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CHINA RENAISSANCE SECURITIES

(HONG KONG) LIMITED

華興證券(香港)有限公司

General Business Terms and Conditions

GENERAL BUSINESS TERMS AND CONDITIONS

Client shall be deemed to have read and irrevocably and unconditionally agreed to be bound by these General Terms and Conditions by maintain any Account(s) or placing any order or instructions with the Company. Client acknowledges and agrees that these General Terms and Conditions set out below must be read together with the other provisions of the Master Agreement. In the case of inconsistency between the terms of these General Terms and Conditions and the terms of the Master Agreement, the terms of the Master Agreement shall prevail.

1. DEFINITION AND INTERPRETATION

1.1 In these General Terms and Conditions, unless the context requires otherwise, the following expressions shall have the following meanings:

"**Account(s)**" means one or more cash securities trading accounts maintained by the Client with the Company from time to time for the purchase or sale of securities and, where applicable, such other account(s) maintained by the Client with the Company;

"**Account Opening Form**" means the Account Opening Form & Customer Information Statements signed by you which contains the mandate to the Company in relation to any Accounts;

"**Applicable Regulations**" means all laws, regulations, rules, codes, guidelines, judgments, orders and directives (whether or not having the force of law) issued by any regulator, authority, exchange (including HKSE and HKSCC) and/ or governmental agency in Hong Kong or elsewhere, including, without limitation, the SFC, and all customs, by-laws and practices of any exchange, clearing house or market in Hong Kong or elsewhere, applicable to Client or the Company and/or any transactions under the Master Agreement and/or these General Terms and Conditions from time to time;

"**associated entity**" has the meanings given to it in Schedule 1 of the SFO;

"**Business Day**" means a day (other than a Saturday and Sunday) on which banks in Hong Kong are open for general business;

"**Clearing House**" means the HKSCC or other clearing houses in or outside of Hong Kong;

"**Client**" or "**you**" means any customer named in, the Account Opening Form who has applied to the Company to subscribe to the securities services and in whose name the Account is maintained; where the securities services are to be jointly subscribed by, and the Account is in the joint name of, two or more persons, then unless otherwise specified or the context otherwise requires, "Client" shall mean all of such persons collectively

"**Client Money Rules**" means the Securities and Futures (Client Money) Rules (Cap. 571H of the Laws of Hong Kong) made pursuant to section 149 of the SFO, as amended from time to time;

"**Client Securities Rules**" means the Securities and Futures (Client Securities) Rules (Cap. 571I of the Laws of Hong Kong) made pursuant to section 148 of the SFO, as amended from time to time;

"**Company**" or "**CRSHK**" or "**we**" means China Renaissance Securities (Hong Kong) Limited (CE No. AZX839) with registered office at Units 8107-08, Level 81, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, which is licensed with the SFC to carry on business in Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and its successors and assigns;

"**Event of Default**" has the meaning ascribed thereto in Clause 12;

"**Exchange**" means the SEHK or such other stock exchanges or markets or over-the-counter markets in or outside of Hong Kong;

"**FATCA and Other Requirements**" means:

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, the Standard for Automatic Exchange of Financial Account Information in Hong Kong, the Common Reporting Standard issued by the Organization for Economic Cooperation and Development or any associated or similar legislation, regulations or guidance enacted in any other jurisdiction which seeks to implement equivalent tax reporting and/or withholding tax regimes;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or in relation to an intergovernmental agreement between the United States, Hong Kong and/or any other jurisdiction (including for the avoidance of doubt, the intergovernmental agreement between the United States and Hong Kong), which (in either case) facilitates the implementation of (a) above; and/or
- (c) any agreement pursuant to the implementation of (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government, the Hong Kong Inland Revenue Department, the Hong Kong government or any governmental or taxation authority in any other jurisdiction (including, for the avoidance of doubt, the intergovernmental agreement between the United States and Hong Kong).

"**General Terms and Conditions**" means these General Business Terms and Conditions of the Company, as amended and supplemented from time to time;

"**GEM**" means the Growth Enterprise Market of Hong Kong;

"**Group Company**" means direct or indirect holding companies of the Company and direct or indirect subsidiaries of itself or of such holding companies;

"**HKEx**" means Hong Kong Exchanges and Clearing Limited;

"**HKSCC**" means the Hong Kong Securities Clearing Company Limited;

"**Hong Kong Regulator**" has the meaning ascribed thereto in Clause 35;

"**IOI**" has the meaning ascribed there to in Clause 3.15;

"**Master Agreement**" means the written agreement between the Client and the Company regarding the opening, maintenance and operation of the Account(s) as amended and supplemented from time to time, including but not limited to the Account Opening Form, the Uniform Cash Client Agreement, and any other documents entered into and/or authority given by the Client with or to the Company with respect to the Account(s);

"**Securities**" has the meaning ascribed thereto by the SFO and, if the context so requires or permits, shall include securities collateral;

"**Securities and Futures (Investor Compensation Claims) Rules**" means the Securities and Futures (Investor Compensation Claims) Rules (Cap. 571T of the Laws of Hong Kong);

"**SEHK**" means The Stock Exchange of Hong Kong Limited;

"**SFC**" means the Securities and Futures Commission;

"**SFC Code of Conduct**" means Code of Conduct for Persons Licensed by or Registered with the SFC as amended from time to time;

"**SFO**" means the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended or re-enacted from time to time;

"**U.S.**" Or "**United States**" means the United States of America; and

"**U.S. Person**" includes any natural person who is a citizen of or resident in the United States; a corporation, partnership or other business organization, organized or incorporated under the laws of the United States or any political subdivision thereof, any estate or trust which is administered by an executor or trustee who is a U.S. person or the income of which is subject to U.S. federal income taxation regardless of its source; any account (other than any estate or trust held by a dealer or fiduciary for the benefit of a U.S. person) and any partnership or corporation organized and incorporated under the laws of any foreign jurisdiction which was formed by U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933. "**U.S. Person**" shall not include any branch or agency of a United States bank or insurance company that is operating outside the United States for valid business reasons as a locally regulated branch or agency engaged in the banking or insurance business and not formed primarily for the purpose of investing in securities not registered under the United States Securities Act of 1933. For purposes of this definition, the "United States" includes the United States of America, its states, territories and possessions and the District of Columbia. The Company reserves the right to amend this definition of "U.S. Person" by notice to the Client as may be necessary to conform to applicable law and authoritative interpretation thereof.

1.2 In these General Terms and Conditions:

- (a) unless the context otherwise requires, words and expressions defined in the Securities and Futures Ordinance, the Client Money Rules and the Client Securities Rules shall have the same meanings in these General Terms and Conditions;
- (b) references to the "**Client**" or "**you**", wherever used, shall in the case where the Client(s) is/are individual(s) include the Client(s) and his/their respective executors and administrators and in the case where the Client is a sole proprietorship firm include the sole proprietor and his executors and administrators and his/their successors in the business and in the case of a partnership firm include the partners who are the partners of the firm at the time when the Client's said Account(s) is/are being maintained and their respective executors and administrators and any other person or persons who shall at any time hereafter be or have been a partner of and in the firm and his or their respective executors and administrators and the successors to such partnership business and where the Client is a company include such company and its successors;
- (c) references to Clauses and sub-Clauses unless otherwise stated are to clauses and sub-clauses of these General Terms and Conditions;
- (d) headings to the clauses are for convenience only and do not affect their interpretation and construction;
- (e) words denoting the singular include the plural and vice versa;
- (f) words importing any gender include every gender and references to persons include companies and corporations; and
- (g) for the purposes of these General Terms and Conditions, the terms "tax" and "taxes" shall include any amounts deducted or withheld in connection with FATCA and Other Requirements.

2. APPLICABLE RULES AND REGULATIONS

- 2.1 All transactions for the Account(s) shall be subject to Applicable Regulations failing which the Company has the right to refuse in accordance with Clause 3.7.

