

GLORY SUN SECURITIES LIMITED

寶新證券有限公司

Terms & Conditions (English version)

條款及條件（英文版本）

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## Section A General Terms & Conditions

In consideration of GLORY SUN SECURITIES LIMITED (“GSSL”) of Room 2309, 23/F., China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong (exchange participants of the Stock Exchange of Hong Kong Limited (both Stock Exchange and Stock Options Exchange under SEHK) and clearing participants of the Hong Kong Securities Clearing Company Limited; and a licensed corporation (CE No. AEZ 062) with the Securities and Futures Commission in respect of carrying on the regulated activities of dealing in securities, advising on securities and asset management) agreeing the Client identified in the Account Opening Form to open one or more accounts with GSSL and providing services to the Client in connection with securities trading with or without margin financing facilities, options contracts trading and/or discretionary asset management (as the case may be) the Client HEREBY AGREES that all Transactions executed by GSSL for and all acts and activities in relation to any Account shall be subject to the Agreement (including without limitation the General Terms and Conditions and the Additional Terms and Conditions applicable to the services provided by GSSL) as amended from time to time notified to the Client. GSSL’s current provisions of the Agreement are hereinafter set out:

### PART I - DEFINITIONS

1. In this Agreement, unless the context otherwise requires, the following words and phrases shall bear the following meanings:

<b>Access Codes</b>	such password(s), and/or form(s) of personal identification (in numeric, alpha-numeric or other format, usually known as login name) prescribed by GSSL from time to time, whether used alone or in conjunction with each other, for gaining access to the Electronic Trading Service;
<b>Account</b>	any Cash Account, Margin Account, Options Account, Asset Management Account;
<b>Account Opening Form</b>	the account opening form or other document (however described) prescribed by GSSL from time to time and provided by or on behalf of the Client to GSSL in respect of an application to open an Account;
<b>Agreement</b>	the written agreement between the Client and GSSL regarding the opening, maintenance and operations of the Account(s) as amended from time to time, including but not limited to the General Terms and Conditions, the applicable Additional Terms and Conditions, the Account Opening Form, Risk Disclosure Statement, Personal Data Privacy Statement, Fee Schedule and any other supplemental documents and any authority given by the Client to GSSL with respect to the Account(s);
<b>Asset Management Account</b>	any account, as indicated as such in the Account Opening Form, opened by the Client with GSSL for asset management on a discretionary basis by GSSL;
<b>Authorized Person</b>	the person or any of the persons designated in or pursuant to this Agreement to issue instructions as authorized by the Client in relation to an Account;
<b>Cash Account</b>	any cash account, as indicated as such in the Account Opening Form, opened by the Client with GSSL for trading of Securities (excluding Options Contracts) without Margin Facility;
<b>Charge</b>	the charge over the Collateral in favour of GSSL to secure repayment of the Secured Obligations in accordance with Clause 2 of the Additional Terms and Conditions – Dealing in Securities (Margin Account), and includes such modification or supplement from time to time;
<b>Clearing House</b>	in relation to SEHK, HKSCC, SEOCH or other body appointed by or established and operated by SEHK to provide clearing services to exchange participants of SEHK; in relation to any other Exchange in any part of the world on which Securities are bought and sold, any clearing house providing similar services for such Exchange;
<b>Client</b>	the person(s) with whom GSSL has entered into this Agreement and such person’s successors in title and (if appropriate) personal representatives whose name(s) and other identity details

