



CLIENT AGREEMENT

SFGHK LIMITED

INTRODUCTION

SFGHK LIMITED – CE No. AOR964 (“the Broker”, or “our Company” or “SFGHKL”)
SFGHK LIMITED and its Group Companies (“the Broker Group”)

This Client Agreement sets out the terms and conditions which apply to your (“the Client”) securities trading account(s) with “the Broker”. SFGHKL is a licensed corporation in respect of Type 1 (Dealing in Securities) and Type 4 (Advising on Securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Please read this document carefully and retain it for future reference.

PART I - RISK DISCLOSURE STATEMENTS

These Risk Disclosure Statements do not disclose all the risks and other significant aspects of any transactions or services provided. The Client should therefore carefully consider whether the transactions entered into directly by the Client are suitable in light of the Client's investment objectives, financial circumstances, tolerance to risks and the Client's investment experience. In considering whether to trade or invest, the Client's should inform himself and be aware of the risks generally, and in particular should note the following:

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

1.2 RISKS OF CLIENT ASSETS RECEIVED OR HELD OUTSIDE HONG KONG. Client assets received or held by the Broker outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the SFO 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.

1.3 RISK OF TRADING GROWTH ENTERPRISE MARKET STOCKS. Growth Enterprise Market ("GEM") stocks involve a high investment risk. In particular, companies may list on the GEM with neither a track record of profitability nor any obligation to forecast future profitability. GEM stocks may be very volatile and illiquid.

The Client 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 SEHK. GEM Companies are usually not required to issue paid announcements in gazetted newspapers.

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

1.4 RISK OF TRADING NASDAQ-AMEX SECURITIES AT SEHK. The Securities under the Nasdaq-Amex Pilot Program ("PP") are aimed at sophisticated investors. The Client should consult the Broker and become familiarized with the PP before trading in the PP securities. The Client 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 SEHK.

1.5 RISK OF PROVIDING AN AUTHORITY TO HOLD MAIL OR TO DIRECT MAIL TO THIRD PARTIES. If the Client provides the Broker with an authority to hold mail or to direct mail to third parties, it is important for the Client to promptly collect in person all contract notes and statements of the Client's account(s) and review them in detail to ensure that any anomalies or mistakes can be detected in a timely fashion.

1.6 RISK OF TRADING STRUCTURED PRODUCTS

(i) Credit risk

If the issuer of the Structured Products is the Broker, the value of the Structured Products depends on the ability of the Broker to perform its obligations under the relevant term sheets. These obligations (including but not limited to the delivery to the Client in accordance with the terms and conditions of the Structured Products either the underlying asset or the cash settlement amount upon exercise, expiry or maturity, as the case may be) are the unsecured obligations of the Broker but not of any other person.

If the issuer of the Structured Products is not the Broker, the value of the Structured Products depends on the ability of such issuer to perform its obligations under the relevant term sheets. These obligations are not owed by the Broker; therefore, the Broker is not responsible for ensuring that those obligations are satisfied.

(ii) Default risk of underlying issuer and/or the agent of the underlying issuer

In respect of each Structured Product purchased by the Client, the Broker may enter into a back-to-back transaction with the underlying issuer or the issuer's agent. In the event of the occurrence of certain credit events of the issuer or the issuer's agent, the Client's recourse against the Broker will be limited to the net value of the monies or Securities (or other property or assets) due to it under the back-to-back transaction between the Broker and the issuer or the issuer's agent (as the case may be). In other words, the Client will bear the credit risk of the issuer or the issuer's agent (as the case may be). The Client should therefore make his own assessment of the creditworthiness of the issuer and/or the issuer's agent.

(iii) Market risk

Structured Products involve a high degree of risk. The value of Structured Products will be affected by a number of market variables that change daily, such as interest rates, foreign exchange, time value, volatility and liquidity of the markets, political or economic conditions, and other inter-related factors which affect the performance of the markets generally. The value of the underlying assets may go down as well as up, and past performance is not necessarily a guide to future performance. Changes in the value of the underlying assets may result in changes to the price and/or the repayment value of the Structured Products and income derived therefrom (if any), which may have a different result or a result of greater magnitude than the change in the value of the underlying assets. The value of Structured Products may fall as rapidly as it may rise or become worthless at or before maturity. The Client may risk losing all or a significant proportion of the investment.

(iv) Liquidity risk

It is not possible to predict if and to what extent a secondary market may develop in any Structured Products or at what price such Structured Products will trade in the secondary market or whether such market will be liquid or illiquid.

If any Structured Products are not listed or traded on any exchange, pricing information for such Structured Products may be difficult to obtain and the liquidity of that Structured Products may also be adversely affected.

(v) Currency risk

The Structured Products and/or the underlying assets may comprise transactions in foreign currency-denominated contracts. The profits or loss in such transactions (whether they are traded in the Client's own or another jurisdiction) will be affected by fluctuations in currency rates whenever there is a need to convert from the currency denomination of the contract to another currency.

(vi) Event risk

The value and/or the settlement of the Structured Products may be affected by the occurrence or existence of certain events such as (but not limited to) credit performance of the reference entities, mergers and disposals, trading suspension, price source disruption, material change in the calculation and/or composition of indices comprising a basket of indices etc. In certain circumstances, the Client may risk losing all or a significant proportion of the investment.

(vii) Performance of underlying assets risk

An investment in the Structured Products is not an investment in the underlying assets and the Client has no rights in respect of such underlying assets. However, the performance of the underlying assets will have a direct effect on the value of the Structured Products. The Broker has not performed, and will not at any time perform, any investigation or review of the underlying assets. The Broker neither make any guarantee nor any express or implied warranty in respect of the performance of the underlying assets, or the selection thereof.

(viii) Potential conflicts of interest

Members of The Broker Group and their affiliates may from time to time engage in transactions involving the underlying assets as principal and as agent. Such transactions may have a positive or negative effect on the value of the underlying assets and consequently upon the value of the relevant Structured Products. Members of the Broker Group and their affiliates may also provide services to companies and affiliates of companies that comprise the underlying assets of the Structured Products.

The above represents only some of the risks generally associated with investing in the Structured Products and does not purport to disclose all of the risks and all of the significant aspects of the Structured Products. The Client should carefully read the contents of the relevant offering documents and terms sheets to understand the features of and the specific risks associated with the Structured Products. Where in doubt, the Client should consult the legal, tax and/or financial advisers or such other advisers as the Client deems appropriate before making an investment decision.

1.7 RISK OF TRADING DERIVATIVE PRODUCTS

The brief statement is intended as a general guide to highlight some basic risks associated and does not mean to cover all of the risks and other significant aspects of trading in structured or derivative products (such as Futures and Options, Derivative warrants, Callable Bull/Bear Contracts (CBBC), Exchange Traded Funds (ETF), and Rights etc.). In consideration of the risks associated, you (being the Client and Investor of structured or derivative products) should undertake such transactions only if you understand the nature of

the structure products into which you are entering and the extent of your exposure to risk. Trading in structured or derivative product is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

(i) Issuer De fault 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. Investors should therefore pay close attention to the financial strength and creditworthiness of structured product issuers.

(ii) Uncollateralized Product Risk

Uncollateralized structured products are not asset backed. In the event of issuer bankruptcy, investors can lose their entire investment. Investors should read the listing documents to determine if a product is uncollateralized.

(iii) Gearing Risk

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

(iv) Expiry Considerations

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

(v) 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.

(vi) 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.

(vii) 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, investors may not be able to buy or sell the product until a new liquidity provider has been assigned.

(viii) Derivative Warrants

Time decay risk: All things being equal, the value of a derivative warrant will decay over time as it approaches its expiry date. Derivative warrants should therefore not be viewed as long term investments.

(ix) Volatility Risk

Prices of derivative warrants can increase or decrease in line with the implied volatility of underlying asset price. Investors should be aware of the underlying asset volatility.

(a) Callable Bull/Bear Contracts (CBBC)

(x) Mandatory Call Risk

Investors trading CCBCs should be aware of their intraday “knockout” or mandatory call feature. A CCBC will cease trading when the underlying asset value equals the mandatory call price/level as stated in the listing documents. Investors will only be entitled to the residual value of the terminated CCBC as calculated by the product issuer in accordance with the listing documents. Investors should also note that the residual value can be zero.

(xi) Funding Costs

The issue price of a CCBC includes funding costs. Funding costs are gradually reduced over time as the CCBC moves towards expiry. The longer the duration of the CCBC, the higher the total funding costs will be since it is similar to investors borrowing for a longer tenure to trade in the underlying asset. In the event that a CCBC is called, investors will lose the funding costs for the entire lifespan of the CCBC. The formula for calculating the funding costs are stated in the listing documents.

(b) Exchange Traded Funds (ETF)

(xii) Market Risk

ETFs are typically designed to track the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities. ETF managers may use different strategies to achieve this goal, but in

general they do not have the discretion to take defensive positions in declining markets. Investors must be prepared to bear the risk of loss and volatility associated with the underlying indices/assets.

(xiii) Tracking Errors

Tracking errors refer to the disparity in performance between an ETF and its underlying indices/assets. Tracking errors can arise due to factors such as the impact of transaction fees and expenses incurred to the ETF, changes in composition of the underlying indices/assets, and the ETF manager's replication strategy.

(xiv) Trading at Discount or Premium

An ETF may be traded at a discount or premium to its Net Asset Value (NAV). This price discrepancy is caused by supply and demand factors, and may be particularly likely to emerge during periods of high market volatility and uncertainty. The phenomenon may also be observed for ETFs tracking specific markets or sectors that are subject to direct investment restrictions.

(xv) Foreign Exchange Risk

Investors trading ETFs with underlying assets which are 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 ETF price.

(xvi) Liquidity Risk

Securities Market Makers (SMMs) are Exchange Participants that provide liquidity to facilitate trading in ETFs. Although most ETFs are supported by one or more SMMs, there is no assurance that active trading will be maintained. In the event that the SMMs default or cease to fulfill their role, investors may not be able to buy or sell the product.

(xvii) Counterparty Risk Involved in ETFs with Different Replication Strategies

A. Full Replication and Representative Sampling Strategies

An ETF using a full replication strategy generally aims to invest in all constituent stocks/assets in the same weightings as its benchmarks. ETFs adopting a representative sampling strategy will invest in some, but not all of the relevant constituent stocks/assets. For ETFs that invest directly in the underlying assets rather than through synthetic instruments issued by third parties, counterparty risk tends to be less of concern.

B. Synthetic Replication Strategies

ETFs utilizing a synthetic replication strategy use swaps or other derivative instruments to gain exposure to a benchmark. Currently, synthetic replication ETFs can be further categorized into two forms:

1. Swap-based ETFs

Total return swaps allow ETF managers to replicate the benchmark performance of ETFs without purchasing the underlying assets. Swap-based ETFs are exposed to counterparty risk of the swap dealers and may suffer losses if such dealers default or fail to honor their contractual commitments.

2. Derivative-embedded ETFs

ETF managers may also use other derivative instruments to synthetically replicate the economic benefit of the relevant benchmark. The derivative instruments may be issued by one or multiple issuers. Derivative embedded ETFs are subject to counterparty risk of the derivative instruments' issuers and may suffer losses if such issuers default or fail to honor their contractual commitments.

Even where collateral is obtained by an ETF, it is subject to the collateral provider fulfilling its obligations. There is a further risk that when the right against the collateral is exercised, the market value of the collateral could be substantially less than the amount secured resulting in significant loss to ETF. It is important that investors understand and critically assess the implications arising due to the different ETF structures and characteristics.

1.8 DISCLAIMER OF OVERSEAS STOCK TRADING.

The Broker declares that: (a) Currently, overseas stock services does not provide margin financing; (b) Overseas Stock means all stocks outside Hong Kong stock; (c) Shenzhen - Hong Kong Connect (ChiNext) is only applicable to institutional professional investors; (d) Overseas stock services is applicable to Non-US Citizen/Resident and Non- Canadian Resident only; (e) Overseas stock service also provides currency conversion, under nominal rate at the time of conversion. Clients should be aware of the spread of currency conversion, and foreign exchange rate is provided for reference only and will be updated from time to time; (f) Commission, fees, overseas timetable and other information will be updated from time to time. Please visit our website.

1.9 RISK OF TRADING OF FOREIGN SECURITIES.

(i) Risk of trading of foreign securities, including B Shares listed in the People's Republic of China and shares including A Shares listed in the People's Republic of China within Shanghai-Hong Kong Stock Connect (Northbound Trading Link) and Shenzhen- Hong Kong Stock Connect (Northbound Trading Link).

The Client should only undertake trading of foreign securities if he understands the nature of foreign securities trading and the extent of his exposure to risks. In particular, foreign securities trading is not regulated by SEHK and will not be covered by the Investor Compensation Fund despite the fact that the Broker is an exchange participant of SEHK. The Client should carefully consider whether such trading is appropriate for him in light of his experience, risk profile and other relevant circumstances and seek independent professional advice if he is in doubt.

(ii) Suspension or restriction of trading and pricing relationships

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading) may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions.

(iii) Deposited cash and property

The Client should familiarize himself with the protections given to money or other property the Client deposits for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which the Client may recover the money or property may be governed by specific legislation or local rules. In some jurisdictions, property which had been specifically identifiable as his own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

(iv) Commission and other charges

Before the Client begin to trade, the Client should obtain a clear explanation of all commission, fees and other charges for which the Client will be liable. These charges will affect the Client's net profit (if any) or increase the Client's loss.

(v) Transactions in other jurisdictions

Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose the Client to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before the Client trades he should enquire about any rules relevant to his particular transactions. The Client's local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where the Client's transactions have been effected. The Client should ask the firm with which the Client deals for details about the types of redress available in both his home jurisdiction and other relevant jurisdictions before he starts to trade.

(vi) Currency risks

The profit or loss in transactions in foreign currency-denominated stocks (whether they are traded in the Client's own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the stocks to another currency.

(vii) Trading facilities

Trading on an electronic trading system may differ from trading on other electronic trading systems. If the Client undertakes transactions on an electronic trading system, the Client will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that the Client's order is either not executed according to the Client's instructions or is not executed at all.

(viii) Electronic trading

Trading on an electronic trading system may differ from trading on other electronic trading systems. If the Client undertakes transactions on an electronic trading system, the Client will be exposed to risks associated with the

system including the failure of hardware and software. The result of any system failure may be that the Client's order is either not executed according to the Client's instructions or is not executed at all.

(ix) Off-exchange transactions

In some jurisdictions, and only then in restricted circumstances, firms are permitted to effect off-exchange transactions. The firm with which the Client deals may be acting as the Client's counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before the Client undertakes such transactions, the Client should familiarise himself with applicable rules and attendant risks.