3. INSTRUCTIONS

- 3.1 The Client hereby instructs and authorizes the Company to open and maintain in its book one or more Account(s) in the name of the Client for the purpose of purchasing, investing in, selling, exchanging or otherwise disposing of and generally dealing in securities in accordance with the Master Agreement and these General Terms and Conditions from time to time.
- 3.2 The Company is authorized to act as the agent of the Client relating to the sale and purchase of or other dealings in securities or related corporate actions.
- 3.3 The Client (where the Client is an individual) will operate his Account(s) by giving orders himself or through the Client's authorized trader(s), or through a third-party representative(s) as appointed by the Client. In all cases, the Client shall provide the relevant documentation (in original or certified true copy) with respect to itself, its authorized trader(s), or its third-party representative(s) that the Company may require for the purpose of meeting and complying with Applicable Regulations, including applicable anti-money laundering checks and Know-Your-Client requirements. Such documentation may include, without limitation, identification documentation of the Client's authorized trader(s) or authorized signatories, or the Client's third party representative(s) who are able to operate the Account(s).
- 3.4 All instructions, directions, notices or other communication shall be given by the Client, its authorized trader(s) or third-party representative(s) either orally in person, by telephone, or in writing, by e-mail or via Bloomberg terminals or otherwise in accordance with the relevant provisions or by any other means acceptable to the Company. In this regard, the Client agrees to indemnify and hold the Company harmless from and against all losses, costs and expenses (including legal costs) reasonably and properly incurred.
- 3.5 The Company shall be entitled to rely on any instructions, directions, notices or other communication which the Company reasonably believes to be from the Client or a person authorized to act on the Client's behalf and the Client shall be bound by such communication. Under no circumstance should the Company have any duty to enquire or verify the identity or authority of the person giving instructions by any accepted means. The Client agrees to indemnify and hold the Company harmless from and against all losses, costs and expenses (including legal costs) reasonably and properly incurred by the Company in reliance thereupon.
- 3.6 The Company may record all telephone conversations with the Client in order to verify the instructions of the Client. The Client agrees that such recordings are final and conclusive evidence of the instructions of the Client in case of dispute.
- 3.7 Notwithstanding anything herein contained, the Company shall be entitled, at its absolute discretion but to the extent not restricted under Applicable Regulations, to refuse to act on any of the Client's instructions and shall not be obliged to give any reason for such refusal. No failure on the part of the Company to execute any instruction shall give rise to any claim by the Client against the Company. In particular (without prejudice to the generality of the foregoing) the Company may refuse to act, or delay in acting, on instructions for the sale of securities which are not registered in the name of the Company or documents of title relating to those securities which are not held by the Company, if at the time of such instruction there are insufficient securities or, as the case may be, monies in the Account(s) in order to effect settlement of the relevant transaction on the due settlement date, or where in the opinion of the Company such instructions are contrary to any Applicable Regulations and the Company shall be entitled to amend such instructions so that they comply with such Applicable Regulations. No failure on the part of the

Company to execute any instruction shall give rise to any claim by the Client against the Company.

- 3.8 By reason of unforeseen circumstances on the Exchanges which is beyond the Company's control, and the frequent occurrence of rapid price changes in Securities, there may be delay in the quoting of prices of and dealing in securities. The Company may not, after using its reasonable endeavors, be able to trade the securities at the prices quoted at any specific time. In this regard, the Company shall not be liable for any loss arising by reason for not being able to comply in full or in part with the Client's instructions. Where the Company is unable, after using reasonable endeavors, to execute any Client's instruction in full, the Company is entitled to perform partial execution of the Client's instruction, without the need to obtain further Client confirmation. The Client hereby agrees to accept and to be bound by the outcome of execution when any Client's instruction to execute orders is made.
- 3.9 If an order cannot be executed or wholly executed, the Company shall be under no obligation to notify the Client immediately. If the Client requires immediate confirmation as to whether a transaction has been executed, he should contact the Company. Instructions to buy or sell securities may be partially executed if the instructions cannot be fully executed. Any day order for purchase or sale of securities placed by the Company at the request of the Client that has not been executed before the close of trading hours of the relevant Exchange on the day or such other expiration date required by the relevant Exchange or such other later time as the Client and the Company may agree shall be deemed to have been cancelled automatically (to the extent not executed if executed in part). In this regard, the Company shall not be liable for any loss arising by reason for not being able to comply in full or in part with the Client's instructions.
- 3.10 The Client acknowledges and agrees that where there is an opportunity and where permitted by Applicable Regulations, Client order(s) may be crossed off market with other agency orders or the Company's own or its Group Company's proprietary orders, unless the Client requests otherwise.
- 3.11 The Client acknowledges and agrees that the Company has the right or option to effect transactions for the Account(s) either: (i) directly on any Exchanges where the Company is authorized to deal in securities, (ii) indirectly on any Exchanges through other securities brokers or execution agents in any jurisdiction(s) which the Company may, at its discretion, decide to appoint (such securities brokers or execution agent may be associated with the Company), or (iii) route Client's order(s) to different venues for execution including, without limitation, securities exchanges, the Company's liquidity pool(s), or external dark pool(s) subject to Applicable Regulations. The Company will, in accordance with Client's instructions, endeavor to execute the Client's order(s) on the best available terms, unless directed by the Client to execute on a particular venue. The Client further acknowledges and agrees that due to different trading practices of the Exchanges or other venues, the Company may not be able to execute Client's orders at the prices quoted "at best" or "at market". The Client agrees to be bound by the outcome of the transactions executed by the Company in any event.
- 3.12 The Client acknowledges and agrees that the Client shall retain full responsibility for all trading decisions in the Account(s) and the Company shall be responsible only for the execution, and where applicable, clearing and carrying out of transactions in the Account(s); that the Company shall have no responsibility or obligation regarding any conduct, action, representation or statement of any introducing firm, investment advisor or other third party in connection with the Account(s) or any transaction therein.
- 3.13 The Client acknowledges and agrees that the Company may carry out a facilitation purchase or sale order at an agreed guaranteed price (a "**Facilitation Order**"), in each case upon the Client's instruction. In order to execute the Client's Facilitation Order, the Client agrees and are aware that the Company or Company's Group Company may act as principal in respect of some or all of the Client's order.

3.14 The Company is entitled to assume that all of the Client's sell orders are long sales unless the Client notifies the Company that it is a short sale order (and that it is "covered") in accordance with Clause 6.1 of these General Terms and Conditions.

3.15 The Client acknowledges and agrees that, (i) upon the Company receiving an order, the Company may transmit an indication of interest ("IOI") containing information about the order to other parties, unless the Client provides the Company with written notice that the Client does not consent to the Company generating IOIs from the Client's orders; and (ii) the Company and its affiliates may deal with the Client as principal as a result of any IOI generated from the Client's orders.

4. SETTLEMENT

4.1 Unless otherwise agreed, in respect of each sale and purchase transaction executed on the Client's behalf, unless the Company is already holding cash or securities on the Client's behalf to settle the transaction, the Client will:

- (a) pay the Company cleared funds or deliver to it securities in deliverable form; or
- (b) otherwise ensure that the Company has received such funds or securities;

by such time as the Company has notified (whether orally or in writing) the Client in relation to the relevant transaction.

4.2 Unless otherwise agreed, the Client agrees that should the Client fail to make such payment or delivery of securities by the due date pursuant to Clause 4.1, the Company is authorized to:

- (a) in the case of a purchase transaction, transfer or sell any such purchased securities to satisfy the Client's obligations to the Company; or
- (b) in the case of a sale transaction, borrow and/or purchase such sold securities to satisfy the Client's obligations to the Company.

4.3 In settlement of any liability owed by or on behalf of the Client to the Company, an associated entity of the Company or a third person, the Client authorizes the Company to dispose, or initiate a disposal by an associated entity of the Company, of any of the Client's securities (and the Company shall have absolute discretion to determine which securities are to be disposed of), pursuant to section 6(3) of the Client Securities Rules. For the avoidance of doubt, if the Client does not owe any liability to the Company, an associated entity of the Company or a third person, the Company does not have the right to exercise the authority under this Clause 4.3.

4.4 The Client shall indemnify and keep indemnified the Company from any loss, costs, fees and expenses incurred by the Company in connection with the Client's failure to meet its obligations by the due date as described in Clause 4.1 and/or the Company exercising its rights as described in Clause 4.2.

4.5 Where applicable, if the Company receives any funds arising from any Securities which the Company holds for the Client and the Company does not hold any cash account for the Client in the same currency as the funds received, the Client authorizes the Company to convert such funds into the currency of, and credit such funds to, any cash account that the Company holds for the Client, as determined by the Company in its absolute discretion.

4.6 Where applicable, and where it is necessary to convert one currency to another pursuant to these General Terms and Conditions, such conversion may be carried out automatically by the Company in a commercially reasonable manner, without giving any prior notice to the Client, at such rate of exchange of the two currencies as reasonably determined by the Company having considered the market rates then available, and the Company may charge the Client a

reasonable fee or spread for processing such conversion. The Client acknowledges and agrees that any risk, loss or cost (including any fee or spread charged by the Company) resulting from any conversion of one currency into another currency pursuant to these General Terms and Conditions and as a result of any fluctuations in exchange rates shall be borne by the Client, and the Client shall reimburse the Company exchange loss (if any) and bank charges incurred by the Company fully on demand arising out of such currency conversion.

