scheme, account or trust (or such other person), the Client undertakes to (a) inform the Broker of such arrangement; and (b) provide the Broker with Identity Information in respect of the Ultimate Owner or such other person whose instructions have overridden the Client's discretion. If for any reason the Client is prevented from disclosing or providing such identity information to the Broker, the Client undertakes to provide such identity information to the Regulators directly within two Business Days (or such shorter period as the Regulators may reasonably specify) of the receipt of a written request either from the Broker or from the Regulators.

8.03 If, in respect of any Transaction effected or to be effected by the Broker for the Client pursuant to this Agreement, the Client is acting as an intermediary in a jurisdiction with client secrecy laws, the Client confirms that (a) an agreement has been entered into by the ultimate beneficiary in respect of such Transaction that waives the benefit of such secrecy laws in respect of providing to the Regulators the information required by the Regulators upon request pursuant to this Clause 8; and (b) such agreement is legally binding under the relevant foreign law.

8.04 The Client undertakes to supply to the Broker on demand at any time or times such Identity Information, financial and other information about the Client (including, without limitation, the identities of the persons ultimately beneficially interested in the Account and/or any trading contract executed on the Account) as the Broker may request. Each of the Client and the Broker agrees to notify the other in the event of any material change to the information provided in or in connection with this Agreement.

8.05 The provisions of this Clause 8 shall continue in effect notwithstanding the termination of the Account(s) or this Agreement.

9. CONFIDENTIALITY

9.01 The Broker will keep information relating to the Account confidential but may provide any such information to the Exchange, the SFC or any other regulatory authority to comply with their requirements or requests for information, and to any of its Associates, without any consent from or notification to the Client.

9.02 Where the Client is an individual, the Broker is subject to the Hong Kong Personal Data (Privacy) Ordinance which regulates the use of personal data concerning individuals. The Broker's policies and practices relating to personal data are set out in Schedule 1 to this Agreement and the Client acknowledges that it fully understands and accepts the provisions in Schedule 1.

10. SAFEKEEPING AND DISPOSAL OF SECURITIES

10.01 The Client appoints the Broker to act as custodian for the Client to provide custody of Client's Securities. The Client agrees not to pledge, charge, sell, grant an option or otherwise deal in any Securities or money forming part of the Account without the prior written consent of the Broker.

10.02 Any Securities (which, for the purpose of this Clause 10 shall be deemed to include money and other property held by the Broker as margin or otherwise) held or carried by the Broker for or on the Client's account may at the Broker's discretion :-

- (i) in the case of registrable securities, be registered in the Client's name or in the name of the Broker's nominee; or

- (ii) be deposited in safe custody in a designated account with the Broker's bankers or with any other institution which provides facilities for safe custody of documents. In the case of securities in Hong Kong, such institution shall be acceptable to the SFC as a provider of safe custody services.
- 10.03 The Broker shall not be bound to redeliver to the Client the identical Securities or certificates representing Securities received by the Broker from or for the Client but may redeliver other Securities or certificates representing Securities of like kind and amount.
- 10.04 Any dividends, distributions or other benefits which accrue in respect of any Securities deposited with the Broker which are not registered in the Client's name shall, when received by the Broker, be credited to the Account or paid or transferred to the Client as may be agreed. Where the Client's Securities form part of a larger holding of identical Securities held for the Broker's clients, the Client shall be entitled to the same share of the benefits arising on the holding as the Client's share of the total holding. If any loss is suffered by the Broker, the Broker may debit the Account (or require payment to be made by the Client as may be agreed) with or for the proportion of such loss equal to the proportion of the total number or amount of relative Securities which shall comprise Securities held on behalf of the Client.
- 10.05 Any credit balance held in the Account at any time and any money from time to time received by the Broker for the Client's account shall, unless paid to the Client or on-paid for settlement purposes, be held by the Broker on trust for the Client and credited to a client trust account maintained with a licensed bank in accordance with applicable laws and the rules of any relevant Exchange or regulatory authority, except that any interest earned on such balance or money shall, to the extent that it exceeds interest payable to the Client at the rate determined by the Broker to be applicable, be retained by the Broker for its account.
- 10.06 The Broker or its nominees may at any time exercise voting rights with respect to the Securities carried in the Account at its discretion and without further consent from the Client, but subject to any specific written voting instructions received from the Client as the beneficial owner of such Securities.
- 10.07 Securities held by the Broker for safekeeping pursuant to this Clause 10 are held by the Broker at the sole risk of the Client and the Broker shall not be responsible for or liable in respect of any loss or damage suffered by the Client in connection hereof unless such loss or damage has been caused as a direct consequence of a gross act of negligence or fraud on the part of the Broker.

11. **TERMINATION**

- 11.01 Either party may terminate this Agreement at any time by giving the other party not less than 7 Business Days' notice in writing. The Account shall also be deemed to be terminated upon the termination of this Agreement. Termination under this Clause 11.01 shall not affect any Transaction entered into by the Broker pursuant to this Agreement before the written notice of that termination has been actually received by the Broker. Termination shall not extinguish, prejudice or vary any of Broker's rights under this Agreement.

Termination under this Clause 11.01 shall not affect in any way at all :-

- (a) the validity of all acts performed by the Broker before termination, which shall be binding upon the Client;
 - (b) the rights or liabilities of either the Client or the Broker in relation to any outstanding Transactions at the time of termination until all those Transactions have been processed, cancelled or settled and all those liabilities have been fully discharged;
 - (c) warranties, representations, undertakings and indemnities given by the Client under or in connection with any agreement relating to the Account and/or any Transactions, all of which shall survive termination; or
 - (d) the Client's obligations under Clause 8.
- 11.02 Upon termination of this Agreement under this Clause 11, all amounts due or owing by the Client to the Broker under this Agreement shall become immediately due and payable.
- 11.03 Upon termination of this Agreement, the Broker may sell, realise, redeem, liquidate or otherwise dispose of all or part of the Securities to satisfy all indebtedness of the Client to the Broker.
- 11.04 If a debit balance on the Account exists after application of the cash proceeds and deduction of any sums pursuant to this Clause 11, the Client shall immediately pay to the Broker an amount equal to such debit balance together with the Broker's cost of funding such amount as notified to the Client by the Broker up to the date of actual receipt of full payment by the Broker (after as well as before any judgment).
- 11.05 The Broker may effect such currency conversions as are necessary for the purposes of this Clause 11 in each case at the spot rate of exchange (as determined by the Broker in its absolute discretion) prevailing in the relevant foreign exchange market (as determined by the Broker in its absolute discretion) on the relevant date.
- 11.06 If there is any cash or Securities standing to the credit of the Account upon any termination of this Agreement and/or closure of the Account, the Client agrees to give Instructions to the Broker with respect to the withdrawal of such cash and/or securities within 7 days of such termination and/or closure. If the Client fails to comply with this Clause 11.06, the Broker will be entitled (but not obliged) to sell any Securities of the Client and return to the Client a cheque for the amount of the net proceeds of such sale plus the credit balance (if any) in the Account.
- 11.07 Notwithstanding any other provision of the terms and conditions of this Agreement to the contrary, the Broker is not obliged to do or omit to do anything if it would, or might in the Broker's reasonable opinion, constitute a breach of any anti-money laundering, counter-terrorism financing or economic or trade sanctions laws, any applicable tax law or other Applicable Laws.
- 11.08 The Client agrees and acknowledges that where the Broker has, or any of the Group or any Associates has, suspicions regarding financial crime or associated risk, the Broker may:
- (a) be unable to provide new, or continue to provide all or part of the services to the Account holder and reserve the right to terminate its relationship with the Account holder;
 - (b) take actions necessary for the Broker or the Group to meet their obligations; and
 - (c) stop, freeze, transfer, close or delay transactions relating to the Account(s) where permitted under Applicable Law.
- 11.09 The Client must provide the Broker upon request with all documents, information and authorisations within its possession, custody or control as reasonably required by the Broker from time to time for opening and maintaining the Account and as necessary in order for the Broker to comply with any anti-money laundering, counter-terrorism financing or economic or trade sanctions laws or ongoing client due diligence requirements or Applicable Laws.
- 11.10 The Broker reserves the right (at its discretion) to request the Client to produce identification documents, such as Hong Kong Identity Card and/or passport, for the purpose of identity verification before processing any instruction.

- 11.11 The Client must promptly notify the Broker in writing of any change in any documents, information or authorisation provided to the Broker, and provide the Broker supporting documents and evidence of any change, if required.
- 11.12 The Client will cooperate fully in respect of any enquiry that the Broker may make for the purposes of compliance with any Applicable Law (including without limitation any other reporting and/or withholding requirements of any government) including promptly providing all relevant information, details and/or documents as may be necessary to enable us to comply with the same.
- 11.13 The Client agrees:
- (a) to exercise its rights and perform its obligations under the terms and conditions of this Agreement in accordance with all applicable anti-money laundering, counter-terrorism financing and economic and trade sanctions laws and ongoing client due diligence requirements and regulations; and
 - (b) that the Broker may consider, verify or block a transaction, if the Client or any other person or entity in connection with the transaction becomes a sanctioned person or entity, or upon the occurrence of a match on the Broker's sanction filters and that this may cause a transaction to be delayed or cancelled.

12. LIABILITY AND INDEMNITY

- 12.01 The Client agrees to indemnify and keep indemnified from time to time the Broker, and its officers, employees and agents ("**Staff**"), against all liabilities, losses, costs and/or expenses whatsoever (including legal costs) which may be reasonably incurred or suffered by the Broker and/or the Broker's Staff arising out of or in connection with the performance of this Agreement, any agreement relating to the Account and/or the exercise of any powers thereunder at any time or from any cause whatsoever except to the extent that any such liability, loss, cost and/or expense was caused by the Broker's own actual fraud or negligence or that of the Broker's Staff.
- 12.02 The Broker shall not under any circumstances whatsoever be liable to the Client in respect of any liability, loss, cost and/or expense whatsoever which may be incurred or suffered by the Client by reason of any act, advice, statement (express or implied), default or omission of the Broker or the Broker's Staff or any of the Broker's banks or financial or other institutions in connection with the performance of any agreement relating to the Account and/or the exercise of any powers thereunder, except to the extent that such liability, loss, cost and/or expense was caused by the actual fraud or negligence of any of the above parties.
- 12.03 In the event that the Broker is required by any Applicable Law to pay any taxes, the Broker may notify the Client whenever necessary and request that the Client provides the Broker with relevant information as the Broker deems necessary to fulfil its obligations. The Client must provide the Broker, promptly on such request, such information and documents such as, but not limited to, any underlying beneficial owner's tax status or residence. The Broker may withhold or deduct relevant taxes from any amount due to the Client and the Client will remain liable for any shortfall.
- 12.04 In the event that the Broker does not receive any requested information from the Client within a reasonable period of time to fulfil its obligations, the Broker shall be forthwith entitled in its absolute discretion, without further notice or demand to the Client, to satisfy any obligation of the Broker or the Client to pay or account for any amounts in respect of any taxes by selling, realising or otherwise dealing with, in such manner as the Broker in its absolute discretion may determine, all or part of any property held by the Broker for any purpose in the Account, and to apply the proceeds in reduction of all or part of the Client's liability to any Authority or Regulators.
- 12.05 The Broker shall have no responsibility to verify the accuracy of the information provided by the Client and is entitled to rely on such information to fulfil its obligations. The Broker shall have no liability whatsoever for the lack of any tax relief, or any failure to obtain the benefit of any tax credit.
- 12.06 Without prejudice to any other provisions in this Agreement between the Broker and the Client, the indemnities in this Clause shall survive the payment in full of all amounts (whether in principal, interest, fees or otherwise) payable under this Agreement or any document delivered thereunder.

