



**Astrum Capital Management Limited**

**阿仕特朗資本管理有限公司**

**Margin Client's Agreement**

**保證金客戶協議書**

(Corporate/Individual/Joint)

(公司／個人／聯名)

Securities and Futures Commission

證券及期貨事務監察委員會

Central Entity Number: ALY555

中央編號：ALY555

**Notice to Clients relating to the Personal Data (Privacy) Ordinance (the "Ordinance")**

**Reasons for the collection of personal data**

From time to time, it is necessary for clients to supply Astrum Capital Management Limited ("ACML") with data in connection with the opening or continuation of accounts and the establishment or continuation of provision of stock broking services.

Failure to supply such data may result in ACML being unable to open or continue accounts or continue provide stock broking services.

It is also the case that data are collected from clients in the ordinary course of the continuation of servicing relationship, for example, when clients withdraw cheques or physical share certificates.

**Purposes**

The purposes for which data relating to a client may be used are as follows:—

- the daily operation of the services provided to clients;
- conducting credit checks;
- assisting other financial institutions to conduct credit checks and collect debts;
- ensuring ongoing credit worthiness of clients;
- marketing financial services or related product; and
- meeting the requirements to make disclosure under the requirements of any law or regulation binding on ACML.

**Transfer of personal data**

Data held by ACML relating to a client will be kept confidential but ACML may provide such information to the following parties for the purposes set out in the above paragraph:—

- any agent, or third party service provider who provides securities clearing or other services to ACML in connection with the operation of its business;
- any other person under a duty of confidentiality to ACML including a group company of ACML which has undertaken to keep such information confidential;
- credit reference agencies, and, in the event of default, to debt collection agencies; and
- any person to whom ACML is under an obligation to make disclosure under the requirements of any law or regulation binding on ACML.

**Access and correction of personal data**

Under and in accordance with the terms of the Ordinance any individual has the right:—

- to check whether ACML holds data about him and of access to such data;
- to require ACML to correct any data relating to him which is inaccurate;
- to ascertain ACML's policies and practices in relation to data and to be informed of the kind of personal data held by ACML;
- in relation to client credit, to request to be informal 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.

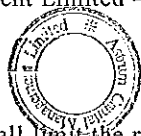
In accordance with the terms of the Ordinance, ACML has the right to charge a reasonable fee for the processing of any data access request.

The person to whom requests for access to data or correction of data or for information regarding policies and practices and kinds of data held are to be addressed as follows:—

The Data Protection Officer

Astrum Capital Management Limited — Room 2704, 27/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong.

Fax: | 25592880



Nothing in this Notice shall limit the rights of client under the Personal Data (Privacy) Ordinance.

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**Client's Information**  
(Corporate/Sole Proprietor/Partnership Account)

**Corporate Information**

Name of Account (in English)				
Name of Account (in Chinese, if any)				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private Ltd Co	Public Ltd Co	Sole Proprietor	Partnership	Others
Place of Incorporation			Date of Incorporation	
Certificate of Incorporation No.			Business Registration No.	
Nature of Business				
Registered Address				
Business Address (if different)				
Correspondence Address (if different)				
Tel No.		Fax No.		E-mail

**Internet Services**

<p>I/We request you to provide your internet services for my/our account opened with you. I/We agree that I/we shall be bound by the Terms in Connection with Internet Services set out in Appendix 3.</p> <p style="text-align: right;">Yes <input type="checkbox"/> No <input type="checkbox"/></p>
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**Persons authorized to operate the account (the "Authorised Persons")**

Name	HKID/Passport No.	Telephone No.	Specimen Signature

The signing instruction for Authorised Person is  
(Please specify signing singly; any two jointly or wholly etc.)

**Directors**

Name	HKID/Passport No.	Nationality

**Shareholders**

Name	HKID/Passport No.	Nationality	% of Shareholding

**Financial Position (in HK\$)**

Authorised Share Capital	Issued Share Capital
Turnover	Gross Profit/(Loss) for the last year
Net Equity	Net Profit/(Loss) for the last year

**Investment Objectives (Please tick as appropriate, you may tick more than one item.)**

Income	Capital Gain	Short Term Growth
Long Options	Write Covered Options	Write Uncovered Options
Hedging	Options Speculation	Options Strategic

**Investment Experience**

	Stocks	Warrants	Options	Futures
No. of Year(s)				
No. of Transaction per Year				
Typical Transaction Size (in HK\$)				

**Bank Reference**

Name of Bank		
Account Number		
Address		

The information provided above is true, complete and correct. Our company will notify your company of any material changes to the above information.

\_\_\_\_\_

Date

\_\_\_\_\_

Authorised Signature(s)

Please attach certified copies of the following documents:—

- Memorandum and Articles of Association
- Certificate of Incorporation
- Certificate of Business Registration
- Hong Kong Identity Card or Passport of all Authorised Persons; Directors and Shareholders
- The most recent Annual Return

## Margin Client's Agreement

To: ASTRUM CAPITAL MANAGEMENT LIMITED  
Room 2704, 27/F,  
Tower 1, Admiralty Centre,  
18 Harcourt Road, Hong Kong.



(Registered with the Securities and Futures Commission ("SFC") under The Securities and Futures Ordinance, CAP 571 to carry on the Dealing in Securities, Dealing in Futures Contracts, Asset Management and Advising on Corporate Finance.)

In consideration of your agreeing to act as my/our broker for the purpose of purchasing, investing in selling, exchanging, otherwise disposing of and generally dealing in and with all kinds of securities including but not limited to shares, stocks, warrants, options, bonds, debentures, notes, bills of exchange, certificates and commercial paper of any description whatsoever and wherever issued, quoted, dealt in or located (all of which are referred to as the "Securities"), and (where expressly agreed in writing between you and me/us) in consideration of your extending or continuing to extend credit to us in connection therewith, I/we request you to open and maintain, upon the terms and conditions of this Agreement, a securities dealing account in my/our name and at any time hereafter to open and maintain accounts in my/our name (all of which accounts referred to as the "Account(s)") as I/we may from time to time direct.

I/We acknowledge and agree that all Account(s) opened, maintained and operated in my/our name(s) or on my/our behalf will be opened, maintained and operated in accordance with my/our oral or written instructions, or to the extent authorised by me/us orally or in writing, at your discretion upon and subject to the following terms and conditions.