- 4.7 Where applicable, and where the Company determines that there is insufficient liquidity in the relevant currency to settle any buy order, the Company may, in its sole and absolute discretion, reject the Client's instruction to place such buy order. The Client further acknowledges and agrees that unless and until the Client has fully settled all payment obligations in connection with any and all the buy orders, the Company will not release to the Client's account, any Securities acquired by virtue of the respective buy orders.

5. GIVE-UPS

From time to time, the Client may wish to give-up certain equities transactions executed by the Company for booking and settlement with the Client's nominated third-party broker (each a "**Prime Broker**") in respect of certain markets in Asia agreed with the Company (the "**Give-up Transactions**"). Where the Company as executing broker accepts a Give-up Transaction from the Client for booking and settlement with the Client's Prime Broker, it does so on and subject to the following terms and conditions:

- 5.1 The Client shall notify the Company in writing of a Give-up Transaction, setting out the details thereof in the manner as required by the Company from time to time. Specifically, the Client represents and warrants:
- (a) the Client's instructions to the Company shall be given with due skill, care and diligence, to preserve the order and integrity of the market in which the Client places orders, and in compliance with Applicable Regulations at the time of the Give-up Transaction; and
 - (b) the Give-up Transactions shall be within trading controls, criteria and limits, and not be in breach of restrictions, as communicated to the Client by the Company from time to time.
- 5.2 The Company will confirm the execution of the Give-up Transactions to the Client's nominated Prime Broker, with a copy of such confirmation to the Client, as soon as practicable.
- 5.3 In the event the Client's nominated Prime Broker does not accept a Give-up Transaction, the Client shall immediately notify the Company of such non-acceptance and inform the Company in writing of the identity of another Prime Broker that has validly authorized the Client to book and settle the Give-up Transaction in its name.
- 5.4 Should the Client's nominated Prime Broker not accept a Give-up Transaction, the Company may, in its reasonable discretion:
- (a) re-book and settle such Give-up Transaction in the name of such other Prime Broker nominated by the Client as referred to in Clause 5.3 above, and the Client undertakes to be fully liable for all costs and obligations arising out of or related to such re-booking and settlement, including, without limitation, any and all applicable stamp duty and/or transfer tax arising out of each such transaction, re-booking and settlement, which is to be charged to the Client by the Company for payment for and on the Client's behalf; and/or
 - (b) close out such Give-up Transaction, and the Client shall promptly settle the balance resulting from any such close out (including, without limitation, applicable stamp duty and/or transfer tax).

Further, subject to Applicable Regulations, the Client undertakes to (i) be liable; and (ii) to the extent incurred by the Company, indemnify and hold the Company harmless, for any loss, cost, duties, charge or obligation (including, without limitation, applicable stamp duty and/or transfer tax) arising from, as a result of or in connection with any non-acceptance of such Give-up Transaction.

5.5 On a continuing basis, the Client represents and warrants that:

- (a) the Client has valid authority to place the Give-up Transactions to the Company for booking and settlement with its nominated Prime Broker; and
- (b) the Client's instructions to the Company, and such nominated Prime Broker's acceptance of the Give-up Transactions, do not contravene any Applicable Regulations, rules, policies, trading controls and/or limits as communicated to the Client by the Company at the relevant time.

5.6 The Client undertakes to seek the Company's consent in writing to any Prime Broker(s) which the Client may do Give-up Transaction with the Company.

6. SHORT SALES

6.1 The Client undertakes that it will only place a short selling order (as defined under the SFO) in respect of which, (i) the Client has a presently exercisable and unconditional right to vest the securities to which the order relates in the purchaser of them; (ii) where the securities to which the order relates are borrowed by the Client under a securities borrowing and lending agreement to cover the short sale, the Client has obtained confirmation from the lender that the lender has the securities to which the order relates available to lend or deliver to the Client; or (iii) the Client is otherwise permitted to place such a short selling order under the Applicable Regulations governing the short selling of the relevant securities. The Client undertakes to inform the Company of the same when placing a short selling order. Any instruction given by the Client being an instruction to sell in respect of securities which the Client either (i) does not own, or (ii) does not otherwise have a presently exercisable and unconditional right to vest the securities to which the order relates in the purchaser of them (i.e. an uncovered short sale) is strictly prohibited. The Client further undertakes that it would only place such "covered" short sale instruction pursuant to Applicable Regulations.

6.2 In respect of any instruction to sell placed with the Company via FIX message, the Client confirms that the following tags in FIX protocol functionality constitute written confirmation and assurance from the Client for the purposes of and pursuant to sections 171 and 172 of the SFO that:

- (a) the instruction to sell is a "covered" short sell: (i) Tag 54 = "5" (including "short sale"); and (ii) Tag 114 = "N" (including "covered")
- (b) where the securities are borrowed by the Client under a securities borrowing and lending agreement to cover the short sale, the Client has obtained confirmation from the lender that the lender has the securities to which the order relates available to lend or deliver to the Client.

7. COMMISSIONS, INTEREST, OTHER PAYMENT AND EXPENSES

7.1 Without prejudice and in addition to any other rights and remedies of the Company hereunder, the Client hereby irrevocably authorizes the Company, without any prior notice to the Client, to apply or to withhold all or any part of any cash, securities or other properties held for the Account(s), whether or not relating to a particular transaction or order, for payment of money properly required to meet commissions, brokerages, taxes (including any taxes that are potentially payable as determined by the Company in its reasonable discretion), stamp duties,

bank charges, transfer fees, interest, custodial expenses, transaction levy and any other levies that the relevant Exchange or Clearing House may impose or other expenses and charges in respect of or connected with the Account(s), any transactions or services thereof or any securities therein. The Client shall also on demand pay the Company forthwith such amounts or additional amounts as notified by the Company to him from time to time.

7.2 Unless otherwise indicated, the Client agrees to pay interest to the Company in respect of any debit balance on the Account(s) or any amount otherwise owing to the Company at any time at such rate as may be specified from time to time by the Company.

7.3 The Company may, at its sole discretion decide whether or not to pay any interest on credit balance on the Account(s), at the rate and time as determined by the Company from time to time.

8. CLIENT MONIES IN THE ACCOUNT(S)

8.1 Where the Company receives or holds funds for or on behalf of the Client on the Account, the Company may deposit such funds in a segregated account designated as trust or client account with such banks, brokers or other custodians as the Company may in its sole and absolute determine. Unless otherwise agreed between the Client and the Company, the Company shall be entitled to retain for the Company's own benefit any interest accrued on such funds deposited in segregated account.

9. CLIENT MONEY STANDING AUTHORITY

9.1 The Client Money Standing Authority covers money held or received by the Company in Hong Kong on behalf of the Client or in which the Client has a legal or equitable interest, and includes any accretions thereto (including any interest derived from the holding of such client money which is not retained by the Company for the Company's own benefit pursuant to Clause 8.1) ("**Monies**").

9.2 To the extent permitted by Applicable Regulations, the Client agrees and authorizes the Company to:

(a) combine or consolidate any or all segregated accounts, of any nature whatsoever and either individually or jointly with others, maintained by the Company or any of the Group Companies and the Company may transfer any sum of Monies to and between such segregated account(s) to satisfy the Client's obligations or liabilities to the Company or any of the Group Companies, whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several; and

(b) transfer any sum of Monies interchangeably between any of the segregated accounts maintained at any time by the Company or any of the Group Companies.

9.3 The Client acknowledges and agrees that the Company may do any of the matters as set out in Clause 9.2 without giving further notice to the Client.

9.4 The Client Money Standing Authority is given without prejudice to other authorities or rights which the Company or any of the Group Companies may have in relation to dealing in Monies in the segregated accounts.

9.5 The Client Money Standing Authority may be revoked by giving the Company written notice addressed to the Equities Department at the Company's address specified in the Account Opening Form or such other address which the Company may notify the Client in writing for this purpose. Such notice shall take effect upon the expiry of 14 days from the date of the Company's actual receipt of such notice.