13. SET-OFF, LIEN AND COMBINATION OF ACCOUNTS

- 13.01 In addition and without prejudice to any general liens, rights of set-off or other similar rights to which the Broker may be entitled under laws or this Agreement, all Securities, receivables, monies and other property of the Client (held by the Client either individually or jointly with others) held by or in the possession of the Broker at any time shall be subject to a general lien in favour of the Broker as continuing security to offset and discharge all of the Client's obligations (whether actual or contingent), arising from Transactions or otherwise, to the Broker and its Associates.
- 13.02 In addition and without prejudice to any general liens or other similar rights which the Broker may be entitled under laws or this Agreement, the Broker for itself and as agent for any of its Associates, at any time without notice to the Client, may combine or consolidate any or all accounts of the Client, of any whatsoever and either individually or jointly with others, with the Broker or any of its Associates and the Broker may set off or transfer any monies, Securities or other property in any such accounts to satisfy obligations or liabilities of the Client to the Broker or any of its Associates, whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several, and whether or not such obligations and liabilities arise from the purchase and sale of the Securities by the Client on a cash-against-delivery basis.
- 13.03 Without limiting or modifying the general provisions of this Agreement, the Broker may, without notice, transfer any assets between any Accounts and any other accounts of its Associates in accordance with applicable laws, rules and regulations.
- 13.04 The Client acknowledges and agrees to give Broker an authorisation pursuant to Rule 21(2) of the Securities and Futures (Financial Resources) Rules (Cap 571N) to :-
- (a) set off any amount receivable from, and amount payable to, where such amounts arise from the purchase and sale of Securities by the Client on a cash-against-delivery basis, against each other; and
 - (b) dispose of Securities held for the Client for the purpose of settling any of the amount payable by the Client to the Broker.

14. JOINT AND SEVERAL LIABILITY/SUCCESSORS

Where the Client comprises two or more individuals :-

- (i) each such individual shall be jointly and severally liable for all obligations under this Agreement;
- (ii) the Broker may accept Instructions from, give receipts to and for all purposes deal with any one of such individuals without notice to the other individual and the Broker is not responsible for determining the purposes or propriety of an Instruction received from any such individual or for the disposition of payments or deliveries among such individual. The Broker hereby reserves the right to require written Instructions from all such individuals at its discretion;

- (iii) any delivery of payments or Securities to any one of such individuals shall be a valid and complete discharge of the Broker's obligations to each individual regardless of whether such delivery are made before or after the death of any one or more of such individuals;
- (iv) any notices and communications sent to one such individual will be deemed notice to all individuals holding the Account;
- (v) on the death of any of such individual (being survived by any other such individual), this Agreement shall not be terminated and the interest in the Account of the deceased will thereupon vest in and enure for the benefit of the survivor(s) provided that any liabilities incurred by the deceased Client shall also be enforceable by the Broker against such deceased Client's estate. The surviving Client(s) shall give the Broker written notice immediately upon any of them becoming aware of any such death;
- (vi) the Broker shall be entitled to deal separately with any individual constituting the Client on any matter, including the discharge of any liability to any extent without affecting the liability of any other such individual; and
- (vii) the terms and conditions under this Agreement are binding on each such individual.

15. TRANSACTION NOTICES AND COMMUNICATION

- 15.01 Every Transaction indicated or referred to in any notice, statement, confirmation or other communication and every statement of account shall be deemed and treated as authorised and correct and as ratified and confirmed by the Client unless the Broker shall receive from the Client written notice to the contrary within seven days from the time at which such notice, statement, confirmation or other communication is given by the Broker to the Client.
- 15.02 The Broker will upon request provide the Client with product specification and any prospectus or other offering documents covering such Financial Product which the Client instructs the Broker to purchase or sell on the Client's behalf pursuant to the terms of this Agreement.

16. NEW LISTING OF SECURITIES

- 16.01 In the event that the Client requests and authorises the Broker to apply for Securities in respect of a new listing and/or issue of Securities on the Exchange as the Client's agent for the Client's benefit or for the benefit of any other person, the Client hereby warrants for the Broker's benefit that at the time of such application, the Broker shall have authority to make such application on Client's behalf.
- 16.02 The Client shall familiarise itself and comply with all the terms and conditions governing the Securities of the new listing and/or issue and the application for such new Securities set out in any prospectus and/or offering document and the application form or any other relevant document in respect of such new listing and/or issue and the Client agrees to be bound by such terms and conditions in any such Transaction the Client may have with the Broker.
- 16.03 The Client gives to the Broker all the representations, warranties and undertakings which an applicant for Securities in a new listing and/or issue is required to give (whether to the issuer, sponsors, underwriters or placing agents of the relevant Securities, the Exchange or any other relevant regulator or person).
- 16.04 The Client further declares and warrants, and authorises the Broker to disclose and warrant to the Exchange on any application form (or otherwise) and to any other person as appropriate, that any such application made by the Broker as the Client's agent is the only application made, and there is no other application intended to be made, by the Client or on the Client's behalf to benefit the Client or the person for whose benefit the Client is applying. The Client acknowledges and accepts that the aforesaid declaration and warranty will be relied upon by the Broker and by the issuer, sponsors, underwriters or placing agents of the relevant Securities, the Exchange or any other relevant regulator or person in respect of any application made by the Broker as the Client's agent.
- 16.05 The Client represents and warrants that the Client is an eligible person for applying for Securities in respect of a new listing and/or issue pursuant to the prospectus and/or offering document and the application form or any other relevant document in respect of such new listing and/or issue and understand that such representation and warranty will be relied upon by the Broker.
- 16.06 The Client acknowledges that any application made by an unlisted company which does not carry on any business other than dealing in Securities and in respect of which the Client exercises statutory control shall be deemed to be an application made for the benefit of the Client.
- 16.07 The Client recognises and understands that the legal, regulatory requirements and market practice in respect of applications for Securities may vary from time to time as may the requirements of any particular new listing or issue of Securities. The Client undertakes to provide to the Broker such information and take such additional steps and makes such additional representations, warranties and undertakings as may be required in accordance with such legal, regulatory requirements and market practice as the Broker may in the Broker's absolute discretion determine from time to time.
- 16.08 In relation to a bulk application to be made by the Broker or the Broker's agent, the Client acknowledges and agrees :-
 - (i) that such bulk application may be rejected for reasons which are unrelated to the Client and the Client's application and neither the Broker nor the Broker's agent shall, in the absence of fraud, negligence or wilful default, be liable to the Client or any other person in consequence of such rejection; and
 - (ii) to indemnify the Broker in accordance with Clause 12 if such bulk application is rejected either in circumstances where the representations and warranties have been breached or otherwise because of factors relating to the Client. The Client acknowledges that the Client may also be liable in damages to other persons affected by such breach or other factors.
- 16.09 In the event that the Broker agrees to grant credit facilities to the Client at the Client's request for the Client's application (the "Application") for new listing and/or issue of Securities on the Exchange for the benefit of the Client or any other person, the Client hereby agrees that the terms and conditions applicable to Margin Client set out in schedule 2 to this Agreement shall apply to such credit facilities and the Securities allocated, purchased or transferred pursuant to the Application (the "New Securities"), provided that in the application of such terms and conditions :-
 - (i) the definition of "Collateral" under Clause 1.03 of Schedule 2 shall be replaced by the following definition :-

"Collateral" means all New Securities and all monies in relation to the Application which are now or which shall at any time hereafter be deposited with, transferred or caused to be transferred to or held by the Broker or its Associates or nominees, including (without limitation) those monies and Securities that shall come into the possession, custody or control of the Broker or its Associates from time in relation to the Application (which shall include any additional or substituted Securities and all dividends or interest paid or payable, rights, interest, monies or property accruing at any time by way of redemption, bonus, preference, options or otherwise on or in respect of any such Securities or additional or substituted Securities).

17. REPRESENTATIONS AND WARRANTIES

The Client represents, warrants and undertakes that:-

- (i) the information relating to the Client provided pursuant to this Agreement is true, accurate and complete and the Broker is entitled to rely on such

information until the Broker has received notice in writing from the Client of any changes therein. The Client will notify the Broker immediately in writing of any material changes in such information;

- (ii) the Client has the authority and legal capacity to enter into and perform its obligations under this Agreement and this Agreement constitutes the valid and legally binding obligations of the Client; and
- (iii) the Client is lawfully authorised to trade in any foreign Securities.

18. TERMS AND CONDITIONS APPLICABLE TO MARGIN CLIENT

The Broker refers the Client to the terms and conditions applicable to Margin Client attached in Schedule 2.

19. FURTHER TERMS AND CONDITIONS TO APPLY IN CASE OF DISCRETIONARY ACCOUNT, SOLE PROPRIETARY ACCOUNT, JOINT ACCOUNT, PARTNERSHIP ACCOUNT AND DAY TRADE MARGIN ACCOUNT AND DAY TRADE CREDIT FACILITY

The Broker refers the Client to the further terms and conditions to apply in case of "Discretionary Account", "Sole Proprietorship Account", "Joint Account", "Partnership Account" and "Day Trade Margin Account and Day Trade Credit Facility" attached in Schedule 3.

20. ON-LINE TRADING AGREEMENT

The Broker refers the Client to the On-line Trading Agreement as contained in Schedule 4, this applies if the service is available.

21. RISK DISCLOSURE

The Broker refers the Client to the Risk Disclosure Statements attached in Schedule 5.

22. NOTICES AND COMMUNICATIONS

All notices and communications to the Client may be effectively given by mailing the same by ordinary post addressed to the Client at its registered office or any of the Client's business or mailing addresses as they appear from time to time in the Broker's records or by delivering the same (addressed to the Client) at any such address or by telex, fax, electronic mail or telephone to any number notified to the Broker from time to time for the purpose and shall be deemed given on the first day after mailing postage prepaid (or the fifth day after mailing postage prepaid if sent to the Client outside Hong Kong) (in the case of post), when delivered (in the case of personal delivery), when recorded by the Broker's machine as sent (in the case of telex, fax or electronic mail) or when communicated (in the case of telephone) and no such notice or communication is required to be signed on the Broker's behalf.

23. AMENDMENTS

The terms and conditions of this Agreement, which the Client agrees will be incapable of being varied or revoked without the consent of the Broker and may be amended or supplemented by the Broker at any time upon notice to the Client, and such terms and conditions revoke and supersede all previous mandates and agreements and, where inconsistent, the terms of any agreement relating to the Account (but will not affect any Instructions given or dated before such revocation) and, subject to contrary arrangements in writing between the Client and the Broker, any account subsequently opened will be operated on the terms and conditions of this Agreement.

24. THIRD PARTY RIGHTS

Unless expressly provided to the contrary in the terms and conditions of this Agreement, a person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any of the terms and conditions in this Agreement. Notwithstanding any terms of this Agreement, the consent of any third party is not required for any amendment or variation (including any release or compromise of any liability), rescission or termination of this Agreement. Where third parties are conferred rights under this Client Agreement, those rights are not assignable or transferable.

25. FORCE MAJEURE

The Broker shall not be liable for any loss or damage whatsoever suffered or incurred by the Client (including any loss or delay in the performance of any of the Broker's duties or obligations, or the Broker's execution of any Transaction under this Agreement) caused by events beyond the Broker's reasonable control, including fire, earthquake, tsunami, flood, lightning, riots, strikes, lockouts, government action, change of law, acts of terrorism, war, telecommunications disruption, computer failure, the failure of any relevant exchange, clearing house settlement system or agent for any reason to perform its obligations or any act of God or natural disaster.

26. ASSIGNMENT

This Agreement shall be binding on and enure for the benefit of the successors or assigns of the parties respectively, and shall continue to be binding on the Client notwithstanding any change in the name or constitution of the Broker, or the consolidation or amalgamation of the Broker into or with any other entity. The Client agrees that the Broker may transfer its rights and obligations under this Agreement to an Associate or successor of the Broker, or change the office through which any Transaction is booked, or through which it makes or receives payments or deliveries for the purpose of any service or Transaction without prior consent from the Client. The rights and obligations of the Client under this Agreement may not be assigned without the Broker's prior written consent.

27. GOVERNING LAW

This Agreement shall be governed by and constructed in accordance with the laws of Hong Kong. Each of the parties hereby submits to the non-exclusive jurisdiction of the Hong Kong courts. The Client irrevocably agrees that the Hong Kong address specified in the Account Mandate (or any other substitute address in Hong Kong notified by the Client to the Broker) shall be an effective address for service on the Client of proceedings in the Hong Kong courts.

28. GENERAL

- 28.01 Each of the term of this Agreement is severable and distinct from the others. If any term in this Agreement is inconsistent with any present or future law, rule or regulation of the Exchange, the clearing house or any authority having jurisdiction over the subject matter of this Agreement, such provision shall be deemed to be rescinded or

modified in accordance with any such law, rule or regulation. In all other respects, this Agreement shall continue and remain in full force and effect.