1. All transactions for my/our Account(s) and/or sub-account(s) shall be subject to the constitution, rules, regulations, by-laws, customs and usage of the Stock Exchange or such other foreign stock exchange or market or over-the-counter (the "Exchanges") and the Hong Kong Securities Clearing Company Limited or such other foreign clearing houses (the "Clearing House") in which you are dealing on my/our behalf whether in Hong Kong or elsewhere. All such transactions may be effected by you directly on any Exchanges where you are authorised to transact stock broking business, or at your option, on any Exchange indirectly through any other broker which you may at your discretion, decide to employ.
2. (a) Before any transaction is conducted on my/our behalf, I/we will put you in funds or arrange for you to be put in funds in time to enable you to discharge any and all liabilities incurred or to be incurred in connection with any transaction in securities on my/our behalf conducted on any Account(s) and will on demand pay to and/or reimburse you in respect of all brokerage, commissions, duties in respect of transactions in Securities made on my/our behalf or the holding or management of Securities on my/our behalf at such rate or rates as you may from time to time notify to me/us. I/We shall reimburse you, on demand, all fees and expenses of any nominee appointed by you and any stamp duty, fees or expenses incurred by you in connection with any transaction in Securities made on my/our Account(s) and/or on my/our behalf or with the opening, maintenance and operation of any Account(s) in my/our name or on my/our behalf and will on demand settle any debit balance on any Account(s), provided that where by express agreement in writing between me/us any credit is to be made available by you to me/us on any of the Account(s) (an account on which such credit is extended is said to be a Margin Securities Trading Account and is hereinafter referred to as a "Margin Account") I/we shall at all time maintain sufficient marginable collateral on the relevant Margin Account sufficient to comply with the margin requirement in respect thereof as determined by you in your

absolute discretion or which may be required by the rules of any exchange or market of which you are a member or through which you are trading. Without prejudice to Clause 5 below or any other rights you may have, if I/we commit a default in payment on demand of the deposits of margins or any other sums payable to you hereunder, on the due date therefore, or otherwise we fail to comply with any of the terms herein contained, you shall have the rights to close such Account(s) without notice to me/us and to dispose of any or all of the Securities held for or on my/our behalf and to apply the proceeds thereof and any cash deposit(s) to pay you all outstanding balances owed to you and I/we will be liable for any deficiency remaining after such Margin Account has been closed as aforesaid and will pay the amount of such deficiency to you upon demand. In the event that any money remains after such Margin Accounts has been closed in the manner as aforesaid such money shall be refunded to me/us;

- (b) unless otherwise agreed, I/we agree that when you have executed a purchase or sale transaction on my/our behalf, I/we will, by the due settlement date, make payment to you against delivery of or credit to my/our account for purchased securities, or make good delivery of sold securities to you against payment, as the case may be.

Unless otherwise agreed, I/we agree that should I/we fail to make such payment or delivery of securities by the due date as mentioned above, you are hereby authorised to:

- (i) in the case of a purchase transaction, to transfer or sell any such purchased securities to satisfy my/our obligations to you, or
- (ii) in the case of a sale transaction, to borrow and/or purchase such sold securities to satisfy my/our obligations to you.

I/We hereby acknowledge that I/we will be responsible to you for any loss, costs, fees and expenses in connection with transaction as described above;

- (c) you may at any time and from time to time in your absolute discretion determine that the margin requirement in respect of any Margin Account be increased and in such event we hereby agree to deposit with you such cash or additional security required by you to maintain a sufficient marginable collateral on such Margin Account sufficient to comply with the increased margin requirement;
- (d) every initial or subsequent deposit or cash into any Margin Account for the purpose of meeting any original or increased margin requirement as determined by you shall be made in such amount and currency as you may in your absolute discretion require;
- (e) any debit balances on the Margin Accounts and (if applicable) any amount made available by you by way of credit in connection with transactions in Securities on a Margin Account shall be charged with interest at such rate(s), not exceeding the Hong Kong Dollar Best Lending Rate quoted by the Hong Kong and Shanghai Banking Corporation +6% per annum, as demanded by you (after as well as before any judgement) and be calculated and payable on the last day of each calendar month or upon any demand being made by you and with such charges you may make in connection with the opening, maintenance and operation of the Margin Account and such other charges as you may make for your services and facilities as notified by you to me/us from time to time in writing;



- (f) all securities which you or any of your holding companies (as defined in the Companies Ordinance (Cap.32 of the laws of Hong Kong)) or any subsidiary (as defined in the Companies Ordinance) of any such holding company or any of your subsidiaries or any other company or person otherwise associated with you including those with whom you have any form of dealing, brokerage, agency or clearing relationship (each of which is referred to as an "Associate") may at any time be holding for me/us (whether individually or jointly with others) or which may at any time be in the possession of you or an Associate for any purpose and in whatever capacity shall be subject to a general lien in your favour and shall be held as security for the payment and discharge of any indebtedness and other obligations or liabilities on any of my/our Margin Account. In enforcing your lien, you shall have an absolute discretion to determine which Securities are to be sold and which contracts are to be closed;
- (g) you may at any time without notice, notwithstanding any settlement of account of other matter whatsoever, combine or consolidate all of or any of the Margin Accounts as are for the time being opened and maintained by me/us with any one of you, your holding companies (as defined in the Companies Ordinance) and the subsidiaries (as defined in the Companies Ordinance) of any such holding company, including the excising Accounts, for use in connection with the trading in Securities and/or other instruments or investments of any description whatsoever and wheresoever issued, quoted, dealt in or located and set-off or transfer any sum standing to the credit of anyone or more such Accounts wherever suitable in or towards satisfaction of any of my/our indebtedness, obligation or liability to you on any Account or in any other respect whatsoever, whether such indebtedness, obligations or liabilities be present or future, actual or contingent, primary or collateral, several or joint, secured or unsecured and when such combination, set-off or transfer requires the conversion of the currency into another such conversion shall be calculated at the spot rate of exchange (as conclusively determined by you) prevailing in such foreign exchange market as you may in your absolute discretion select on or about the date of the combination, set-off or transfer;
- (h) I/we shall promptly report to you any apparent discrepancy or error regarding orders executed on any Account and take all necessary actions to mitigate the potential effects that may otherwise result therefrom;
- (i) you may record all telephone conversations with me/us in order to verify our instruction to you. I/We agree to accept the contents of such recording as final and conclusive evidence of my/our instructions;
- (j) your records shall, in the absence of manifest error, be conclusive and binding on me/us as to the amount standing to the debit or credit of any of my/our Accounts;
- (k) it is expressly understood that the Securities may be purchased on my/our behalf in your name, in the name of a nominee appointed by you or in any street name in trust for me/us, or as I/we may direct and any transaction on any Account may be conducted by you through agents, clearing brokers or dealers which may include entities affiliated to you, that you shall have the right to disclose my/our identity to third parties in connection with any transaction on any Account where you in your sole discretion deem such disclosure necessary or appropriate;
- (l) notwithstanding any provision to the contrary in this Agreement you shall have the right in your absolute discretion at any time to close any Account in my/our name or maintained on my/our behalf without assigning any reason therefore;