	set out the Account Opening Form and shall include each Authorized Person;
<b>Code of Conduct</b>	Code of Conduct for Persons with the Securities and Futures Commission issued by the SFC and as amended from time to time;
<b>Collateral</b>	all Securities, money and any other properties provided by the Client to GSSL or purchased or received by GSSL for the Client or otherwise which come to possession, custody or control of GSSL or other persons on behalf of GSSL which are charged to GSSL as security under the Clause 2 of the Additional Terms and Conditions – Dealing in Securities (Margin Account) “ <b>Securities Collateral</b> ” refers to the Securities comprised in the Collateral;
<b>Electronic Media</b>	any electronic or telecommunications media, including but not limited to the internet, interactive television systems, telephone, wireless application protocol or any other electronic or telecommunications devices or systems as GSSL may from time to time determine and prescribe;
<b>Electronic Trading Service</b>	any facility provided or to be provided by GSSL from time under the Agreement which enables the Client to give instructions relating to any Transaction in the Account(s) through any Electronic Media;
<b>Event(s) of Default</b>	any of the events of default as specified in Clause 5 of the General Terms and Conditions, Clause 4 of the Additional Terms and Conditions – Dealing in Securities (General) and Clause 4 of the Additional Terms and Conditions – Dealing in Securities (Options Trading);
<b>Exchange</b>	SEHK (comprising Stock Exchange and Stock Options Exchange under SEHK) and any other exchanges, markets or associations of dealers in any part of the world on which Securities are bought and sold;
<b>Financial Product</b>	any securities or futures contracts as defined under the SFO;
<b>Hong Kong</b>	The Hong Kong Special Administrative Region of The People’s Republic of China;
<b>HKSCC</b>	Hong Kong Securities Clearing Company Limited and its successors or assignees;
<b>Investor Compensation Fund</b>	The Investor Compensation Fund established pursuant to the SFO;
<b>Margin</b>	the amount, whether cash or non-cash Collateral as may from time to time be demanded by GSSL from the client by way of margin, variation adjustments or cash adjustments or otherwise in relation to the amount drawn under Margin Facility for the purpose of protecting GSSL against any loss or risk of loss on present, future or contemplated obligations arising from Margin Facility including and not being less than amount of margin required by the relevant Clearing House (if applicable), and “Margin Requirements” means the requirements set by GSSL in respect of the collection and specifications of Margin;

<b>Margin Account</b>	any margin account, as indicated as such in the Account Opening Form, opened by the Client with GSSL for trading of Securities (excluding Options Contracts) with Margin Facility;
<b>Margin Facility</b>	the credit facility provided by GSSL to the Client to facilitate the acquisition of Securities and the continued holding of those Securities under the Margin Account and for other related purposes;
<b>Open Contract</b>	an Options Contract which has not been closed out;
<b>Options Account</b>	any account, as indicated as such in the Account Opening Form, opened by the Client with GSSL for trading of Options Contracts;
<b>Options Contract</b>	any “Client Contract” as defined in the Options Trading Rules of the SEHK;
<b>Personal Data Privacy Statement</b>	GSSL’s general statement in relation to the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and any subsidiary legislation made thereunder as amended, consolidated or substituted from time to time;
<b>Risk Disclosure Statement</b>	the risk disclosure statement provided by GSSL to the Client before the opening of the Account and/or from time to time in form prescribed by the SFC from time to time;
<b>Secured Obligations</b>	all money, obligations or liabilities in any currency (together with any accrued interest) falling due, owing or incurred by the Client to GSSL under the Margin Account (including without limitation the obligations to satisfy the margin requirements and delivery obligations arising out of the Client’s contracts), or to GSSL under any other accounts now and in the future, whether actually or contingently, whether solely or jointly with others;
<b>Securities</b>	includes (a) items under the definition of securities in Schedule 1 to the SFO; (b) all investment products listed or traded on Exchanges; and (c) any investment products prescribed by GSSL as such, and includes (unless otherwise stipulated) Options Contracts;
<b>SEHK</b>	The Stock Exchange of Hong Kong Limited and its successors or assignees;
<b>SEOCH</b>	The SEHK Options Clearing House Limited and its successors or assignees;
<b>SFC</b>	in relation to Hong Kong, The Securities and Futures Commission constituted under the SFO, in relation to any other regions, other statutory bodies performing similar functions as The Securities and Futures Commission and have jurisdiction over the relevant Exchanges;
<b>SFO</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any subsidiary legislation made thereunder amended, consolidated or substituted from time to time; and
<b>Transaction</b>	the purchase, sale, exchange, disposal of, enter into and close out an agreement of and general dealing (including but not limited to deposit and withdrawal) in Securities (including Options Contracts) and/or any other investment products, the disposition of funds, and the drawing and repaying under the Margin Facility on behalf the Client on a discretionary basis or otherwise in connection with this Agreement.

2. In this Agreement, words importing the singular shall, where the context permits, include the plural and vice versa and words importing gender or neuter include both gender and neuter. The expression “person” shall include any firm, partnership, association of persons and body corporate and any such persons acting jointly and the personal representatives or successors in titles of any such person. References to “writing” shall include telex, cable, facsimile transmission, mail and texts transmitted through Electronic Media (email). Headings and any arrangements into separate clauses and/or paragraphs are for convenience only. Any reference to Clauses or Schedules in the General Terms and Conditions or in the Additional Terms and Conditions is a reference to the clauses of or the schedules to General Terms and Conditions or the Additional Terms and Conditions respectively, unless otherwise stated.