10. CLIENT SECURITIES IN THE ACCOUNT(S)

- 10.1 The Client specifically authorizes the Company, where applicable, in respect of all securities (other than securities collateral) received or held by the Company on behalf of the Client or in which the Client has a legal or equitable interest (including, without limitation, securities deposited by the Client with the Company or purchased or acquired by the Company on behalf of the Client, and held by the Company for safe keeping), to register the same in the name of an associated entity of the Company or in the Client's name, or deposit in safe custody in a segregated account which is designated as a trust account or client account and established and maintained in Hong Kong by the Company or its associated entity with an authorized institution under the Banking Ordinance (Cap. 155), an approved custodian under the Client Securities Rules or another intermediary licensed by the SFC for dealing in securities under the SFO.
- 10.2 Any securities held by the Company, an associated entity of the Company with an authorized financial institution, an approved custodian, or another intermediary, shall be at the sole risk of the Client. The Company, the relevant associated entity of the Company, and the respective authorized financial institution, custodian or intermediary shall be under no obligation to insure the Client against any kind of risk, such obligation shall be the sole responsibility of the Client.
- 10.3 If in relation to any securities deposited with the Company which are not registered in the Client's name, any dividends or other distributions or benefits accrued in respect of such securities, the Account(s) shall be credited (or payment made to the Client as may be agreed) with the proportion of such benefit equivalent to the proportion of the securities held on behalf of the Client, out of the total number or amount of such securities held.
- 10.4 If in relation to any securities deposited with the Company but which are not registered in the name of the Client, and loss is incurred by the Company, the Account(s) may be debited (or payment made by the Client as may be agreed) with the proportion of such loss equivalent to the proportion of the securities held on behalf of the Client, out of the total number or amount of such securities held.
- 10.5 Except as provided in Clauses 4.2, 4.3 and Clause 12.2 below, the Company shall not, without the Client's oral or written direction or standing authority under the Client Securities Rules, deposit, transfer, lend, pledge, re-pledge or otherwise deal with any securities of the Client for any purpose.
- 10.6 The Company's obligations to deliver, to hold in safe custody or otherwise or to register in the Client's name, securities purchased or acquired by the Company on the Client's behalf shall be satisfied by the delivery, the holding or registration in the Client's name or the Client's nominee of securities of the same class, denomination and nominal amount as, and rank *pari passu* with, those originally deposited with, transferred to or acquired by the Company on the Client's behalf (subject always to any capital reorganization which may have occurred in the meantime) and the Company shall not be bound to deliver or return securities which are identical with such securities in terms of number, class denomination, nominal amount and rights attached thereto.

11. NEW LISTING OR NEW ISSUANCE OF SECURITIES

- 11.1 Where the Client requests and authorizes the Company to apply for securities in respect of a new listing and/ or issue of securities (whether in a rights issue, top-up placement, a secondary offering or otherwise) on the Exchange, as his agent and for his benefit or for the benefit of any other person, the Client hereby warrants to and for the Company's benefit that the Company have authority to make such application on the Client's behalf. In this regard, the Client acknowledges that any application for securities in respect of a new listing and/ or issue of securities made by the Company on the Client's behalf, is made for the benefit of the Client.
- 11.2 The Client shall familiarize itself and comply with all the relevant terms and conditions governing the securities of the new listing and/or issue and the application for such new securities set out

in any prospectus and/or offering document and the application form or any other relevant document in respect of such new listing and/or issue and the Client agrees to be bound by such terms and conditions in any such transaction which the Client may have with the Company.

- 11.3 The Client hereby gives to the Company all the representations, warranties and undertakings which an applicant for securities in a new listing and/or issue is required to give (whether to the issuer, sponsors, underwriters or placing agents of the relevant securities, the Exchange or any other relevant regulator or person). More specifically, the Client represents, warrants and undertakes that when placing an order or an application to subscribe for the relevant securities, it has complied with any applicable selling restrictions to the new listing and/or issue, and it is not connected with or related to the relevant issuer, sponsors, underwriters or placing agents in such a way where the Client's subscription or purchase would be prohibited by any Applicable Regulations.
- 11.4 The Client hereby further declares, warrants, and authorizes the Company to disclose and warrant to the Exchange on any application form (or otherwise) and to any other person as appropriate, that any such application made by the Company as his agent is the only application made, and the only application intended to be made, by the Client or on the Client's behalf, to the benefit of the Client or the person for whose benefit the Client is applying. The Client acknowledges and accepts that the aforesaid declaration and warranty will be relied upon by the Company and by the issuer, sponsors, underwriters or placing agents of the relevant securities, the Exchange or any other relevant regulator or person in respect of any application made by the Company as the Client's agent.
- 11.5 The Client recognizes and understands that the legal, regulatory requirements and market practice in respect of applications for securities may vary from time to time, as may the requirements of any particular new listing or issuance of securities. The Client undertakes to provide to the Company such information, take such additional steps, and make such additional representations, warranties and undertakings, as may be required in accordance with such legal, regulatory requirements and market practice, as the Company may in its absolute discretion determine from time to time.
- 11.6 In relation to a bulk application to be made by the Company or the Company's agent on the Company's own account and/or on behalf of the Client and/or the Company's other clients, the Client acknowledges and agrees:
- (a) that such bulk application may be rejected for reasons which are unrelated to the Client and the Client's application. Neither the Company nor the Company's agent shall, in the absence of fraud, negligence or wilful default, be held liable to the Client or any other person in consequence of such rejection; and
 - (b) to indemnify the Company in accordance with Clause 21 (*Liabilities and Indemnities*), if such bulk application is rejected as a result of, without limitation, a breach of any of the representations and warranties by the Client or other factors caused by or relating to the Client. The Client acknowledges that the Client may also be held liable in damages to other persons affected by such breach or other factors.
- 11.7 The Client acknowledges that contrary to its allocation expectation, it may not be allocated with the full number /amount of any newly listed or issued Securities (which may be over or below the Client's allocation expectation). The Client further acknowledges that allocation of Securities varies from deal to deal, depending on a varieties of factors, including but not limited to e.g. market conditions, the level of demand in each issuance, the issuer company's considerations, and the Company's underwriting portion in the issuance. The Client agree and consent to waiving its rights against or held the Company liable for failing to meet its allocation expectation.
- 11.8 The Client acknowledges that with new listing or new issuance of Securities, the Company may from time to time, assume different roles in e.g. the Initial Public Offering process, such as e.g.

underwriter, or sponsor, which may be in conflict with the Company's role as the Client's agent. In this regard, the Company shall provide the Client with all the relevant information, and the Client hereby agrees and consents to waiving any potential conflict that may arise as a result of the Company assuming different roles in the process of new listing or new issuance of Securities.

12. EVENT OF DEFAULT

12.1 The occurrence of any one of the following events shall constitute an event of default ("**Event of Default**"):

- (a) the Client's failure to pay any deposits or any other sums payable to the Company or submit to the Company any documents or deliver any securities to the Company hereunder, when called upon to do so or on due date. Where an Account is being held in the joint name of two or more persons, any such failure of payment, submission or delivery by any one of them;
- (b) the Client's failure in the due performance of any of the terms of the Master Agreement or these Terms and Conditions and / or the failure to observe and abide by any Applicable Regulations and in the case where an Account is being held in the joint name of two or more persons, any such default and / or failure in respect of or against any one of them;
- (c) the filing of a petition in bankruptcy, winding up or the commencement of any other analogous proceedings against the Client and in the case where an Account is being held in the joint name of two or more persons, any such filing or proceedings in respect of or against any one of them;
- (d) the death of the Client (being an individual) or any judicial declaration of incompetence or incapacity made against the Client, and in the case where an Account is being held in the joint name of two or more persons, the occurrence of any of such event in respect of any one of them;
- (e) the levy or enforcement of any attachment, execution or other process against the Client and in the case where an Account is being held in the joint name of two or more persons, any such levy, enforcement or proceedings in respect of or against any one of them;
- (f) any representation or warranty made by the Client to the Company in the Master Agreement, these General Terms and Conditions or in any document being or becoming incorrect or misleading;
- (g) the occurrence of any event which, in the sole opinion of the Company, may or has already jeopardized any of its rights or constituted a breach by the Client of the terms under the Master Agreement or these General Terms and Conditions; and
- (h) the continuous performance of the Master Agreement and/or these General Terms and Conditions has become illegal or the performance of the Master Agreement and/or these General Terms and Conditions has been found to be or declared illegal by any government authority.