- (m) I/we hereby:
- (i) authorise you to take all actions which you consider necessary or appropriate with a view to obtaining from third party Securities of the description required for the purpose of settling a sale of any Security on any Account as directed by me/us where I/we fail to supply you with the Securities required for the said purpose, including in that connection to give and carry out undertaking as to the return of Securities of the same quality and description as so obtained;
  - (ii) agree to reimburse you upon demand for any premium, interest or other expense incurred by you as a result of any such action so taken; and
  - (iii) without prejudice and in addition to any other indemnity given by me/us to you hereunder, undertake to indemnify you and hold you harmless from any liability, cost or expense which you may incur or be subjected to arising out of or in connection with any such action so taken, including (without limitation) the inability to settle any sale as a result of any failure to obtain the necessary Securities notwithstanding any such action so taken;
- (n) while you will use reasonable endeavors to comply with and fulfill any instruction I/we may give you concerning the operation of the Account(s) or in respect of any transaction in Securities to be made on the Account(s) and/or my/our behalf but (i) you are entitled at your entire discretion to refuse to carry out any such instruction and shall not be obliged to give any reason for any such refusal and (ii) I/we hereby acknowledge that you will not be liable for any loss that I/we may suffer whether directly or indirectly as a result of any inability of failure on your part to comply with or fulfill any such instruction or without prejudice to the generality of the foregoing, as a result of any loss caused directly or indirectly by government restriction, stock exchange or stock market, changes in any applicable laws or regulations, suspension in trading, wars, strikes or other circumstances or conditions beyond your control;
- (o) you or any nominee appointed by you as aforesaid shall have the right to hold any Securities on my/our behalf in accordance with your or their normal nominee arrangements including specific and/or general pooling arrangements, provided that I/we agree that in respect of any Securities held by you or any nominee appointed by you under this clause neither you nor such nominee shall be bound to return to me/us the identical Securities deposited with you so long as the Securities returned to me/us are of the same class denomination and nominal amount rank pari passu with those originally held by you or such nominee under this clause (subject to any capital reorganization that may have occurred in the meantime); and
- (p) each Account shall be maintained, and all transactions conducted thereon recorded, in such currency as you may from time to time upon my/our instruction (such currency as for the time being so determined being referred to as the "reference currency") and in respect of any transaction in Securities on any of the Account effected on any exchange or market in any other currency;
- (i) any profit or loss however arising as a result of exchange rate fluctuations affecting such other currency will be entirely for the account and risk of me/us and will accordingly be credited or debited (as the case may be) to the Accounts; and

- (ii) unless specially requested by me/us and agreed by you in writing, the amount to be debited or credited (as the case may be) to the relevant Account in respect of the relevant transaction will be the sum in the reference currency converted from the relevant amount in that other currency on the basis of the prevailing money market rate.
- 3. I/We agree to indemnify and hold you and your officers, employees and agents harmless from any loss, liability, cost or expense (including without limitation legal fees and expenses) which you may incur or be subjected to with respect to the Accounts or any transaction in Securities arising out of or connected with any breach by me/us of its obligation hereunder including any costs reasonably and necessarily incurred by you in collecting any debts due to you or in connection with the closure of the Accounts. Without prejudice to such indemnity or the generality of the foregoing I/we authorise you to debit from time to time and at any time to any of my/our Account any amount so incurred by you.
- 4. (a) This Agreement may be terminated at any time by written notice given by either party to this Agreement provided that this Agreement shall not be deemed to be terminated by us until at least two business days after your actual receipt of such written notice. Such notice shall be not affect any transaction entered into by me/us prior to its receipt and shall be without prejudice to any of your rights, powers or duties or ours prior to such receipt.  
  
(b) As soon as reasonably practicable following termination of this Agreement pursuant to sub-clause (a) above. You may (unless otherwise agreed with us) terminate all accounts (including the Account) in my/our name and all deposits of monies in or for such accounts, convert all monies held in or for such accounts into Hong Kong dollars and realize any charged securities. Subject to the full payment of all monies owed by me/us to you or your Associates, you shall either credit any balance on the account or send by mail at the risk of my/our account to its last known address a cheque in the amount of the credit balance of such accounts and send to me/us all documents of title (including where relevant stock transfer) relating to Securities in such accounts.
- 5. (a) Any one of the following events shall constitute an event of default ("Event of Default"):
  - (i) my/our failure to pay any purchase price or other payments under this Agreement when due;
  - (ii) the filing of a petition in bankruptcy, winding up or the commencement of other analogous proceedings against me/us;
  - (iii) the levying of attachment against the Account(s);
  - (iv) my/our default in the due performance or observance of any terms of this agreement; and
  - (v) any consent, authorisation or board resolution required by me/us to enter into this Agreement being wholly or partly revoked, suspended, terminated or ceasing to remain in full force and effect.  
(b) If an Event of Default occurs, without prejudice to any other rights or remedies that you may have against me/us and without further notice to me/us, you may at your sole discretion:
  - (i) cancel any or all outstanding orders or any other commitments made on my/our behalf;
  - (ii) close any or all contracts between you and me/us, cover any short position with you through the purchase of Securities on the Exchange or liquidate any long position with you through the sale of Securities on the Exchange; and or

- (iii) you shall be entitled to sell, dispose of or otherwise deal with in whatever manner any security in the Account(s) and any collateral security deposited by me/us with you.
6. If this Agreement is executed by more than one person the expression "we" shall be deemed to refer to each such person who so executes this Agreement and all our obligations and liabilities contained in this Agreement shall be a joint and several obligation or liability and each such person shall be jointly and several bound by all of the provisions of this Agreement. If this Agreement is executed by a company, firm or other body the expression "we" shall be deemed to refer to such company, firm or other body as the case may be.
  7. I/We hereby expressly acknowledge that each transaction made on any Account is made on my/our behalf in reliance only upon my/our own judgment. I/We acknowledge that in the event you or any of your employees express any view or provide to me/us from time to time any trading or market information, published research reports or other similar forms of report or information, neither you nor your employees shall incur any liability whatsoever therefore and no guarantee, express or implied, of profitability or loss limitation is given in relation thereto. It is understood that I/we assume full responsibility for the risk of loss associated with transactions effectuated or to be effectuated, for and on my/our behalf.
  8. I/We, if individuals, warrant that I/we am/are of full age.
  9. I/We acknowledge and accept that you may, as in your absolute discretion think fit, act as dealer for your own account or as broker for some third party, and not as our agent, in relation to any transaction in Securities.
  10. In the event that you have to obtain the Securities, which you have purchased on my/our behalf, in the open market, following the failure of the selling broker to make delivery on the settlement day, you will be responsible for any difference in price and all incidental expenses in connection with such open market purchase provided that where a purchase or sale of Securities has been concluded between the seller and me/us or the selling broker (other than you) and you are instructed to record such transaction in accordance with the Rules of the Stock Exchange as aforesaid.
  11. I/We authorise you to conduct a credit enquiry or check on me/us for the purpose of ascertaining my/our financial situation and investment objectives.
  12. The information contained in the "Client's Information" set out in Page 1, 2 and 3 to this Agreement or otherwise supplied by me/us on my/our behalf to you in connection with the opening of an Account(s) is complete, true and correct. You are entitled to rely on such information until written notice from me/us of any changes therein has been received by you.
  13. Any Securities deposited with you or purchased by you on my/our behalf and held by you for safekeeping may at your discretion either be:
    - (i) registered in your name or in the name of your nominee; or in any street name; or
    - (ii) deposited in safe custody in a designated account of your banker or with another institution which, in the case of Securities traded in The Stock Exchange of Hong Kong Limited has to the satisfaction of the Securities and Futures Commission, provided facilities for the safe custody of documents. Any Securities kept outside Hong Kong shall be subject to the applicable laws, rules, regulations and customs and/or bye-laws.