(x) Risk relating to Trading in US Exchange-listed or Over-the-counter (OTC) Securities or Derivatives

You should understand the US rules applicable to trades in security or security-like instrument in markets governed by US law before undertaking any such trading. US law could apply to trading in US markets irrespective of the law applicable in your home jurisdiction. Many (but by no means all) stocks, bonds and options are listed and traded on US stock exchanges. NASDAQ, which used to be an OTC market among dealers, has now also become a US exchange. For exchange-listed stocks, bonds and options, each exchange promulgates rules that supplement the rules of the US Securities & Exchange Commission ("SEC") for the protection of individuals and institutions trading in the securities listed on the exchange. OTC trading among dealers can continue in exchange-listed instruments and in instruments that are not exchange-listed at all. For securities that are not listed on any exchange, trading can continue through the OTC bulletin board or through the inter-dealer "pink sheets" that carry representative (not actual) dealer quotes. These facilities are outside of NASDAQ.

Options on securities are subject to SEC rules and the rules of any securities exchange on which the options are listed. Options on futures contracts on commodities like wheat or gold are governed by rules of the US Commodity Futures Trading Commission ("CFTC"). There are also commercial options, for example, options on real estate, that are governed neither by SEC nor CFTC rules. Whether you are intending to trade in US exchange-listed securities, OTC securities or derivatives, you should understand the particular rules that govern the market in which you are intending to trade. An investment in any of these instruments tends to increase the risk, and the nature of markets in derivatives tends to further increase the risk. Market makers of OTC bulletin board are unable to use electronic means to interact with other dealers to execute trades. They must manually interact with the market (i.e. use standard phone lines to communicate with other dealers to execute trades), and this may cause delays in the time they take to interact with the market place. This, if coupled with increase in trade volume, may lead to wide price fluctuation in OTC bulletin board securities as well as lengthy delays in execution time. You should exercise extreme caution when placing market orders and fully understand the risks associated with trading in OTC bulletin board. Market data such as quotes, volume and market size may or may not be as up-to-date as expected with NASDAQ or listed securities. As there may be far fewer market makers participating in OTC securities markets, the liquidity in that security may be significantly less than those in listed markets. As such, you may receive a partial execution or the order may not be executed at all. Additionally, the price received on a market order may be significantly different from the price quoted at the time of order entry. When fewer shares of a given security are being traded, larger spreads between bid and ask prices and volatile swings in price may result. In some cases, the liquidation of a position in an OTC security may not be possible within a

reasonable period of time. Issuers of OTC securities have no duty to provide any information to investors, maintain registration with the SEC or provide regular reports to investors.

(xi) Default Risks & Counterparty Risks

Every investment product contains default risks and/or counterparty risks. Default risk could come from the issuer's failure to make payments as agreed. At time of market downturn, an issuer may default due to their inability to raise new debt to roll over or repay old one. Credit ratings are the most common tools used for assessing bond default risk. A rating represents the opinion of the rating agency at a particular point of time and may change over time, due to either changes in the financial status of the issuers or changes in market conditions. Counterparty risk refers to the failure of the trading party in fulfilling their financial contractual obligations. While ratings by credit agencies represented quality assurances, investors should not only reference to the credit ratings of the product issuers, but also seek full understanding of the product structure and its exposure to the financial derivatives in order to avoid financial loss.

(xii) Risk-reducing orders or strategies

The placing of certain orders (e.g. "stop-loss" orders, or "stop-limit" orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as "spread" and "straddle" positions may be as risky as taking simple "long" or "short" positions.

1.10 RISK DISCLOSURE STATEMENTS - CHINA CONNECT.

The Client should not trade in China Connect securities unless the Client fully understands and is willing to assume the risks associated with China Connect. The Client acknowledges that the Broker has disclosed the risk in respect of China Connect (North Bound). The Client has been advised of the requirements to comply with applicable laws of Mainland China (including but not limited to those referred in clause 6 of this Agreement).

1.11 RISK OF INTERNET TRADING.

The Client acknowledges and agrees that (a) access to the internet services may be limited or unavailable during periods of peak demand, market volatility, systems upgrades or maintenance or for other reasons; (b) transactions conducted through the Internet may be subject to interruption, transmission blackout, delayed transmission due to Internet traffic or incorrect data transmission due to the public nature of the Internet; (c) Instructions may not be executed or may be delayed so that they are executed at prices different from those prevailing at the time the Instructions were given; (d) communications and personal data may be accessed by unauthorized third parties; (e) the Client's Instructions may be executed without being subject to human review; (f) there may be system failure which may result in the Client's Instruction not being executed; (g) the lack of internet experience of the Client which may result in the Client's Instructions not being executed or executed with error; or (h) Instructions for the same Instructions being issued more than once because the system could not promptly indicate completion of the transactions. The Client also acknowledges and agrees that it is not usually possible to cancel an Instruction after it has been given, and the Client agrees to exercise caution before placing all orders. Any attempt made by the client to cancel an order is simply a "request to cancel". Whilst the Broker will use its reasonable efforts to process the Client's "request to cancel", it will not be liable to the Client if the Broker is unable to change or cancel the order.

1.12 RISK OF MARGIN TRADING:

The risk of loss in financing a transaction by a deposit of collateral is significant. The Client may sustain losses in excess of cash and any other assets deposited as collateral with the Broker. Market conditions may make it impossible to execute contingent orders, such as "stop-loss" or "stop-limit" orders. The Client 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, the collateral of the Client may be liquidated without the Client's consent. Moreover, the Client will remain liable for any resulting deficit in his account and interest charged on his account. The Client therefore should carefully consider whether such a financing arrangement is suitable in light of his own financial position and investment objectives.

1.13 RISK OF PROVIDING AN AUTHORITY TO REPLEDGE THE CLIENT'S SECURITIES COLLATERAL ETC.:

There is risk if the Client provides the Broker with an authority that allows the Broker to apply the Client's securities or securities collateral pursuant to a securities borrowing and lending agreement, repledge the Client's securities collateral for financial accommodation or deposit the Client's securities collateral as collateral for the discharge and satisfaction of settlement obligations and liabilities of the Broker.

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

Additionally, the Client's authority may be deemed to be renewed (i.e. without the Client's written consent) if the Broker issues the Client a reminder at least 14 days prior to the expiry of the authority, and the Client does not object to such deemed renewal before the expiry date of the Client's then existing authority. The Client is not required by any law to sign these authorities. But an authority may be required by the Broker, for example, to facilitate margin lending to the Client or to allow the Client's securities or securities collateral to be lent to or deposited as collateral with third parties. The Broker should explain to the Client the purposes for which one of these authorities is to be used.

If the Client signs one of these authorities and the Client's securities or securities collateral are lent to or deposited with third parties, those third parties will have a lien or charge on the Client's securities or securities collateral. Although the Broker is responsible to the Client for securities or securities collateral lent or deposited under the Client's authority, a default by the Broker could result in the loss of the Client's securities or securities collateral. A cash account not involving securities borrowing and lending is available from most licensed or registered persons. If the Client does not require margin facilities or does not wish his securities or securities collateral to be lent or pledged, does not sign the above authorities and ask to open this type of cash account.

PART II - TERMS AND CONDITIONS FOR SECURITIES TRADING

Set out below are the terms and conditions governing the provision of securities trading services by the Broker to the Client. The terms and conditions set out below are not intended to be exhaustive and must be read together with the other provisions of this Agreement.

I. Representations and Undertakings

1. The Client represents, warrants and undertakes to the Broker that:

1.1 (if a company) the Client is duly incorporated and validly existing under the laws of its jurisdiction of incorporation, and it has full power, authority and legal right to own its assets and carry on its business;

1.2 the Client has full power, authority and legal right to enter into and perform the Client's obligations under this Agreement and have taken or obtained all necessary corporate action (if a company) and all other necessary action to authorize the execution and performance of this Agreement;

1.3 this Agreement constitutes the Client's legal, valid and binding obligations enforceable in accordance with its terms;

1.4 neither the execution of this Agreement nor the performance by the Client of any of the Client's obligations or the exercise of any of the Client's rights under this Agreement will conflict with or result in a breach of the Client's memorandum or articles of association or other constitutive documents (if a company) or any law, regulation, judgment, order, authorization, agreement or obligation applicable to the Client;

1.5 in entering into this Agreement, the Client confirms that the Client has not relied on any representations, warranties, or explanations or advice from or on behalf of the Broker Group other than as set out or referred to in this Agreement;

1.6 all information and materials provided by the Client to the Broker are true, correct and legal, and the Broker is entitled to rely on such information until the Broker has received written notice from the Client of any changes therein, and that all source of wealth is legal;

1.7 unless otherwise notified by writing to the Broker, the Client acts as principal for the Client's own account and not as agent of any person in entering into this Agreement and/or effecting any transactions hereunder, and no person other than the Client has or will have or acquire any beneficial or other interest in any cash or assets held by the Broker for the Client.

2. The Client represents and warrants to the Broker that the representations and warranties in Clause 1 shall be true and accurate throughout the continuance of this Agreement with reference to the facts and circumstances subsisting from time to time.

3. The Client undertakes to notify the Broker in writing of any changes to any information provided to the Broker from time to time.

4. The Client authorizes the Broker to obtain references from banks and to conduct credit enquiries on the Client in connection with the Account (whether through a credit agency or otherwise).

II. APPLICABLE RULES AND REGULATIONS

5. All transactions made pursuant to this Agreement will be subject to:

5.1 all applicable laws, rules and regulations (as amended from time to time) of Hong Kong and any other applicable jurisdictions;

5.2 the constitution, rules, regulations, by-laws, codes, customs and usages of the SFC, SEHK and HKSCC and any other applicable Exchanges and their clearing houses (if any);

5.3 the applicable terms of business and trading policies and procedures (as amended from time to time) of the Broker; and

5.4 the applicable terms of business of any executing broker or clearing broker used by the Broker.

6. Compliance with applicable laws in Mainland China

6.1 Pursuant to the Rule 14A10 of SEHK and as required by Shanghai Stock Exchange ("SSE"):

(1) The Broker advises and requires the Client to comply, with SSE Rules (to the extent applicable to the trading of China Connect Securities in the SSE Market, and not inconsistent with these Rules of SEHK ("SEHK Rules") and any regulations, requirements or conditions prescribed or published pursuant to these SEHK Rules and laws and regulations of Mainland China relating to the use of the China Connect Service and the trading of China Connect Securities;

(2) The Broker has made adequate disclosure to the Client with regard to the risks associated with investing in China Connect Securities through appropriate arrangements including, without limitation, the risk that the Client's instructions to trade in China Connect Securities may not be accepted and that the Client may be liable to regulatory investigations and the relevant legal consequences if the Client is in breach of or fail to comply with the SSE Rules and the laws and regulations referred to in this SEHK Rule 14A10;

(3) The Broker requires the Client to acknowledge, that the SEHK has the power not to extend the China Connect Service to the Broker, the power to require the Broker not to accept instructions from the Client and the power to suspend or restrict the Broker from inputting China Connect orders under any BCAN, if it is found that the Broker or any of its clients (as the case may be) has or may have committed any abnormal trading conduct set out in or fail to comply with the SSE Rules and the laws and regulations referred to in SEHK Rule 14A10(1);

(4) The Broker requires the Client to acknowledge, that if the SSE Rules are breached, or if the disclosure and other obligations referred to in the listing rules of the SSE or the SSE Rules are breached, SSE has the power to carry out investigations, and may, through SEHK or the SEHK Subsidiary (Gangsheng Information Services (Shanghai) Limited), require the Broker to provide relevant information and materials (including the information and personal data of their clients and other persons referred to in SEHK Rules 537 and 1437) to assist in its investigation;

(5) The Broker requires the Client to acknowledge that where there is a serious breach of the SSE Rules, SSE may request SEHK to take appropriate regulatory actions or commence disciplinary proceedings against the Broker, or request SEHK to require the Broker to issue warning statements (verbally or in writing) to their clients, and not to extend the China Connect Service to the Broker or to the Client;

(6) The Broker requires the Client to acknowledge, that SEHK may (for the purpose of assisting SSE in its regulatory surveillance of the SSE Market and enforcement of the SSE Rules and as part of the regulatory cooperation arrangement between SEHK, the SEHK Subsidiary and SSE), at the request of SSE, require the Broker to provide information concerning the Client and other persons referred to in SEHK Rules 537 and 1437 with respect to any China Connect orders input or China Connect Securities trades made or entered into by the Broker on their behalf; and

(7) for the purposes referred to in paragraphs (4) to (6), the Broker shall authorize SEHK (whether directly or through the SEHK Subsidiary) to disclose, transfer and provide information and personal data concerning the Client and other persons referred to in SEHK Rules 537 and 1437 to SSE upon request, and the Broker has made appropriate arrangements with the Client (including but not limited to obtaining the relevant consents) to ensure that the relevant information and personal data may be disclosed, transferred and provided in compliance with applicable laws including the Personal Data (Privacy) Ordinance.

6.2 Pursuant to Rule 14B10 of HKEX and as required by Shenzhen Stock Exchange ("SZSE"):

(1) The Broker advises and requires the Client to comply, with SZSE Rules (to the extent applicable to the trading of China Connect Securities in the SZSE Market, and not inconsistent with these SEHK Rules and any regulations, requirements or conditions prescribed or published pursuant to these SEHK Rules) and laws and regulations of Mainland China relating to the use of the China Connect Service and the trading of China Connect Securities;

(2) The Broker made adequate disclosure to the Client with regard to the risks associated with investing in China Connect Securities through appropriate arrangements including, without limitation, the risk that the Client's instructions to trade in China Connect Securities may not be accepted and that the Client may be liable to regulatory investigations and the relevant legal consequences if the Client is in breach of or fail to comply with the SZSE Rules and the laws and regulations referred to in this SEHK Rule 14B10;

(3) The Broker requires the Client to acknowledge, that SEHK has the power not to extend the China Connect Service to the Broker, the power to require the Broker not to accept instructions from the Client and the power to suspend or restrict the Broker from inputting China Connect orders under any BCAN, if it is found that the

Broker or any of its clients (as the case may be) has or may have committed any abnormal trading conduct set out in or fail to comply with the SZSE Rules and the laws and regulations referred to in SEHK Rule 14B10(1);

(4) The Broker requires the Client to acknowledge, that if the SZSE Rules are reached, or if the disclosure and other obligations referred to in the listing rules of the SZSE (including the rules of the SZSE for stock listing on ChiNext) or the SZSE Rules are breached, SZSE has the power to carry out investigations, and may, through SEHK or the SEHK Subsidiary (Gangyu Information Services (Shenzhen) Limited), require the Broker to provide relevant information and materials (including the information and personal data of their clients and other persons referred to in SEHK Rules 537 and 1437) to assist in its investigation;

(5) The Broker requires the Client to acknowledge that where there is a serious breach of the SZSE Rules, SZSE may request SEHK to take appropriate regulatory actions or commence disciplinary proceedings against the Broker, or request HKEX to require the Broker to issue warning statements (verbally or in writing) to the Client, and not to extend the China Connect Service to the Broker or to the Client;

(6) The Broker requires the Client to acknowledge, that the Stock Exchange of Hong Kong Limited may (for the purpose of assisting SZSE in its regulatory surveillance of the SZSE Market and enforcement of the SZSE Rules and as part of the regulatory cooperation arrangement between HKEX, the SEHK Subsidiary and SZSE), at the request of SZSE, require the Broker to provide information concerning the Client and other persons referred to in SEHK Rules 537 and 1437 with respect to any China Connect orders input or China Connect Securities trades made or entered into by the Broker on their behalf; and

(7) for the purposes referred to in paragraphs (4) to (6), the Broker shall authorize SEHK (whether directly or through the SEHK Subsidiary) to disclose, transfer and provide information and personal data concerning the Client and other persons referred to in SEHK Rules 537 and 1437 to SZSE upon request; and ASCHK has made appropriate arrangements with the Client (including but not limited to obtaining the relevant consents) to ensure that the relevant information and personal data may be disclosed, transferred and provided in compliance with applicable laws including the Personal Data (Privacy) Ordinance.