12.2 If an Event of Default occurs, without prejudice to any other rights or remedies that the Company may have against the Client, and without further notice to the Client, the Company shall be entitled to, at its sole discretion, take any or all of the following actions:

- (a) close any one or more of the Account(s) with immediate effect;
- (b) terminate all or any part of the Master Agreement and/or these General Terms and Conditions;
- (c) cancel any or all outstanding orders or any other commitments made on behalf of the Client;

- (d) terminate any or all contracts between the Company and the Client;
- (e) cover any short position of the Client through the purchase of securities on the relevant Exchange(s) or, subject to Clauses 4.2 and where applicable, the relevant terms in the General Terms and conditions for Custodian Services, liquidate any long position of the Client through the sale of securities on the relevant Exchange(s);
- (f) subject to Clauses 4.2 and 4.3 and where applicable, clause 100 of the terms in the General Terms and conditions for Custodian Services, sell, transfer or dispose of any or all securities and other property held for or on behalf of the Client and to apply the proceeds thereof and any cash deposit(s) to settle all outstanding balances owing to the Company, and to comply with the Applicable Regulations;
- (g) combine, consolidate and set-off any or all accounts of the Client in accordance with Clause 14; and
- (h) sell, transfer or otherwise dispose of any or all securities and other property in the Account(s) or held for or on behalf of the Client for the purpose of complying with the Applicable Regulations or meeting the requirements thereof.

12.3 In the event of any sale or liquidation pursuant to this Clause 12:

- (a) the Company shall not be held responsible for any loss occasioned thereby or howsoever arising, where the Company has already used its reasonable endeavors to sell or dispose of the securities or any part thereof at the then available market price;
- (b) the Company shall be entitled to appropriate to itself or sell or dispose of the securities or any part thereof at the current price to any of the Company's Group Companies without being in any way responsible for loss occasioned thereby or howsoever arising. In this regard, the Company shall not be held accountable for any profit made by the Company and/or any of the Company's Group Companies; and
- (c) the Client undertakes to pay to the Company any deficiency if the net proceeds of sale or net proceeds of liquidation shall be insufficient to cover all the outstanding balances owing by the Client to the Company.

12.4 Any determination of whether an Event of Default has occurred shall be made by the Company using its reasonable judgment. The Client undertakes to notify the Company immediately in writing of the occurrence of any such event which does or is likely to constitute an Event of Default (although any failure on the part of the Client to so notify the Company will not under any circumstances, prevent an Event of Default from having occurred).

13. PROCEEDS OF SALE

13.1 Subject to Clauses 4.2 and 4.3 and Clause 10 of the General Terms and Conditions for Custodian Services, the proceeds of sale or liquidation of the Account(s) made under this Clause 13 shall be **applied** in the following order of priority and any residue shall be paid to the Client or to his/its order:

- (a) payment of all costs, charges, legal fees and expenses including stamp duty, commission and brokerage properly incurred by the Company in transferring and selling all or any of the securities or properties in the Account(s) or in perfecting title thereto;
- (b) payment of all interest due;
- (c) payment of all monies and liabilities due, owing or incurred by the Client, to the Company;

- (d) payment of all monies and liabilities due, owing or incurred by the Client to any of the Group Companies.

14. SET-OFF, LIEN AND COMBINATION OF ACCOUNTS

14.1 In addition and without prejudice to any general liens, rights of set-off or other similar rights to which the Company may be entitled under law or the Master Agreement and/or these General Terms and Conditions, all securities, receivables, monies (in any currency) and other property of the Client (held by the Client either individually or jointly with others) held by or in the possession of the Company at any time shall be subject to a general lien in favor of the Company as continuing security to offset and discharge all of the Client's obligations, arising from the business of dealing in securities or otherwise, to the Company and any of the Group Companies.

14.2 In addition and without prejudice to any general liens or other similar rights which the Company may be entitled to under law or the Master Agreement and/or these General Terms and Conditions and subject to Applicable Regulations, including but not limited to, the Client Money Rules and the Client Securities Rules:

- (a) the Company for itself and as agent for any of the Group Companies, may at any time, without giving notice to the Client, combine or consolidate any or all accounts, of any nature whatsoever and either individually or jointly with others, with the Company or any of the Group Companies, and the Company may set off or transfer any monies (in any currency), securities or other properties in any such accounts to satisfy obligations or liabilities of the Client to the Company or any of the Group Companies, whether such obligations and liabilities are actual or contingent, primary or collateral, secured or unsecured, or joint or several.
- (b) the Company may, without giving notice to the Client, transfer all or any sum or properties interchangeably between any of the accounts maintained at any time by the Client with the Company and any of the Group Companies.

15. USE OF E-MAIL

15.1 The Company is entitled to deem any email received from the indicated email addresses to have been written by the person whose e-mail address appears as the sender's address in that email. The Client acknowledges that the use of email involves certain inherent risks including, in particular (1) a lack of confidentiality and, depending on the jurisdictions involved in the transmission, a lower data protection level; (2) manipulation or falsification of the sender's address or content; (3) misuse resulting in damages caused by third parties intercepting emails; (4) system outages and other transmission errors, which can cause emails and their attachments to be delayed, mutilated, misrouted or deleted; and (5) malwares that may be spread unnoticed by third parties via email and may cause considerable damage. The Client acknowledges and accepts the risks of using emails, in particular the risk that confidential information relating thereto might be disclosed to third parties, and that the Company reserves the right to not accept instructions received via email. To the extent as permitted by law, the Company shall not be liable for losses or damages resulting from the use of email. In case of any doubt as to the origin of an email, the Client must contact the Company by phone.

16. AUTOMATED QUOTATIONS AND CONFIRMATIONS

16.1 The Client acknowledges that any quotes on the price of Securities or other information provided by the Company via any automated quotation system maintained by it (which may be operated by way of a terminal, over the telephone, or via other tele-electronic means) are provided by an independent third party, subject to a disclaimer by the Exchange to the effect that: "*The Stock Exchange of Hong Kong Limited endeavors to ensure the accuracy and reliability of the information provided by does not guarantee its accuracy and accepts no liability (whether in tort or contract or otherwise) for any loss or damage arising from any inaccuracies or omissions.*" The

Company is not responsible for the accuracy or completeness of such information".

- 16.2 All orders shall be executed at the then available current market prices and the Company does not represent to the Client that any order will be executed at a price previously quoted to the Client by way of an automated quotation system or otherwise.

17. RISK DISCLOSURE STATEMENTS

- 17.1 Transactions that the Client instructs the Company to enter into may be subject to any or all of the risks described in the Risk Disclosure Statements.

18. INVESTOR COMPENSATION FUND CLAIMS

- 18.1 In the event the Company commits a default as defined in Part XII of the SFO ("Part XII Default"), and the Client falls within the definition of "qualifying client" under the Securities and Futures (Investor Compensation Claims) Rules and suffers a loss as a result of a Part XII Default, such Client shall have a right to submit a claim for compensation from the Investor Compensation Fund, established pursuant to the SFO (Part XII of the SFO) and the Securities and Futures (Investor Compensation Claims) Rules and subject to the terms of the Investor Compensation Fund from time to time. The Client's right to submit a claim for compensation from the Investor Compensation Fund shall be restricted to the extent as prescribed under the SFO, its subsidiary legislation, rules and regulations, including the Securities and Futures (Investor Compensation Claims) Rules. Accordingly, there can be no assurance that any pecuniary or other loss sustained by the Client by reason of such a default can be recouped from the Investor Compensation Fund in full, in part or at all.

- 18.2 In the event that the Client wishes to have transactions pursuant to the Master Agreement and/or these General Terms and Conditions executed on Exchanges other than the SEHK, the Client acknowledges and recognizes that, since such transactions will be subject to the rules and regulations of those Exchanges, and applicable local laws, and not those of the SEHK, the Client may have a markedly different level and type of protection in relation to those transactions compared to the level and type of protection afforded by the rules and regulations of the SEHK and the laws of Hong Kong (and the Client acknowledges and recognizes, without limitation, that such transactions executed on Exchanges other than the SEHK will not be subject to a right to claim under the Investor Compensation Fund established pursuant to the SFO where the Client, as qualifying client, suffers a pecuniary loss).

19. COMPLIANCE WITH LAWS, ETC.

- 19.1 The Client acknowledges and agrees to be bound by the Applicable Regulations with respect to the Client Account(s) or the Client's Securities trading. The Client shall not instruct the Company to do anything in relation to the Client Account(s) in breach of Applicable Regulations.
- 19.2 The Client further acknowledges that the Company is subject to the anti-money laundering, suppression of terrorist financing, and suspicious transaction reporting laws and regulations of Hong Kong and any other applicable jurisdiction. The Client agrees to provide any information requested by the Company for the purposes of complying with any such laws and regulations, in respect of the Client's Account(s) and/or services provided to the Client by the Company.
- 19.3 The Client acknowledges that the Client shall be solely responsible for complying with all obligations of disclosure under the relevant provisions of Part XV of the SFO, the Codes on Takeovers and Mergers and Share Buy-backs, the Securities and Futures (Short Position Reporting) Rules, and any other Applicable Regulations relating to disclosure of interests in Securities in Hong Kong or any other relevant countries or jurisdictions, each as amended from time to time. The Company shall not be obliged to give notice of holdings to the Client in any form or by any time limit for such purpose save for any notice or statement to be issued as expressly set out in the Master Agreement and/or these General Terms and Conditions or as required by

the Applicable Regulations.