14. If any dividends or other distributions or benefits are accrued from any Securities deposited with you which are not registered in my/our names, my/our account with you shall be credited on payment made to me/us as may be agreed with the proportion of the total number or amount of relative Securities held on my/our behalf.

When purchasing securities I/we may decide not to have the securities re-registered into either my/our name or the name of the your nominee in order to avoid not being able to trade the securities during the registration period. If I/we decide not to re-register the securities. I/We acknowledge that I/we run the risk for foregoing any dividend which may be declared in respect of the securities.

I/We understand that if I/we wish to receive of any dividend then prior to the book closing date, such securities will have to be re-registered and I/we have the option of registering securities in my/our name(s) or the name of your nominee.

In the event that the securities are registered in the name of your nominee, I/we understand that you will credit my/our account with any dividend or other distributions of benefits accruing in accordance with Clause 15 of this Agreement.

I/We acknowledge that if any securities are registered in my/our name(s) then the receipt by me/us of any dividend is a matter for me/us and the company in which the securities are concerned and/or the company's registrar.

15. Subject to any agreement in writing between you and me/us to the contrary, I/we authorise you at any time and from time to time to withhold, withdraw, pay to yourselves and retain for your own use and benefit absolutely any and all amounts at any time and from time to time earned, accrued, paid, credited or otherwise derived by way of interest or premium from the retention at any time or from time to time of (i) any amount in any trust account established by you under the Securities and Futures (Client Money) Rules of the Securities and Futures Ordinance and (ii) any amount at any time paid to or received or held by you or any of your nominee, agents, representatives, correspondents or bankers for my/our Accounts in any other circumstances, for any purpose of purchase to any transaction. Unless, the account balance amounts to above HK\$50,000 or US\$10,000 or equivalent to US\$10,000 in other currencies. In which case you will be credited interest at such rates as you shall determine or I/we shall negotiate specially with you.
16. While I/we expect you to keep confidential all matters relating to my/our account, I/we expressly agree that you may, if requested by the Exchanges and/or Clearing Houses, provide to the Exchange and/or Clearing House details of our account, in order to satisfy them with any investigation or enquiry they are undertaking.
17. Every transaction executed on the instructions of me/us on the floors of those Exchanges shall be subject to a transaction levy and to any levies Exchanges may from time to time impose. You are authorised to collect any such levies in accordance with the rules prescribed by the Exchanges from time to time.
18. In respect of any transaction duly concluded on the trading floor of the Exchanges, the rules of the Exchanges and the Clearing Houses in particular those rules relating to trading and settlement, shall be binding on both you and me/us.
19. I/We acknowledged that there are risks in leaving Securities in your custody or in authorising you to deposit Securities as collateral for loans or advances made to you or in authorising you to borrow or loan Securities.

20. In the event I/we suffer pecuniary loss as a result of a default committed by you, the liability of the compensation fund established under the Securities and Futures Ordinance (Cap.571) Subsidiary Legislation, Securities and Futures (Investor Compensation Claims) Rules will be restricted to the extent provided therein.
21. (a) This Agreement shall be binding upon my/our heirs, executors, administrators, personal representatives and assigns and shall remain in effect and be binding upon me/us notwithstanding any amalgamation or merger that may be affected by me/us, who shall not be entitled to assign, transfer or otherwise dispose of to any person, company or firm any of our rights or obligations hereunder without your prior written consent.
- (b) You shall have the right to assign, transfer or otherwise dispose of to any person, company or firm all or any interest in your rights hereunder and to delegate or sub-contract the performance of any of your obligations hereunder.
- (c) Words denoting the singular shall include the plural and vice versa, reference to one gender shall include all genders and words denoting person shall include a firm of sole proprietorship, partnership, syndicate and corporation and vice versa.
- (d) Without prejudice to any other effective mode of giving or making the same, any notice, demand or other communication posted to me/us at the address(es) given on page 1, 2 and 3 shall, until you have received notice in writing of a different address, be deemed to have been personally delivered to me/us on the business day following dispatch by you.
- (e) The failure of any party hereto at any time or times to require performance by the other party of any provision of this Agreement shall in no way affect the right of such party to require performance of that or any other provision and any waiver by any party of any breach of this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself or a waiver of any other right under this Agreement.
- (f) Should any provision of this Agreement be declared void of unenforceable by any competent authority or court this shall not affect the other provisions of this Agreement which are capable of severance, which shall continue unaffected.
22. I/We hereby authorise you to release my/our name(s) and address(es) to the Hong Kong Securities Clearing Company Limited ("CCASS") so as enable us to receive corporate communication directly from the listed companies in which I/we am/are shareholder(s).
23. I/We hereby undertake to inform you when a sell order is in respect of securities which I/we do not own i.e. is a short sale.
24. You will not be responsible for any loss and/or damages of whatever nature suffered by the breakdown or failure of transaction or communication facilities including computer breakdown and/or failure beyond your reasonable control or anticipation.
25. In the event that I/we instruct you to operate the Account(s) to trade any Securities listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited, I/we agree that I/we shall be bound by the terms and conditions set out in Appendix 1. In the operating the accounts for trading of securities listed on GEM, the terms and conditions set out in Appendix 1 shall prevail in case of any inconsistency between the terms and conditions set out in Appendix 1 and those set out herein.

26. In the event that I/we instruct you to operate the Account(s) to trade options, I/we agree that I/we shall be bound by the terms and conditions set out in Appendix 2.
27. In the event that I/we instruct you to open any account(s) which I/we can operate through the internet or I/we use the service provided by your website, I/we agree that I/we shall be bound by the terms and conditions set out in Appendix 3.
28. I/We declare that the contents of this Agreement have been fully explained to me/us in a language with which I/we am/are fully conversant with, and I/we fully accept and agree to be bound by all of the terms and conditions contained in this Agreement.
29. This Agreement shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region and I/we hereby submit to the non-exclusive jurisdiction of the Courts of the Hong Kong Special Administrative Region.

Date at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_,

(If the client is an Individual Account)

SIGNED by \_\_\_\_\_ )

\_\_\_\_\_ )

In the presence of:—

(If the client is a Corporation/Sole Proprietor/Partnership Account)

SIGNED by \_\_\_\_\_ )

\_\_\_\_\_ )

for and on behalf of

In the presence of:—

(If the client is a Joint Account)

(1) Joint holder's name \_\_\_\_\_ )

(2) Joint holder's name \_\_\_\_\_ )

(3) Joint holder's name \_\_\_\_\_ )

(4) Joint holder's name \_\_\_\_\_ )

(\*If there are more than four joint holders, an additional signature page should be attached)

In the presence of:—

Acknowledged and accepted by

for and on behalf of  
**Astrum Capital Management Limited**

\_\_\_\_\_  
Authorised Signatures



## **Risk Disclosure Statements**

### **RISK OF SECURITIES TRADING**

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

### **RISK OF TRADING OPTIONS AND DERIVATIVE WARRANTS**

The risk of loss in trading options and derivative warrants are substantial. In some circumstances, you may sustain losses in excess of your initial margin funds, Placing contingent orders, such as "stop-loss" or "stop-limit", orders will not necessarily avoid loss. Market conditions may make it impossible to execute such orders, You may be called upon at short notice to deposit additional margin funds. If the required funds are not provided within the prescribed time, your position may be liquidated. You will remain liable for any resulting deficit in your account. You should therefore study and understand options and derivative warrants before you trade and carefully consider whether such trading are suitable in the light of your own financial position and investment objectives. If you trade options and derivative warrants you should be aware of exercise and expiration procedures and your rights and obligations upon exercise or expiry.