## PART II – GENERAL TERMS AND CONDITIONS

### 1. COMPLIANCE WITH LAWS AND REGULATIONS

- 1.1. All Transactions shall be subject to this Agreement and, in respect of those Exchange and/or Clearing Houses where the Transactions are processed, to the constitution, rules, regulations, practices, procedures and administrative requirements, as amended from time to time of the relevant Exchange and/or Clearing House (including but not limited to SEHK, HKSCC and SEOCH, if applicable), and to all applicable laws (including but not limited to the SFO) and rules and regulations of the relevant government agencies and statutory bodies of competent jurisdictions (including but not limited to the SFC) whether imposed on the Client or GSSL directly or indirectly as amended from time to time, and to all procedures and policies of GSSL in effect from time to time with respect to the operation and maintenance of the Accounts and the Transactions. All Transactions shall also be subject to the terms of business of dealer or other persons who are involved in the processing of the Transactions where GSSL deems fit.
- 1.2. Client whose Transactions are executed in markets other than those organized by SEHK may have a markedly different level and type of protection in relation to those Transactions as compared to the level and type of protection afforded by the rules, regulations, practices, procedures and administrative requirements of SEHK, HKSCC and/or SEOCH, .
- 1.3. The Client confirms that:
- a) in the event of any conflict between (I) this Agreement and (II) any constitution, rules, regulations, practices, procedures and administrative requirements of the relevant Exchange and/or Clearing House, laws, rules and regulations (collectively the “**Regulations**”), the latter shall prevail;
  - b) GSSL may take or omit to take any action it considers fit in order to ensure compliance with the Regulations including with limitation, adjusting any Account, disregarding any unexecuted orders or rescinding any executed Transactions;
  - c) the Regulations as are so applicable and all such actions so taken shall be binding upon the Client; and
  - d) the Client shall be responsible for obtaining in advance and maintaining any governmental or other consents required in connection with the Client’s entering into of this Agreement or GSSL effecting any Transaction in connection with this Agreement.
- 1.4. This Agreement shall not operate insofar as it removes, excludes or restricts any rights of the Client or obligations of GSSL under the laws of Hong Kong, any other relevant law and/or the rules and regulations of the relevant government agencies and statutory bodies of competent jurisdictions (including but not limited to the SFC). If any provisions hereof are or should become inconsistent with any present or future law, rule or regulation of the SFC, SEHK, HKSCC, SEOCH, and/or any Exchange and/or any Clearing House or any other relevant authority or body having jurisdiction over the subject matter of this Agreement, such provision shall be deemed to be rescinded modified or constructed in accordance with any such law, rule or regulation. In all other respects this Agreement shall continue and remain in full force and effect.

### 2. DEALING

- 2.1. GSSL shall act as an agent of the Client and not as a principal in relation to any Transaction undertaken by GSSL under this Agreement except where GSSL gives notice to the Client to the contrary.
- 2.2. If the Client is acting on behalf of any other person when instructing GSSL pursuant to this Agreement, GSSL will continue to treat the Client alone (rather than any such other person) as its customer for all purposes and in relation to all obligations, and the Client will be liable as such. This applies even if the Client is acting on behalf of a person whom the Client has notified to GSSL and no such person will be an “indirect customer”. GSSL shall have no responsibility for compliance by the Client with any law or regulation governing the Client’s conduct as a fiduciary, if applicable.
- 2.3. The Client hereby acknowledges that GSSL and its directors, employees may from time to time trade on their own accounts. Furthermore, the Client acknowledge the existence of GSSL’s interest, relationship or arrangement that is material in relation to any instruction received or Transaction effected for the Client and GSSL has no duty to disclose to the Client any information of such. In particular, GSSL may, without informing the Client:

- a) effect Transactions through GSSL or others;
- b) effect Transactions with the Client as a principal for account of GSSL or others;
- c) take position opposite to the order (provided that such trade is executed competitively in accordance with the rules and regulations of the relevant Exchange) of the Client either for its own account or others;
- d) match the Client's orders with those of other client of GSSL or others; and/or
- e) combine the Client's order with orders of GSSL or other clients of GSSL for execution.

and neither GSSL nor its the related parties shall be obliged to account to the Client or any third party for any profits or benefits received in connection therewith. In event of insufficient Securities to satisfy orders so combined as mentioned in the above paragraph (e), GSSL may in its absolute discretion allocate the transactions between clients, having due regard to market practice and fairness to the concerned clients. The Client acknowledges and accepts that such combination and/or allocation may on some occasions operate to the Client's advantages and on other occasions to the Client's disadvantages. However, GSSL shall take all reasonable steps to avoid conflicts of interest and where such conflicts cannot reasonably be avoided take all reasonable steps to ensure that clients are at all times treated fairly.