6.3 In respect of the use of any China Connect Service by the Client, the Client confirms that the Client acknowledges, and agrees to comply with the Rules of HKEX in respect of : (i) Chapter 14A China Connect Service - Shanghai (including but not limited to HKEX Rule14A10 concerning compliance with applicable laws in Mainland China,; and Chapter 14B China Connect Service - Shenzhen (including but not limited to HKEX Rule14B10 concerning compliance with applicable laws in Mainland China); and the Client confirms being provided with the above mentioned HKEX Rules Chapter 14A and 14B.

III. Scope of Services

7. The Broker may provide securities cash account, securities margin account, discretionary account service for dealing in securities, distribution of funds and financial products, as well as provision of investment advice to the Client. By signing this Agreement, the Client agrees to the provision of the selected service as specified in the Cash/ Margin Account Opening Form or other agreements via the following services to be carried out by the Broker:

- 7.1 receiving Instructions from the Client pursuant to the terms of this Agreement;
- 7.2 attending to settlement of any transactions effected by the Client;
- 7.3 holding client assets for and on behalf of the Client;
- 7.4 receiving dividends and other distribution on behalf of the Client
- 7.5 providing contract notes, statement of accounts and receipts pursuant to the laws and regulations to which the Broker is subject; and
- 7.6 other services as agreed between the Client and the Broker from time to time.

8. The Client agrees that if the Broker will not provide the Client with any investment or other advice or advice regarding the suitability or profitability of any investment, the Client will not solicit or rely upon (if given) any such advice from the Broker or any of its officers, employees or agents.

9. The Client agrees to make his own judgments and decisions with respect to each Instruction independently and without relying on the Broker. The Client assumes full responsibility for all his investment decisions and all transactions for his Account. Neither the Broker nor any of its officers, employees or agents shall incur any liability in connection therewith.

10. If the Broker or its agent solicits the sale of or recommend any financial product to the Client, the financial product (any securities as defined under SFO) must be reasonably suitable for the Client, having regard to the Client's financial situation, investment experience and investment objectives. No other provision of this Agreement or any other document the Broker may ask the Client to sign and no statement may ask the Client to make derogates from this Clause. This Agreement does not operate to remove, exclude or restrict any rights of the Client or obligations of a licensed person under the law. The Broker should not incorporate any clause, provision or term in this Agreement or in any other document signed or statement made by the Client at the request of The Broker which is inconsistent with its obligations under the Code of Conduct.

11. If services are to be provided to the Client in relation to derivative products, the Broker shall: (i) provide to the Client upon request product specifications and any prospectus or other offering document covering such products; and (ii) provide a full explanation of margin procedures and the circumstances under which a client's position may be closed without the Client's consent.

IV. INSTRUCTIONS

12. The Client may give Instructions over the counter, by telephone, through the internet, or through such other facilities or in such other manner as the Broker may agree, but in all cases in the manner as prescribed by the Broker. The Client undertakes to become familiar with the various means to give Instructions to the Broker.

13. The Authorized Person is hereby authorized to give to the Broker directions, instructions of whatever nature or otherwise act on the Client's behalf in respect of all matters relating to this Agreement and the Account. The Authorized Person shall have continuous authority to deal with the Broker as described above, unless the Broker has received written instructions from the Client to revoke or vary the authority. The Client acknowledges and agrees that any Instructions given or purported to be given to the Broker by the Authorized Person shall at all times be binding on the Client regardless of whether any such person giving instructions has the Client's actual authority to do so at the time of such Instructions. The Client hereby agrees to ratify at any time hereafter all acts and deeds, directions, orders or instructions given by any Authorized Person and acknowledges that the same shall at all times, be binding on the Client.

14. The Broker may accept and act upon Instructions which it reasonably believes emanated from the Client, the Client's agent or the Client's Authorized Person, and is under no duty to verify their identity or authority, or the genuineness of any signature contained in an Instruction. Such Instructions shall be binding on the Client and the Broker shall incur no liability for accepting or acting upon such Instructions, whether or not in fact given by the Client, the Client's agent or the Client's Authorized Person, and even if those: (i) were not accurately transmitted or received; (ii) were not properly understood by the Broker; or (iii) differ from any written confirmation subsequently received from the Client, save and except where due to the negligence or wilful default of the Broker.

15. The Broker may in its absolute discretion refuse to act on any of the Client's Instructions without assigning any reason therefor. In particular, the Broker may refuse to act on an Instruction if, at the time of such Instruction, there are insufficient Securities or funds in the Account to settle the relevant transaction or if the Client does not have the required minimum balance in the Client's Account. The Broker may also refuse to act upon any Instructions by telephone or facsimile if it is in doubt as to whether such Instructions have been properly authorized, accurately transmitted or received or properly understood by it, or if such Instructions are illegible or ambiguous, and the Broker shall incur no liability for so refusing to act.

16. The Client agrees that the Broker will not be responsible for any delay or error in, or distortion or incompleteness of, transmission, receipt or execution of Instructions by whatever means due to either a breakdown or failure of transmission of communication facilities or unreliable medium of communication.

17. The Client may request to cancel or amend the Client's Instructions but the Broker is not obliged to accept any such request. Instructions may be cancelled or amended only before execution. Cancellation of market Instructions is rarely possible as those are subject to immediate execution. In the case of full or partial execution of the Client's cancelled Instructions, the Client accepts full responsibility for the executed transactions and the Broker shall incur no liability in connection therewith.

18. The Client may give Instructions on the basis of "limit orders" or "market orders" or such other types of orders as the Broker may agree.

19. Due to physical or technical restraints and price fluctuations, the Broker may not be able to execute the Client's Instructions in full or at the prices quoted at any specific time or "at best" or "at market". The Client agrees to be bound by the outcome when the Client gives any Instructions and the Broker shall incur no liability

for failing or being unable to comply with any of the Client's Instructions, unless due to its negligence or wilful default.

20. All Instructions are good for the day on which those were given. Those Instructions will be automatically cancelled if not executed by the close of trading on the relevant Exchange or such other expiration date required by the relevant Exchange. Any Instruction received on a trading day after the close of trading on the relevant Exchange will be carried forward to the next trading day of that Exchange, and this Clause will apply accordingly. the Broker may execute the Instructions at any time prior to their automatic cancellation or receipt of cancellation instructions, and the Client accepts full responsibility for the transactions so executed.

21. Where the Client gives a new Instruction before the execution of another Instruction previously given, the Broker may not be able to execute the new Instruction for the Client. The Client accepts full responsibility for any loss arising as a result therefrom.

22. The Broker will not be deemed to have accepted or executed the Client's Instructions until the Broker receives reports of the transactions from the relevant Exchange and market makers. Any acknowledgement or confirmation thereof (whether in writing, verbally or through the internet) prior to the receipt of the reports are for information only. The Client agrees that the Broker may deliver late status reports of transactions from the relevant Exchange and market makers and, accordingly, the Client will also be subject to such late reports. The Broker is entitled to correct any acknowledgement or confirmation errors, including any errors in execution prices that come to its attention without incurring any liability in connection therewith.

23. The Client agrees to immediately notify the Broker if:

23.1 the Client is unable to place Instructions using any of the means prescribed by the Broker when the Exchange is open for business;

23.2 the Client did not receive an order number (whether in writing, verbally or through the internet) for an Instruction placed with the Broker;

23.3 the Client did not receive an acknowledgement or accurate acknowledgment (whether in writing, verbally or through the Internet) of an Instruction placed with the Broker or its execution;

23.4 the Client received acknowledgment (whether in writing, verbally or through the Internet) of execution of an Instruction which the Client did not place or any similar kinds of inaccurate or conflicting report or information; or

23.5 the Client notices any discrepancies or inaccuracies in the Account.

If the Client fails to so notify the Broker, neither the Broker nor any of its officers, employees or agents will incur any liability for the handling, mishandling or loss of any Instruction.

24. Subject to applicable laws, rules and regulations, the Broker may reasonably determine the

priority of execution of the Client's Instructions, and the Client shall have no right to claim of priority to any other client of the Broker.

25. The Client understands that the Broker Group may take an opposite position to the Client's orders whether it is on the Broker's own account or on behalf of its other clients. The Broker is neither obliged to inform the Client of any position at any one time taken by the Broker nor to close any of the Client's positions in the Client's Account, notwithstanding the Broker's rights to do so hereunder.

26. The Broker may in its absolute discretion consolidate and/or disaggregate the Client's Instructions with similar instructions received from other clients, provided this will not result in the Client's Instructions being executed at a price less favourable than if they had been executed individually. If there are insufficient Securities to satisfy purchase orders so consolidated, the Securities actually purchased will be allocated to the consolidated purchase orders on a pro-rata basis.

27. The Client agrees that the Broker may (but is not obliged to) monitor and/or record the Client's Instructions and telephone conversations with the Broker. Any such recording (or a transcript thereof) will be conclusive evidence of the contents and nature of the relevant Instructions or telephone conversations.

28. Without prejudice to any other provisions of this Agreement, the Client agrees to fully indemnify the Broker and its directors, officers, employees and agents against any loss or liability that any of them may incur or suffer as a result of any of them acting or failing to act upon any Instruction given under this Agreement, save and except where due to the negligence or wilful default of the Broker.

V. INTERNET SERVICE

29. The Broker and the Client agree that the internet, app(s), software (including but not limited to downloadable version of software), electronic kind of communication, and electronic services may be used as the medium for giving Instructions or other communication for the purposes of this Agreement, provided that such Instructions or communication are made in the manner prescribed by the Broker.

30. The Client shall be responsible for the confidentiality, security and use of the Client's access codes and undertake:

30.1 not to disclose any access codes to any third party;

30.2 not to record any access codes in a way that could facilitate unauthorized disclosure, misuse or fraud;

30.3 to immediately report any loss, unauthorized disclosure or misuse of the access codes to the Broker in writing or by telephone. The Client is solely responsible for all Instructions entered through the internet using the access codes (whether authorized by the Client or not). Neither the Broker nor any of its officers, employees or agents shall incur any liability for the handling, mishandling or loss of any Instruction. The Client shall be liable to the Broker for all losses or damages incurred or suffered by the Broker in connection with or resulting from any breach of this Clause.

31. If the Client experiences difficulties in reaching the Broker through the internet or another medium, the Client should attempt to use alternative ways to communicate with the Broker and/or inform the Broker of such difficulties. However, the Client must note that if the Client has given the same instruction through more than one medium, the Broker will treat the duplicate Instruction as a separate Instruction unless the Broker is actually informed by the Client that the Instruction was a duplicate before the Instruction is executed.

32. The Client acknowledges that if the Client incorrectly enters the access code for five consecutive times, as part of the security measure, the Broker has the right to temporarily suspend the right of the Client to give Instructions through the internet. The number of continuous incorrect entries as recorded in the Broker's computer shall be conclusive. If the Client's right to give Instructions through the internet has been temporarily suspended, the Client should contact the Broker through such means as prescribed by the Broker to reactivate the right to give Instructions through the internet.

33. The Client agrees that any software used to access the Broker's website must be: (a) a software provided by the Broker or downloaded from a website(s) designated by the Broker or (b) a software or app designated by the Broker which may be downloaded from app store, Google Play or any other kind platform(s) designated by the Broker. The Client is solely responsible for all losses incurred should the Client use software obtained or downloaded from other sources.

34. The Client agrees that the Broker website and the software comprised therein are proprietary to the Broker and/or third-party service providers. The Client agrees not to tamper with, modify, decompile, reverse engineer or otherwise alter in any way, or gain unauthorized access to, any part of the Broker website or the software comprised therein; and the Client shall not attempt to do any of the above. The Broker may suspend or terminate the Client's access codes and/or close any of the Client's Accounts immediately without giving the Client prior notice if the Client breaches this Clause or if the Broker reasonably suspects that the Client has breached this Clause. The Client undertakes to notify the Broker immediately if the Client becomes aware that any other person is doing any of the above.

35. The Broker may provide, for information purpose only, data or information about Securities and other investments published or disseminated by third parties. The Client understands that the third parties may assert a proprietary interest in all of the data they furnish. The Client acknowledges that neither the Broker nor any third parties guarantee the timeliness, sequence, accuracy or completeness of such data or information. The Client further acknowledges that owing to market volatility and possible delay in the data-transmission process, data available through the internet may not be real-time market quotes for the relevant Securities and investment. The Client agrees to hold harmless the Broker and such third parties, for:

35.1 any inaccuracy, error, or delay in, or distortion or omission of (i) any such data, information, or message or (ii) the transmission or delivery of any such data, information, or message; or

35.2 any loss or damage arising from or occasioned by (i) any such inaccuracy, error, delay, distortion or omission, (ii) non-performance, or (iii) interruption of any such data, information, or message, due either to any negligent act or omission by the Client or any third parties or to any force majeure.

36. Without any prejudice to any other provisions of this Agreement, the Client agrees that certain information accessible on the Website(s) is provided or compiled by the HKSE or Stock Exchange Information Services Ltd. or other information providers pursuant to agreements between the Broker and such information providers. The information providers may issue directions to the Broker from time to time, and the Client shall provide such assistance as the Broker may reasonably require to enable it to comply with such directions. The Client also agrees that, without the prior approval of the information providers, the Client shall not, with respect to any information provided by such information providers:

36.1 disseminate any such information to any other third party;

36.2 use or permit the use of any such information for any illegal purpose;

36.3 use any such information other than in the ordinary course of the Client's business (which shall not include dissemination of any such information to third parties); and

36.4 use any such information to establish, maintain or provide or to assist in establishing, maintaining or providing any trading floor or dealing service for transactions outside the HKSE. The Client shall comply with such reasonable directions issued by the information providers from time to time concerning the permitted use of information provided by such information providers.