### **RISKS OF CLIENT ASSETS RECEIVED OR HELD OUTSIDE HONG KONG**

Client assets received or held by the licensed or registered person outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap.571) and the rules made thereunder.

Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

### **RISK OF PROVIDING AN AUTHORITY TO HOLD MAIL OR TO DIRECT MAIL TO THIRD PARTIES**

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

### **RISK OF TRADING GROWTH ENTERPRISE MARKET STOCKS**

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

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

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

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

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

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

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

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

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

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

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

## **RISK OF MARGIN TRADING**

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

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

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

**ACKNOWLEDGEMENT BY CLIENT**

I/We acknowledge and confirming that:

- the Risk Disclosure Statements were provided in a language of my/our choice (English or Chinese); and
- I/we was/were invited to read the Risk Disclosure Statements, to ask questions and take independent advice if I/we wish.

\_\_\_\_\_

Date

Client's Signature(s)

**DECLARATION BY REGISTERED PERSON**

I, \_\_\_\_\_, confirming that I have:

- provided the Risk Disclosure Statements in a language of the client's choice (English or Chinese); and
- invited the client to read the Risk Disclosure Statements, ask questions and take independent advice if the client wishes.

\_\_\_\_\_

Date

SFC CE Number

Registered Person's Signature

## Authorisation Letter for Margin Account

Date:

Astrum Capital Management Limited  
Room 2704, 27/F,  
Tower 1, Admiralty Centre,  
18 Harcourt Road, Hong Kong.



Dear Sirs,

I/We \_\_\_\_\_ hereby, pursuant to the Securities and Futures Ordinance (CAP 571) Subsidiary Legislation Securities and Futures (Client Securities) Rules, to authorise you, for a period of twelve months from the date hereof in relation to all securities purchased or held for or on my/our behalf to:—

- (i) deposit such securities as collateral for loans or advances made to you by an authorised institution as defined by the Banking Ordinance;
- (ii) deposit such securities with Hong Kong Securities Clearing Company Limited as collateral for the discharge and satisfaction of your obligations and liabilities under the General Rules of the Central Clearing and Settlement System. I/We understand that Hong Kong Securities Clearing Company Limited will have a first fixed charge over my/our securities to the extent of your obligations and liabilities;
- (iii) deposit such securities as The SEHK Options Clearing House Limited (“SEOCH”) collateral in respect of Exchange Traded Options business; and
- (iv) borrow or lend such securities for the purpose of the fulfilment of settlement obligations between members of The Stock Exchange of Hong Kong Limited (the “Exchange”).

Such stock borrowing and lending is to be in accordance with the Exchange regulations. Any consideration payable by or to me/us for the borrowing, lending, or deposit of securities under this authorisation is to be set by separate treaty.

You may do any of these things without giving me/us notice.

You remain responsible to me/us for securities borrowed, loaned, or deposited under this authorisation.

I/We understand that such securities may be subject to liens of third parties and return of such securities to me/us may be subject to satisfaction of such liens.

Yours faithfully,

\_\_\_\_\_  
Client's Signature(s)

## Instructions For Joint Account

In consideration of your carrying a joint account for the undersigned, the undersigned jointly and severally agree that the authorised persons designated by us herein (as may be amended from time to time) shall have authority on behalf of the joint account to instruct you to buy, sell (including short sales) and otherwise deal in, through you as brokers, any and all kinds of securities including, but not limited to shares, stocks, warrants, options, bonds, debentures, notes, bills of exchange, certificates and commercial paper of any description whatsoever and wheresoever issued, dealt in or located (all of which are referred to as "Securities"), on margin or otherwise; to receive on behalf of the joint account demands, notices, confirmations, reports, statements of account and communications of every kind; to receive on behalf of the joint account Securities, money and property of every kind and to dispose of same; to make on behalf of the joint account agreements relating to any of the foregoing matters and to terminate or modify the same or waive any of the provisions thereof; and generally to deal with you on behalf of the joint account as fully and completely as if he alone were interested in said account. all without notice to the other or others interested in said account. You are authorised to follow the instructions of any of the undersigned in every respect concerning the said joint account with you and to make deliveries to any of the undersigned, or upon his instructions, of any or all Securities in said joint account, and to make payments to any of the undersigned, or upon his instructions, of any or all Securities in said joint account; and to make payments to any of the undersigned, or upon his order, if any or all monies at any time or from time to time in the said joint account as he may order and direct, even if such deliveries and/or payments shall be made to him personally and not for the joint account of the undersigned as aforesaid; you shall be under no duty or obligation to inquire into the purpose or propriety of any such demand for deliveries of Securities or payments of monies, and you shall not be bound to see to the application or disposition of the said Securities and/or monies so delivered or paid to any of the undersigned or upon his order. The authority hereby conferred shall remain in force until written notice of the revocation addressed to you is delivered at your main office.

The liability of the undersigned with respect to said account shall be joint and several. The undersigned further agree jointly and severally that any and all property and monies you may at any time be holding or carrying for anyone or more of the undersigned shall be subject to a lien in your favour for the discharge of the obligations of the joint account to you, such lien to be in addition to and not in substitution of the rights and remedies you otherwise would have.

It is further agreed that in the event of the death of either or any of the undersigned, the survivor or survivors shall immediately give you written notice thereof, and you may, before or after receiving such notice, take such proceeding, require such papers and tax waivers, retain such portion of and/or restrict transactions in the account as you may deem advisable to protect you against tax, liability, penalty or loss under any present or future laws or otherwise. The estate of any of the undersigned who shall have died shall be liable and each survivor shall continue liable, jointly and severally, to you for any net debit balance or loss in said account in any way resulting from the completion of transactions initiated prior to the receipt by you of the written notice of the death of the decedent or incurred in the liquidation of the account or the adjustment of the interests of the respective parties.

\*(a) It is the express intention of the undersigned to create an estate or account as joint tenants with rights of survivorship and not as tenants in common. In the event of the death of either of the undersigned, the entire interest in the joint account shall be vested in the survivor or survivors on the same terms and conditions as theretofore held, without in any manner releasing the decedent's estate from the liability provided for in the next preceding paragraph.

\*(b) In the event of the death of either or any of the undersigned the interests in the account as of the close of business on the date of the death of the decedent (or on the next following business day if the date of death not a business day), shall be as follows:-

\_\_\_\_\_ or his or her estate: \_\_\_\_\_ %

Name of Participant

\_\_\_\_\_ or his or her estate: \_\_\_\_\_ %

Name of Participant

\_\_\_\_\_ or his or her estate: \_\_\_\_\_ %

Name of Participant

but any taxes, costs, expenses or other charges becoming a lien against or being payable out of the account as the result of the death of the decedent, or through the exercise by his or her estate or representatives of any rights in the account shall, so far as possible, be deducted from the interest of the estate of such decedent. The provision shall not release the decedent's estate from the liability provided for in the paragraph next preceding "(a)" above.