- 28.02 This Agreement does not operate to remove, exclude or restrict any rights of the Client or obligations of the Broker under the laws or the rules or codes of the SFC and the Exchange. If any provision in this Agreement is found to be in contravention of the laws or the rules or codes of the SFC and the Exchange, such provision shall be deemed to be excluded from this Agreement without prejudice however to the validity or the binding effect of any other provisions.
- 28.03 Any failure or delay in exercising any right, power or privilege in respect of this Agreement by the Broker will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or future exercise of that right, power or privilege.
- 28.04 The Client is aware that securities markets are rapidly changing markets and that the inherent risk of loss in trading in Securities can be substantial, that the risks involved in trading Securities, particularly on a margin basis, have been fully explained to the Client and that the Client will at no time hold the Broker responsible in any manner whatsoever for any losses resulting from any such trading, in particular through following advice of the Broker's employees or agents.
- 28.05 All payments by the Client shall be made in full without any set-off, counterclaim or (except as required by law) tax or other deduction. If any such deduction is so required, the Client shall simultaneously pay to the Broker such amount as is necessary to ensure that the Broker receives a net sum equal to what the Broker would have received had no such deduction been made.
- 28.06 The Client shall at no time hold the Broker responsible in any manner whatsoever for any loss resulting from the Client's lack of understanding of any aspect of Securities trading or Transactions or the financing of such trading or Transactions.
- 28.07 Save for any Transactions involving the solicitation or recommendation of any Financial Product to the Client by the Broker, the Client acknowledges that the Client shall rely exclusively on its own tax, accounting and other financial advisers in deciding whether to enter into, terminate or take any other action (including giving any Instruction to the Broker) concerning any Transaction or otherwise, or in assessing the merits, suitability, value or effects of any Transaction.
- 28.08 If the Broker solicit the sale of or recommend any Financial Product to the Client, the Financial Product must be reasonably suitable for the Client having regard to its financial situation, investment experience and investment objectives. No other provision of this agreement or any other document which the Broker may ask the Client to sign and no statement that the Broker may ask you to make derogates from this clause.
- 28.09 The Client undertakes with the Broker to do and execute (and irrevocably authorises the Broker to do and execute on the Client's behalf) any act, deed, document or thing which the Broker may require the Client to do in connection with the implementation, execution and enforcement of any of the terms and any rights conferred by this Agreement including, without limitation, the execution by the Client of an irrevocable power of attorney appointing the Broker as its lawful attorney to do and execute all such acts, deeds, documents or things on behalf of the Client as it considers necessary or desirable in connection with such implementation, execution and enforcement and the Client agrees to ratify or confirm all such acts, deeds, documents or things by the Broker.
- 28.10 The Broker is hereby authorised to conduct or cause to be conducted credit investigations, enquiries and checks regarding the Client and for such purpose to approach the Client's bankers including for the purpose of ascertaining the Client's financial situation and investment objectives and any information given in the Account Mandate and to pass any Identity Information or other information about the Client, the Client's accounts and the Client's Transactions and the Ultimate Owner in respect of any such transaction to any of the Broker's branches, any person related to the Broker and any Exchange, market, clearing house or regulatory authority (including the Regulators) in order to assist such Exchange, market, clearing house or regulatory authority with any investigation or enquiry it is undertaking. Subject to such authority, the Broker will keep all matters relating to the Account confidential.
- 28.11 Time shall be of the essence in respect of the performance of all obligations and duties of the Client under this Agreement.
- 28.12 In the event of any difference in the interpretation or meaning between the Chinese and English version of this Agreement, the Client and the Broker agree that the English version shall prevail.

Schedule 1

Personal information collection statement

1. DISCLOSURE OBLIGATION

- (a) From time to time, it is necessary for the Client to supply the Group with data in connection with the opening or continuation of the Account and the establishment or continuation of credit facilities or provision of securities brokerage, nominee and investment advisory services or other products or services offered by or through the Group or any Associates. At the same time, some of the data are collected pursuant to any Applicable Laws binding on the Group or any Associates.
- (b) Failure to supply such data may result in the Group being unable to open or continue accounts or establish or continue credit facilities or provide securities brokerage, nominee and investment advisory services or any products or services offered by the Group or any Associates.
- (c) It is also the case that data are collected from the Client in the ordinary course of the commencement or continuation of the business relationship. Information about the Client may also be collected when the Client uses the Group's website, platform (when these are available) or when the Client applies for or uses other services offered by the Group or any Associates.
- (d) This statement may be revised, amended or updated from time to time by the Broker and is an integral part of all contracts, agreements and other binding arrangements with you enter into with the Broker.
- (e) In case of discrepancies between the English and Chinese versions, the English version shall apply and prevail.

2. USE OF PERSONAL DATA

2.01 Users

Personal data held by the Broker relating to the Client, the Client's agent(s) or the Client's guarantor(s) (if any) may be used for the purposes of the maintenance and operation of the Account in accordance with relevant agreement(s), distribution of research, enforcement against counterparty, risk assessment, compliance with regulatory requirements to know the Client and to carry out due diligence to assess the Client's investment suitability and for any other directly related purposes and will be kept confidential, but the Broker may provide such information to :-

- (i) any agent, contractor or third party service provider who provides administrative, telecommunications, computer, payment or securities clearing, printing or other services to the Group in connection with the operation of its business;
- (ii) any other companies of the Group;
- (iii) any other person under a duty of confidentiality to the Group including a company of the Group which has undertaken to keep such information confidential;
- (iv) any financial institution with which the Client has or proposes to have dealings;
- (v) any actual or proposed assignee of the Group or participant or sub-participant or transferee of the Group's rights in respect of the Client;
- (vi) any person when we are compelled to make disclosure under the requirements of any law binding on the Group or any of the companies of the Group;
- (vii) any person with the Client's express or implied consent;
- (viii) any person where our interests require disclosure;
- (ix) any person where the public interest requires disclosure;
- (x) any person to conduct credit checks at the time of the Application and at the time of regular or any reviews which can take place one or more times each year; and
- (xi) the SFC, the SEHK and the Hong Kong Exchanges and Clearing Limited and any regulator, agency, authority or person (where applicable) in compliance with their requirements or requests for information or any Applicable Laws.

2.02 Nothing in this statement shall limit the rights of the Client under the Personal Data (Privacy) Ordinance.

3. PURPOSES

3.01 The purposes for which data relating to a Client may be used are as follows :-

- (i) the daily operation of the services and credit facilities provided to the Client;
- (ii) conducting credit checks;
- (iii) assisting other financial institutions to conduct credit checks;
- (iv) ensuring ongoing credit worthiness of the Client;
- (v) designing financial services or related products for the Client's use;
- (vi) marketing financial services or related products;
- (vii) determining the amount of indebtedness owed to or by the Client;
- (viii) collection of amount outstanding from the Client and those providing security for the Client's obligation;
- (ix) meeting the requirement to make disclosure under the requirements of any Applicable Laws binding on the Group or any other companies of the Group;
- (x) complying with any obligations, requirements, policies, procedures, measures or arrangements for sharing data and information within the Group and/or other use of data and information in accordance with any Group programmes for compliance with sanctions or prevention or detection of money laundering, terrorist financing or any other activities;
- (xi) all other purposes ancillary or relating thereto and such other purposes to which the Client may from time to time agree.

3.02 In the course of performing our duties, the Group may, as permitted by law, match, compare, transfer or exchange any personal data provided by the Client with data held, or hereafter obtained, for these or any other purposes by the Group, government bodies, other regulatory authorities, corporations, organizations or individuals in Hong Kong or overseas for the purpose of verifying those data.

4. USE OF DATA IN DIRECT MARKETING

- 4.01 The Group intends to use and/or transfer the Client's data to other members of the Group for direct marketing and the Group requires the consent (including no objection) of the Client for this purpose. Permission to use a Client's data for this purpose is **voluntary** only. In this connection, please note that :-
- (i) the name, contact details, products and services portfolio information, transaction pattern and financial background of the Client held by the Broker or its Associates may be used in direct marketing of investment or financial related products and services of the Group; and
 - (ii) if a Client does not wish the Group to use and/or transfer the Client's data for use in direct marketing, the Client may, without charge, exercise the right to opt-out.
- 4.02 To indicate consent / no consent to the use / provision of the Client's personal data for direct marketing, a Client must fill out an "Opt-out Request – Use/Provision of Personal Data in Direct Marketing" attached to the Account Mandate ("**Request Form**").
- 4.03 If a Client does not wish the Group to use the Client's data or provide their to other persons for use in direct marketing as described above and also wants the Group to advise those other persons to stop using the Client's data for direct marketing, he/she may say so in the Request Form or notify the Broker of the same at any other time.
- 4.04 Failure to complete a Request Form may mean that the Group and its Associates will use personal data for direct marketing and that the Group may transfer personal data for gain to its Associates or for their direct marketing purposes.

5. RIGHTS OF ACCESS AND CORRECTION

- 5.01 Under and in accordance with the terms of the Personal Data (Privacy) Ordinance any individual :-
- (i) has the right to check whether the Group holds data about him/her and the right of access to such data;
 - (ii) has the right to require the Group to correct any data relating to him/her which is inaccurate; and
 - (iii) has the right to ascertain the Group's policies and practices in relation to data and to be informed of the kind of personal data held by the Group.
- 5.02 In accordance with the terms of the Personal Data (Privacy) Ordinance, the Broker has the right to charge a reasonable fee for the processing of any data access request.

6. NOTICE OF CONTACT PERSON TO REQUEST ACCESS OR CORRECTION

The person to whom requests for access to data or correction of data or opt out of receiving direct marketing material or for information regarding policies and practices and kinds of data held are to be addressed is as follows:-

Data Protection Officer
Augustine Securities Company Limited
Suite 1803,18/F, Tower 1
The Gateway,
Harbour City,
Tsim Sha Tsui
Hong Kong
Email: cs@auggp.com

Schedule 2

Terms and Conditions Applicable to Margin Client

This Schedule shall form an integral part of the Client Agreement entered into by the Broker and the Client, setting out the terms and conditions under which the Account is allowed to conduct securities margin trading and specified as a "margin account" ("**Margin Account**") and the Broker agrees to grant credit facilities ("**Facility**") to the Client at the Client's request for the Transactions. Where any conflict arises between the Client Agreement and the provisions of this Schedule, the provisions of the latter shall prevail.

1. DEFINITION

- 1.01 Terms defined in this Schedule shall have the same meanings as in the Client Agreement unless stated otherwise.
- 1.02 References to "**Account**" in the Client Agreement are deemed to include the Margin Account as established pursuant to this Schedule.
- 1.03 "**Collateral**" means all monies and Securities of the Client which are now or which shall at any time hereafter be deposited with, transferred or caused to be transferred to or held by the Broker or its Associates or nominees, or transferred to or held by any other person in circumstances where the Broker accepts the same as security for the Client's obligations under this Schedule. The Collateral shall include those monies and securities that shall come into the possession, custody or control of the Broker or its Associates from time to time for any purpose whatsoever (which shall include any additional or substituted Securities and all dividends or interest paid or payable, rights, interest, monies or property accruing at any time by way of redemption, bonus, preference, options or otherwise on or in respect of any such Securities or additional or substituted Securities).
- 1.04 "**Credit Limit**" is the maximum amount of Facility that the Broker will grant the Client's irrespective of the amount of the Client's Collateral and Margin Ratio, which the Broker shall in its absolute discretion determine and notify to the Client in the manner prescribed 2.02.
- 1.05 "**Margin Ratio**" is the percentage of the value of the Collateral up to which the Client is permitted to borrow (or otherwise to secure other forms of financial accommodation) from the Broker against the Collateral.