37. The Client agrees that the Broker may provide to the information providers:

37.1 information regarding the media by which the Client received information, the number of persons or devices (and its type) permitted by the Client to access information within and outside Hong Kong; and

37.2 the Client's name and address in the event that the Broker or the information providers suspect that the Client has breached the provisions in this Agreement.

The Client further agrees to permit the information providers and the Broker to inspect the Client's premises and records in order to ascertain whether the license fees in the Client's respect are properly accounted for, or whether the Client has been using information contrary to the provisions of this Agreement.

38. The Client must not:

38.1 allow any third party to use the internet services provided by the Broker;

38.2 conduct any securities brokerage or agency business via the internet services provided by the Broker.

39. Should the Client act in breach of any of the provisions in Section V, the Broker may at its sole discretion suspend the Client's right to give Instruction via the internet and take such action as the Broker may consider appropriate.

40. The Client agrees that neither the Broker nor any of its officers, employees or agents will incur any liability for any consequential, incidental, special or indirect damage (including lost profits and trading losses) that may result from inconvenience, delay, loss or suspension of the use of the service.

VI. NEW LISTING OF SECURITIES

41. If the Client requests the Broker to apply for Securities in a new issue on the Client's behalf, the Client will familiarize itself with all the terms and conditions governing such new issue, and agree to be bound by and comply with all such terms and conditions.

42. The Client agrees to provide such information, make such representations, warranties and undertakings and take such steps as may be required in connection with any such application. By requesting the Broker to apply for Securities in a new issue on its behalf, the Client is deemed to have made such representations, warranties and undertakings as may be required in respect of the relevant application, and to have authorized the Broker to make those on the Client's behalf to the issuer or sponsors of the new issue or other relevant person.

43. The Client declare and warrant that any application for Securities in any new issue by the Broker at its request will be the only application made, and the only application intended to be made, by the Client or on its behalf for its benefit or the person for whose benefit the Client is making the application. The Client authorizes the Broker to represent and warrant to SEHK and any other relevant person to that effect, and acknowledge that such representation and warranty will be relied upon.

44. The Client acknowledges that any application made by an unlisted company, the principal business of which is dealing in securities, and in respect of which the Client exercises statutory control, shall be deemed to be an application made for its benefit.

45. The Client acknowledges and understands that the legal and regulatory requirements and market practice in respect of applications for Securities may vary from time to time, and the requirements of any particular new listing or issue of Securities may also change from time to time. The Client undertakes to provide the Broker with such information and take such additional steps and make such additional representations, warranties and undertakings as may be required in accordance with such legal and regulatory requirements and market practice as the Broker may in its absolute discretion determine from time to time.

46. If the Broker or its agent makes a bulk application for its own account, on the Client's behalf and/or on behalf of the Broker's other clients, the Client agrees:

46.1 that such bulk application may be rejected for reasons unrelated to the Client's application, and neither the Broker nor its agent will (in the absence of its fraud, negligence or wilful default) incur any liability arising from such rejection; and

46.2 to fully indemnify the Broker against all loss and liability which it may suffer if such bulk application is rejected due to breach of the Client's representations, warranties or undertakings or other factors relating to the

Client. The Client acknowledges that the Client may also be liable to other persons affected by such breach or other factors.

VII. TRANSACTIONS AND SETTLEMENTS

47. All Instructions will be executed on the basis that an actual purchase or sale is intended. The Client must have sufficient securities to cover all sales and sufficient Available Funds to pay in full for all purchases in accordance with this Agreement. The Client shall fully indemnify the Broker against all loss and liability which it may incur as a result of the Client's failure to have sufficient securities or available funds.

48. Before the Broker executes Instructions to purchase Securities, the Client must have Available Funds at least equal to the total purchase price (including all transaction costs and charges) of the Securities. If the Client does not have such sufficient Available Funds, the Broker may nevertheless in its sole discretion and without notification to the Client proceed to execute the Client's Instructions; in such event, while the Broker will use its reasonable efforts to execute the Client's Instructions, it shall not be obliged to do so. If the Broker (whether in its discretion or inadvertently) accepts or executes any Instructions without the Client having sufficient Available Funds, the Broker may in its absolute discretion complete, cancel or liquidate the transaction. The Client agrees that the Client is responsible for all of the Client's Instructions, including Instructions given in the foregoing circumstances.

49. If the Broker cancels or liquidates the transaction, the Client shall fully indemnify the Broker against all loss and liability incurred in connection therewith. If the Broker completes the transaction, the Client shall pay the Broker the total purchase price in cleared funds on or prior to the settlement date. If the Broker does not receive payment by the settlement date, the Broker may, subject to applicable laws, rules and regulations and without giving the Client's prior notice, sell or otherwise dispose of the Securities. The Client shall fully indemnify the Broker against all loss and liability incurred in connection therewith.

50. The Client agrees to bear all the risks regarding delivery of any Securities (purchased on the Client's Instructions) by the other party to the transaction. The Broker will deliver such Securities to the Client only if it receives the same from the other party.

51. The Client will notify the Broker, at the time of placing a sale order, if it relates to Securities which the Client or (where the Client is acting as agent) the principal of the Client does not own i.e. involves short selling. The Client acknowledges that the Broker may be prohibited by applicable laws from executing such orders on his behalf.

52. Before the Broker executes Instructions to sell Securities, the Client must have the relevant Securities available for delivery in the account. If the Broker inadvertently accepts or executes any Instructions without the relevant Securities being available, the Broker may in its discretion cancel the transaction or obtain the Securities from the market or otherwise for delivery. In either case, the Client shall fully indemnify the Broker against all loss and liability incurred in connection therewith.

53. The Broker may perform its duties under this Agreement through third parties, including any of its subsidiaries or affiliates or other third parties who may be acting as agent or as principal. Neither the Broker nor

such third party is obliged to account to the Client for any commissions, fees, spreads (including mark ups or mark downs) or other benefits obtained in connection therewith. In particular, the Broker may execute the Client's Instructions through such brokers or dealers as the Broker may (in its sole discretion) decide.

54. The Client agrees that the Broker is acting as his agent unless the Broker otherwise notifies the Client in the contract note for the relevant transaction or by other means. Where the Broker acts as principal in a transaction, it will only do so where the transaction is on commercial terms and those terms are not less favourable to the Client than the Client could have obtained through the Broker if the Broker had not so acted as principal.

VIII. COMMISSIONS AND FEES

55. The Client agrees to pay either directly or from the Account:

55.1 all commissions, charges and other fees of the Broker as they exist from time to time and apply to the Client's Account, the Client's transactions and the services the Client receives at the rates prevailing for the time being. Details of the commissions, charges and fees are available on its website and/or set out in the Broker Fees and Charges Schedule (as amended from time to time); and

55.2 all applicable stamp duties, transfer fees, telegraphic transfer charges, custodian fees, settlement charges, currency exchange costs, foreign exchange losses, taxes, levies (including all transaction and other levies imposed by SEHK and any other Exchanges), late settlement costs, penalties and all other costs or expenses incurred in connection with this Agreement and/or the Client's Account.

56. The Broker may deduct from any monies held on the Client's Account (including without limitation, any interest accrued on such monies) such amounts as are necessary from time to time to settle or partially settle all of the Client's outstanding liabilities owed to the Broker (including any amounts referred to in Clause 52) and the fees and charges levied by the Broker in relation to the transaction(s).

57. Subject to applicable laws, rules and regulations, the Broker may in its absolute discretion solicit, accept and retain any commission rebates, goods, services or other benefits (including any soft dollars) in connection with any transaction effected for the Client pursuant to this Agreement. The Broker may in its absolute discretion also offer any such benefits to third parties in connection with any transaction effected for the Client pursuant to this Agreement.

58. The Broker may effect such currency conversions as are necessary for the purposes of any provisions of this Agreement in each case at the such 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. All foreign exchange risks shall be borne by the Client. The Broker reserves the right to charge a handling fee for such currency conversions.

IX. CLIENT'S RESPONSIBILITY REGARDING CERTAIN SECURITIES

59. The Client is responsible for knowing the rights and terms of all Securities in the Client's Account and for taking appropriate action in connection therewith. The Broker is not obliged to notify the Client of any upcoming expiration or redemption dates or any corporate action, or to take any action on the Client's behalf.

60. The Client is responsible for knowing about voluntary and mandatory reorganizations related to Securities that the Client holds, including mergers, name changes, stock splits and reverse stock splits. The Broker is not obliged to notify the Client of any such reorganization before those occur. If, due to a reorganization related to the Client's Securities (including stock splits and reverse stock splits), the Client sells more Securities than the Client owns or becomes otherwise exposed to risk requiring the Broker to take market action in the Client's Account, the Broker will not be responsible for any losses which the Client incurs.

61. Unless specifically requested, the Broker is under no obligation to forward to the Client any proxy and other materials received by the Broker from time to time in respect of the Client's Securities or to hold such materials on the Client's behalf.

X. CUSTODY AND DISPOSAL OF SECURITIES

62. Subject to applicable laws, rules and regulations, all Securities in the Client's Account will be registered in the name of the Broker, its nominee or a nominee designated by HKSCC or deposited for safe custody at the Client's own costs in a designated account with an authorized institution or other institution approved by the SFC. The Broker will credit all dividends, distributions and other benefits in respect of Securities not registered in the Client's name which it receives into the Client's Account.

63. Subject to the Client's indebtedness, liability or other obligation to the Broker, the Client may withdraw fully paid Securities from the Client's Account upon written notice to the Broker in the prescribed form and payment of any applicable fees. The Broker is not bound to deliver to the Client Securities identical to those originally delivered or deposited by the Client or purchased on the Client's behalf but will deliver to the Client Securities of the same class, denomination, nominal amount and ranking.

64. The Client authorises the Broker to dispose of the Securities held under the Account in settlement of any liability owed by the Client or on the Client's behalf to the Broker, its nominee, the associated entity or any third party.

XI. MONEYS IN THE ACCOUNT

65. Any moneys held for the Client, other than cash to be on-paid in settlement of transactions for the Client's Account or to the Client, will be credited to a client trust account maintained with a licensed bank as required by applicable laws from time to time. The Broker may at its option retain all interest accrued on such amounts held by the Broker for or on account of the Client or pay to the Client (either by way of accrual in the Account or otherwise determined by the Broker) interest on such amounts at such rate as it may in its discretion determine and notify to the Client (whether in writing, verbally or through the Internet).

66. Without prejudice to any other provisions of this Agreement, the Client agrees to pay interest on the debit balances in the Client's Accounts, before and after any judgment, at such rate as the Broker may in its discretion reasonably determine and notify to the Client from time to time (whether in writing, verbally or through the Internet). Such interest will accrue on a daily basis and be payable on the last Business Day of each calendar month or upon demand by the Broker. Overdue interest shall be compounded monthly and will itself bear interest. For the avoidance of doubt, a variation of the interest rate or any fees or charges pursuant to the provisions of this Agreement shall not constitute an amendment of this Agreement for the purpose of Clause 96 or otherwise.

XII. JOINT ACCOUNTS

67. If the Account is a joint account, each Client signing this Agreement (each a "joint owner") agrees that each joint owner will have authority in respect of the Account and this Agreement to deal with the Broker as if each Client alone was the sole owner of the Account without notice to the other joint owner(s). Any notice from the Broker to any joint owner is deemed to be notice to all joint owners. Each joint owner is jointly and severally liable for all obligations arising under the Account or this Agreement.

68. The Broker may act on the instructions of any of the joint owners concerning the Account but is under no obligation to do so. However, the Broker will not accept or act on the instructions of any of the joint owners to transfer any Securities and/or other Property from the Account to an account in the name of only one or more (but not all) of the other joint owners or any third party. The Broker is not obliged to inquire into the purpose or propriety of any instructions received from any joint owner or the delivery of any Securities or the making of any payment pursuant thereto. Neither the Broker nor any of its officers, employees or agents will incur any liability in connection with acting on such instructions. The Broker reserves the right at its discretion to require written instructions from all joint owners. If the Broker receives notice of a dispute involving the Account or conflicting instructions from joint owners, it may in its discretion place trading and other restrictions on such Account.

69. If the joint owners hold the Account as tenants in common, they should notify the Broker in writing and provide such documentation as the Broker may require. Otherwise, the Broker is entitled to presume that the joint owners expressly intend to hold as joint tenants with rights of survivorship.

In the event of death of any of the joint owners who hold as joint tenants, the surviving joint owner(s) must immediately notify the Broker in writing. The entire interest of the deceased in this Agreement and any Account will be automatically vested in the surviving joint owner(s). The estate of the deceased joint owner will have no interest therein, but will together with each surviving joint owner be jointly and severally liable to the Broker in respect of all liability incurred prior to the death of the deceased.

XIII. INDEMNITY AND FURTHER ASSURANCE

70. Without prejudice to any other provision in this Agreement, the Client agrees to fully indemnify the Broker and its officers, employees and agents against any loss or liability which any of them may incur or suffer pursuant to or in connection with: (a) any act or omission by any of them in the performance of the Broker's obligations under this Agreement, save where due to the negligence or wilful default of the Broker; or (b) any failure by the Client to observe the provisions of, or perform his obligations under, this Agreement.

71. The Client agrees and undertakes that during the term of this Agreement, at the Client's own expense and when requested by the Broker, to promptly do and execute, or cause to be done and executed, such acts and documents as may be necessary or desirable in the Broker's opinion to give full effect to the rights, remedies or powers conferred under this Agreement.

XIV. SATISFACTION OF INDEBTEDNESS

72. The Client agrees to immediately pay and discharge any indebtedness or liability (including any debit balance) to the Broker on demand. The Client may not close any of the Client's Accounts unless he has paid and discharged all indebtedness, liability and other obligation to the Broker. The Client will pay for all costs and expenses incurred by the Broker in connection with enforcing payment or discharge of any such indebtedness, liability or obligation.

XV. LIEN AND SECURITY

73. All Securities and other Property in the Client's Account, in any other Account in which the Client has an interest whether alone or jointly with any other person (to the extent of the Client's interest) or in the possession or under the control of the Broker will be subject to a general lien in favour of the Broker as continuing security for the payment and discharge of the Client's indebtedness, liability or other obligation to the Broker. As security for the payment and discharge of the Client's indebtedness, liability or other obligation to the Broker, the Client also grants the Broker a continuing security interest and charge over all such Securities and other Property. Subject to the provisions of this Agreement and applicable laws, rules and regulations and notwithstanding Clause 75, the Broker may without giving the Client prior notice, sell or otherwise dispose of any such Securities and/or other Property. The Broker may in its sole discretion determine which Securities and/or other Property are to be sold or disposed of, at what price and on what terms. The net proceeds will be applied in payment and discharge of the Client's indebtedness, liability or other obligations to the Broker.