- 2.4. The Client understands and confirms its agreement that GSSL may record conversations with the Client whether conducted on the telephone or through any other media or otherwise by tape or electronic means for security, control or record purposes.
- 2.5. Subject to the applicable laws and regulations, GSSL may in its absolute discretion determine the priority in the execution of the orders received from its clients, having due regard to the sequence in which such orders were received and the Client shall not have any claim of priority to another client in relation to the execution of any orders received by GSSL, provided always that orders of clients should have priority over orders of the account of GSSL or any account in which GSSL has an interest or the account of any employee or agent of GSSL.

### 3. MONEY IN THE ACCOUNT(S)

- 3.1. The money of the Client in the Account, after discharging all the indebtedness of the Client owing to GSSL and/or its associates, shall be treated and dealt with in compliance with the provisions of the SFO. The money of Client (including the Client's approved debt securities and approved securities), after discharging all the indebtedness of the Client owing to GSSL and/or its associates, which is received and held by GSSL on behalf of the Client in Hong Kong shall be deposited with a segregated account which is designated as a trust account of client account and maintained by GSSL in Hong Kong with an authorized financial institution or any other person approved by the SFC for such purpose and that all monies, securities or other property so held by GSSL shall not form part of the assets of GSSL for insolvency or winding up purposes but shall be returned to the Client promptly upon the appointment of a provisional liquidator, liquidator or similar officer over all or any part of GSSL's business or assets. GSSL may pay the money of the Client out of the segregated account in accordance with a standing authority pursuant to the SFO or in accordance with Client's instructions or written directions.
- 3.2. For so long as there exists any indebtedness to GSSL on the part of the Client, GSSL may refuse any withdrawal of money, Securities and/or Collateral in the Account and the Client shall not without consent of GSSL withdraw any such money, Securities and/or Collateral.
- 3.3. Except as otherwise agreed, the Client agrees that no interest will accrue to the Client on any accounts (including any Margin) held in the Account or for GSSL on behalf of the Client and GSSL may retain for its own benefit any and all amounts derived by way of interest on the Client's money.

### 4. CHARGES, COSTS AND EXPENSES

- 4.1. The Client agrees to pay to GSSL all commission, brokerage or other remuneration payable on all Transactions (including those pursuant to Clause 5) at the rates established from time to time by GSSL. The Client also agrees to reimburse GSSL on a full indemnity basis for all applicable levies (including but not limited to levies imposed by the Exchanges, Clearing Houses and the SFC), fees, stamp duties, expenses and other charges in respect of or connection with the Transactions. Commissions and brokerage are subject to charge from time to time and can be ascertained by contacting GSSL. GSSL may impose additional charges for special or other services furnished at the request of the Client.

4.2. The Client agrees to pay GSSL the following:

- a) all subscription, service and usage fees, which are payable 1 month in advance as prescribed by GSSL and the fees are non-refundable;
- b) Exchange information licence fees, and/or any fees/levies charges in connection with the Account and/or Transactions by Exchanges or other third parties or authorities;
- c) any other reasonable fees and charges imposed by GSSL from time to time for services and facilities rendered to the Client; and
- d) interest on all outstanding sums (including any monies advanced to the Client) at such rate and at such mode as GSSL shall notify the Client in writing, and GSSL may at its discretion vary the rate of such fees and subscription at any time and from time to time without notice.

4.3. The Client acknowledges:

- a) that (i) every purchase or sale recorded on the stock market operated by SEHK or notified to the SEHK, (ii) every Exchange Contract and (iii) every Options Contract, is subject to the charge of an Investor Compensation Fund levy and a levy pursuant to the SFO and the cost of each such charge and levy attributable to the Client shall be borne by the Client; and
- b) that in the case of a default committed by GSSL and the Client having suffered pecuniary loss thereby, the liability of the Investor Compensation Fund will be restricted to valid claims as provided for in the SFO and will be subject to the monetary limits specified in the SFO and accordingly that there can be no assurance that any pecuniary loss sustained by reason of such a default will necessary be recouped from the Investor Compensation Fund in full, in part, or at all.

4.4. The Client undertakes to pay interest to GSSL on all overdue balances owed by the Client to GSSL (including interest arising after a judgment debt is obtained against the Client) at a rate equivalent to 5% per annum over GSSL's actual cost of funds or the prime lending rate of a Hong Kong bank at the relevant time, whichever is higher, and such interest will be calculated and payable on the last day of each calendar month or at such time as GSSL may determine.