- 19.4 The Client undertakes to the Company that the Client will not engage or attempt to engage, in any activity which may constitute market misconduct under the SFO or any other Applicable Regulations. The Client undertakes to inform the Company immediately if the Client knows or becomes aware of any activity by the Client or any person that may result in the Client being involved in market misconduct. Furthermore, the Client undertakes to the Company that when placing any instruction to the Company, it is not in possession of any material non-public information, relevant information, and/or inside information (as defined in the relevant laws or regulations).
- 19.5 The Client agrees to provide (including by way of updates) to the Company (including by way of electronic certification), and consents to the collection and processing by the Company of, any authorizations, representations, waivers, forms and other documentation or information as may be reasonably requested by the Company to assist it in (i) obtaining any exemption, reduction or refund of any withholding or other taxes imposed by any taxing authority or other governmental agency (including withholding taxes imposed pursuant to FATCA and Other Requirements) upon amounts paid to the Company, or amounts distributable by the Company to the Client, or (ii) complying with FATCA and Other Requirements. In order to comply with FATCA and Other Requirements, the Company shall have full authority to take any and all of the actions as provided under the Master Agreement and/or these General Terms and Conditions.
- 19.6 The Client acknowledges and agrees that the Company may disclose and transfer information regarding the Client (including any information provided by the Client pursuant to Clauses 19.5 and 20.4(b)) to any person to whom information is required or requested to be disclosed by any taxing authority or other governmental agency, any Group Company, any sub-contractors, agents, service providers or associates of the Company or Group Company, and any person making payments to the Company or any Group Company, including transfers to jurisdictions which do not have strict data protection or similar laws, to the extent that the Company reasonably determines that such disclosures or transfers is necessary or warranted to facilitate compliance with any Applicable Regulations or FATCA and Other Requirements. The Client warrants that each person, of whose information it provides (or has provided) to the Company, has been notified of and agreed to, and has been given such other information as may be necessary to permit, the collection, processing, disclosure, transfer and reporting of his information as set out in this paragraph.
- 19.7 The Client acknowledges that the Company may take, or refrain from taking, such actions as it considers necessary in accordance with Applicable Regulations in relation to such Client's holdings in the Account(s) to ensure that any withholding tax payable by the Company, and any related costs, interest, penalties and other losses and liabilities suffered by the Company, or any agent, delegate, employee, director, officer or affiliate of the Company, arising from such Client's failure to provide any requested documentation or other information to the Company, is economically borne by such Client (including, without limitation, closing, transferring or blocking Account(s)).
- 19.8 The Client acknowledges and agrees that (i) the information contained in Self-Certification form is collected and may be kept by the Company for the purpose of automatic exchange of financial account information, and (ii) such information and information regarding the Client and any reportable Account(s) may be reported by the Company to the Government of the Hong Kong Special Administrative Region Inland Revenue Department and exchanged with the tax authorities of another jurisdiction or jurisdictions in which the Client may be resident for tax purposes pursuant to the legal provisions for exchange of financial account information provided under the Inland Revenue Ordinance (Cap.112 of the Laws of Hong Kong).
- 19.9 The Client agrees to inform the Company promptly, and in any event, within 30 days in writing and submit a suitably updated Self-Certification form if there are any changes or amendments to the information supplied to the Company from time to time, including but not limited to, any

change in circumstances which affect the tax residency status of the Client.

20. REPRESENTATIONS AND WARRANTIES

20.1 The Client hereby represents and warrants to the Company on a continuing basis that:

- (a) (in the case of a corporation) it is validly incorporated and existing under the laws of its country of incorporation and has full power and capacity to enter into and perform its obligations hereunder; its entry into the Master Agreement and these General Terms and Conditions has been duly authorized by its governing body and is in accordance with the memorandum and articles of association or by-laws as the case may be, of the Client;
- (b) neither the signing, delivery or performance of the Master Agreement and these General Terms and Conditions, nor any instructions given hereunder will contravene or constitute a default under any existing applicable law, statute, ordinance, rule, regulation or judgment, or cause to be exceeded any limit by which the Client or any of the Client's assets is bound;
- (c) all transactions to be effected under the Master Agreement and these General Terms and Conditions are for the benefit of the Client and no other party has any interest therein;
- (d) the Master Agreement and these General Terms and Conditions and each transaction effected thereunder is the Client's valid and legally binding obligations, enforceable against the Client in accordance with its terms;
- (e) No Event of Default or any event which may become an Event of Default has occurred and/or is continuing;
- (f) where applicable, all securities provided by the Client for selling or crediting into the Account(s) are fully paid with valid and good title and whose legal and beneficial titles are owned by the Client;
- (g) the information contained in the Account Opening Form or other information supplied by or on behalf of the Client to the Company in connection with the Account(s) is complete, true and correct;
- (h) the Client understands the nature and suitability for its purposes of the types of transactions contemplated by the Master Agreement and/or these General Terms and Conditions and the risks involved in them, and that it has sufficient experience to assess the suitability of such transactions;
- (i) it is not a U.S. Person;
- (j) it has not been nor does it anticipate or expect to be present in the United States for 183 or more days in aggregate during any calendar year or otherwise treated as resident in the United States for U.S. federal income tax purposes;
- (k) the gains from its subscription, purchase, sale or other transactions carried out pursuant to the Account(s) are not effectively connected or related to any U.S. Person or any US trade or business which the Client is engaged in or plans to engage in during the calendar year;
- (l) the Securities are not being acquired or held beneficially by or for a U.S. Person, or in violation of any applicable law; and
- (m) all the representations and warranties made by the Client remain true and accurate at all times.

20.2 The Client undertakes to perform such acts, sign and execute all such agreements or documents whatsoever as may be required by the Company for the performance or implementation of the

Master Agreement and/or these General Terms and Conditions or any part thereof.

- 20.3 The Client agrees not to pledge or charge any securities or monies forming part of any Account(s) without the prior consent of the Company, or to sell, grant an option over, or otherwise deal in any securities or monies forming part of the Account(s).
- 20.4 The Company and the Client undertake to inform each other of any material change to the information provided in the Master Agreement and/or these General Terms and Conditions. In particular, the Company and the Client agree that:
- (a) the Company will notify the Client of any material change to its name, business address or licensing status with the SFC, the nature of services to be provided or available to the Client under the Master Agreement and/or these General Terms and Conditions, the remuneration to be paid by the Client to the Company (e.g. commission, brokerage and any other fees and charges) and/or the terms governing the short selling facilities (if any) provided under the Master Agreement and/or these General Terms and Conditions; and
 - (b) the Client will notify the Company of any material change, including but not limited to change of name and address, and provide the relevant supporting documents as reasonably required by the Company.

21. LIABILITIES AND INDEMNITIES

- 21.1 Neither the Company nor any of its directors, employees or agents shall have any liability whatsoever (whether in negligence or otherwise) for any loss, expense or damage suffered by the Client as a result of the Client's engagement of, or services provided by, the Company as stipulated under the Master Agreement and/or these General Terms and Conditions.
- 21.2 The Client undertakes to indemnify and keep indemnified the Company in respect of any costs, claims, demands, taxes, damages and expenses whatsoever which may be reasonably and properly suffered or incurred by the Company directly or indirectly arising out of or in connection with any transaction entered into by the Company as agent on behalf of the Client or otherwise whatsoever or howsoever arising out of anything done or omitted to be done by the Company in accordance with the terms of the Master Agreement, these General Terms and Conditions or pursuant to any Client's instruction or communication. The Client also agrees to pay promptly to the Company, on demand, all damages, taxes, costs and expenses (including legal expenses on a full indemnity basis) reasonably and properly incurred by the Company in the enforcement of any of the provisions of the Master Agreement and/or these General Terms and Conditions.
- 21.3 The Client undertakes to indemnify and keep indemnified the Company and its officers, employees and agents for any loss, cost, taxes, claims, liability or expenses arising out of or connected with any breach by the Client of its obligations hereunder, including any costs reasonably and necessarily incurred by the Company in collecting any debts due to the Company or in connection with the closure of the Account(s).
- 21.4 The above terms shall continue to take effect notwithstanding the termination of the Master Agreement and/or these General Terms and Conditions.