2. FACILITY

- 2.01 The Facility is extended to the Client in accordance with the provisions set out in this Schedule, any fees and charges sheet from the Broker to the Client and in the Client Agreement (collectively called "**Margin Facility Terms**"). The Client agrees to use the Facility only in connection with the acquisition or holding of Securities by the Broker for the Client.
- 2.02 Subject to Clause 2.04 below, the Broker may grant the Client Facility of such amount up to the Credit Limit as may be notified to the Client and set out under the additional terms and conditions in a facility letter to be issued by the Broker from time to time. The Credit Limit available to the Client and the Margin Ratio may be varied by notice by the Broker from time to time.
- 2.03 In respect of each sale or purchase of Securities by the Broker pursuant to the Client's Instructions under the Client Agreement, where such purchased Securities are to be financed or such sold Securities have been financed by the Facility, to effect such transaction as follows :-
- (a) to sell or, as the case may be, purchase Securities on the Securities Account;
 - (b) in the case of a purchase of Securities, to settle the purchase price by debiting the Margin Account on the settlement date of such Transaction;
 - (c) upon debiting the Margin Account in accordance with sub-paragraph (b) above, to arrange for such Securities to be held by and charged to the Broker in accordance with Clause 3.01 of this Schedule to secure the debit balance on the Margin Account;
 - (d) in the case of a sale of Securities (subject to the Broker's charge over the Securities referred to in sub-paragraph (c) above), to settle such Transaction on the date of such Transaction by (a) transferring from the Margin Account such Securities for the purpose of settling such sale and (b) upon receipt of the proceeds of such sale, transferring to the credit of the Margin Account such proceeds so as to reduce or settle the then existing debit balance, if any, on the Margin Account in accordance with the terms of the Client Agreement.
- 2.04 The Broker may in its absolute discretion, but not at anytime be obliged to, provide any Facility to the Client. In particular, the Client understands that the Broker may not provide any Facility to the Client if any of the following circumstances should arise :-
- (i) the Client is in default of any provisions of the Margin Facility Terms; or
 - (ii) in the opinion of the Broker there is or has been a material adverse change in the Client's financial condition or in the financial condition of any person which might adversely affect the Client's ability to discharge the Client's liabilities or perform the Client's obligations under the Client Agreement; or
 - (iii) making an advance would cause the applicable Credit Limit to be exceeded; or
 - (iv) the Broker in its absolute discretion considers it prudent or desirable for its protection not to do so.

- 2.05 For so long as there exists any indebtedness to the Broker on the Client's part, the Broker shall be entitled at any time and from time to time to refuse any withdrawal of any or all of the Collateral and the Client shall not without the prior written consent of the Broker be entitled to withdraw any Collateral in part or in whole from the Client's Account.
- 2.06 Despite any of the other terms and conditions herein or in any other agreement between the Client and the Broker, the Client will pay all its indebtedness to the Broker (whether actual or contingent, present or future) on demand or earlier when due and at the request of the Broker will deposit such margins in money (by cash or bank cashier order), securities or otherwise and maintain such security with the Broker as the Broker deems satisfactory or which may be required by the rules of any exchange, market or authority of which the Broker is a member or to which the Broker may have any obligation. Each such margin/security call shall be met immediately.

3. CHARGE

- 3.01 All Collateral shall be charged to or held by the Broker for the benefit of the Broker as a first priority fixed continuing security (the "**Charge**") for the payment and/or discharge to the Broker of all and any of the Client's liabilities to the Broker whatsoever (whether arising from the business of dealing in Securities or the financing of such dealing or otherwise and whether actual or contingent, present or future, primary or collateral, and several or joint) and with respect to such security :-
- (a) such security shall attach to all dividends or interest paid or payable after the date hereof on such Securities and all stocks, shares (and the dividends or interest thereon), rights, moneys or property accruing or offered at any time by way of redemption, bonus, preference, option or otherwise to or in respect of such Securities;

- (b) upon default by the Client in payment on demand or earlier when due of any of the Client's indebtedness to the Broker or any other default by the Client under this Schedule, the Broker shall have the right, acting in good faith but without notice to the Client, to sell or otherwise realise the whole or any part (selected by the Broker) of the subject matter of such security as when and how and at such price and on such terms as the Broker shall think fit, in each case without any liability on the Broker to the Client for any such action, except in the case of gross negligence or wilful default, and to apply the net proceeds of such sale or realisation and any moneys for the time being in the Broker's hands in or towards discharge of the Client's indebtedness to the Broker in such order as they may select;
- (c) such security shall be a continuing security unaffected by any intermediate payment and shall be in addition to and shall not prejudice or be prejudiced by any lien, right of set-off or other security which the Broker may hold at any time for the Client's indebtedness to the Broker or by any release, modification, abstention from enforcement or other dealing therewith or thereof.

3.02 The Client represents and warrants that the Collateral is legally and beneficially owned by the Client, that the Client is entitled to deposit the Collateral with the Broker or its Associates, that the same is and will remain free from any lien, charge or encumbrance of any kind, and any stocks, shares and other securities comprised in the Collateral are and will be fully paid up.

3.03 Until the Charge becomes enforceable, (i) the Broker shall have the right, subject only to giving the Client notice, to exercise rights relating to the Collateral to protect the value of the Collateral; and (ii) except as otherwise provided in this Schedule, the Client may direct the exercise of other rights attaching to, or connected with, the Collateral, but not in any manner which is inconsistent with the Client's obligations under the Margin Facility Terms, or which in any way may prejudice the Broker's rights in relation to the Collateral.

4. POWER OF ATTORNEY

The Client by way of security irrevocably appoints the Broker to be the Client's attorney on the Client's behalf and in the Client's name to do all acts and things and to sign, seal, execute, deliver, perfect and do all deeds, instruments, documents, acts and things which may be required for carrying out any obligation imposed on the Client by or pursuant to the Margin Facility Terms and generally for enabling the Broker to exercise the respective rights and powers conferred on it by or pursuant to the Margin Facility Terms or by law including (but without limitation) :-

- (i) to execute any transfer or assurance in respect of any of the Collateral;
- (ii) to perfect its title to any of the Collateral;
- (iii) to ask, require, demand, receive, compound and give a good discharge for any and all monies and claims for monies due or to become due under or arising out of any of the Collateral;
- (iv) to give valid receipts and discharges and to endorse any cheques or other instruments or orders in connection with any of the Collateral; and
- (v) generally to file any claims or take any lawful action or institute any proceedings which it considers to be necessary or advisable to protect the security created under the Margin Facility Terms.

5. TERMINATION OF FACILITY

5.01 The Facility is repayable on demand and may be varied or terminated in the absolute discretion of the Broker.

5.02 Upon termination of the Facility or any Account, any outstanding indebtedness by the Client shall forthwith be repaid to the Broker.

5.03 Repayment of all or any of the loan amounts owed to the Broker will not of itself constitute cancellation, discharge or termination of the Margin Facility Terms.

6. SECURITY UNAFFECTED

Without prejudice to the generality of the foregoing, neither the Charge nor the amounts thereby secured will be affected in anyway by :-

- (i) any other security, guarantee or indemnity now or hereafter held by the Broker or its Associates under or in respect of the Margin Facility Terms or any other liabilities;
- (ii) any other variation or amendment to or waiver or release of any security, guarantee or indemnity or other document (including, except to the extent of the relevant variation, amendment, waiver or release, of the Charge);
- (iii) the enforcement or absence of enforcement or release by the Broker or its Associates of any security, guarantee or indemnity or other document (including the Charge);
- (iv) any time, indulgence, waiver or consent given to the Client or any other person whether by the Broker or its Associates;
- (v) the making or absence of any demand for payment of any sum payable under the Margin Facility Terms made on the Client whether by the Broker or any other person;
- (vi) the insolvency, bankruptcy, death or insanity of the Client;
- (vii) any amalgamation, merger or reconstruction that may be effected by the Broker with any other person or any sale or transfer of the whole or any part of the undertaking, property or assets of the Broker to any other person;
- (viii) the existence of any claim, set-off or other right which the Client may have at any time against the Broker or any other person;
- (ix) any arrangement or compromise entered into by the Broker with the Client or any other person;
- (x) the illegality, invalidity or unenforceability of, or any defect in, any provision of any document relating to the Facility or any security, guarantee or indemnity (including the Charge) or any of the rights or obligations of any of the parties under or in connection with any such document or any security, guarantee or indemnity (including the Charge), whether on the ground of ultra vires, not being in the interests of the relevant person or not having been duly authorised, executed or delivered by any person or for any other reason whatsoever;
- (xi) any agreement, security, guarantee, indemnity, payment or other transaction which is capable of being avoided under or affected by any law relating to bankruptcy, insolvency or winding-up or any release, settlement or discharge given or made by the Client on the faith of any such agreement, security, guarantee, indemnity,

payment or other transaction, and any such release, settlement or discharge shall be deemed to be limited accordingly; or any other thing done or omitted or neglected to be done by the Broker or any other person or any other dealing, fact, matter or thing which, but for this provision, might operate to prejudice or affect the Client's liabilities under the Margin Facility Terms.

7. RISK DISCLOSURE

7.01 The Broker refers the Client to the Risk Disclosure Statements contained in Schedule 5.

8. GENERAL

8.01 Without prejudice to the other authorities conferred upon the Broker hereunder and in each case as a transaction independent of any other transaction entered into between the Broker and the Client or by the Broker on the Client's behalf, the Broker is authorised on the Client's behalf to part with possession and/or control of all or any Securities held by the Broker or its nominees for or on account of the Client and in connection therewith to lend, sell, deposit, charge and re-charge all or any such securities in each case in accordance with any authorisation given by the Client to the Broker from time to time.

Schedule 3

Further terms and conditions in case of "Discretionary Account", "Sole Proprietorship Account", "Joint Account" and "Partnership Account"

1. FURTHER TERMS AND CONDITIONS TO APPLY TO DISCRETIONARY ACCOUNTS

Where the Client (by notice given by any Authorised Person) requests and authorises the Broker to open and/or continue and/or manage the Account on a discretionary basis (together and each, the "**Discretionary Account**"), the Account shall be designated in the books of the Broker as a discretionary account and the Client further agrees and confirms as follows :-

- 1.01 The Client hereby appoints the Broker as its agent and attorney for the purpose of investing and reinvesting (in a separate and distinctive portfolio) the Investment Assets in connection with the Discretionary Account. The Broker shall fully and comprehensively manage the Discretionary Account in respect of the Investment Assets on a discretionary basis.
- 1.02 "**Investment Assets**" shall consist of (1) all cash and investments of the Discretionary Account initially assigned to the Broker by the Client and (2) all investments, reinvestments and proceeds of the sale thereof, including, without limitation, all dividends and interests on investments, and all appreciations thereof and additions thereto less depreciations thereof and withdrawals therefrom.
- 1.03 The Broker will invest the Investment Assets in accordance with the objectives and guidelines as set by the Client in the Account Mandate and accepted by the Broker (the "**Investment Guidelines**") and any other investment objectives and guidelines specified by the Client. The Client shall have the sole discretion to modify the Investment Guidelines from time to time by notice to the Broker. Any modification made by the Client pursuant to this Clause 1.03 shall become effective upon receipt by the Broker of a written notice of such modification signed by an Authorised Person. The Client will consult with the Broker on any modification of the Investment Guidelines which the Broker may consider appropriate provided that the Client shall be entitled at its sole discretion to make any such modifications. For the avoidance of doubt, the Investment Guidelines shall not be regarded as having been breached by reason of changes in the price or value of the Investment Assets which are due solely to market forces or movements in any market or other events beyond the reasonable control of the Broker.
- 1.04 In consideration of the Broker providing management services on a discretionary basis for trading by the Client on the Discretionary Account, the Client agrees to pay the Broker such management fees including performance fees as the Broker may require and notify to the Client from time to time.
- 1.05 The Broker may act and continue to act as investment manager to other clients and nothing in this Agreement shall in any way be deemed to restrict the right of the Broker to perform investment management or other services for any person, and the performance of such services for any other person shall not be deemed to violate or give rise to any duty or obligation to the Client.
- 1.06 Nothing in this Agreement shall limit or restrict the Broker or any of its affiliates from buying, selling or trading in any securities for its or their own account or accounts. The Client acknowledges that the Broker, its affiliates and its other clients may at any time have, acquire, increase, decrease or otherwise dispose of positions in investments which are at the same time being acquired or disposed of for the Discretionary Account of the Client.
- 1.07 The client identity rules under paragraph 5.4 of the Code of Conduct require the Broker to obtain and record client identity information before provision of any services. The Client hereby agrees that, in relation to a transaction where the Broker has received an enquiry from the Regulators, the following provisions shall apply:
 - (i) Subject to (ii) below, the Client will immediately upon request by the Broker (which request shall include the relevant contact details of the relevant Regulator), inform the relevant Regulator of the identity, address, occupation and contact details of the Client for whose Account the Transaction was effected (or, in the case of a back-to-back principal transaction the counterparty with whom the Client is/are transacting) and (so far as known to the Client) of the person with the ultimate beneficial interest in the Transaction. The Client shall also inform the Regulator of the identity, address, occupation and contract details of any third party (if different from the Client or the Client's ultimate beneficiary) who originated the Transaction.
 - (ii) If the Client effected the transaction for a collective investment scheme, discretionary account or discretionary trust (as applicable), the Client shall, immediately upon request by the Broker (which request shall include the relevant contact details of the Regulator), inform the Regulator of the identity, address and contract details of the person who, on behalf of the scheme, Account or trust, instructed the Client to effect the Transaction.