74. Without prejudice to the foregoing, the Broker may at any time and without giving the Client prior notice, combine or consolidate any of the Client's Accounts and/or any other accounts with the Broker (whether alone or jointly with any other person) and set off or transfer any Securities and/or other Property to satisfy the Client's indebtedness, liability or other obligation (whether actual or contingent, primary or collateral, secured or unsecured, or joint or several) to the Broker.

75. Without prejudice to the generality of any other provisions of this Agreement, the Client hereby authorizes the Broker, and the Broker shall be entitled, to set off any amount receivable from, and amount payable to, the Client where such amounts arise from the purchase and sale of Securities by the Client on a cash-against delivery basis. The Client further authorizes the Broker to dispose of any Securities held for the Client for the purpose of settling any of the amounts payable by the Client to the Broker.

XVI. RESTRICTIONS ON TRADING

76. The Broker may in its sole discretion and without giving the Client prior notice prohibit or restrict the Client's ability to trade Securities through the Client's Account.

XVII. CONFIRMATIONS AND ACCOUNT STATEMENTS

77. The Broker will endeavour to confirm with the Client promptly the features of a transaction effected on the Client's behalf. Any verbal or instantaneous confirmation of a transaction effected on the Client's behalf shall not be regarded as conclusive. In addition, the Broker will provide the Client with monthly account statements in accordance with the Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules (the "Contract Notes Rules") unless (a) the Broker is not required to prepare and provide the Client with a contract note, a statement of account and a receipt in accordance with the Contract Notes Rules during the relevant period; (b) the Broker's Associated Entity is not required to prepare and provide the Client with a receipt in accordance with the Contract Notes Rules during the relevant period; (c) the balance of the Account is nil at all time during the relevant period; (d) the Client has no open position as at the end of the relevant period; and (e) no Securities and collateral are held for the Client's account at all time during the relevant period.

78. Subject to any contrary legal or regulatory requirement, the Client agrees to any contract notes, other confirmations and account statements to be in electronic form and further agrees to receiving those through electronic means in lieu of hard copies of the same.

79. All transactions and other information in any acknowledgements, confirmations or contract notes will be binding on the Client unless the Broker receives notice of objection in writing or via electronic mail within two (2) days after the Client receives or is deemed to have received the same. All transactions and other information in any account statements will be binding on the Client unless the Broker receives notice of objection in writing or via electronic mail within five (5) days after the Client receives or is deemed to have received the same. In all cases, the Broker reserves the right to determine the validity of the Client's objection to the relevant transaction or information.

XVIII. NOTICES AND OTHER COMMUNICATIONS

80. All notices and other communications from the Broker to the Client under this Agreement may be sent by personal delivery, prepaid post, facsimile, electronic mail or other electronic transmission (including posting on the Broker website) to the last known address, facsimile number, electronic mail address in the Account Application or notified to the Broker in writing from time to time by at least five (5) days' notice. The Client is deemed to have received any such notices and other communication upon delivery if personally delivered, upon expiry of two (2) days after being put into the post if sent by prepaid post, and upon a successful transmission message being obtained if sent by facsimile, electronic mail or other electronic transmission.

81. The Broker may also communicate with the Client verbally. The Client is deemed to have received any message left for him on his answering machine, voicemail or other similar electronic or mechanical device at the time it is left for the Client, whether actually received or not. Any record of such message left by the Broker will be conclusive evidence of the Broker having communicated the message to the Client and the contents thereof. The

Broker will incur no liability for any loss or damage suffered as a result of the Client not having received any such notice or communication.

82. The Client agrees to check his regularly mailbox, electronic mailbox, facsimile machine and other sources or facilities through which he receives communications for notices or other communications from the Broker. The Broker will not be responsible for any losses that arise from the Client's own failure or delay to check such sources or facilities.

XIX. DISCLOSURE

83. The Client authorizes the Broker to: (a) disclose, and transfer Client's personal data, financial information and other information related to the Client's Account to all relevant regulators (s), including but not limited to SFC and SEHK, stock exchange, clearing house and regulatory bodies of all relevant jurisdictions collectively referred as "Regulators"); and the exchange of financial information in accordance with (i) any law, regulations, and rules of any jurisdiction, including but not limited to Foreign Account Tax Compliance Act ("FATCA") ; or (ii) common reporting standard. The Client agrees that Client's data may be disclosed and transferred to the Broker's group of companies; the Broker's holding company, subsidiaries and affiliates, in accordance with the Broker's personal data privacy policy which may be updated by the Broker from time to time.

84. Client Identity Information

84.1 Client Identity Rule Policy of SFC requires the Broker to obtain and record the client identity information before doing anything to effect any transaction; and if SFC requires such information, the Broker must provide it within 2 business days of the day of the request, although the regulator may also require information soon after a transaction occurs.

84.2 The Broker may send the Client a request for client identity information, at any time, including but not limited to after receiving a request for any Regulators, and (b) the Client shall immediately inform the Broker of the identity, address, contact details and occupation (collectively referred as "Client Identity Information") of:

- (i) the person(s) or entity (legal or otherwise) ultimately responsible for originating the instruction in relation to a transaction;
- (ii) the person or entity that stands to gain the commercial or economic benefit of the transaction and/or bear the commercial risks;
- (iii) the Client for whom the transaction(s) will be carried out; and
- (iv) any such information which may be required by any Regulators of any relevant jurisdiction(s).

84.3 For collective investment schemes, discretionary accounts or discretionary trusts, the information normally required by Regulators is the name of the scheme, account or trust in question and the person who ultimately originates the instruction in relation to that transaction (particularly, the individual investment manager responsible for making the investment decision).

In relation to a collective investment scheme or discretionary account, the entity referred to in the above-mentioned Clause 84.2 is the collective investment scheme or account, and the manager of the collective investment scheme or account, not those who hold a beneficial interest in that collective investment scheme or account.

84.4 If the Client is acting for or on behalf of a collective investment scheme, discretionary account or discretionary trust, the Client shall:

- (i) upon the Broker's request, promptly inform the Broker and/or the relevant Regulator(s) of relevant information of the scheme, account or trust; and
- (ii) promptly inform the Broker within 2 Business Days when the Client's discretion to invest on behalf of the scheme, account or trust has been overridden; and upon request from the Broker, the Client shall comply with the Broker's request and immediately inform the Broker or the Regulators of Client Identity Information of the person(s) who has or given the order or instruction in relation to the transaction.

84.5 The Client shall be required to disclose to the Broker whether the Client is acting on the Client's own behalf or it is acting as principal or agent. If the Client is acting as an agent, the Broker need to find out who is the principal and obtain required information about the principal. The Client agrees to promptly provide the required information to the Broker or any Regulator(s) upon any request from the Broker from time to time, and the Client's obligation shall survive the termination of any agreement or terms of business with the Broker.

85. If the Client effects a transaction for the account of another person, whether on a discretionary or non-discretionary basis, and whether as agent or by entering into matching transactions as principal with such other person, the Client agrees that, in relation to a transaction where the Broker has received an enquiry from SEHK and/or the SFC (the "Hong Kong Regulators"), the following provisions of this Clause shall apply.

85.1 Subject as provided below, the Client shall, within 2 Business Days of request by the Broker, inform the Hong Kong Regulators of the identity, address, occupation and contact details of the person for whose account the transaction was effected 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 Hong Kong Regulators of the identity, address, occupation and contact details of any third party (if different from the person above/the ultimate beneficiary) who originated the transaction.

85.2 If the Client effects a transaction on behalf of a collective investment scheme, a discretionary account or a discretionary trust, the Client shall, within 2 Business Days of request by the Broker, inform the Hong Kong Regulators of the identity, address and contact details of the scheme, account or trust and, if applicable, the identity, address, occupation and contact details of the person who, on behalf of the scheme, account or trust, instructed the Broker to effect the transaction.

85.3 If the Client effects a transaction on behalf of a collective investment scheme, a discretionary account or a discretionary trust, the Client shall, within 2 Business Days of request by the Broker, inform the Broker when his discretion to invest on behalf of the scheme, account or trust has been overridden. In the case where the Client's investment discretion has been overridden, the Client shall, within 2 Business Days of request by the

Broker, inform the Hong Kong Regulators of the identity, address, occupation and contact details of the person(s) who has or have given the instruction in relation to the transaction.

85.4 If the Client is aware that the person is acting as intermediary for its underlying client ("Ultimate Client") and the Client does not know the identity, address, occupation or contact details of the Ultimate Client, the Client confirms that:

85.4.1 the Client has arrangements in place with the person which entitle the Broker to obtain the information referred to in paragraph 85.1 and/or 85.2 above from the person immediately upon request or procure that it be so obtained.

85.4.2 the Client shall, upon request from the Broker in relation to a transaction, promptly request the information set out in paragraph 85.1 and/or 85.2 above from the person on whose instructions the transaction was effected, and provide the information to the Hong Kong Regulators as soon as received from the person or procure that it be so provided.

85.5 The Client confirms that, where necessary, the Client has obtained all consents or waivers from his clients or other relevant persons, to release to the Hong Kong Regulators and any other relevant Regulators the information referred to in this Clause above.

86. Without prejudice to the foregoing, if the Broker, its affiliates or agent receives any lawful request for information in connection with the Client's Account or any transaction relating thereto from any government or regulatory authority in any other jurisdictions, then to the extent that such information is within the possession or control of the Broker, its affiliates or its agents, the Broker, its affiliates and its agents will be entitled to comply with such request for information without any reference to the Client. In any event, the Client will immediately upon the Broker's request provide the relevant authorities with such information as may be required by them.

87. The Client's obligation under this Clause will continue notwithstanding the termination of this Agreement for any reason.

88. The Broker may disclose information relating to the Account in compliance with applicable laws, rules and regulations, the requirements or request for information of the SFC, SEHK or other regulatory authority or to any member of the Broker Group.

89. The Client shall inform the Broker of any material adverse change in his financial position or any change in his investment objectives. The Client authorises the Broker to obtain reports concerning his credit standing and business conduct at the Broker's discretion.

90. In respect of Structured Products (including, without limitation, options), the Broker shall provide to the Client, upon request, product specifications and any prospectus or other offering documents covering such products.

XX. MATERIAL INTEREST

91. The Client acknowledges that the Broker and/or any member of the Broker Group may have an interest, relationship or arrangement that is material in relation to any transaction effected on the Client's behalf or the Securities concerned, including taking an opposite position to the Client's orders whether for the account of the Broker, any member of the Broker Group or any of their clients.

92. Where the Broker has a material interest in a transaction with or for the Client which gives rise to an actual or potential conflict of interest, the Broker shall not advise, nor deal in respect of the transaction unless it has in advance disclosed that material interest or conflict to the Client and the Broker has taken all reasonable steps to ensure that the Client is treated fairly.

93. Subject to compliance with this Clause, neither the Broker nor any member of the Broker Group shall be obliged to disclose or account for any profits made by them in respect of any such transaction.

XXI. EXTRAORDINARY EVENTS

94. Without prejudice to Clause 16, the Client agrees that the Broker and any of its directors, officers, employees or agents shall not incur any liability for any delay or failure to perform any obligation under this Agreement or for any loss or damage caused directly or indirectly by any condition or circumstances over which the Broker and its directors, officers, employees or agents do not have 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, power failure, software malfunction, unauthorized access, system downtime, theft, war (whether declared or not), insurrection, riot, labour disputes, strikes, accident, flood, severe weather, earthquakes, fire or other act of God.

XXII. TERMINATION OF ACCOUNTS; DEFAULT

95. The Client may, subject to satisfaction and discharge of his indebtedness, liability or other obligation to the Broker, close the Client's Account at any time by giving the Broker prior written notice of not less than seven (7) days. The Broker may close the Client's Account or terminate any services provided to the Client at any time and for any reason. Closing an Account or terminating any services will not affect the rights and obligations of either party incurred prior thereto. Notwithstanding the above, if an account is closed with a credit balance of HK\$50 in the Client's Account, the Broker may charge a processing fee (on such basis as the Broker may from time to time determine and notify to the Client) for closing the Client's Account and debit such fee to the Client's Account.

96. Upon termination of this Agreement under Section XXII, all amounts due or owing by the Client (whether actual or contingent) under this Agreement shall become immediately due and payable. The Broker shall cease to have any obligations to arrange for the purchase or sale of Securities on the Client's behalf in accordance with the provisions of this Agreement, notwithstanding any instructions from the Client to the contrary. The Client shall have no claim against the Broker in respect of any termination of this Agreement by the Broker pursuant to this Section XXII.

97. Upon termination of this Agreement, the Broker is authorised, at its absolute discretion and subject to applicable laws, to:

97.1 cancel any or all outstanding orders or any other commitments made on the Client's behalf;

97.2 close out any or all contracts between the Client and the Broker, cover any short position the Client may have through the purchase of Securities or liquidate any long position the Client may have through the sale of the Securities; and

97.3 sell, dispose of or otherwise deal with in whatever manner any Securities in the Account and any collateral security deposited by the Client with the Broker.

98. Each of the following shall be an event of default ("Event of Default"):

98.1 if the Client fails to pay on demand or when due any sum under this Agreement;

98.2 if the Client is in breach of this Agreement;

98.3 if the Client files a petition in bankruptcy or insolvency or such a petition is filed against the Client;

98.4 if the Client seeks or acquiesces to the appointment of a receiver;

98.5 if an attachment is levied against any of the Client's Accounts or any Account in which the Client has an interest; or

98.6 if any representation, warranty or undertaking made by the Client under or in connection with this Agreement is or becomes at any time incorrect or misleading,

99. Without prejudice to the Broker's other rights or claims under this Agreement, upon the occurrence of an Event or Events of Default, the Broker shall be entitled in its sole and absolute discretion, without notice to the Client, to sell any and all Securities and/or other property in the Client's Account whether carried individually or jointly with others, buy any and all Securities or other property which may be short in such Accounts, cancel any open orders, close any or all outstanding orders or commitments or close out the Client's Account in whole or in part or transfer or set-off any sum standing to the credit of the Account in a manner as the Broker, at its sole and absolute discretion, may think fit. The Broker may take any of these actions without demand for funds or additional funds, notice of sale or purchase, or other notice or advertisement, each of which is expressly waived by the Client. Any prior demand, notice or advertisement shall not be deemed as a waiver of the Broker's right to take these actions without demand, notice or advertisement.