4.5. The Client agrees that, subject to applicable law and the SFC's requirements, GSSL is entitled to solicit, accept and retain for GSSL's own benefit any rebate, brokerage, commission, fee benefit, discount and/or other advantage from any Transaction effected by GSSL. GSSL may also offer at its absolute discretion any benefit or advantage to any person in connection with such Transaction.

4.6. The Client may have been introduced to GSSL by any introducing broker, trading adviser or other third party and the Client agrees that GSSL may share GSSL's commissions and fees charged to the Client with any such person.

4.7. Notwithstanding any other provisions in this Agreement, the Client shall pay all indebtedness to GSSL on demand or earlier when due and at GSSL's request shall deposit such cash, Securities or Collateral with GSSL and maintain such as security with GSSL as GSSL deems satisfactory. The Client shall at GSSL's request from time to time deposit (at GSSL's absolute discretion) sufficient cleared funds in the Account before carrying out any Transaction.

5. DEFAULT

5.1. The following shall constitute events of default (the "**Events of Default**"):

- a) (for Client being an individual) the death of the Client or the Client becoming incapacitated from due performance of the terms and conditions of this Agreement;
- b) the filing of a petition in bankruptcy or, as the case may be, dissolution, winding up or the commencement of other analogous proceedings, the appointment of a receiver, liquidator, administrator, trustee or other analogous officer, or merger or consolidation with any non-affiliated party, in respect of the Client;
- c) the levy or enforcement of any attachment, execution or other process against the Client;

- d) default by the Client in the due performance or observance of any of the terms and conditions of this Agreement;
- e) any representation or warranty made in or in pursuance of this Agreement or in any certificate, statement or other document delivered to GSSL being or becoming incorrect in any material respect;
- f) any of the consents, authorizations, approvals, licenses, or board resolutions required by the Client to enter into this Agreement or any Transaction being modified in a manner unacceptable to GSSL or being wholly or partly revoked, withdrawn, suspended or terminated or expiring and not being renewed or otherwise failing to remain in full force and effect;
- g) the continued performance of the Agreement becomes illegal or claim by any government authority to the illegal;
- h) the Client being in breach, voluntary or otherwise, of any of the conditions contained herein or of the constitutions, rule and regulations of any Exchange or Clearing House;
- i) material adverse change in the financial position, including sale of a substantial portion of the business or assets of the Client;
- j) the occurrence of any event which, in GSSL's sole discretion, GSSL reasonably considers that the continued performance of the Agreement shall or might put in jeopardy GSSL's rights and interests; and
- k) the occurrence of any other event(s) of default as set out in this Agreement.

5.2. Without prejudice to any other right or remedy which GSSL may have, if any one or more Events of Default occur, GSSL shall be authorized, in its absolute discretion, to take one or more of the following actions no matter separately, successively or concurrently (but shall not be bound to take any such action):

- a) cancel any or all outstanding orders or Transactions or any other commitments made on behalf of the Client and/or decline to take any further orders from the Client;
- b) call upon any security including but not limited to guarantees and letters of credit which may have been issued to or in favour of GSSL as securities for the Account(s);
- c) set-off, combine, consolidate, realise and/or sell all or any of the Accounts or accounts maintained by the Client with GSSL (including any money or client Securities or Collateral or other properties under such accounts);
- d) exercise any of its rights under the Agreement; and/or
- e) terminate this Agreement forthwith,

PROVIDE ALWAYS THAT a prior tender or demand for any Collateral or deposit or call of any kind from GSSL, or prior or outstanding demand or call from GSSL, or notice of the time and place of the sale or purchase shall not be considered a waiver of any of GSSL's rights granted by the Agreement.

5.3. After deducting all costs and expenses incurred in connection with taking any action referred to in Clause 5.2, Clause 4.2 of the Additional Terms and Conditions – Dealing in Securities (General), and similar clauses in any other applicable Additional Terms and Conditions (collectively the “**Default Action Clauses**”), GSSL may apply any remaining proceeds, if any, to settle the payment of any liabilities owed by the Client to GSSL; and in the event such proceeds are insufficient for the payment of liabilities the Client shall promptly upon demand and, notwithstanding that the time originally stipulated for settlement may not then have arrived, pay to GSSL and indemnify and hold GSSL harmless against any differences or deficiencies arising therefrom or in any Account, together with interest thereon and all professional costs (including solicitor's and counsel's fees on a full indemnity basis should GSSL in its absolute discretion refer the matter to legal advisers) and/or costs and expenses incurred by GSSL in connection with the Account or the enforcement of any outstanding position in the Account which shall be for the account of the Client and property deductible by GSSL from any funds of the Client in its possession.