22. FURTHER ASSURANCE

- 22.1 The Client hereby undertakes to the Company to do and/or execute any act, deed, or document which the Company shall require the Client to do in connection with the implementation, execution and enforcement of the terms and conditions of the Master Agreement and/or these General Terms and Conditions, including without limitation the rights referred to in Clause 14, and the Client hereby constitutes the Company with his lawful attorney to do or execute all such acts, deeds, or documents on his behalf, as the Company considers necessary or desirable in connection with such implementation, execution and enforcement.

- 22.2 In the event of any conflict or discrepancy between the Master Agreement or these General Terms and Conditions, on one hand, and (a) the terms of any other agreement subsisting from time to time between the Company and the Client or (b) the terms of any agreement between such Client and any other Group Company in respect of dealings in securities, on the other hand, the Master Agreement and these General Terms and Conditions shall prevail.

23. NOTICES, CONFIRMATIONS AND STATEMENTS

- 23.1 The Client agrees not to receive any contract notes, statements of the Account(s) and/or receipts from the Company or any of its affiliates under the Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules (Cap. 571Q of the Laws of Hong Kong), as amended from time to time. The Company may provide any such contract notes, statements of the Account(s) and/or receipts in its absolute discretion.
- 23.2 Written confirmations, statements of the Account(s), notices, reports and any other communications, may be transmitted to the Client at the physical or electronic addresses, telephone, fax or telex number given in the Account Opening Form; and all communications so transmitted, whether by electronic means, mail, telegraph, telephone, messenger or otherwise, shall be deemed transmitted upon transmission of the message to the Client by electronic means, or when telephoned, when deposited in the mail, or when received by a transmitting agent, whether actually received by the Client or not.
- 23.3 Written confirmation of the execution of the Client's orders and statements of the Client's Account(s) shall be conclusive and deemed to be accepted if not objected to in writing by the Client directed to the physical and/or electronic addresses stated in the Account Opening Form (or such other address communicated to the Company in writing by the Client) within three (3) Business Days or for such period as specified by the Company.
- 23.4 Any notice or other communications including, but not limited to, written confirmations and statements of the Account(s) delivered to the Client by the Company under the Master Agreement and/or these General Terms and Conditions via electronic devices, shall be deemed made or given upon transmission of the message to the Client.
- 23.5 Any communication from the Client to the Company shall be irrevocable and shall not be effective until properly received by the Company at its designated address and/or in the designated manner.

24. WAIVER AND AMENDMENT

- 24.1 The Company may at its discretion amend, add to, delete or substitute any of the terms in the Master Agreement and/or these General Terms and Conditions by sending to the Client a notice in writing. Such variation of the Master Agreement and/or these General Terms and Conditions shall be deemed to have been accepted by the Client unless written notice of objection from the Client is received by the Company within fourteen (14) Business Days after the date of dispatch of such notification by the Company to the Client.

25. JOINT CLIENTS

- 25.1 Where the Client consists of more than one person:
- (a) the liability and obligations of each of the Clients shall be joint and several and references to the Client shall be construed, as the context requires, to any or each of them;
 - (b) the Company shall be entitled to, but shall not be obliged to, act on instructions or requests from any of them;

- (c) each of the Clients shall be bound though any other Client or any other person intended to be bound is not, for whatever reason, so bound; and
- (d) the Company shall be entitled to deal separately with any of the Client on any matter including the discharge of any liability to any extent without affecting the liability of any others.

25.2 Where the Client consists of more than one person, on the death of any of such persons (being survived by any other such persons), the Master Agreement and/or these General Terms and Conditions shall not be terminated and the interest in the Account(s) of the deceased will thereupon vest in and enure for the benefit of the survivor(s) provided that any liabilities incurred by the deceased Client shall be enforceable by the Company against such deceased Client's estate. The surviving Client(s) shall give the Company written notice immediately upon any of them becoming aware of the occurrence of any such death.

26. CORPORATE ACTIONS

- 26.1 The Company shall use reasonable endeavors to notify the Client with regard to communications in respect of distributions or pecuniary entitlements requiring any election or decision by the Client, received by the Company in respect of securities held in the Account(s). The Company shall not be liable for any non-receipt, delay or failure in forwarding communications in sufficient time for instruction to be given by the Client, save in the case of fraud or wilful default of the Company.
- 26.2 The Company shall not be under any duty to investigate or participate in any meeting or any subscription, conversion or other rights in respect thereof or as regards to any merger, consolidation, reorganization, receivership, bankruptcy or insolvency proceedings, compromises or arrangement or to take any affirmative action in connection therewith except in accordance with written instructions issued by the Client and upon such conditions as to indemnity, provisions for expenses and otherwise as the Company may at that time require in its favor.

27. CONFLICT OF INTEREST

- 27.1 The Client acknowledges where applicable, that when the Company deals for the Account(s), it may have an interest, arrangement or relationship that is material in relation to the investment or transaction concerned. Such interests will not necessarily be separately disclosed to the Client prior to or at the time of any transaction or at any other time, unless required by the SFC Code of Conduct or Applicable Regulations.
- 27.2 The Company may effect transactions with or for the Client in which the Company has a material interest or relationship with another party which gives rise to an actual or potential conflict of interest with the Client. In such transactions, the Company will:
- (a) disclose such material interest or conflict to the Client before dealing in relation to such transactions; and
 - (b) execute such transactions on arm's length terms, consistent with best execution standards and at commission rates no higher than customary institutional rates.
- 27.3 Nothing herein contained shall be deemed to inhibit the Company from taking the following actions:
- (a) the Company may buy, sell, hold or deal in any securities or take the opposite position to the Client's order whether it is on the Company's own or any of the Group Companies' account or on behalf of its other clients;
 - (b) the Company and its directors, officers or employees may trade on its/ their own account or on the account of any of the Group Companies subject to any applicable regulatory

requirements;

- (c) instructing or otherwise procuring the purchase for the Client of securities held by the Company for its own account or held by any other of its Clients;
- (d) acting in any capacity for any other person or from buying, selling, holding or dealing in any securities for its own account or that of any other Group Company notwithstanding that instructions have at any time been received from or on behalf of the Client for the purchase, sale or holding of or other dealing in the same or similar securities;
- (e) with New Listing or New Issuance of Securities, the Company may assume different roles such as underwriter or sponsor;

and the Client hereby acknowledges and agrees that the Company may so act, buy, sell, hold, deal, or instruct provided that in any such case the terms of any such dealing are not less favorable to the Client than they would have been had the transactions been entered into with a party other than the Company or one of its Clients.

- 27.4 In any of the above-mentioned events, the Company shall not be obliged to account for any profits, commission, remunerations or benefits made or obtained.
- 27.5 The Company shall not be under any duty to disclose to the Client any fact or thing which comes to its knowledge or notice in the course of acting in any capacity for any other person or in its own capacity, except as required by the SFC Code of Conduct or Applicable Regulations.

28. TERMINATION

- 28.1 Without prejudice to Clauses 7, 14, and 35, the Master Agreement and/or these General Terms and Conditions shall continue in effect until terminated by either party giving not less than seven (7) Business Days prior written notice to the other.
- 28.2 Service of notice of termination by the Client pursuant to this Clause 28 shall not affect any transaction entered into by the Company pursuant to the Master Agreement and/or these General Terms and Conditions before the notice has been actually received by the Company.
- 28.3 Termination of the Master Agreement and/or these General Terms and Conditions shall not affect any outstanding orders or any legal rights or obligations which may already have arisen.
- 28.4 Notwithstanding this Clause 28, the Client shall have no right to terminate the Master Agreement and/or these General Terms and Conditions if the Client has open positions or outstanding liabilities or obligations.
- 28.5 Clauses 21, 23, 31.4, 32, 33 and 35 shall survive the termination of the Master Agreement and these General Terms and Conditions.

29. SEVERABILITY

- 29.1 Each of the provisions of the Master Agreement and/or these General Terms and Conditions is severable and distinct from the others and, if one or more of such provisions is or becomes illegal, invalid or unenforceable, the remaining provisions shall not be affected in any way.

30. ASSIGNABILITY

- 30.1 The provisions of the Master Agreement and these General Terms and Conditions shall be binding on and enure to the benefit of the successors, assigns and personal representatives (where applicable) of each party hereto provided that the Client may not assign, transfer, charge or otherwise dispose of any of the Client's rights or obligations hereunder without the prior written

consent of the Company. The Company may assign all or a part only of its rights and obligations under the Master Agreement and/or these General Terms and Conditions to any person without the prior consent or approval of the Client.