Any such sales or purchases may be made at the Broker's sole discretion on any exchange or other market where such business is usually conducted in a public auction or private sale, and the Broker may be the purchaser or seller for its own account, and the Client shall remain liable for any deficiency.

XXIII. MATERIAL CHANGES

100. The Broker will notify the Client of material changes to (a) the name and address of the business of the Broker; (b) the licensing status of the Broker with the SFC and the Broker's CE number; (c) the description of the nature of services provided by the Broker; (d) the description of the remuneration payable to the Broker and the basis for such payment; or (e) in relation to margin facilities, details of margin requirements, interest charges, margin calls, and the circumstances under which the Client's positions may be closed without the Client's consent.

XXIV. AMENDMENTS

101. To the extent permitted by law, the Broker may from time to time amend or supplement (whether by the addition of schedules to this Agreement or otherwise) any of the terms and conditions of this Agreement by notifying the Client in accordance with Section XVIII. If the Client does not accept the same, he may terminate this Agreement in accordance with Section XXII by notifying the Broker in writing within seven (7) Business Days from the day the Client receives or is deemed to have received the notice in accordance with Section XVIII. If the Client does not terminate this Agreement within such time or if the Client continues to operate the Client's Account after receipt or deemed receipt of the notice of the amendment or supplement, the Client will be deemed to have accepted such amendment or supplement and will continue to be bound by this Agreement as so amended or supplemented.

102. Subject to the foregoing, no provision of this Agreement may be amended or supplemented unless agreed to in writing signed by an authorized officer of the Broker.

XXV. SEVERABILITY

103. If any provision or part of a provision of this Agreement is held to be illegal, invalid or unenforceable in any jurisdiction, the other provisions or parts of such provisions will not be affected and will remain in full force and effect. The legality, validity and enforceability of the whole of this Agreement will also not be affected in any other jurisdiction.

XXVI. WAIVER

104. Waiver of any right under this Agreement must be in writing signed by the party waiving such right. The Broker will not be regarded as having waived any right under this Agreement if it fails or delays in exercising such right. Any single or partial exercise of any right under this Agreement will not preclude any further exercise of such right or the exercise of any other right. A party who waives any breach of any provision of this Agreement will not be regarded as having waived any subsequent breach of that provision or any other provision.

XXVII. VALIDITY

105. If the Client is located outside Hong Kong, the Client confirms that this Agreement creates valid and binding obligations under the laws of the jurisdiction to which the Client is subject.

XXVIII. SUCCESSORS

106. The Client agrees that this Agreement and all the terms hereof shall be binding upon his heirs, executors, administrators, personal representatives, successors and permitted assigns. This Agreement shall ensure to the benefit of the Broker and its successors, assigns and agents.

XXIX. ASSIGNMENT

107. The Broker may assign, transfer or otherwise dispose of all or any of its rights or obligations under this Agreement to any of its subsidiaries or affiliates without giving the Client notice, or to any other entity upon prior written notice to the Client. The Client may not assign, transfer or otherwise dispose of all or any of the Client's rights and obligations under this Agreement without the Broker's prior written consent.

108. The Broker shall have the right to give notice to the Client regarding any change of name of the Broker, and in such event, this Agreement and the Client's application form(s) shall remain to be binding on the Client, even without signing of any new application form by the Client. The Client agrees that in the event if the Broker shall assign its interests (in respect of this Agreement) to its designated assignee, this Agreement and the Client's application form(s) shall: (a) be deemed to be applicable to the Broker's designated assignee, even without further signing any new Client application form(s); and (b) remain to be binding on the Client, while the relevant entity shall be changed from The Broker Group and/or to the Broker's designated assignee.

XXX. POWER OF ATTORNEY

109. The Client agrees to and hereby irrevocably appoints the Broker, with full power as the Client's true and lawful attorney-in-fact, to the fullest extent permitted by law, to carry out the provisions of this Agreement, take any action and execute any instrument that the Broker deems necessary or advisable for the purposes of this Agreement.

XXXI. ENTIRE UNDERSTANDING

110. This Agreement, together with all other written agreements between the Client and the Broker related to the Client's Account and terms contained in statements and confirmations sent to the Client, contains the entire understanding between the Client and the Broker concerning the subject matter of this Agreement.

XXXII. ENGLISH/CHINESE VERSIONS

111. The Client acknowledges and confirms that: (a) he has read the English and/or Chinese version(s) of this Agreement (as the case may be) being the language of his choice; and (b) the Client fully understands, accepts and agrees to be bound by, this Agreement. If there is any conflict or discrepancy between the English and Chinese versions of this Agreement, the English version will prevail.

XXXIII. NOTICE RELATING TO THE PERSONAL DATA (PRIVACY) ORDINANCE

112. The Client may from time to time supply to the Broker and/or any member of the Broker Group personal data in connection with the Account. If the Client fails to supply such personal data, the Broker may not be able to open or maintain the Account for the Client and/or provide the Client with services in connection therewith.

113. All personal data relating to the Client (whether provided by the Client or any other person, and whether provided before or after the Client opens the Account) may be provided by the recipient to the following persons whether or not they are in or outside of Hong Kong: (a) the Broker or any other member of the Broker Group; (b) any director, officer, employee of the Broker Group only when carrying out the business of the Broker Group; (c) any agent, contractor or third party service provider who provides administrative, telecommunications, computer, payment or securities clearing, nominee, custodian or other services to any member of the Broker Group; (d) where personal data is collected by a member of the Broker Group as agent or for forwarding to or otherwise applying for any facility or service, any person for such purpose who may not be in Hong Kong and may not be subject to the PDPO and not restricted in the use of the data; (e) any trustee, registrar or custodian of any unit trust or collective investment scheme in connection with the provision of any service to the Client by any member of the Broker Group or any centralised securities depository or registrar of securities held for the Client; (f) credit reference agencies and, in the event of default, debt collection agencies; (g) any person to whom the Broker transfers, assigns or proposes to transfer or assign its interests and/or obligations in respect of the Account or any services provided to the Client; (h) selected companies for the purpose of informing the Client of products and services which the Broker believes will be of interest to the Client; or (i) any person to whom the Broker is required by law, regulation, court order or request from any governmental or regulatory body to provide such data.

114. All data relating to the Client (whether provided by the Client or any other person, and whether provided before or after the Client opens the Account) held by the Broker Group (whether supplied by the Client or a third party and whether before or after the Client opens the Account) may be used for: (a) operating internal control/verification procedures; (b) conducting credit and other status checks and assisting other institutions to conduct such checks; (c) ongoing administration of the Client's Account; (d) providing the Client with securities trading and related services; (e) any purpose relating to collection of any sums due or enforcement of any charge or security in favour of any member of the Broker Group; (f) designing and/or marketing securities trading and other services or products of any member of the Broker Group; (g) forming part of the records of the recipient of the data as to the business carried on by it; (h) observing any legal, governmental or regulatory requirements of Hong Kong or other relevant jurisdiction including any disclosure or notification requirements; (i) any other purpose relating to the business or dealings of the Broker Group.

115. The Client agrees that his data may be transferred to any place outside Hong Kong, whether for the processing, holding or use of such data outside Hong Kong, and also to service providers which offer services to the Broker or any other member of the Broker Group in connection with the operation of its business.

116. The Client has the right in accordance with the terms of the PDPO to: (a) check or enquire whether the Broker holds personal data about the Client; (b) request access to any such personal data held by the Broker within a reasonable time, in a reasonable manner and in a form that is intelligible; (c) request the correction of the Client's personal data which is inaccurate; (d) be given reasons if a request for access or correction is refused; (e) ascertain the Broker's policies and practices in relation to data and to be informed of the kind of personal data held by the Broker; and (d) in relation to customer credit, request to be informed which items of data are routinely

disclosed to credit reference agencies or debt collection agencies, and be provided with further information to enable the making of an access and correction request to the relevant credit reference agency or debt collection agency. The Broker may charge a reasonable fee for processing any data access request.

117. The Client may direct any request for access to and/or correction of personal data or for information regarding policies and practices of and the kinds of data held by the Broker to the Compliance Officer.

XXXIV. GOVERNING LAW, JURISDICTION AND PROCESS AGENT

118. This Agreement is governed by, and shall be construed in accordance with the laws of Hong Kong. The Client irrevocably submits to the non-exclusive jurisdiction of the Hong Kong courts. Where applicable, the Client appoints the person nominated in the Account Application as process agent with authority to accept on the Client's behalf service of process issued in Hong Kong. Service of process on such agent will constitute service on the Client.

XXXV. DEFINITIONS AND INTERPRETATION

119. In this Agreement, except where the context otherwise requires, the following terms shall bear the meanings set out below:

"Account" means one or more securities trading accounts (including securities margin trading accounts) opened and maintained by the Broker for the Client from time to time pursuant to this Agreement;

"Account Opening Form" means the Client's application to open an Account, the board resolution (if applicable) and such other documents as required by the Broker from time to time for the purpose of opening the Account(s) with the Broker;

"agent" in relation to the Broker, includes any of the Broker's subsidiaries, affiliates or other third parties, whether acting as agent or as principal, through whom the Broker may perform its duties under this Agreement;

"Agreement" means the agreement between the Client and the Broker, which includes this Client Agreement, the Account Opening Form and all other documentation provided to the Broker or prescribed by the Broker, as may be varied, amended or supplemented from time to time;

"Authorized Person" means, at any particular time, a person appointed by the Client under the Account Opening Form or a power of attorney or any other documents prescribed by the Broker which has been validly executed by the Client and received by the Broker, and in respect of which person, the Broker has not received from the Client any written notice of revocation or termination of such person's appointment;

"Associated Entity" has the meaning given to it in Schedule 1 to the SFO, as amended from time to time;

"Available Funds" means the credit balance in the Account, plus funds receivable from settled sales, and minus funds needed to pay for transactions executed but not settled, any open orders and any uncleared deposits;

“Business Day” means a day (other than a Saturday) on which licensed banks in Hong Kong are generally open for business;

“Exchange” means SEHK or any other stock exchange or market or over-the-counter market on which the Client gives Instructions to buy or sell Securities;

“HKSCC” means Hong Kong Securities Clearing Company Limited;

“Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“Instruction” means any instruction (including any subsequent amendment or cancellation thereof accepted by the Broker) the Client gives to buy or sell Securities, to open, close or otherwise to operate the Account(s) and/or to enter into transactions, whether verbally, by telephone, through the Internet, by facsimile transmission or in such other manner as the Broker may permit;

“PDPO” means the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong);

“Property” includes all Securities, cash and any other property held by or on behalf of, or in the possession or control of, the Broker or any member of the Broker Group for any purpose in or for any of the Client’s Accounts, including any Account or other accounts with the Broker in which the Client may have an interest whether alone or jointly with any other person (to the extent of the Client’s interest therein);

“Securities” has the meaning given to it in Schedule 1 to the SFO, as amended from time to time. For the avoidance of doubt, in this Agreement, “Securities” shall include Structured Products;

“SEHK” means The Stock Exchange of Hong Kong Limited;

“SFO” means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); “SFC” means the Hong Kong Securities and Futures Commission; and

“Structured Products” means all kinds of structured products, the return of which depends on the performance of the underlying assets to which the products are linked. The underlying assets linked to such products may comprise equities of a single issuer, a basket of equities from different issuers, an index of equities, a mutual fund or unit trust, a portfolio of mutual funds and/or units trusts of a single entity or a number of entities, a currency exchange rate or an interest rate.

120. A reference to a law:

120.1 includes a reference to any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange;

120.2 is a reference to that law as amended, consolidated, supplemented or replaced; and

120.3 includes a reference to any regulation, rule, statutory instrument, by-law or other subordinate legislation made under that law.

121. Unless the context otherwise requires, references to Clauses and Schedules are to clauses of and schedules to this Agreement, and includes any clauses or schedules from time to time added to this Agreement by the Broker pursuant to Section XXIV. The Schedules are deemed to form part of this Agreement.

Unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing a gender include any other gender.

The headings used herein are for ease of reference only and shall not in any way affect the construction of this Agreement.

PART III - TERMS AND CONDITIONS FOR SECURITIES MARGIN TRADING

The provisions in this Part III apply to securities margin trading services extended by the Broker and all securities margin trading accounts established or held in the Broker in connection therewith. In the event of any conflict or discrepancy between this Part III of other Parts of this Agreement, the terms and conditions of this Part III shall prevail.

XXXVI. Credit Facilities

122. Subject to the terms of this Agreement, the Broker agrees to make available to the Client the Credit Facilities to be secured by the Collateral up to such extent (subject to the restrictions under the applicable laws and regulations) as may be determined by the Broker (in its absolute and subjective discretion) from time to time.

123. The Broker shall have the absolute discretion to determine the value of the Collateral, to determine, amend or alter the principal amount and other terms of the Credit Facilities from time to time, to restrict the Securities or class of Securities in respect of which it will make available the Credit Facilities to the Client and/or to terminate the Credit Facilities at any time.

124. Notwithstanding any provisions of this Agreement, the Credit Facilities are repayable on demand and may be varied or terminated in the absolute discretion of the Broker.

125. The advance of any amount under the Credit Facility is in the Broker's sole and absolute discretion. The Broker may refuse to make any advances to the Client without giving any reason. Without prejudice to the above, the Broker shall be under no obligation to make any advances to the Client under the Credit Facilities, if any of the following circumstances apply: -

- (a) if the Client is in default of any of the provisions of this Agreement or any other letter, agreement or document entered into between the Client and the Broker and/or any member of the Broker Group in this respect;
- (b) 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 its Liabilities or perform its obligations under this Agreement; or

(c) The Broker in its absolute discretion considers it prudent or desirable for the protection of the Broker and/or any member of the Broker Group not to do so.

126. The Broker is instructed and authorised by the Client to draw on the Credit Facilities to settle any Liabilities, whether in respect of any transaction, margin maintenance obligations for any positions as required by the Broker and/or any member of the Broker Group, or payment of any commission or other costs and expenses owing to the Broker and/or any member of the Broker Group.

127. For so long as there exists any amounts outstanding to the Broker and/or any member of the Broker Group, The Broker shall be entitled at any time and from time to time to refuse any withdrawal of any or all of the moneys in the Margin Account and/or the Securities held by the Broker Group.

XXXVII. Margin & Fund

128. The Client agrees to provide and maintain with the Broker at all time, with or without demand, such Collateral and/or such collateral, guarantees and other security to the Margin Account in such form and amount and on such terms as the Broker may in its absolute discretion require from time to time (the "Margin Requirement"). Such Margin Requirement demanded or required by the Broker may exceed any margin requirement prescribed by any Exchange or clearing house or broker. The Broker may change any Margin Requirement in its sole discretion and at any time without prior notice to the Client. If the Broker determines that additional margin is required, the Client agrees to deposit with the Broker such additional margin forthwith upon demand. No previous Margin Requirement shall establish any precedent.