5.4. Without prejudice to Clause 5.3, GSSL may place any of the proceeds obtained from performing any actions in the Default Action Clauses to the credit of a suspense account with a view to preserve the rights of GSSL to prove for the whole of GSSL's claim against the Client in the event of any proceedings in or analogous to bankruptcy, liquidation or arrangement for so long as GSSL in its absolute discretion determines without any obligation to apply the same or any



part thereof in or towards discharge of any debts or liabilities due to or incurred by the Client to GSSL.

5.5. The Client acknowledges that GSSL is entitled to exercise its right under this Clause 5 when it is reasonable and necessary for its protection having regard to (i) the nature of the Securities and Margin trading in particular the volatility in the prices of Securities.

## 6. LIEN, SET OFF AND COMBINATION OF ACCOUNTS

6.1. In addition and without prejudice to any general liens, right of set-off or other similar rights to which GSSL is entitled under law or this Agreement, all Securities (including Options Contracts), receivables, monies (in any currency) and other property of the Client (held by the Client individually or jointly with others) held by or in possession of GSSL at any time shall be subject to a general lien in favour of GSSL as continuing securities to offset and discharge all of the Client's obligations, arising from the Transaction, Margin or otherwise, to GSSL.

6.2. In the event that the Client has more than one accounts (of any nature whatsoever including accounts of other clients guaranteed by the Client and whether in single or joint names) maintained with GSSL then, in addition to and without prejudice to any general liens or similar rights, GSSL may by itself at any time, and without notice to the Client, combine or consolidate all or any of them and set-off or transfer any monies (in any currency) and/or any other properties standing to the credit of any one or more than one of them in or towards satisfaction of any of the liabilities to GSSL of the Client on any such account or in any other respect, including liabilities under facilities (including Margin Facility) or accommodation for any unexpired fixed term or in respect of dealings in Securities (including Options Contracts) or under guarantees or indemnities or any other instruments whatsoever given or assumed by GSSL at the Client's request, whether such liabilities are present or future, actual or contingent, primary or collateral and joint or several. For the purpose of this Clause, the Client shall deliver to GSSL for every twelve-month period a written standing authority in respect of client money duly signed and completed by Client.

6.3. Where any such set-off or combination requires the conversion of one currency into another, such conversion shall be calculated at the rate of exchange (as determined by GSSL and binding in all respects upon the Client) utilized by GSSL in GSSL's normal course of business for such currencies at the time of the combination or set-off.

6.4. The right of set off in this Clause is a continuing security and is in addition and without prejudice to any security interest GSSL may now or hereafter hold. In respect of any payments to set off any liabilities or obligations of the Client to GSSL, GSSL shall not be concerned with whether or not such liabilities or obligations exist provided that demand has been made on GSSL.

6.5. Nothing herein shall restrict the operation of any general lien or other rights or lien whatsoever which GSSL may have, whether by law or otherwise, and the rights of set-off conferred hereby are in addition and without prejudice to any general right of set-off arising by law or rights granted to GSSL by Clause 5 or 6 of any lien, guarantee, bill, note, mortgage or other security now or hereafter held by GSSL.

## 7. ASSIGNMENT AND SUCCESSION

7.1. The Client shall not assign, delegate, transfer or otherwise dispose of any rights or obligations under this Agreement without prior written consent of GSSL.

7.2. Subject to the provision of the SFO and any applicable law, GSSL may assign, delegate, transfer or otherwise dispose of any rights or obligations under this Agreement or any Transactions to another person with prior written notice to the Client.

7.3. All the provision of this Agreement shall survive any changes or successions in GSSL's business and shall be binding, where the Client is corporation upon its successors, where the Client is a partnership upon the partners and their personal representatives, and where the Client is an individual upon his personal representatives.

## 8. NO WAIVER

The rights, remedies, powers and privileges of GSSL in accordance with the terms and conditions of this Agreement are cumulative and not exclusive of any rights or remedies provided by law. The Client acknowledges that no act, omission to act, delay, indulgence or forbearance by GSSL or any of its employees, servants or agents shall be, or be deemed to be, a waiver by GSSL of any rights against the Client or against Collateral, or any properties of the Client on hand with GSSL.