2. FURTHER TERMS AND CONDITIONS TO APPLY IN THE CASE OF A SOLE PROPRIETORSHIP ACCOUNT

Where the Client hold Securities in the Account on its own behalf and is a Proprietor, the Client further agrees and confirms as follows :-

- 2.01 Nothing in this Agreement shall be construed so as to reduce or limit the liability of the Client to the Broker in respect of any obligations, indebtedness or liabilities incurred by or in the name of the Firm whether or not such liabilities, indebtedness or obligations were incurred under or in relation to this Agreement and it is expressly agreed that all references herein to "**obligations**", "**indebtedness**" or "**liabilities**" of the Client shall include any obligations, indebtedness or liabilities of the Firm to the Broker which may exist from time to time.
- 2.02 Any notice or written Instruction given by the Client to the Broker shall be valid whether the same is given with or without the Firm's stamp or chop.
- 2.03 References to an account, not being the Account, maintained by the Client with the Broker, any person related to the Broker or otherwise, shall be a reference to any account whether maintained by or in the name of the Proprietor or the Firm; and references to "**securities**", "**cash**" and "**property**" of the Client shall include any securities cash or property from time to time held for or on behalf of the Proprietor or the Firm.
- 2.04 The obligations of the Broker to make delivery of certificates or securities shall be to make such delivery to any of the business, residential or mailing addresses of the Proprietor, the Firm or the Firm's lawful representative as they appear from time to time on the Broker's records or by delivering the same to the Proprietor or such representative or to any such address.
- 2.05 For the purposes of this Agreement, a notice or communication to the Client will be effectively given when mailed, delivered, sent or communicated to the Proprietor or the Firm in accordance with Clause 22 of the Client Agreement notwithstanding that such notice or communication has not been given to both the Proprietor and the Firm, and to the extent that any notice or demand shall not be required to be given to or made of the Client hereunder no such notice or demand shall be required to be given to or made of either the Proprietor or the Firm.
- 2.06 Any appointment of the Broker as attorney or agent pursuant to the Client Agreement shall be effective to appoint the Broker as attorney for the Client to do any or all of the things referred to in that section whether on behalf of the Firm or the Proprietor or both.
- 2.07 The Broker is not obliged to recognise any person other than the Client as having any interest in the account. If the Bank opens the account in the Client's name "in trust" or "as nominee" or using some similar designation, whether or not for a specific third party, the Bank may accept cheques and other payment orders and other Instructions relating to the Client only and will not be required to obtain any consent from or see to the execution of any trust for any person.

3. FURTHER TERMS AND CONDITIONS TO APPLY IN THE CASE OF A JOINT ACCOUNT

Where the Client comprises Joint Account Holders, the Client further agrees and confirms as follows :-

- 3.01 References to an account, not being the Account, maintained by the Client with the Broker, any Associates or otherwise shall include any account maintained by or in the name of any of the Joint Account Holders whether solely or together with other Joint Account Holders and references to "**securities**", "**cash**" and "**property**" of the Client shall include any securities, cash or property from time to time held for or on behalf of any Joint Account Holder(s) and references to "**indebtedness**" of the Client shall be joint indebtedness of the Joint Account Holders.
- 3.02 The authority which the Client has given to the Broker in Clause 13.02 of the Client Agreement hereof shall not entitle the Broker to combine or consolidate any account(s) in the joint names of all the Joint Account Holders then in credit with any other account(s) in the name(s) of any member of Joint Account Holders (not being all of the Joint Account Holders) then in debit.

- 3.03 The obligation of the Broker to make delivery of certificates or securities shall be to make such delivery to any of the business, residential or mailing addresses of any of the Joint Account Holders as they appear from time to time on the Broker's records or by delivering the same to any Joint Account Holder or to any such address at the Broker's absolute discretion.
- 3.04 For the purpose of this Agreement, a notice or communication to be given to the Client shall be effectively given when mailed, delivered, sent or communicated to any of the Joint Account Holders in accordance with Clause 22 of the Client Agreement and notwithstanding that such notice or communication has not been given to all Joint Account Holders, and to the extent that any notice or demand is not required to be given to the Client hereunder, no such notice or demand shall be required to be given to or made of any of the Joint Account Holders.
- 3.05 Any appointment of the Broker as attorney or agent pursuant to the Client Agreement shall be effective to appoint the Broker as attorney or agent for each Joint Account Holder to do any or all of the things referred to in that section whether on behalf of the Client or any one Joint Account Holder or more than one Joint Account Holder.
- 3.06 This Agreement shall enure to the benefit of and be binding on the Joint Account Holders' respective executors, administrators, successors and assigns. The Broker may grant time or other indulgence to any of the Joint Account Holders without impairing or affecting in any way any of the Broker's rights herein against any other Joint Account Holder. In the case of the death or incapacity of any or all of the Joint Account Holders, the liability of the estate of such deceased or incapacitated Joint Account Holder or Joint Account Holders (as the case may be) shall cease only with regard to Transactions made with the Broker subsequent to the receipt by the Broker of written notice of the relevant death or incapacity, and the Broker's rights hereunder shall not be affected in any other way by any such death or incapacity.
- 3.07 The Client's liabilities and obligations arising hereunder shall be joint and several as between the Joint Account Holders. Each Joint Account Holder shall waive in favour of the Broker the right of proof in competition with the Broker in the bankruptcy or insolvency of any other Joint Account Holder(s) and no such Joint Account Holder shall take from another or others any kind of security without the Broker's prior written consent.

4 FURTHER TERMS AND CONDITIONS TO APPLY IN THE CASE OF A PARTNERSHIP ACCOUNT

Where the Client comprises the Partners, the Client further agrees and confirms as follows :-

- 4.01 The Partners of the Firm shall be jointly and severally liable for the Account and for all obligations, indebtedness and liabilities to the Broker incurred by the Firm whether or not so incurred under or in respect of this Agreement.
- 4.02 Any notice or written Instruction given by the Client to the Broker under this Agreement shall be valid whether such notice or Instruction is given with or without the Firm's stamp or chop.
- 4.03 References to an account, not being the Account, maintained by the Client with the Broker, any Associates or otherwise shall include any account maintained by or in the name of any of the Partners and references to "**securities**", "**cash**", and "**property**" of the Client shall include any securities, cash or property from time to time held for or on behalf of any one or more of the Partners or the Firm.
- 4.04 The authority which the Client has given to the Broker in Clause 13.02 of the Client Agreement hereof shall not entitle the Broker to combine or consolidate any account(s) in the name of the Firm then in credit with any account(s) in the name(s) of any member of Partners (not being all of the Partners) then in debit.
- 4.05 The obligations of the Broker to make delivery of certificates or securities shall be to make such delivery to any of the business, residential or mailing addresses of any of the Partners or to the Firm as they appear from time to time on the Broker's records or by delivering the same to any Partner or any such address at the Broker's absolute discretion.
- 4.06 For the purpose of this Agreement, a notice or communication to be given to the Client will be effectively given when mailed, delivered, sent or communicated to any of the Partners or to the Firm in accordance with Clause 22 of the Client Agreement and notwithstanding that such notice or communication has not been given to all of the Partners, and to the extent that any notice or demand shall not be required to be given to or made of the Client hereunder, no such notice or demand shall be required to be given to or made of any of the Partners.
- 4.07 Any appointment of the Broker as attorney or agent pursuant to the Client Agreement shall be effective to appoint the Broker as attorney or agent for each Partner to do any or all of the things referred to in that section whether on behalf of the Firm or any one Partner or more than one Partner.
- 4.08 This Agreement shall enure to the benefit of and be binding on the Partners and their respective executors, administrators, successors and assigns. The Broker may grant time or indulgence to any of the Partners without impairing or affecting in any way any of the Broker's rights herein against any of the other Partners. The dissolution of the Firm for whatever reason shall not affect the liabilities of the Partners individually or jointly until the Broker shall have received written notice from any of the Partners to such effect, but no notice shall affect the Partners' liability jointly or severally for any Transaction made with the Broker prior to the Broker receiving the said notice and in the case of the death of a Partner, the liability of the estate of the deceased Partner shall cease only with regard to Transactions made with the Broker subsequent to the receipt by the Broker of written notice of the death of the deceased Partner. Notwithstanding the foregoing, upon any Partner ceasing to be a member of the Firm by death or otherwise the Broker may in the absence of written notice to the contrary from any Partner or the legal personal representative(s) or trustee(s) of any Partner treat the surviving or continuing Partner(s) or other partner(s) for the time being as having full power to carry on the business of the Firm and to deal with its assets freely as though there had been no change in the Firm.
- 4.09 The Client's liabilities and obligations hereunder shall be joint and several as between each of the Partners. Each Partner shall waive in favour of the Broker the right of proof in competition with the Broker in the bankruptcy or insolvency of any or all of the other Partners and no Partner shall take from the other or others any kind of security without the Broker's prior written consent.
- 4.10 Upon any change of the Firm's constitution for any reason whatsoever (including without limitation by death, resignation, replacement, addition, bankruptcy or otherwise of a partner), the Broker may, in the absence of written notice to the contrary, treat the remaining / new partner(s) as having full power to carry on the business of the Firm to deal with the Account as if there had been no change in the Firm's constitution. Notwithstanding any change in the Firm's constitution or name, or modification/ termination of any power of any partner, this Agreement shall bind all partners jointly and severally

5 FURTHER TERMS AND CONDITIONS TO APPLY TO DAY TRADE MARGIN ACCOUNT AND DAY TRADE CREDIT FACILITY

Where the Client (by notice given by any Authorised Person) applies for financing from the Broker to day trade Designated Stocks and the Broker has agreed to open a Day Trade Margin Account for the Client and agree to grant the Client a Day Trade Credit Facility ("**Day Trade Agreement**"), the Client further agrees and confirms as follows :-

- 5.01 Unless specifically defined, terms used herein shall have the same meaning as given to them in the Client Agreement and this Day Trade Agreement:-

"**Auto Liquidation**" means the Broker's absolute right to close out all the Client's stock positions in the manner as provided for in Clause 5.03.2(b) and Clause 5.05 below;

"**Auto Liquidation Percentage**" means such percentage in respect of the LTV Ratio from time to time specified by the Broker and notified to the Client for the purpose of determining when the Broker may exercise its right to Auto Liquidation;

"**Day Trade Margin Account**" means the day trade margin trading account which the Client has opened with the Broker to govern the day trade of Designated Stocks;

"**Day Trade Credit Facility**" means the credit facility agreed to be made available or granted from time to time by the Broker to the Client under the Day Trade Margin Account of such amount as determined by the Broker at its sole discretion and notified to the Client to enable the Client to finance the day trade of Designated Stocks;

“**Designated Stocks**” means certain stocks which are listed and traded on the SEHK on a Trade Day which the Broker designates from time to time and notified to the Client as the only stocks which the Client can day trade (and “Designated Stock” shall be construed accordingly as one such stock) provided that such designation by the Broker does not constitute advice or a recommendation to trade such stocks;

“**Loan**” means the aggregate amount that the Client has borrowed under the Day Trade Credit Facility on a Trade Day to purchase Designated Stocks;

“**LTV Ratio**” means the loan to market value at a given time during a Trade Day calculated in accordance with the following formula:-

$$\frac{\text{Loan}}{\text{Market Value}} \times 100 \% \\ \text{\# of all Designated Stocks purchased during a Trade Day}$$

“**Margin Ratio**” means the percentage of the value applicable to a Designated Stock as set by the Broker from time to time and notified to the Client up to which the Client is permitted to borrow from the Broker under the Day Trade Credit Facility to day trade that Designated Stock ;

“**Maximum Loan Limit**” means the maximum amount as determined by the Broker from time to time and as notified to the Client which may be made available to the Client on a Trade Day under the Day Trade Credit Facility;

“**Shortfall**” means the debit balance arising in the Day Trade Margin Account after a Trade Day closing to the extent possible and which the Client is required to settle before settlement day for the day trades of Designated Stocks transacted on that Trade Day; and

“**Trade Day**” means a SEHK trading day which may be a half day trading or a normal day trading, the opening and closing hours of which are as designated by the SEHK and available on its website.