129. Without prejudice to Clauses 131 to 138, calls or demands for Margin Requirement must be met or satisfied by the Client forthwith upon demand by the Broker. The Client shall on demand put the Broker in funds or moneys or arrange for the Broker to be put in funds or moneys in time to enable the Broker to discharge any liability incurred or to be incurred in connection with trading, dealing or transactions effected in relation to the Margin Account. The Client shall on demand reimburse the Broker for all costs and expenses incurred by it in connection with the trading, dealing or transaction effected in relation to the Margin Account and/or pay or settle any outstanding amount under the Margin Account.

130. The Broker is not liable to pay interest on the moneys or funds paid to or received by the Broker in respect of the Margin Account whether on deposit or however described. The Broker is entitled to retain for its own benefit any interest or other realized income or increase in value earned or received in respect of such moneys or funds. The Broker is entitled to charge and the Client agrees to pay interest to the Broker in respect of any deficit or any moneys or funds otherwise owing to the Broker at any time at such rates and on such other terms as the Broker notifies the Client from time to time or failing such notification at a rate equivalent to five per cent (5%) above the prevailing prime or best lending rate for Hong Kong dollars of The Hong Kong and Shanghai Banking Corporation Limited or other bank as determined by the Broker from time to time. Interest shall be payable on the last day of each calendar month or forthwith upon demand by the Broker.

131. The Client shall monitor the Margin Account so that at all times the Margin Account shall contain a sufficient account balance to meet the Margin Requirement. The Broker may modify such Margin Requirement for

the Client at any time in the Broker' absolute and sole discretion. The Broker may reject any Instruction or order of the Client if the Client does not have a sufficient account balance to meet Margin Requirement and may delay the processing of any Instruction or order while determining the correct margin status of the Margin Account. The Client shall maintain, without notice or demand from the Broker, a sufficient account balance at all times so as to continuously meet the Margin Requirement. The Client must at all times satisfy whatever Margin Requirement calculated by the Broker.

132. The Broker has no obligation to notify the Client of any failure to meet Margin Requirement in the Margin Account prior to the Broker exercising its rights, powers, discretion and remedies under this Agreement. The Client understands and accepts that the Broker generally will not issue call or demand on Margin Requirement, that the Broker generally will not credit the Margin Account to meet any deficiency on Margin Requirement, and that the Broker is authorized to exercise any of its rights under Section XXXVIII in order to satisfy Margin Requirement without prior notice to the Client.

133. In the event that the balance of the Margin Account has zero equity or is in deficit at any time, or the Margin Account does not have a sufficient account balance to meet Margin Requirement, the Broker shall have the right, in its sole discretion, but not the obligation, to exercise any of its rights under Section XXXVII at any time and in such manner and in any Market as the Broker deems necessary, without prior notice demand or call to the Client. The Client agrees to be responsible for, and promptly pay to the Broker, any deficiency in the Margin Account that arises from such exercise of rights or remain after such exercise of rights. The Broker shall not have any liability to the Client for any losses or damages sustained by the Client in connection with such exercise of rights (or if the Broker experiences a delay in exercising, or does not exercise such rights).

134. The Client expressly waives and relinquishes any rights to receive prior notice or demand from the Broker and agrees that any prior demand, notice, announcement or advertisement shall not be deemed a waiver of the Broker' right to exercise any of its rights under Section XXXVIII. The Client understands that, in the event that the Broker exercise such rights, the Client shall have no right or opportunity to determine the manner of exercising such rights by the Broker. The Broker may, in its absolute and sole discretion, exercise such rights on any Exchange or market, and the Broker or any member of the Broker Group may take the other side of any closing out, liquidating or settlement transaction. In the event that the Broker exercise such rights, such exercise of rights shall establish the amount of the Client's gain or loss and indebtedness to the Broker, if any. The Client shall reimburse and hold the Broker harmless for all actions, omissions, costs, expenses, fees (including, but not limited to, legal costs), penalties, losses, claims or liabilities associated with any exercise of such rights by the Broker. The Client shall be liable to and responsible for all resulting losses, notwithstanding the Broker' delay in or failure to exercise such rights. If the Broker executes an order for which the Client did not have sufficient funds, the Broker has the right, without notice to the Client, to liquidate the transaction and the Client shall be responsible for any loss as a result of such liquidation, including any costs, and shall not be entitled to any profit that results from such liquidation.

135. The Client irrevocably and unconditionally authorizes the Broker to transfer, debit or deduct any money in the Margin Account and/or the Account so as to pay, discharge, satisfy the Client's indebtedness, obligations and Liabilities to the Broker arising from, incurred under and relating to this Agreement, including but not limited to the outstanding purchase moneys, fees (including but not limited to market data fees), charges, expenses,

commissions and interests payable by the Client under and pursuant to this Agreement. The Client acknowledges and agrees that such deductions may affect the amount of money in the Margin Account to be applied against the Margin Requirement. The Broker may exercise any of its rights under Section XXXVII if deduction of commissions, fees or other charges causes the Margin Account to have an insufficient balance to satisfy the Margin Requirement.

136. If the Broker issues a call or demand for Margin Requirement to the Client, the Client must satisfy such call or demand immediately. The Client agrees to satisfy any call or demand for Margin Requirement issued by the Broker by immediately depositing cleared funds in the Margin Account to pay, in full, the under-margined open position.

137. The Broker shall also have the right to exercise any of its rights under Section XXXVII without prior notice to the Client in the same manner as provided above: (a) if any dispute arises concerning any trading or transaction of the Client; (b) upon the Client's failure to timely discharge its obligations to the Broker; (c) upon the Client's insolvency or filing of a petition in bankruptcy or for protection from creditors; (d) upon the appointment of a receiver, or (e) whenever the Broker, in its absolute and sole discretion, deems necessary or advisable for the protection of the Broker and/or any of the Broker Group.

138. Any failure by the Client to comply with this Section XXXVII shall constitute an Event of Default under Section XXXVIII.

XXXVIII. Default

139. Any one of the following events shall constitute an event of default ("Event of Default"): -

(a) at any time when the Broker shall, in its sole discretion, consider it necessary for the protection of the Broker or any member of the Broker Group;

(b) the Client fails or refuses to pay or settle any outstanding amount, money, fund, purchase price or other payment becoming due or payable under this Agreement or any other agreement with any member of the Broker Group or any third party;

(c) the Client fails or refuses to settle or pay any outstanding amount, money or deficit on any of the Client's Account(s) with the Broker or any member of the Broker Group;

(d) the Client violates or fails to perform on a timely basis any term, undertaking, agreement, covenant or condition on its part to be performed under this Agreement;

(e) the Client fails or refuses to discharge, pay, satisfy or perform any of the Client's Liabilities, obligation or indebtedness under this Agreement or any other agreement with any member of the Broker Group;

- (f) the Client has not provided any margin (initial, maintenance or additional) or adjustments (variation or otherwise) when the same become due or payable under this Agreement, or has failed or refused to comply with any request, call or demand made by the Broker pursuant to this Agreement;
- (g) breach, refusal, failure or default of or by the Client in complying with, fulfilling, performing or observing any terms or conditions of this Agreement or any other agreement with any member of the Broker Group;
- (h) any representation or warranty made in this Agreement or in any document delivered to the Broker or any member of the Broker Group being or becoming incomplete, untrue or incorrect;
- (i) any consent or authorization required by the Client to enter into this Agreement being wholly or partly revoked, suspended, terminated or ceasing to remain in full force and effect;
- (j) the filing or commencement of a petition or application in bankruptcy, liquidation or winding up, petition or application for the appointment of a receiver, or the commencement of other similar proceedings against the Client;
- (k) any lien or security created or any part thereof respectively in relation to the indebtedness, obligations or Liabilities under this Agreement being avoided or discontinued; (l) any deterioration or impairment (in the Broker' opinion) or any decline or depreciation (in the Broker' opinion) in the value or market price (whether actual or reasonably anticipated) of the Collateral or any security or any part thereof respectively;
- (m) the levying of attachment or charge against the Margin Account or any Account(s) of the Client with the Broker or any member of the Broker Group;
- (n) any third party asserts a claim, right or interest in respect of any moneys or funds in the Margin Account or any Accounts of the Client with the Broker or any member of the Broker Group;
- (o) the Client takes advantage of any bankruptcy, liquidation, reorganization, moratorium, insolvency or similar law or makes or proposes to make any arrangements or compositions for the benefit of any of the Client's creditors, or is the subject of any order, judgment or decree entered by any court providing for the winding up, reorganization, liquidation or appointment of a liquidator, trustee in bankruptcy or receiver of the Client or a substantial part of the Client's business or assets;
- (p) the Client becomes insolvent or dissolved for any reason whatsoever, merges or becomes consolidated with any non-affiliated party, or sells all or a substantial portion of the Client's business or assets;
- (q) the death, liquidation or judicial declaration of incompetence of the Client;
- (r) any action or proceeding is commenced or any claim or demand is made by any person against the Client in connection with any matter herein contained or the Collateral or any part thereof or against the Broker in connection with any matter herein contained or the Collateral or any part thereof;

(s) any adverse change (in the sole and subjective opinion of the Broker) in the corporate structure, business, assets, financial condition, and general condition or prospects of the Client;

(t) at any time when the Broker and/or any member of the Broker Group is or becomes under any obligation imposed by any relevant Exchange and/or clearing house and/or broker or any applicable laws, rules and regulations to do any of the acts mentioned in this Section XXXVIII; and

(u) the occurrence of any event which, in the sole and subjective opinion of the Broker, may or shall jeopardize, prejudice or affect any of the rights, interests or benefits of the Broker or any of the Broker Group.

140. If an Event of Default (in the sole and subjective judgment of the Broker) occurs, then all amounts owing by the Client to the Broker shall become immediately payable on demand, and interest will accrue, at the rate specified in Clause 130, on the amounts outstanding from time to time, the further performance by the Broker of any of its outstanding obligations to the Client under this Agreement (whether for payment of money or otherwise) shall be conditional upon the Client having fully discharged all its obligations to the Broker under this Agreement, and the Broker or any member of the Broker Group shall be entitled at their absolute discretions, without further notice or demand and in addition to and without prejudice to any other rights or powers conferred under this Agreement to forthwith: -

(a) satisfy any obligations the Client may have to the Broker (either directly or by way of guarantee or other security) by selling, realizing or otherwise dealing with, in such manner as the Broker in its absolute discretion may determine, all or part of any property held by any member of the Broker Group for any purpose in any of the Client's Accounts maintained with any of the Broker Group, and to apply the proceeds in reduction of all or part of any Liabilities of the Client to the Broker;

(b) set-off, combine or consolidate any of the Client's Accounts (of any nature) maintained with the Broker or any of the Broker Group or any obligations of the Broker to the Client under this Agreement against any obligations of the Client to the Broker under this Agreement;

(c) suspend the Broker's obligations to perform pursuant to this Agreement;

(d) revise, change, withdraw, stop or cancel the Credit Facilities, facilities, advances, credits or loans made or granted to the Client, or any part thereof respectively;

(e) enforce the Lien and/or the security constituted or created under and pursuant to this Agreement;

(f) liquidate the Margin Account or any Account of the Client with any member of the Broker Group;

(g) where applicable, sell any Securities in the Margin Account and/or any Account of the Client with any member of the Broker Group;

(h) where applicable, buy Securities previously sold as a short sale in the Margin Account and/or any Account of the Client with any member of the Broker Group;

- (i) close out any open contract held by the Broker on behalf of the Client, and make or take delivery of the Securities in respect of such contract;
- (j) borrow or purchase any Security required to make delivery on behalf of the Client;
- (k) exercise any options held by the Broker on behalf of the Client;
- (l) transfer in, transfer out, settle, clear all or any Securities;
- (m) call upon or enforce any security which may have been issued, made or created in favour of the Broker or any member of the Broker Group as security for the indebtedness, Liabilities or obligations of the Client under this Agreement;
- (n) exercise any or all the rights and powers of the Broker under this Agreement;
- (o) cancel any or all outstanding instructions, orders or any other commitments made on behalf of the Client;
- (p) take any actions, or do any acts, matters or things as authorized, instructed, directed, appointed or empowered under this Agreement;
- (q) take such actions, or do such acts, matters or things as the Broker shall think fit in relation to the Collateral; and/or
- (r) take or not to take any actions, or do or not to do any acts, matters or things as the Broker shall think fit.

141. The Broker may at its absolute discretion apply the net proceeds (after deduction of all fees, costs and expenses incurred in connection with the exercise of the powers conferred on the Broker by this Section XXXVIII) actually received by the Broker pursuant to the exercise of powers under this Section XXXVIII in reduction of the Client's then outstanding obligations to the Broker in such order or manner as the Broker considers fit.

142. The Broker shall have absolute discretion in all matters relating to the exercise of its rights under this Section XXXVIII, and may sell any Securities on a single or collective basis. The Client hereby waives all claims and demands (if any) against the Broker in respect of any loss, involuntary or otherwise, directly arising from the exercise by the Broker of the powers conferred by this Section XXXVIII, howsoever such loss may have been caused (other than through wilful default of the Broker, or the reckless disregard of the obligations of the Broker under this Section XXXVIII), whether in relation to the timing or manner of the exercise of such powers or otherwise.

143. In the event that any of the events set out in Clause 139 shall occur, then this Agreement may be terminated by the Broker forthwith without notice to the Client. Any such termination shall be without prejudice to the accrued rights and obligations of the Parties contained in any provision hereof which shall remain in full force and effect and shall be enforceable notwithstanding such termination.

144. The Client shall be liable for any deficit that may exist after the Broker has exercised any or any combination of rights in this Section XXXVIII, and any cost or expense (including legal costs) incurred by the Broker, on a full indemnity basis, related to such exercise.

145. The Broker shall be entitled at all times to employ debt collecting agent(s) to collect any sum due but unpaid by the Client hereunder and for doing so, the Broker may and is hereby authorized to disclose to such agent(s) any or all information available in relation to the Client and the Broker shall not be howsoever liable or responsible (whether in contract or tort) for such disclosure or for any default negligence act conduct misconduct and/or deeds of such agent(s). The Client is hereby warned that the Client shall indemnify and keep the Broker indemnified on a full indemnity basis against all reasonable costs and expenses which the Broker may reasonably incur in employing debt collecting agent(s).