Subject to the provisions hereof, all notices or communications for the undersigned in respect of the joint account are to be directed to as follows:-

Name(s) \_\_\_\_\_

Address \_\_\_\_\_  
(give one address only)

\_\_\_\_\_  
Date Specimen Signature(s) of the joint account holder

\_\_\_\_\_  
Date Specimen Signature(s) of the joint account holder

\_\_\_\_\_  
Date Specimen Signature(s) of the joint account holder

\* Strike out paragraph (a) or (b) whichever is inapplicable, and if paragraph (b) is retained, fill in the names and percentage amounts of the interests of the respective parties.

## Minutes of Board Meeting for Corporate Account

IT IS HEREBY RESOLVED: That this corporation, \_\_\_\_\_

\_\_\_\_\_ be, and it hereby is, authorised and empowered to open and maintain a margin account with Astrum Capital Management Limited, and its successors, by merger, consolidation or otherwise, and assigns, hereinafter called the brokers, for the purchase and sale of any and all kinds of securities including, but not limited to shares, stocks, warrants, options, bonds, debentures, notes, bills of exchange, certificates and commercial papers of any description whatsoever and wheresoever issued, quoted dealt in or located (all of which are referred to as "Securities") on margin or otherwise, on exchanges of which the brokers are members or otherwise, and that any of the officers hereinafter named be, and he hereby is, authorised to give written or verbal instructions by telephone, or electronic mail, or otherwise, to the brokers to buy or sell Securities, either for immediate or future delivery and, if he deems proper, to secure payment therefore with property of this corporation; and he shall at all times have authority in every way to bind and obligate this corporation for the carrying out of any contract, arrangement or transaction which shall, for or on behalf of this corporation, be entered into or made with or through the brokers; and that the brokers are authorised to receive from this corporation, cheques and drafts drawn upon the funds of this corporation by any officer or employee of this corporation, and to apply the same to the credit of this corporation or to its account with said brokers and the said brokers are authorised to receive from said officer(s) or from any other officer or employee of this corporation, Securities for the account of this corporation with said brokers; said brokers are further authorised to accept instructions from any officer herein named as to the delivery of Securities from the account of this corporation and at his direction to cause certificates of Securities held in said account to be transferred to the name of any officer hereinafter named or of this corporation in the discretion of said officer; and delivery to any such officer of such Securities, issued as directed by him, shall be deemed delivery to this Corporation; and any such officer shall have the fullest authority at all times with reference to any transaction deemed by him to be proper to make or enter into for or on behalf of this corporation with the brokers or others. All confirmations, notices and demands upon this corporation may be delivered by the brokers verbally or in writing, or by electronic mail, or by telephone to any such officer and he is authorised to empower any person, or persons, that he deems proper, at any time, or times, to do any and all things that he is hereinbefore authorised to do. This resolution shall be and remain in full force and effect until written notice of the revocation hereof shall be delivered to the brokers. The officer(s) hereinbefore referred to are named as follows:

(1) \_\_\_\_\_

(2) \_\_\_\_\_

I, \_\_\_\_\_ Chairman and Director of \_\_\_\_\_ hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the unanimous vote of the Board of Directors of said company at a meeting duly called and held at the office of said company on the \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_\_\_\_, at which meeting all directors were present and voting; that said resolution appears in the minutes of said meeting, and that the same has not been rescinded or modified and is now in full force and effect.

I further certify that said corporation is duly organized and existing, and has the power to take the action called for by the foregoing resolution.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chairman & Director of the Meeting

APPENDIX 1

**Terms in Connection with Trading Securities Listed on GEM**

**1. THE ACCOUNT**

- 1.1 I/We confirm that the information provided in the "Client's Information" set out in the page 1, 2 and 3 is complete and accurate. I/We inform you of any change to that information. You are authorized to conduct credit enquiries on me/us to verify the information provided.
- 1.2 You will keep information relating to my/our Account confidential, but may provide any such information to the Exchange and the SFC to comply with their requirements or requests for information.

**2. LAW AND RULES**

All transactions in securities traded on GEM which you effect on my/our instructions ("Transaction(s)") shall be effected in accordance with all laws, rules and regulatory directions applying to you. This includes the rules of the Exchange and of the Hong Kong Securities Clearing Company Limited (the "Clearing House"). All actions taken by you in accordance with such laws, rules and directions shall be binding on me/us.

**3. TRANSACTIONS**

- 3.1 You will act as my/our agent in effecting Transactions unless you indicate in the contract note for the relevant Transaction or otherwise that you are acting as principal.
- 3.2 I/We will notify you when a sale order relates to securities which I/We do not own i.e. involves short selling.
- 3.3 On all Transaction, I/we will pay you commissions and charges, as notified to me/us, as well as applicable levies imposed by the Exchange, and all applicable stamp duties. You may deduct such commissions, charges, levies and duties from the Account.
- 3.4 Unless otherwise agreed, in respect of each Transaction, unless you are already holding cash or securities on my/our behalf to settle the Transaction, I/we will

- pay you cleared funds or deliver to you securities in deliverable form or
- otherwise ensure that you have received such funds or securities

by such time as you have notified me/us in relation to the Transaction. If I/we fail to do so, you may

- in the case of a purchase Transaction, sell the purchased securities and
- in the case of a sale Transaction, borrow and/or purchase securities in order to settle the Transaction.



- 3.5 I/We will be responsible to you for any losses and expenses resulting from my/our settlement failures.
- 3.6 I/We agree to pay interest on all overdue balances (including interest arising after a judgment debt is obtained against me/us) at such rates and on such other terms as you have notified me/us from time on time.
- 3.7 In the cases of a purchase Transaction, if the selling broker fails to deliver on the settlement date and you have to purchase securities to settle the Transaction, I/we shall not be responsible to you for the costs of such purchase.

#### 4. SAFEKEEPING OF SECURITIES

4.1 Any securities which are held by you for safekeeping may, at your discretion

- (in the case of registrable securities) be registered in my/our name or in the name of your nominee; or
- be deposited in safe custody in a designated account with your bankers or with any other institution which provides facilities for the safe custody of documents. In the case of securities in Hong Kong, such institution shall be acceptable to the SFC as a provider of safe custody services.

4.2 Where securities are not registered in my/our name, any dividends or other benefits arising in respect of such securities shall, when received by you, be credited to my/our Account or paid or transferred to me/us, as agreed with you. Where the securities form part of a larger holding of identical securities held for your clients, I/we shall be entitled to the same share of the benefits arising on the holding as my/our share of the total holding.

4.3 You do not have my/our written authority under section 6 of the Securities and Futures (Client Securities) Rules:—

- (a) deposit any of my/our securities with a banking institution as collateral for an advance or loan made to you, or with the Clearing House as collateral for the discharge of your obligations under the clearing system
- (b) borrow or lend any of my/our securities
- (c) otherwise part with possession (except to me/us or any my/our instructions) of any of my/our securities for any purpose.