## 9. LIABILITIES AND INDEMNITY

- 9.1. Neither GSSL, nor any of its directors, employees, agents or representatives (the “**Relevant Persons**”) shall under any circumstances whatsoever be liable to the Client (whether under contract, in negligence or otherwise) in the absence of bad faith or willful default of or by the Relevant Persons in respect of any loss, damage, injury sustained or liability incurred by the Client by reason of:
- a) any act, advice, statement (express or implied), default or omission of the Relevant Persons, whether such loss, damage, injury or liability be caused by breach or otherwise by the Relevant Persons or however caused;
  - b) any conditions or circumstances which are beyond the reasonable control or anticipation of the Relevant Persons including but not limited to any delay in transmission of orders due to whatsoever reasons; failure of electronic or mechanical equipment, telephone, postal system or other interconnection problems; unauthorized use of Access Code; prevailing fast moving market conditions; governmental agency, Exchange or Clearing House actions or omissions; theft; war; severe weather, earthquake, tsunami or other natural disaster; and strikes or similar industrial action;
  - c) GSSL exercising any of its rights conferred by the terms of this Agreement; or
  - d) any conversion of one currency to another pursuant to, in relation to or arising from this Agreement.
- 9.2. The Client agrees to indemnify the Relevant Persons against and hold the Relevant Persons harmless from all expenses, liabilities, claims and demand arising out of the following, in the absence of bad faith or willful default of or by the Relevant Persons:
- a) anything lawfully done or omitted to be done by the Relevant Persons in connection with this Agreement; or
  - b) any breach by the Client of its obligations under this Agreement.
- 9.3. The Client may have been introduced to GSSL by any introducing broker or other third party and GSSL has no responsibilities or obligations regarding any conduct, action, representation or statement of any such person.

## 10. WARRANTIES AND REPRESENTATIONS

10.1. The Client hereby undertakes, represents and warrants on a continuing basis that:

- a) the information given by the Client, or on the Client’s behalf, to GSSL in the Account Opening Form or otherwise in connection with the opening of any Account is true, full and complete and GSSL shall be entitled to rely on such information until GSSL receives written notice from the Client of any changes thereto;
- b) it has the authority and capacity to enter into and execute this Agreement and no one except the Client (unless otherwise disclosed to GSSL pursuant to Clause 11.1) has an interest in the Account(s);
- c) save as disclosed by the Client to GSSL pursuant to Clause 11.1 with the consent given by GSSL:
  - i. the Client enters into this Agreement as a principal and is trading on its own account and does not do so as nominee or trustee for any other person and there exists no arrangements whereby any person other than the person(s) signing this Agreements as the Client has or will have any beneficial interest in this Agreement; and
  - ii. the Client is the ultimate beneficiary of the Account and the person ultimately responsible for originating instruction about Transactions;
- d) this Agreement and its performance and the obligations contained therein do not and will not contravene any applicable laws, and regulations, contravene any provisions of the memorandum and articles or by-laws (for corporate Client), or constitute a breach or default under any agreement or arrangement by which the Client is bound;
- e) subject to any security interest of GSSL and the information disclosed to GSSL, all properties including but not limited to 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 and the Client will not charge,

pledge or allow to subsist any charge or pledge or grant any option over such properties without GSSL's prior consent;

- f) the Client has received, read and understood the contents of the Risk Disclosure Statement and the Client has sufficient experience to assess the suitability of the Transactions contemplated under the Agreement;
- g) the Client is not, or in the case where the Client is a company or body corporate, none of its officers are employed by any Exchange, board of trade or Clearing House, or by any corporation of which any Exchange owns a majority of the share capital, or (unless written consent to such trading is filed with GSSL) employed by a member of any Exchange or by a firm registered on any Exchange;
- h) where the Client or any one of them is a body corporate (in respect of such person):
  - i. it is a corporation duly organized and is validly existing under the laws of the country of its incorporation and in every other country where it is carrying on business;
  - ii. this Agreement has been validly authorized by the appropriate corporate action of the Client and when executed and delivered it will constitute valid and binding obligations of the Client in accordance with the terms and conditions herein, notwithstanding any change at any time or from time to time in the present constitution of the Client;
  - iii. the certified true copies of the Client's certificate of incorporation or registration, charter, statute or memorandum and articles or other instrument constituting or defining its constitution and the board resolutions of the Client delivered to GSSL are true, accurate and still in force;
  - iv. no steps have been taken or are being taken to appoint a receiver and/or manager or liquidator over the asset of, or to wind up the Client; and
  - v. none of the Client's officers are a "Connected Person" as defined in the Listing Rules and/or the Growth Enterprise Market Listing Rules, as the case may be, of the issuer of the Securities which are or are directly relevant to the subject of these instructions;
- i) where the Client or any one of them is an individual, the Client is legally capable of validly entering into and performing this Agreement and is of sound mind and legal competence and is not a bankrupt;
- j) where the Client is a sole proprietorship, this Agreement shall continue to be valid and binding for all purposes notwithstanding the change from the sole proprietor to a partnership; and
- k) where the Client is a partnership and business is carried on under a firm's name, this Agreement shall continue to be valid and binding for all purposes notwithstanding any change in partnership or constitution of the firm by the introduction of a new partner or by the death, insanity or bankruptcy or a retirement of any partner for the time being carrying on the business of or constituting the firm or otherwise.