146. In the event that the Broker or any member of the Broker Group commits a default in relation to Securities traded or to be traded on a recognized stock market, and the related assets of such Securities, and the Client thereby suffers a pecuniary loss, the Client acknowledges and accepts that the right to claim compensation will be restricted to the extent provided for therein under the SFO. For transactions which are effected in an Exchange other than a recognized stock market, the Client acknowledges and accepts that any right to compensation in the event of any default on the part of the Broker or its associated person will be subject to the rules of the relevant Exchange.

XXXIX. Security

147. In consideration of the Broker making or continuing to make available to the Client the Credit Facilities, the Client, as beneficial owner, charges by way of first fixed charge, assigns and releases to the Broker all Securities, cash and any other property held by or on behalf of, or in the possession or control of, the Broker or any member of The Broker Group for any purpose in or for any of the Account (including those comprised in the Collateral) as continuing security for any amount outstanding under the Credit Facilities and all the Client's other indebtedness, liability or obligation to the Broker.

148. To the extent that the charge under Clause 147 is ineffective as a fixed charge for any reason, it will take effect as a first floating charge. The Broker may from time to time, by written notice to the Client, convert the floating charge into a specific charge in respect of all or any part of any such property referred to in Clause 147 and specified in such notice.

XL. Separate Accounts

149. The transactions and assets booked under the Margin Account shall not be co-mingled with those booked under the Accounts except as expressly provided for in this Agreement.

XLI. Definitions

150. In this Agreement, unless redefined herein or the context requires otherwise, all expressions defined in Part II shall, where applicable, have the same meanings when used herein.

151. In this Agreement, except where here the context otherwise requires, the following terms shall bear the meanings set out below:

"Charged Properties" means all Securities and other properties (other than Margin Account Fund) deposited with or held for and on behalf of the Client by the Broker from time to time;

"Collateral" means Charged Properties and Margin Account Fund and such other moneys or assets of the Client charged to the Broker upon the terms and conditions herein and for performance of all obligations of the Client to the Broker from time to time hereunder;

"Credit Facilities" means all or any of the loan or credit facilities made available or granted by or agreed to be made available or granted by the Broker hereunder from time to time;

"Liabilities" means all monies, liabilities and obligations, whether actual or contingent, present or future, due, owing or incurred from or by the Client to any member of the Broker Group, or their respective nominee in connection with the Accounts, the Margin Accounts and/or this Agreement or for which the Client may otherwise be or become liable to any member of the Broker Group on any account or in any manner or currency whatsoever (whether alone or jointly with any other person and in whatever name, style or form), together with interest from the date of demand to the date of payment, legal costs and all other costs, charges and expenses incurred by any member of the Broker Group or their respective nominee in connection with the recovery or attempted recovery of such monies, liabilities and obligations;

"Margin Account" means any Account opened and maintained by the Broker for the Client from time to time pursuant to this Agreement for conducting securities margin trading transactions, and for the avoidance of doubt, all references to Account in Part II shall be construed as including the references to Margin Account where appropriate;

"Margin Account Fund" means all and any moneys or funds standing to the credit of the Margin Account.

Appendix I

Client Notification of Personal Data (Privacy) Ordinance (the "Ordinance")

Unless otherwise specified, all the defined terms in this Notification shall have the same meaning as defined in the Client Agreement.

1. The Client shall, from time to time, provide the Broker with the updated personal data related to account opening or renewal or any data related to the Services rendered under the Client Agreement.

2. Unless the Client has already provided to above data or for the data that can be obtained from the other member companies of The Broker Group, if the Client fails to provide relevant data, the Broker may be unable to open or renew an account for the Client, render the Services under the Client Agreement, or follow by any laws or guidelines enacted by regulators or other authorities.

3. Where needed for providing the Services to the Clients, personal data gathered by the Broker (whether provided by the Client or any others, and whether provided before or after the Client opens an account) may be used by the Broker for the following purposes:

- a Carrying out internal control/verification procedures, including procedures under anti-money laundering laws and regulations;
- b Conducting credit checks and other status checks, and assisting other institutions in conducting such checks;
- c Continued management of the Client's account;
- d Providing the Client with securities trading and relevant services;
- e Recovering any outstanding debts from the Client and anyone who guarantees the Client's liabilities;
- f Marketing services or products in accordance with Paragraph 5 below;
- g Keeping business records on file;
- h Following any laws, government or regulatory requirements in Hong Kong or other relevant jurisdictions, including any disclosure or notification requirements; and
- i Any purposes related to this Notification.

4. The Client's personal data gathered by the Broker will be kept confidential, but the Broker may provide relevant data (whether provided by the Client or any others, and whether provided before or after the Client opens an account) to the following parties in or outside Hong Kong for the purposes under Paragraph 3 above:

- a Any member companies of The Broker Group;
- b Any directors, senior officers, and employees of the Broker or The Broker Group only which have relevant business conducted with the Broker or The Broker Group respectively;
- c Any agent, contractor or third party that provides management, communications, financial calculations, payment or securities settlement, nominee, custody, anti-money laundering or other services to the Broker or any member company of The Broker Group;
- d Any custodian, registrar or keeper of any single trust or collective investment plan (related to any service provided by the Broker or any member company of The Broker Group to the Client), or any central securities trustee or registrar holding any securities on behalf of the Client;
- e Any credit reference agency and debt collection company (in case of default);
- f Any person that accepts any rights and/or obligations relating to the Client's account or any service provided to the Client, transferred or distributed, or to be transferred or distributed by the Broker;
- g Certain companies regarding the marketing services or products listed in the fifth paragraph below; or
- h Any person to whom the Broker provides relevant information as required by laws, regulations, court orders or any government or regulatory requirements.

5. The Broker intends to use the Client's personal data for direct marketing, provided that the Broker obtains the Client's consent thereon (including no objection). Therefore, please note:

a The Client's data collected by the Broker may from time to time be used for direct marketing, including name, contact details, age, gender, identification reference documents, marital status, product and other service portfolio information, transaction model and behavior, financial background and demographic research data;

b The Broker or any member company of The Broker Group may exchange the financial market information or insurance-related services or products generated by or related to its business activities;

c The above services and products may be provided by the following parties: (i) any member company of The Broker Group, (ii) third-party financial institutions, insurance companies, securities and investment service providers, (iii) any business partner that maintains a business relationship or other arrangements with the Broker or any member company of The Broker Group, and (iv) third-party marketing service providers (collectively referred to as "Third Parties");

d In addition to the above services and products, the Broker plans to provide the Client's personal data above to all or any of the Third Parties for conducting the service and product marketing, provided that the Broker obtains the Client's written consent thereon (including no objection);

e The Broker shall not use any of the Client's personal data for the above-mentioned activities for any voluntary use without the Client's consent. In the absence of any "opt out" requirements, the Broker will not oppose the use of the Client's personal data for the above-mentioned voluntary use if the Client has signed the Client Agreement; and

f If the Client does not want the Broker to use or provide to any person the Client's data for the above-mentioned direct marketing, the Client may notify the Broker of exercising the "opt out" right.

6. The Client has the following rights as per the Ordinance:

a to verify or inquire about whether the Broker holds the Client's personal data;

b to request viewing any relevant personal data held by the Broker in a reasonable way and in a definite form within a reasonable timeframe;

c to request a correction of the Client's inaccurate personal data;

d to obtain the reasons for any rejected personal data view or correction request;

e to understand policies and practices of the Broker regarding the above-mentioned personal data and learn about the types of personal data held by the Broker;

f to learn about the data items that are routinely disclosed to credit reference agencies or debt collection agencies in terms of consumer credit, and to obtain further information to make a request of data view and correction to credit reference agencies or debt collection agencies; and

g The Broker may charge a reasonable fee for processing any request for data viewing.

7. The Client may request personal data viewing and/or correcting by any of the following means of correspondence, or obtain advice on the policies, practices and types of data held by the Broker, or exercise any of the "opt out" rights.

8. This Notification shall not restrict the Client's rights under the Ordinance.

9. In case of any ambiguity or inconsistency between the Chinese and English versions of this Notification, the English version shall prevail.

Appendix II

Definition of Professional Investor

The Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("SFO") provides the following definition of "Professional Investor":

- (a) any recognized exchange company, recognized clearing house, recognized exchange controller or recognized investor compensation company, or any person authorized to provide automated trading services under section 95(2) of SFO;
- (b) any intermediary, or any other person carrying on the business of the provision of investment services and regulated under the law of any place outside Hong Kong;
- (c) any authorized financial institution, or any bank which is not an authorized financial institution but is regulated under the law of any place outside Hong Kong;
- (d) any insurer authorized under the Insurance Companies Ordinance (Cap. 41 of the Laws of Hong Kong), or any other person carrying on insurance business and regulated under the law of any place outside Hong Kong;
- (e) any scheme which-
 - (i) is a collective investment scheme authorized under section 104 of SFO; or
 - (ii) is similarly constituted under the law of any place outside Hong Kong and, if it is regulated under the law of such place, is permitted to be operated under the law of such place, or any person by whom any such scheme is operated;
- (f) any registered scheme as defined in section 2(1) of the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong), or its constituent fund as defined in section 2 of the Mandatory Provident Fund Schemes (General) Regulation (Cap 485. sub. leg. A of the Laws of Hong Kong), or any person who, in relation to any such registered scheme, is an approved trustee or service provider as defined in section 2(1) of that Ordinance or who is an investment manager of any such registered scheme or constituent fund;
- (g) any scheme which-
 - (i) is a registered scheme as defined in section 2(1) of the Occupational Retirement Schemes Ordinance (Cap. 426 of the Laws of Hong Kong); or
 - (ii) is an offshore scheme as defined in section 2(1) of that Ordinance and, if it is regulated under the law of the place in which it is domiciled, is permitted to be operated under the law of such place, or any person who, in relation to any such scheme, is an administrator as defined in section 2(1) of that Ordinance;
- (h) any government (other than a municipal government authority), any institution which performs the functions of a central bank, or any multilateral agency;

Section 3 of the Securities and Futures (Professional Investor) Rules (CAP 571D of the Laws of Hong Kong) ("PI Rules") provides that for the purposes of paragraph (j) of the definition of "professional investor" in section 1 of Part 1 of Schedule 1 to SFO, the following persons are prescribed as within the meaning of that definition for the purposes of any provision of SFO other than Schedule 5—

(b) any individual having a portfolio (*note 3*) of not less than HK\$8 million at the relevant date (*note 2*) or as ascertained in accordance with section 8 of PI Rules, when any one or more of the following are taken into account—

(i) a portfolio on the individual's own account;

(ii) a portfolio on a joint account with the individual's associate (*note 4*);

(iii) the individual's share of a portfolio (*note 3*) on a joint account with one or more persons other than the individual's associate (*note 4*);

(iv) a portfolio (*note 3*) of a corporation which, at the relevant date (*note 2*), has as its principal business the holding of investments and is wholly owned by the individual.

(c) any corporation having—

(i) a portfolio (*note 3*) of not less than HK\$8 million; or

(ii) total assets of not less than HK\$40 million

Note 2: "relevant date" means: -

(a) in the case of an advertisement, invitation or document described in section 103(3)(k) of SFO, means the date on which the advertisement, invitation or document is issued, or possessed for the purposes of issue;

(b) in the case of a call described in section 174(2)(a) of SFO, means the date on which the call is made;

(c) in the case of an offer described in section 175(5)(d) of SFO, means the date on which the offer is made;
or

(d) in any other case which, by virtue of any rules made under SFO, requires compliance with an obligation, means the date by or on which the obligation is required to be complied with.

Note 3: "portfolio" means a portfolio comprising any of the following:

(a) securities;

(b) a certificate of deposit issued by—

(i) an authorized financial institution; or

(ii) a bank which is not an authorized financial institution but is regulated under the law of any place outside Hong Kong;

(c) in relation to an individual, corporation or partnership, money held by a custodian for the individual, corporation or partnership.

Note 4: "associate", in relation to an individual, means the spouse or any child of the individual.

Please take note that in this Appendix, a reference to an amount expressed in Hong Kong dollars includes its equivalent in any foreign currency.

Provisions that may be waived for Professional Investors

Paragraph 15 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “Code”) provides that where a client of a licensed corporation is a Professional Investor (as defined under Part 1 of Schedule 1 to the Securities and Futures Ordinance) and all relevant provisions under the paragraph 15.3A and 15.3B of the Code have been duly complied with and observed by the licensed corporation, such licensed corporation can be exempted from the following requirements of the Code.

Applicable exempt provisions for Institutional Professional investors and Corporate Professional Investors (where the licensed corporation has complied with paragraphs 15.3A and 15.3B of the Code)

(a) Information about clients

(i) the need to establish a client’s financial situation, investment experience and investment objectives (paragraph 5.1 and paragraphs 2(d) and 2(e) of Schedule 6 to the Code), except where the licensed corporation is providing advice on corporate finance work;

(ii) the need to ensure the suitability of a recommendation or solicitation (paragraph 5.2 and paragraph 49 of Schedule 6 to the Code); and

(iii) the need to assess the client’s knowledge of derivatives and characterise the client based on his knowledge of derivatives (paragraph 5.1A of the Code);

(b) Client agreement

(i) the need to enter into a written agreement and the provision of relevant risk disclosure statements (paragraph 6.1, paragraph 20.2(c), paragraph 2 of Schedule 3, paragraph 2 of Schedule 4 and paragraph 1 of Schedule 6 to the Code);

(c) Information for clients

(i) the need to disclose transaction related information (paragraph 8.3A of the Code);

(d) Discretionary accounts

(i) the need for a licensed corporation to obtain from the client an authority in a written form prior to effecting transactions for the client without his specific authority (paragraph 7.1(a)(ii) of the Code);

(ii) the need to explain the authority described under paragraph 7.1(a)(ii) of the Code and the need to confirm it on an annual basis (paragraph 7.1(b) of the Code);

(iii) the need for a licensed corporation to disclose benefits receivable for effecting transactions for a client under a discretionary account (paragraph 7.2 of the Code); and

(e) the need to ensure the suitability of a transaction in a complex product, to provide sufficient information about a complex product and to provide warning statements (paragraph 5.5(a) of the Code).

Applicable exempt provisions for Institutional Professional investors, Corporate Professional Investors (where the licensed corporation has complied with paragraph 15.3B of the Code) and Individual Professional Investors (where the licensed corporation has complied with paragraph 15.3B of the Code)

Information for clients

(i) the need to inform the client about the licensed corporation and the identity and status of its employees and others acting on its behalf (paragraph 8.1 of the Code);

(ii) the need to confirm promptly with the client the essential features of a transaction after effecting a transaction for a client (paragraph 8.2, paragraph 4 of Schedule 3 and paragraph 18 of Schedule 6 to the Code); and

(iii) the need to provide the client with documentation on the Nasdaq-Amex Pilot Program (paragraph 1 of Schedule 3 to the Code).