#### 5. CASH HELD FOR ME/US

Any cash held for me/us, other than cash received by you in respect of Transactions and which is on-paid for settlement purposes or to me/us, shall be credited to a client trust account maintained with a licensed bank as required by applicable laws from time to time.

6. I/WE WILL SIGN AND ACKNOWLEDGE WHEN ENTERING INTO THIS AGREEMENT A RISK DISCLOSURE STATEMENTS IN THE FORM APPEARING IN THE PAGE TO THIS AGREEMENT.

7. GENERAL

7.1 All securities held for my/our Account shall be subject to a general lien in your favour, for the performance of my/our obligations to you arising in respect of dealing in securities for me/us.

7.2 If you fail to meet your obligations to me/us specified herein, I/we shall have a right to claim under the Compensation Fund established under the Securities and Futures Ordinance, subject to the terms of the Compensation Fund from time to time.

7.3 You will notify me/us of material changes in respect of your business which may affect the services you provide to me/us.

7.4 I/We confirm that I/We have read and agree to the terms herein, which have been explained to me/us in a language that I/we understand.

## APPENDIX 2

### Terms in Connection with Trading Options

1. In these Terms, words and expressions defined in the Options Trading Rules and Clearing Rules have the same meanings.
2. All Exchange Traded Options Business shall be subject to and, in relation to such business, I/we and you shall be bound by the relevant provisions of the constitution, the Exchange Rules, the Options Trading Rules, the Clearing Rules, regulations, bye-laws, customs and usages of the Exchanges, the Hong Kong Securities Clearing Company Limited ("HKSCC") and the SEHK Options Clearing House Limited ("SEOCH") and of the laws of the Hong Kong Special Administrative Region.
3. I/We consent to the creation, exercise, settlement, and discharge of Client Contracts and contemplated by the Options Trading Rules and the Clearing Rules and agree to be bound by the terms and conditions as laid out in the Standard Contract of all Client Contracts to which I/we am/are party.
4. All Exchange Traded Options Business are subject to a Transaction Levy. You are authorized to collect any such levy in accordance with the Options Trading Rules.
5. In the event that you commit a default as defined in the Securities and Futures Ordinance and I/we thereby suffer a pecuniary loss, I/we understand that the rights to claim under the Compensation Fund established under the Securities and Futures Ordinance will be restricted to the extent provided for therein.
6. You may place limits on the positions that may be held or exercised by me/us. In addition, I/we understand that subject to the Options Trading Rules and Clearing Rules, the Options Trading Member ("OTM") may be required to close or give-up Client Contracts as will result in the OTM complying with position limits prescribed by the Exchange, or where the OTM is in default, the default procedures of the Exchange, and that the result of such could be the closing or give-up of one or more Client Contracts to which I/we am/are party.
7. Premium is payable in respect of an Options Contract. The Premium to be charged shall be settled in cash. I/We agree to pay such Premium to you within the time period required by you and notified to me/us. Where you purchase, sell, or exercise an Options Contract in accordance with the instructions of me/us, I/we shall pay commission as agreed with you. You shall provide me/us with prior notice of any other fees or charges applicable to my/our options account.
8. I/We agree to pay margin to you in relation to Exchange Traded Options Business as required by the Options Trading Rules and in such additional amounts and at such times as may be required by you and notified to me/us.
9. Delivery obligations shall arise when a Client Contract is validly exercised. I/We shall perform such delivery obligations in accordance with these Terms and the Standard Contract and in a manner consistent with the performance of the corresponding delivery obligations under the Options Trading Rules.
10. If I/we commit a default in payment of Premium, delivery of margin, performance of delivery obligations, or otherwise fail to comply with any of the terms contained in these Terms, without prejudice to any other rights you may have, you shall have the right, and I/we hereby authorize you; to decline to take further instructions from me/us in respect of Exchange Traded Options

Business; to close, give-up or exercise some or all of the Client Contracts to which I/we am/ are party; to enter into any Contracts for the purpose of hedging risk to which are exposed as a result of my/our default; to make, on an exchange or otherwise, any contract for the sale, purchase or other acquisition or disposal of any securities, futures contracts or commodities for the purpose of meeting obligations, or of hedging risks to which I/we am/are exposed, in relation to my/our default; to dispose of some or all of the SEOCH Collateral (other than cash) held for or on behalf of me/us and apply the proceeds thereof, plus any cash SEOCH Collateral held for or on behalf of me/us, to all outstanding balances of me/us owing to you; and to dispose of any or all securities held for or on behalf of me/us in order to set off any obligations of me/us and to exercise any rights of set off you may have in relation to me/us. Any monies remaining after such application shall be refunded to me/us.

11. I/We undertake to indemnify you and your officers, employees and agents for any loss, cost, claim, liability or expense arising out of or connected with any breach by me/us of the obligations hereunder including, any costs reasonably and necessarily incurred by you in collecting any debts due to you or in connection with the closure of the options account.
12. You shall not, without my/our prior written consent, deposit any of my/our securities as security for any loans or advances made to you, or lend or otherwise part with the possession of any of my/our securities for any purpose.
13. Whilst I/we expect you to keep confidential all matters relating to my/our Exchange Traded Options Business, I/we hereby expressly agree that you may, if requested by the Exchange or the Securities and Futures Commission ("the Commission"), provide the name of me/us and details of my/our Exchange Traded Options Business. I/We agree to immediately notify you, on request, of the identity of persons ultimately beneficially interested in Client Contracts and that this information may be disclosed to the Exchange or the Commission.
14. I/We warrant that the information supplied by or on behalf of me/us to you in page 1, 2 and 3 to this agreement in connection with the opening of an options account is complete, true and correct.
15. I/We warrant that I/we am/are the true owner of the account and that I/we am/are not holding the account on behalf of or for the benefit of any other person, or where the foregoing is not applicable, a signed declaration by me/us stating the name of the person for whom or for whose benefit I/we am/are holding the account together with my/our warranty that I/we am/are not holding the account on behalf of or for the benefit of person other than the named person.
16. I/We warrant that either: (i) I/we am/are the sole beneficial owner of all securities I/we deliver to you from time to time as SEOCH Collateral for my/our obligations to you in relation to Exchange Traded Options Business and that there are no other equitable interests or rights in, or rights or remedies arising from a breach of fiduciary duty in relation to, such securities; or (ii) each person with any beneficial or equitable interest or rights in, or rights or remedies arising from a breach of fiduciary duty in relation to such securities has consented to such securities being delivered to you as SECOH Collateral for my/our obligations to you in relation to Exchange Traded Options Business. This warranty shall be repeated each time securities are delivered to you by reference to the circumstances then existing.
17. If applicable, I/we have obtained the consent of each other person with any beneficial or equitable interest or right in, or right or remedy arising from breach of fiduciary duty in relation to, any securities, that: (a) you or your General Clearing Member ("GCM") may deliver to transfer such securities to SEOCH or any nominee of SEOCH (including Hong Kong Securities Clearing Company Limited and its nominee companies) for the purpose of securing all your or

your GCM's obligations to SEOCH; (b) you or your GCM may charge in favor of SEOCH and agree to mortgage in favor of SEOCH; by way of first legal mortgage, such securities and all rights against any person in relation thereto as security for all your or your GCM's obligations to SEOCH free of my/our (or their) interest therein with the intent the SEOCH's security interest shall, until the first legal mortgage takes effect, be by way of first fixed charges; and (c) such charge and agreement to mortgage will have priority over any other beneficial or equitable interest or rights in or over such securities.