5.02 CREDIT FACILITY

5.02.1 The Day Trade Credit Facility is available and granted to the Client on each Trade Day to enable the Client to day trade the Designated Stocks under which the Client by way of financing a day trade of a Designated Stock, can borrow an equal to the Margin Ratio applicable to that Designated Stock which the Client proposes to purchase with the balance to be paid by the Client from money maintained in the Day Trade Margin Account.

5.02.2 The Loan under the Day Trade Credit Facility shall not exceed the Maximum Loan Limit at any time during a Trade Day.

5.03 DAY TRADING

5.03.1 The Client is entitled to day trade the Designated Stocks on a Trade Day provided that:-

- a) no auction order is permitted during the pre-opening session which is between 9 am and 9.30 am on a Trade Day;
- b) all positions must be closed by Trade Day closing as no overnight stock positions are permitted and closing of all stock positions shall be conducted as set out in Clause 5.03.2 below;
- c) all outstanding orders will be cancelled at 11.45 am on a half day Trade Day and at 3.45 pm on a normal Trade Day; and
- d) no orders are permitted to be placed within the last 15 minutes before closing on a Trade Day

5.03.2 All stock positions must be closed as follows:-

- a) before 11.45 am on a half day Trade Day and before 3.45 pm on a normal day Trade Day by the Client ; or
- b) if the Client fails to do so then the Broker will have the absolute right to do so during 11.45 am to 12 noon on a half day Trade Day and during 3.45 pm to 4 pm on a normal day Trade Day by Auto Liquidation at the prevailing market sale price.

5.03.3 If all stock positions cannot be closed by Trade Day closing or due to a trading suspension of a Designated Stock, then the Broker will have the absolute right to continue with Auto Liquidation to close out the stock positions on the following Trade Day (or as the case may require, on any other following Trade Day thereafter) at prevailing market price until closing of those Designated Stocks is completed, provided always the Broker reserves the absolute right to take the following action:-

- a) if a Shortfall arises in the Day Trade Margin Account at the end of Trade Day closing then a margin call may be made by the Broker (and notified to the Client) requesting the Client to immediately pay off the Shortfall;
- b) impose interest on the Shortfall (or any balance Shortfall thereof) until full payment at a rate as prescribed by the Broker from time to time and notified to the Client;
- c) subject to a margin call under Clause 5.03.3(a) above and without prior notice to the Client (or the requirement to obtain consent) transfer money from the Client's other account(s) maintained with the Broker and apply such money to pay off or reduce the Shortfall (with the balance Shortfall thereof remaining the Client's obligation to pay off); or
- d) if relevant, liquidation of a suspended Designated Stock upon resumption of trading.

5.03.4 No margin call will be issued by the Broker to the Client during a Trade Day provided a Client may receive a margin call from the Broker in the manner as provided in Clause 5.03.3(a) above.

5.04 DAY TRADE MARGIN ACCOUNT

5.04.1 Under the Day Trade Margin Account, no internal transfer, deposit and withdrawals of stocks will be permitted.

5.04.2 The Day Trade Margin Account shall be used solely for the day trade of Designated Stocks by the Client.

5.04.3 The Client shall bear all market risks for all stock positions of Designated Stock held at any time in the Day Trade Margin Account.

5.04.4 The Client must maintain sufficient money in the Day Trade Margin Account in order to provide sufficient finance for the day trade of a Designated Stock as set out in Clause 5.02.1 above

5.05 AUTO LIQUIDATION OF STOCKS

5.05.1 The Broker can proceed to Auto Liquidation of the Client's stock positions on a Trade Day as follows:-

- a) in the manner as set out in Clause 5.03.2(b) above; or
- b) in the event that at any time during a Trade Day the Client fails to maintain the LTV Ratio below the Auto Liquidation Percentage.

5.05.2 In the event of Clause 5.05.1(b) applying then the Broker has the absolute right, without notice to the Client, to suspend or cancel the Client's ability to day trade further Designated Stocks.

5.05.3 The Broker gives no assurance that Auto Liquidation can be completed by Trade Day closing.

5.05.4 The Client shall at all times remain liable for any loss, damages, expenses , fees and charges incurred arising out of and in connection with, directly or indirectly, the failure to close all stock positions before Trade Day closing whether by the Client's obligation to do so or by Auto Liquidation.

5.06 AMENDMENTS AND MISCELLANEOUS

5.06.1 The terms and conditions of this Day Trade Agreement may be amended from time to time by the Broker and shall be deemed to have been accepted by the Client and effective immediately upon notification to the Client in writing or posting to the Broker's website.

5.06.2 In the event of any inconsistency or conflict between the terms and conditions of this Day Trade Agreement and the Client Agreement, then the terms and conditions of this Day Trade Agreement shall prevail

5.06.3 The references herein to "notified to the Client" may be made by means of communication as the Broker shall deem fit, including but not limited to the use of direct mailing material, electronic communications such as e-mail or posting to the Broker's website.

Schedule 4

On-line Trading Agreement

This On-line Trading Agreement is supplemental to the Client Agreement entered into by the Broker and the Client to which this On-line Trading Agreement is annexed whereby the Broker agrees to provide to the Customer Electronic Services which enable the Client to give electronic Instructions and to obtain quotations and other information via computer or telephonic transmission for use on compatible personal, home or small business computer, including internet appliance with modems, terminals or network computers that can connect to a telecommunication network ("**Electronic Services**"). Where any conflict arises between the Client Agreement and the provisions of this On-line Trading Agreement, the provisions of the latter shall prevail.

1. INTERPRETATION

1.01 In this On-line Trading Agreement, the words and expressions defined and the rules of construction contained in the Client Agreement shall apply and the following expressions shall have the following meanings unless the context otherwise requires:-

"**Access Code**" means the Password and the Login ID, provided by the Broker to the Client, which the Client will have to use with each Instruction;

"**Login ID**" means the Client's identification used in conjunction with the Password to gain access to the Electronic Services;

"**Password**" means the Client's personal password, used in conjunction with Login ID to gain access to the Electronic Services.

1.02 References to "**Instructions**" in the Client Agreement are deemed to include electronic instructions given by means of the Electronic Services.

2. USE OF ELECTRONIC SERVICES

2.01 On the issuance by the Broker to the Client of its Login ID and Password, the Electronic Services shall be activated and the Broker shall notify the Client.

2.02 The Broker is entitled to require the Client to place cash and/or Securities deposit prior to execution of any Instruction as will be informed by the Broker from time to time.

2.03 The Client agrees:-

- (i) that it shall use the Electronic Services only in accordance with this On-line Trading Agreement, the Client Agreement and the instructions and procedures as set out in the Broker's Instruction Manual which is supplied to the Client from time to time;
- (ii) that it shall be the only authorised user of the Electronic Services;
- (iii) that it shall be responsible for the confidentiality and use of its Login ID and Password;
- (iv) that it shall be solely responsible for all Instructions entered through the Electronic Services using its Login ID and Password and any Instruction and received by the Broker shall be deemed to be made by the Client and in the form received;
- (v) that it shall immediately inform the Broker if it becomes aware of any loss, theft or unauthorised use of its Login ID or Password;
- (vi) not to disclose the Access Code to any third party;
- (vii) that it shall comply with all directions reasonably given by the Broker (whether on its own initiative or, where appropriate, pursuant to any Applicable Laws or at the request of any third parties) from time to time concerning the Electronic Services;
- (viii) that the Broker has the right to suspend the Electronic Services if an incorrect Login ID and Password are entered on more than 3 occasions; and
- (ix) to provide the Broker with the Client's e-mail address, and promptly provide the Broker with any changes to the Client's e-mail, and to accept electronic communication from the Broker at the e-mail address the Client has specified.

2.04 The Client acknowledges and agrees that the Broker shall be authorised to act in accordance with each Instruction and to assume that such Instruction is genuine and has been given by the Client or a person authorised to do so on behalf of the Client, in each case solely by virtue of having received such Instruction through the Electronic Services and the Broker shall have no obligations or duty in any way to verify as to whether such Instruction is genuine or authentic or has been given by any person or persons referred to in the Account Mandate and/or otherwise authorised to do so by the Client to give such Instruction. The Client further acknowledges and agrees that, as a condition of using the Electronic Services to give Instructions, the Client shall forthwith notify the Broker if (1) an Instruction has been placed through the Electronic Services and the Client has not received an accurate acknowledgement of the Instruction or of its execution (whether by hard copy, electronic or verbal means); or (2) the Client has received acknowledgement (whether by hard copy, electronic or verbal means) of a transaction which the Client did not instruct; or (3) the Client becomes aware of any unauthorised use of the Login ID or the Password. The Client agrees that, if the Client fails to notify the Broker forthwith when any of the above situations occurs, neither the Broker nor its directors, officers, employees or agents will have any liability to the Client, or to any other person whose claim may arise through the Client, for any claims with respect to the handling, mishandling or loss of any Instruction.

2.05 Without limiting the generality of the foregoing, the Client acknowledges and agrees that it may not be possible to amend or cancel an Instruction after it has been given through the Electronic Services and that an Instruction may only be amended or cancelled if it has not been executed by the Broker. In such circumstances the Broker will use its reasonable efforts to amend or cancel the Instruction but, notwithstanding an acknowledgement by the Broker in relation to the amendment or cancellation, there is no guarantee that the amendment or cancellation will occur. If the amendment or cancellation does not occur, the Client shall remain fully responsible and liable for, without limitation, the failure of transmission or any errors in the content of the original Instruction.

2.06 The Client authorises the Broker to provide information on the Electronic Services supplied to the Client hereunder to the Stock Exchange Information Service Limited ("**SEIS**") to enable the Broker to comply with the licence agreement between SEIS and the Broker relating to market datafeeds.

2.07 The Client agrees to use the Electronic Services only in accordance with the terms of this On-line Trading Agreement. Any additional services offered through the Electronic Services in the future will only be used by the Client in accordance with the terms of this On-line Trading Agreement. The Client agrees that the Client shall be the only authorised user of the Electronic Services under this On-line Trading Agreement. The Client shall be responsible for the confidentiality and use of the Access Code.

2.08 In respect of any Instruction given to the Broker through the Electronic Services, the Client agrees and acknowledges that if such instruction is given outside Hong Kong, the Client shall ensure that such instruction is given in compliance with any Applicable Law of the jurisdiction in which such instruction is given and shall be solely responsible for all taxes, charges or other levies imposed by any Authority in such jurisdiction.

3. MARKET DATA

- 3.01 The Client understands that each participating securities exchange or association asserts a proprietary interest in all of the market data it furnishes to the parties who disseminate such data. The Client also understands that no party guarantees the timeliness, sequence, accuracy or completeness of market data or any other market information. Neither the Broker nor any disseminating party shall be liable in any way and the Client agrees to indemnify and keep indemnified the Broker and such disseminating party for any loss or damage arising from or caused by any inaccuracy, error or delay in or omission from any such data, information or message, or transmission or delivery of the same, non-performance or interruption of any such data, message or information due to any act (whether or not negligent) of the Broker or any disseminating party, or to any force majeure event, or any other cause beyond the Broker's reasonable control or the reasonable control of any disseminating party.

4. INTELLECTUAL PROPERTY RIGHTS

- 4.01 The Client acknowledges that the Electronic Services and any software comprised in it are proprietary to the Broker. The Client warrants and undertakes that it shall not, and shall not attempt to, tamper with, modify, decompile, reverse engineer or otherwise alter in any way, and shall not attempt to gain unauthorised access to, any part of the Electronic Services or any of the software comprised in it. The Client agrees that the Broker shall be entitled to terminate this On-line Trading Agreement if at any time the Client breaches, or if the Broker at any time reasonably suspects that the Client has breached this warranty and undertaking.