31. GENERAL

- 31.1 The Client authorizes the Company and any Group Company to contact from time to time such credit reporting agencies, credit bureaus and other information sources (both in Hong Kong and overseas) as it deems necessary or desirable for the Company to open and to maintain the Account and request them to conduct a credit enquiry (or a personal credit enquiry in case of an individual client) or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client.
- 31.2 Nothing herein contained shall place the Company under any duty to disclose to the Client any fact or thing which comes to its notice in the course of acting in any capacity for any other person or in its own capacity.
- 31.3 Whenever the Company deals with the Client, it will always be on the basis that only the Client is the Company's client and is acting as principal in all respects and so, if the Client acts on behalf of another person, whether or not the Client identifies him to the Company, he will not be the Company's client and the Company does not and will not have or accept any responsibility towards any person on whose behalf the Client may act.
- 31.4 Whilst the Client expects the Company to keep confidential all matters relating to the Account(s), the Client hereby expressly agrees that the Company may make such disclosure of all matters relating to the Account(s) as may be required under any laws, notices, orders, lawful requests or regulations of any relevant market, security, banking or governmental authority (including but not limited to any regulators, stock exchanges and clearing houses) without seeking additional consent from or giving notification to the Client. The Company may make such disclosures to its legal counsel and other professional advisers for the purpose of seeking the relevant advice. The Company may also make such disclosures to its Group Company, trade repositories, agents, brokers, service providers, or any relevant parties as required on a need-to-know basis. The Client agrees to provide any information requested by the Company for the purposes of complying with any such laws and regulations, in respect of the Client's Account(s) and/or services provided to the Client by the Company.
- 31.5 If the Company solicits the sale of or recommends any financial product to the Client, the financial product must be reasonably suitable for the Client having regard to his financial situation, investment experience, and investment objectives. No other provision of the Master Agreement and/or these General Terms and Conditions or any other document the Company may ask the Client to sign and no statement the Company may ask the Client to make derogates from this Clause. For the purpose of this clause, "financial product" means any securities, futures contracts and where applicable, leveraged foreign exchange contracts as defined under the SFO. Regarding "leveraged foreign exchange contracts", it is only applicable to those traded by persons licensed for Type 3 regulated activity.
- 31.6 Time shall in all respects be of essence in the performance of all of the Client's obligations under the Master Agreement and/or these General Terms and Conditions.
- 31.7 A failure or delay in exercising any right, power or privilege in respect of the Master Agreement and/or these General Terms and Conditions will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or future exercise of that right, power or privilege.
- 31.8 The Client hereby declares that he has read the English/Chinese version of the Master Agreement and these General Terms and Conditions and that the contents of the Master Agreement and these General Terms and Conditions have been fully explained to him by the

Company in a language that the Client understands and that the Client accepts and agrees to be bound by the Master Agreement and these General Terms and Conditions.

- 31.9 In the event of any difference in the interpretation or meaning of the Master Agreement and/or these General Terms and Conditions in different language versions, the Client and the Company agree that the English version shall prevail.

32. GOVERNING LAW

- 32.1 The Master Agreement and/or these General Terms and Conditions and all rights, obligations and liabilities shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region.
- 32.2 The Client hereby submits to the non-exclusive jurisdiction of the courts of Hong Kong in relation to all matters arising from or in connection with the Master Agreement and/or these General Terms and Conditions.

33. ARBITRATION

- 33.1 At the sole option of the Company and in its absolute discretion, any dispute, controversy or claim arising out of or relating to the Master Agreement and these General Terms and Conditions, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Hong Kong International Arbitration Centre Administered Arbitration Rules ("**HKIAAC Rules**") in force at the time when the Company notifies the Client that the relevant breach, termination or invalidity shall be settled by arbitration as may be amended by the rest of this Clause 33. The appointing authority shall be the Hong Kong International Arbitration Centre ("**HKIAAC**"). The place of arbitration shall be in Hong Kong at the HKIAC. There shall be only one arbitrator. The language to be used in the arbitral proceedings shall be English.
- 33.2 Notwithstanding the above, the Client who is an individual shall have the option to elect for any such disputes to be managed and resolved under the Financial Dispute Resolution Scheme administered by the Financial Dispute Resolution Centre Limited.

34. RIGHTS OF THIRD PARTIES

- 34.1 Any Group Company may enforce and rely on any provision of the Master Agreement and/or these General Terms and Conditions conferring a benefit on it to the same extent as if it were a party to the Master Agreement and these General Terms and Conditions. Save as aforesaid, a person who is not a party to the Master Agreement and/or these General Terms and Conditions has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) (the "**Third Parties Ordinance**") to enforce or to enjoy the benefit of any provision of the Master Agreement and/or these General Terms and Conditions.
- 34.2 Notwithstanding any provision of the Master Agreement and/or these General Terms and Conditions, the consent of any person who is not a party to the Master Agreement and/or these General Terms and Conditions is not required to rescind or vary the Master Agreement and/or these General Terms and Conditions at any time.

35. CLIENT IDENTITY RULE

- 35.1 The Company is required by the SFC, the SEHK and Hong Kong Futures Exchange (together, the "**Hong Kong Regulators**") to ascertain and record the identity, address and contact details of the persons for whom transactions involving securities or futures contracts that are listed or traded on a recognized stock market or a recognized futures market or a derivative (including an over-the-counter derivative, written over such securities or futures contracts) regardless of where such trades are effected are executed as well as the persons who give the instructions, pursuant to paragraph 5.4 of the SFC Code of Conduct and the Client Identity Rule Policy published by

the SFC (together, the "**Client Identity Rule**"). If requested, we are required to provide this information to the Hong Kong Regulators within two business days of their request or immediately after a transaction in exceptional market circumstances.

- 35.2 The Client may effect transactions described in paragraph 1 for the account of third party clients, whether or not on a discretionary basis, and whether as agent or nominee or by entering into matching transactions as principal with your clients (for the purpose of this Clause 35 only, each a "**Transaction**"). In effecting such Transactions, there may be circumstances in which the Client does not wish to disclose the above information to the Company. The Hong Kong Regulators allow the Company to comply with the Client Identity Rule if the Client provides the information directly to the Hong Kong Regulators.
- 35.3 The Client understands and agrees that notwithstanding any confidentiality obligation and whether or not the Client is the ultimate beneficiary or the person(s) ultimately responsible for giving instructions of a transaction executed through the Company (together, the "**Ultimate Owner(s)**"), the Company may without liability disclose information regarding the Client or Client account(s) to the Hong Kong Regulators, other regulators (together, the "**Regulators**") or any relevant parties on a need-to-know basis. In cases where the Client is not the Ultimate Owner(s), the Client further agrees and undertakes to provide, or to have arrangements with the Ultimate Owners for them to provide, directly to the Regulators, information relating to the identity of the Ultimate Owners as the Regulators may request, including without limitation, the names, addresses, occupation and contact details of the Ultimate Owners, notwithstanding any rights to confidentiality or secrecy, whether in law or otherwise, of the Client and/or the Ultimate Owners and/or any intermediary parties between the Client and the Ultimate Owners, within the time specified by the Regulators.
- 35.4 The Client confirms and agrees to comply with the provisions under the Client Identity Rule.
- 35.5 If the Client (and/or, where the Client acts directly or indirectly for third parties, those persons) is incorporated and/or domiciled in a jurisdiction in which there exist client and/or banking secrecy laws or other similar legal or regulatory rules ("Secrecy Laws"), which may restrict disclosure of the information as set out under Clause 35.2 above to the Company and/or the Hong Kong Regulators;
- (i) the Client waives the benefit of the Secrecy Laws in relation to any request by the Company and/or the Hong Kong Regulators for the information set out in clause 35.2 above;
 - (ii) where the Client acts directly or indirectly for third parties, the Client has obtained from such third parties (for whose account Transactions may be effected) waivers from the benefit of the Secrecy Laws in relation to any enquiry by the Company and/or the Hong Kong Regulators for the information set out in clause 35.2 above; and
 - (iii) the Client has obtained all relevant consents from its underlying clients for whose account Transactions may be effected to release to the Hong Kong Regulators the information set out in clause 35.2 above.
- 35.6 This Clause 35 shall continue in effect notwithstanding the termination of the Client's account and/or relationship with the Company. The Client accepts the aforesaid provisions by effecting or continuing to effect Transactions with the Company.