18. I/We understand that, in the event of a default by you, SEOCH may sell or otherwise dispose of such securities on the terms of the charge and agreement to mortgage granted to SEOCH by you or your GCM and may appropriate the proceeds towards satisfaction of your or its obligations to SEOCH. I/We also understand that you or its obligations to SEOCH, secured by such charge, and distinct from and have no necessary correlation with my/our own obligations, if any, to you.
19. I/We understand that HKSCC will not recognize any interest in the securities other than that of SEOCH and I/we agree that I/we will not seek to assert my/our interest against HKSCC or SEOCH. I/We understand that this appendix 2 will be delivered by you to SEOCH and that SEOCH will rely on the warranties and agreement contained herein.
20. I/We authorize you to conduct a credit enquiry or check on me/us for the purpose of ascertaining the financial situation of me/us.
21. I/We acknowledge that where there is a change in the capital structure or composition of the issuer of the underlying security of an option class, or in other exceptional circumstances, SEOCH may make such adjustments to the terms and conditions of that option class as are, in its opinion, necessary or desirable to ensure that all parties to Contracts comprised in open positions in that option class are traded fairly. I/We agree that all such adjustments shall be binding on me/us.
22. You may, where requested by me/us, and in accordance with my/our instructions, request the give-up of Client Contracts of me/us to a different Options Trading Member. I/We agree that, upon acceptance of such request, any Client Contract between you and me/us shall, by operation of the Options Trading Rules and this Agreement, immediately be novated into a new Client Contract, on identical terms to that Client Contract, between the other Options Trading Member and I/we, as principals to such contract. If the request is not accepted, the original Client Contract shall remain in full force and effect, as if the give-up had never been requested.
23. I/We confirm that am/are not an employee of any other Options Trading Member and that no employee of any other Options Trading Member will have a beneficial interest in my/our options account.

## APPENDIX 3

### Terms in Connection with Internet Services

1. I/We consent to the use of the Internet Services made available to me/us from time to time (a) as a means of communications between you and me/us for the placing of orders for the purchase and sale of the Securities, and (b) as a medium of communication between you and me/us in connection with all other matters relating to the Internet Account(s), including access to the Internet Account(s) and the transmission of data, statements, notices, demands and other documents.
2. I/We agree that any notice, demand and other communication to me/us may be effectively given by telex, facsimile, telephone or electronic mail to any number notified to you from time to time for the purpose and shall be deemed to be received when sent (in the case of telex or electronic mail) or communicated (in the case of telephone) or upon receipt of a transmission confirmation (in the case of facsimile transmission) and that such notice, demand or communication is not required to be signed by you or on your behalf.
3. I/We acknowledge that I/we have read and understood the terms and conditions relating to the use, operation and procedures of the Internet Services made available to me/us on your Internet Website, and further acknowledge that such terms and conditions may be amended from time to time, which shall be binding on me/us in respect of my/our use of the Internet Services and the Internet Account(s).
4. I/We acknowledge that I/we shall be the only user authorised by you to use the Internet Services and agree to use the Internet Services only in accordance with the terms and conditions set out in this Appendix 3 and in your Internet Website (if any) from time to time. I/We undertake not to tamper with or alter in any way, or otherwise access or attempt to gain access to any part of the Internet Services other than authorised under this Appendix 3.
5. I/We agree:
  - (a) to keep my/our identification and access codes for use of the Internet Services confidential and will use the same for all dealings in the Securities transacted through the Internet Services;
  - (b) that all dealings in the Securities transacted through the Internet Services using my/our identification and access codes shall be binding on me/us and deemed to be transacted by me/us, and that I/we shall be solely responsible for all orders so communicated through the Internet Services; and
  - (c) the contents of the transactions recorded on your Internet Website, subject to your confirmation in writing to me/us, shall be final and conclusive.
6. I/We undertake to notify you immediately if I/we become aware of any unauthorised use or access of my/our identification and access codes or the Internet Services or any of the information provided through the Internet Services by any other person.

7. I/We acknowledge that:
  - (a) the analysis, commentary and market, financial and other information (the "Information") made available through the Internet Services or other means from time to time is prepared by you or obtained from stock exchanges and third party service providers who may or may not be related to you;
  - (b) the copyright of the information is owned by you, the relevant service providers or third party proprietors and that I/we undertake not use, reproduce, redistribute, disseminate or commercially exploit any such information in any way other than for my/our personal noncommercial purpose; and
  - (c) you and/or the providers of the Information shall be under no liability whatsoever in connection with any of the Information (including but not limiting to its accuracy, reliability, completeness or timeliness), or for any reliance or decisions by me/us on any of the Information provided through the Internet Services.
8. I/We agree to pay all subscription and service fees, if any, that you may charge from time to time for the use of the Internet Services.
9. Notwithstanding any provision herein, you shall be entitled to terminate my/our access to the Internet Services or any part thereof at your absolute discretion without any notice to me/us.
10. I/We undertake to fully indemnify you, your directors, officers or employees against all claims, demands, actions, losses, damages, costs (including legal costs) and expenses, resulting from any breach of the terms herein or in respect of any claims by any person in respect of the use of the Internet Services by me/us.
11. I/We acknowledge and agree that you and your directors, officers, employees and agents shall not be responsible or liable for any loss suffered or which may be suffered by me/us arising from any delay or failure in the transmission, receipt, execution or confirmation of orders due to any breakdown, interruption or failure of transmission of the Internet Services or any communication equipment or facilities or to any unauthorised access, tampering or alteration of the Internet Services and/or the Information contained therein or to any other causes beyond your control or anticipation including but not limited to restriction imposed by the government or any stock exchange, suspension of trading in securities, severe weather conditions, earthquakes and strikes, and if I/we experience any problems in communicating with you through the Internet Services, I/we shall use other alternative means available to me/us to communicate with you.
12. I/We acknowledge and accept the following risks associated with the use of the Internet Services as a means of communication:
  - (a) the Internet is an inherently unreliable medium of communication and provision of information due to the public nature of the communication and that the security, reliability and capacity of such means of communication and provision of services depends upon various factors beyond your control, including the operation of service providers and the equipment and facilities used by such providers and other users;
  - (b) there may be congestion, interruption, breakdown or failure of transmission of the Internet Services or any communication equipment or facilities, errors, omissions or delays in the transmission and receipt of orders and other information and in the execution and confirmation of orders which may result in orders not necessarily being executed at the prices indicated on the Internet;

- (c) there may be unauthorised access, tampering, modification or alteration of the Internet Services and/or any part or component thereof which may result in the manipulation, unlawful use, theft or loss of information, including my/our personal data.
13. I/We confirm that I/we have read the terms and conditions and that the contents herein have been fully explained to me/us in a language which I/we understand, and that I/we accept the terms and conditions of this Appendix 3.