5. TERMINATION OF ELECTRONIC SERVICES

- 5.01 The Broker reserves the right to terminate the Client access to the Electronic Services in its sole discretion, without notice or assigning any reason.

6. RISK DISCLOSURE

- 6.01 The Broker refers the Client to the Risk Disclosure Statements contained in Schedule 5.

7. GENERAL

- 7.01 The Broker may change the terms in this On-line Trading Agreement from time to time by giving the Client reasonable notice in writing or via Electronic Services.
- 7.02 The Client agrees that the Broker and its directors, officers, employees and agents will not be liable for any delay or failure to perform any obligation on its or their part or for any losses caused directly or indirectly by any condition or circumstances over which the Broker, its directors, officers, employees and agents do not have direct control, including but not limited to government restriction, exchange or market rulings, suspension of trading, failure of electronic or mechanical equipment or communication lines, telephone or other interconnect problems, unauthorised access, theft, war (whether declared or not), severe weather, earthquakes and strikes.

Schedule 5

Risk Disclosure Statement

This Risk Disclosure Statement is provided to the Client in accordance with the requirements set out in the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission of Hong Kong ("Code of Conduct") and shall form an integral part of the Client Agreement.

This Risk Disclosure Statement does not disclose all the risks and other significant aspects of trading in securities. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

Please read this Risk Disclosure Statement carefully, ask questions and take independent advice as you consider appropriate.

1. RISK OF SECURITIES TRADING

The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.

2. RISK OF TRADING GROWTH ENTERPRISE MARKET STOCKS

Growth Enterprises Market ("GEM") stocks involve a high investment risk. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. GEM stocks may be very volatile and illiquid.

You should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Current information on GEM stocks may only be found on the internet website operated by The Stock Exchange of Hong Kong Limited. GEM Companies are usually not required to issue paid announcements in gazetted newspapers.

You should seek independent professional advice if you are uncertain of or have not understood any aspect of this risk disclosure statement or the nature and risks involved in trading of GEM stocks.

3. RISK OF CLIENT ASSETS RECEIVED OR HELD OUTSIDE HONG KONG

Client assets received or held by the licensed or registered person outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap. 571) and the rules made thereunder. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

In relation to Non-Hong Kong Securities or securities held outside Hong Kong, the Broker or the Broker's agent can, without specific authority from you :-

- (a) deposit any of your Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions as collateral for any financial accommodation provided to the Broker;
- (b) borrow or lend any of your Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions;
- (c) deposit any of your Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions as collateral for the discharge and satisfaction of the Broker's settlement obligations and liabilities; and
- (d) deposit any of your Non-Hong Kong Securities with any third parties outside Hong Kong including without limitation banks, securities dealers, lending institutions as collateral in respect of the Broker's transactions in or relating to options contracts.

4. RISK OF TRADING NASDAQ-AMEX SECURITIES AT THE STOCK EXCHANGE OF HONG KONG LIMITED

The securities under the Nasdaq-Amex Pilot Program ("PP") are aimed at sophisticated investors. You should consult the licensed or registered person and become familiarised with the PP before trading in the PP securities. You should be aware that the PP securities are not regulated as a primary or secondary listing on the Main Board or the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

5. RISK OF USING THE ELECTRONIC SERVICES UNDER THE ON-LINE TRADING AGREEMENT

- (a) If you undertake Transactions via Electronic Services, you will be exposed to risks associated with the Electronic Services system including the failure of hardware and software, and the result of any system failure may be that your order is either not executed according to your Instructions or is not executed at all;
- (b) Due to unpredictable traffic congestion and other reasons, Electronic Services may not be reliable and Transactions conducted via Electronic Services may be subject to delays in transmission and receipt of your Instructions or other Information, delays in execution or execution of your Instructions at prices different from those prevailing at the time your Instructions were given, transmission interruption or blackout. There are risks of misunderstanding or errors in communication, and that there is also usually not possible to cancel an Instruction after it has been given. The Broker accepts no responsibility for any loss which may be incurred by the Client as a result of such interruptions or delays or access by third parties. You should not place any Instruction with us via Electronic Services if you are not prepared to accept the risk of such interruptions or delays; and
- (c) Market data and other information made available to the Client through our Electronic Service may be obtained by the Broker from third parties. While the Broker believes such market data or information to be reliable, neither the Broker nor such third parties guarantees the accuracy, completeness or timeliness of any such market data or information.

6. RISK OF PROVIDING AN AUTHORITY TO REPLEDGE YOUR SECURITIES COLLATERAL ETC

There is risk if you provide the licensed or registered person with an authority that allows it to apply your securities or securities collateral pursuant to a securities borrowing and lending agreement, repledge your securities collateral for financial accommodation or deposit your securities collateral as collateral for the discharge and satisfaction of its settlement obligations and liabilities.

If your securities or securities collateral are received or held by the licensed or registered person in Hong Kong, the above arrangement is allowed only if you consent in writing. Moreover, unless you are a professional investor, your authority must specify the period for which it is current and be limited to not more than 12 months. If you are a professional investor, these restrictions do not apply.

Additionally, your authority may be deemed to be renewed (i.e. without your written consent) if the licensed or registered person issues you a reminder at least 14 days prior to the expiry of the authority, and you do not object to such deemed renewal before the expiry date of your then existing authority.

You are not required by any law to sign these authorities. But an authority may be required by licensed or registered persons, for example, to facilitate margin lending to you or to allow your securities or securities collateral to be lent to or deposited as collateral with third parties. The licensed or registered person should explain to you the purposes for which one of these authorities is to be used.

If you sign one of these authorities and your securities or securities collateral are lent to or deposited with third parties, those third parties will have a lien or charge on your securities or securities collateral. Although the licensed or registered person is responsible to you for securities or securities collateral lent or deposited under your authority, a default by it could result in the loss of your securities or securities collateral.

A cash account not involving securities borrowing and lending is available from most licensed or registered persons. If you do not require margin facilities or do not wish your securities or securities collateral to be lent or pledged, do not sign the above authorities and ask to open this type of cash account.

7. RISK OF PROVIDING AN AUTHORITY TO HOLD MAIL OR TO DIRECT MAIL TO THIRD PARTIES

If you provide the licensed or registered person with an authority to hold mail or to direct mail to third parties, it is important for you to promptly collect in person all contract notes and statements of your account and review them in detail to ensure that any anomalies or mistakes can be detected in a timely fashion.

8. RISK OF MARGIN TRADING

The risk of loss in financing a transaction by deposit of collateral is significant. You may sustain losses in excess of your cash and any other assets deposited as collateral with the licensed or registered person. Market conditions may make it impossible to execute contingent orders, such as "stop-loss" or "stop-limit" orders. You may be called upon at short notice to make additional margin deposits or interest payments. If the required margin deposits or interest payments are not made within the prescribed time, your collateral may be liquidated without your consent. Moreover, you will remain liable for any resulting deficit in your account and interest charged on your account. You should therefore carefully consider whether such a financing arrangement is suitable in light of your own financial position and investment objectives.

9. RISK OF TRADING OF FOREIGN SECURITIES

You should only undertake trading of foreign securities if you understand the nature of foreign securities trading and the extent of your exposure to risks. In particular, foreign securities trading is not regulated by the SEHK and will not be covered by the Investor Compensation Fund. You should carefully consider whether such trading is appropriate for you in light of your experience, risk profile and other relevant circumstances and seek independent professional advice if you are in doubt.

The new cross-border investment channels brought by the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect enables investors in Hong Kong and the Mainland to trade a specified range of listed securities in each other's market through local securities companies. If you conduct northbound trading of securities on the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, you should refer to the Broker's key features and risk disclosure and note the specified risks in relation to trading through these investment channels. You should also familiarize yourself with the information available in relation to these investment channels on the SEHK website (<http://www.hkex.com.hk>), which may be amended and updated from time to time.

10. TRANSACTIONS IN OTHER JURISDICTIONS

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose to you additional risk. Such markets may be subject to regulation which may be different or diminished investor protection. Before you trade you should enquire about any rules relevant to your particular transaction. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdiction where your transactions have been effected. You should ask the firm which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

11. RISK OF TRADING DERIVATIVE PRODUCTS

Trading in derivative products (including but not limited to equity-linked instruments, credit-linked notes, derivative warrants and convertible securities, tracking fluctuations in the price or level of securities, bonds, money market instruments, interest rates, reference indices or other benchmark) involves high investment risks. Changes in market conditions may cause great changes in the value of such products. As a consequence, your related exposure to price or market risk may be significantly higher in connection with a derivative product than with other non-derivative financial instruments with which you may be familiar.

Derivative products may not be suitable for you as they can be complex and carry with them substantial risk of loss. You should make investment in derivative products only after carefully assessing among other things the direction, timing, and magnitude of the potential future changes in the price or level of the underlying asset or instrument or other benchmark, as the return of any such investment may be dependent upon such changes. However, risks associated with trading in derivative products are not and should not be presumed to be predictable.

Investing in certain types of derivative products may result in your having to take or make delivery of certain underlying asset or instrument at a pre-determined price. In such circumstances, you will need to perform such obligation however far the market price or level of the underlying asset or instrument has moved away from the pre-determined price or level and the resulting losses to you can be substantial.

12. GENERAL MAJOR RISKS ASSOCIATED WITH EXCHANGE TRADED DERIVATIVE PRODUCTS (INCLUDING BUT NOT LIMITED TO THE FOLLOWING)

Issuer default risk: In the event that a structured product issuer becomes insolvent and defaults on their listed securities, investors will be considered as unsecured creditors and will have no preferential claims to any assets held by the issuer. You should therefore pay close attention to the financial strength and credit worthiness of structured product issuers.

Uncollateralised product risk: Uncollateralised structured products are not asset backed. In the event of issuer bankruptcy, you can lose your entire investment. You should read the listing documents to determine if a product is uncollateralised.

Gearing risk: Structured products such as derivative warrants and callable bull/bear contracts (CBBCs) are leveraged and can change in value rapidly according to the gearing ratio relative to the underlying assets. You should be aware that the value of a structured product may fall to zero resulting in a total loss of the initial investment.

Expiry considerations: Structured products have an expiry date after which the issue may become worthless. You should be aware of the expiry time horizon and choose a product with an appropriate lifespan for your trading strategy.

Extraordinary price movements: The price of a structured product may not match its theoretical price due to outside influences such as market supply and demand factors. As a result, actual traded prices can be higher or lower than the theoretical price.

Foreign exchange risk: Investors trading structured products with underlying assets not denominated in Hong Kong dollars are also exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the structured product price.

Liquidity risk: The Exchange requires all structured product issuers to appoint a liquidity provider for each individual issue. The role of liquidity providers is to provide two way quotes to facilitate trading of their products. In the event that a liquidity provider defaults or ceases to fulfill its role, you may not be able to buy or sell the product until a new liquidity provider has been assigned.

13. RISK OF TRADING EQUITY-LINKED INSTRUMENTS

Equity-linked instruments are structured investment products embedded with derivatives whose investment returns are linked to the performance of the reference assets. The return component of equity-linked instruments can be based on the performance of a single equity security, a basket of equities securities, or equity indices. Some equity-linked instruments can include one or more additional special features. These features may also affect the potential return or loss of the equity-linked instruments in different ways. You may suffer capital loss should the price of the underlying shares go against your view. In extreme cases, you may lose your entire capital. The maximum return on investment is usually limited to a predetermined amount of cash as specified in the equity-linked instruments. So even if your view of the direction of the underlying stock price is correct, you will not gain more than the specified amount. The return payable for the equity-linked instruments is determined at a specified time on the valuation date, irrespective of the fluctuations in the underlying stock price before or after the specified time. Unlike traditional time deposits, there is no guarantee that you will get a return on your investment or any yield. There is also a possibility that note issuers default on their obligation in returning you the purchase principal or in selling you the underlying stocks. When you buy equity-linked instruments for higher returns, you must be prepared to take higher risks. You should, therefore, consult with your own legal, tax, financial and other relevant professional advisers prior to entering into any particular transaction. It is important for you to determine whether any transaction is suitable for you or (where applicable) your operations, business or organisation in light of your own experience, circumstances, objectives and resources, and you should be aware that this is your sole responsibility.

14. RISKS RELATING TO STRUCTURED PRODUCTS

For a list of risk factors in relation to any structured products, please refer to the listing or offering documents in respect of such structured products. You should make your own independent appraisal of the risks and should consult, to the extent you consider necessary, your own legal, financial, tax, accounting and other professional advisers in this respect prior to any subscription or acquisition. The price of structured products may fall in value as rapidly as it may rise and investors in certain structured products may sustain a total loss of their investment.

There can be no assurance that a trading market will develop in a structured product even if it is listed on the SEHK. There may at times be no counterparty or in the case of structured products listed on the SEHK, the issuer of such structured products or its affiliate may be the only person quoting prices on the SEHK.

Investing in any of the structured products is not equivalent to investing directly in the underlying stock, index or other asset. The market value of the structured products may be influenced by many unpredictable factors, including but not limited to market conditions affecting the underlying asset, the actual or perceived creditworthiness of the issuer and/or guarantor of such structured products, interest rates and general economic, financial, political, regulatory or judicial events.

Where past performance is referred to, it is not indicative of future performance.

The Broker and its Associates may engage in transactions involving, as well as provide investment banking and other services to, any company or to any trustee or manager of a trust underlying the structured products or their securities and those transactions may have a positive or negative impact on the value of such structured products. The Broker and its Associates may have officers who serve as directors of any of the companies underlying the structured products and may issue other competing Financial Products which may affect the value of the structured products. You should also note that potential conflicts of interest may arise from the different roles played by members of the Broker and its Associates in connection with the structured products and the economic interests in each role may be adverse to your interests in such structured products. The Broker and its Associates owe no duty to you to avoid such conflicts.

15. RISK OF FUNDS AND UNIT TRUSTS

Risks are involved in investing in funds and unit trusts. The prices of funds and unit trusts fluctuate, sometimes dramatically. The price of funds and unit trusts may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling funds and unit trusts.

Past performance figures are not indicative of future performance. You should carefully read the offering documents for details before making any investment decision.

Investment in funds or unit trusts is different to placing moneys on deposit with a bank. The funds or unit trusts are not deposits or other obligations of, or guaranteed by, our affiliates or us. The fund company or unit trust manager is under no obligation to redeem shares in any fund or unit trust at the price at which they were issued. Although we may not charge a fee for providing services relating to funds or unit trusts, we will normally be paid a commission or rebate by the fund or unit trust manager for arranging transactions involving funds or unit trusts.

Since some markets in which some of the funds or unit trusts invest may be subject to a higher than usual risk of political or economic instability, the assets of and income from such funds or unit trusts may be affected unfavorably by fluctuations in currency rates, exchange control and fiscal regulations and as a result, the shares of these funds and unit trusts may be subject to substantial price volatility. Some markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those applicable in more advanced countries, and there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more advanced securities markets.

Certain funds or unit trusts may invest in higher yielding securities rated lower than investment grade. Below investment grade securities such as, for example, high yield debt securities, may be considered speculative and can include securities that are unrated or in default. As a result, investment in these funds or unit trusts are accompanied by a higher degree of credit risk than is present in investment in higher rated, lower yielding securities.

You should carefully consider prior to investing in funds or unit trusts, (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange control requirements which you might encounter under the laws of the countries of your incorporation, citizenship, residence or domicile and which might be relevant to the purchase, sale, subscription, holding, conversion or disposal of the shares in funds or unit trusts.

The market for technology or technology-related funds or unit trusts can be highly volatile and in many cases their prices may reflect market speculation rather than the underlying economic value of such funds or unit trusts.

Certain capital guaranteed/capital preserved funds or unit trusts generally carry some terms and conditions, and redemption of shares in the funds or unit trusts prior to fulfilling all the terms and conditions specified in the offering documents or prospectus will be subject to market fluctuations or a redemption fee. Capital guaranteed/capital preserved funds or unit trusts are not guaranteed by us or our affiliates.

16. RISK OF INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

Collective investment schemes may invest extensively (up to 100%) in financial derivative instruments, fixed income securities and/or structured products (including, but not limited to credit default swaps, sub-investment grade debt, mortgage-backed securities and other asset-backed securities) and be subject to various risks (including but not limited to counterparty risk, liquidity risk, credit risk and market risk). Collective investment schemes may use trading strategies that use financial derivative instruments which may be unsuccessful due to a number of reasons; including, but not limited to volatile market conditions, imperfect correlation between the movements in securities on which derivatives are based, lack of liquidity within markets and counterparty default risk.

As such, investment in collective investment schemes involves risk and the Client should read the relevant constitutive documents, information memoranda,

prospectuses and other offering documentation for further details.

17. RISK OF TRADING BONDS

The price of bonds can and does fluctuate and any individual bond may experience upward or downward movements and may even become valueless. There is inherent risk that losses may be incurred rather than profits made as a result of trading bonds. Independent assessment of the risks and appropriateness of the transaction in light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction, should be considered before entering into any transaction.

18. RISK IN RELATION TO AUTHORISED THIRD PARTY

There are substantial risks in allowing an authorised third party to trade or operate the Account, and it is possible that instruction could be given by persons not properly authorised. You accept all of the risks of such an operation and irrevocably release the Broker from all liabilities arising out of or in connection with such instructions, whether taken by the Broker or otherwise.

Schedule 6

Fact sheet on pilot programme for trading US securities – (no such services, should we keep this schedule)

The information contained herein is provided as an investor service and to promote interest in the securities market. It is not intended under any circumstances that such information will constitute an invitation to the public to acquire, dispose of or subscribe for any securities under the Pilot Programme.

Investors should only consider participating in the Pilot Programme ("PP") if they have sufficient means and resources to acquire and understand the relevant product and market information regarding the PP which is published on or distributed via the Internet in English.

Introduction

Under the PP introduced in May 2000, a number of global securities listed on the National Association of Securities Dealers Automatic Quotations ("**Nasdaq**") and the American Stock Exchange ("**AMEX**") have been admitted to trading on the Hong Kong stock market.

Main Characteristics of Pilot Programme Securities

- Listed on Nasdaq or AMEX;
- May also include a number of exchange traded funds ("**ETFs**");
- Have no public offering in Hong Kong ("**HK**");
- Not regulated as listings on the Exchange's Main Board or on the Growth Enterprise Market ("**GEM**");
- Admitted into the Exchange for trading only;
- Trading of PP securities is regulated by HK law and Exchange rules. In particular, the securities are subject to the market manipulation provisions of the Securities Ordinance;
- In general, suspension and resumption of trading will follow that of the home market but the Hong Kong Securities and Futures Commission ("**SFC**") and the Exchange retain the right to suspend, halt trading and remove any security from trading;
- A full list of the PP securities is available on the HKEx's website (<http://www.hkex.com.hk>).

Trading and Settlement Arrangement

- **Trading currency** PP securities are either traded and settled in HK or in US dollars.
- **Trading hours** Refer to your broker for the latest trading hours.
- **Stock codes** Stock codes are within the 4331 to 4430 range.
- **Board lots** Each board lot may range from 10 to 100 shares depending on the price of the securities at the time of admission to trading.
- **Trading mechanism** Trading will be carried out through the Exchange's Automatic Order Matching and Execution System ("**AMS**") under an order-driven and automatching mechanism. Designated market makers for PP securities may participate in AMS to provide two-way prices on the AMS order book.
- **Trading spread** Trading spread follows those of HK securities.
- **Short selling** PP securities are eligible for short selling with the tick rule.
- **Settlement** Settlement period is T+2 while the US settlement period is T+3. ITS may be applied to certain securities.
- **CCASS rules** All the latest Hong Kong Securities Clearing Company Limited ("**HKSCC**") rules for clearing, settlement, custodian and nominee services apply to the PP securities.
- **Trading by overseas investors** Overseas investors should comply with the applicable regulatory restrictions in their country of domicile governing purchases or sale of overseas securities prior to trading the PP securities on the Exchange.

INFORMATION DISSEMINATION AND DISCLOSURE OF FINANCIAL INFORMATION

- Information / filings relating to the PP issuers may be obtained from multiple sources which may operate on a best endeavour basis.
- Issuers' disclosure may be obtained from :-
 - Issuers' websites, Nasdaq's website (www.nasdaq.com), Amex's website (www.amex.com) and other third party websites which may or may not be hyperlinked from the HKEx's website;
 - EDGAR, the Electronic Data Gathering, Analysis and Retrieval system website (www.sec.gov), which contains all US issuers' filings to the US Securities and Exchange Commission.

Note: Similar to its US counterpart, the Exchange is not in a position to verify the accuracy of the information disclosed; news reports and analysis reflect the views of its authors or commentators.

- Investors who purchase PP securities on the Exchange will receive issuers' documents from HKSCC via their brokers or directly if they are Investor Participants when such documents are made available to HKSCC.
 - Trading data of PP securities in HK :
 - Market prices and turnover of the PP securities traded on the Exchange can be accessed through brokers, newspapers and information service providers similar to that of HK securities.
 - PP securities' US market data are available on the Nasdaq or Amex website.
 - PP securities' US market closing prices and turnovers are disseminated by the Exchange to Exchange Participants and information vendors.

Share Registration and Other Services

- Shareholders can transfer their securities in the US for sale in HK and vice versa via brokers and HKSCC participants.
- PP issuers do not have share registrar in HK and all PP securities in HK are held under HKSCC's account with the US Depository Trust Company ("**DTC**"). Owners

of these PP securities in HK are not registered shareholders but have beneficial interest in the securities.

- All owners of PP securities may request issuance of physical scrips, if available, indirectly through HKSCC. The issuance process normally takes much longer time than HK securities. HKSCC does not offer deposit service for PP securities and physical scrips of PP securities can only be deposited through brokers offering such services.
- Beneficial owners of PP securities held under HKSCC participants can collect their dividends, if any, in either HK or US dollars, at their option. However, for dividend collection, HKSCC may require beneficial owners to declare whether they are US taxpayers, for reporting to the relevant US authorities.
- As the Exchange is not providing trading counters for warrants, rights or debt issues of PP securities, beneficial owners of these securities, if declared by the issuer, may transfer them to brokers or custodians who are DTC participants or sell or redeem them in the US market via HKSCC as part of its nominee service.

Fees and Other Charges

Summary of transaction costs and taxes

Transaction levy	Follow those of HK securities
Stamp duty	Not applicable
Withholding tax	<p>Will be collected by HKSCC's agent in the US on dividends paid on PP securities held under HKSCC. Refund of the withholding tax may be a complex and time-consuming process.</p> <p>Upon request, HKSCC will issue a confirmation to investors who have an Investor Participant Account with HKSCC of the net amount of dividends paid (i.e. after netting off the withholding tax) with respect to their holdings in the relevant securities as at the entitlement record date.</p> <p>For other investors, they should approach their brokers or custodians, who will request and obtain the confirmation from HKSCC on their behalf.</p>
Capital gains tax	Apply to US taxpayers who are beneficial owners of US securities (including PP securities) but not to non-US taxpayers

Summary of HKSCC tariff for Exchange Participants only

For the latest HKSCC fees and charges, please refer to CCASS Tariff. Standard CCASS (the central clearing and settlement system operated by HKSCC) tariff applies except for the following, which will be charged to cover the fees payable to DTC and CCASS processing costs.

Stock Maintenance fee	Monthly charges of \$0.25 per 100 shares or those less than 100 shares. The fee is calculated on the daily average stock balance of PP securities in stock accounts of each Participant for the month and is payable monthly. No stock custody fee will be charged.
Stock withdrawal fee	\$600 per instruction plus out-of-pocket expenses incurred by HKSCC. The fee also applies to the withdrawal of securities entitlements accruing from PP Securities which are not eligible securities.
Handling fee for warrant conversions, voluntary takeovers, tender offers, or open offer	\$600 per instruction plus out-of-pocket expenses incurred by HKSCC
Cross-border transfer fee for receipts / deliveries of PP securities*	\$200 per receipt / delivery instruction plus out-of-pocket expenses. HK shareholders may also be charged a fee by their appointed agents / brokers offering this service in HK and in the US.

* Charged for the transfer of securities between DTC and CCASS only. This fee will not be charged on the settlement of trades concluded in HK.