10.2. The Client undertakes to notify GSSL immediately upon the occurrence of any material changes in the information supplied in this Agreement and/or the Account Opening Form. In particular, the Client agrees to inform GSSL of any change in contact information (including address and telephone number) upon occurrence of such changes. In the event that in exercising its rights or discharging its duties under this Agreement, GSSL cannot reach the Client using the latest contact details provided by the Client for over a period of seven (7) days, the Client agrees that this constitutes a material breach of the Agreement by the Client which constitutes an Event of Default under Clause 5.1 (e).

10.3. GSSL will notify the Client of any material change to: (a) the name, address and operating hours of its business; (b) the description of the nature of services provided by it; or (d) the description of the fees and charges payable to GSSL and the basis for such payment, including any content of its Fee Schedule by uploading such changes to GSSL's website.

## 11. DISCLOSURE OF INFORMATION ABOUT CLIENT

11.1. Subject to the provisions of this Agreement, GSSL will keep the information relating to the Accounts confidential. The Client acknowledges that there are codes, rules and regulations of the relevant markets and Exchanges which contain provisions requiring GSSL upon the request of SEHK, HKFE, the SFC and/or any other regulator in Hong Kong having jurisdiction over the Transactions (collectively, "**Relevant Regulators**"), to disclose details of the Transactions, the name of the Client, beneficiary of the Transactions and such other information concerning the Client as any such Relevant Regulators may require and that the Client agrees to provide such information concerning the Client as GSSL may require in order for GSSL to comply with the requirements. The Client acknowledges that in

the event that any disclosure of information required by the Relevant Regulators is not complied with, the relevant Exchanges may require the closing out of positions on behalf of the Client or the imposition of a margin surcharge on the positions of the Client.

- 11.2. Without limiting the disclosure to anything provided in Clause 11.1 the Client hereby irrevocably authorizes GSSL without further notice and consent from the Client, to disclose to any person information, reports, records or document pertaining to the Account together with such other information as may be required or GSSL may deem appropriate and, to produce computerized record or other document relating to the Client and the Account if such disclosure is required by the Relevant Regulators for the purpose of assisting them with any investigation or enquiry they are undertaking or by a court of competent jurisdiction or if the disclosure is in the public interest or in GSSL's or the Client's interest or is made with the Client's expressed or implied consent.
- 11.3. The Client further agrees that GSSL may, whether during the continuance or after the termination of this Agreement, without prior notice the Client, disclose any information relating to the Client and the Account(s) to any other staff and departments of GSSL, or to any assignee of any of the rights or obligations of GSSL under this Agreement.
- 11.4. The Client shall provide the information about the identity, address and contact details ("**identity details**") of the persons or entities which (i) are the Client, (ii) are ultimately responsible for originating the instructions in relation to the Transactions, or (iii) stand to gain the commercial or economic benefit of the transactions and/or bear its commercial or economic risk or such other information concerning the Client as any Relevant Regulator may require from GSSL in order to comply with the applicable laws and regulations and the Client authorizes GSSL to provide such information about the Client to such Relevant Regulator without further consent from or notification to the Client.
- 11.5. Without prejudice to Clause 11.4, if the Client's Transaction is effected for the account of its clients, whether the Client effects the Transaction on a discretionary or non-discretionary basis, and whether the Client is an agent or enters into matching transactions as a principal with any clients of the Client, the Client agrees that, in relation to a transaction where GSSL has received an enquiry from the Relevant Regulators, the following provisions shall apply:
- a) Subject to as provided below, the Client shall, immediately upon request by GSSL, inform the Relevant Regulators of the identity details of the client for whose account the transaction was effected and (so far as known to the Client) of the person with the ultimate beneficial interest in the transaction. The Client shall also inform the Relevant Regulators of the identity details of any third party (if different from the client/the ultimate beneficiary) originating the transaction.
  - b) If the Client effects the transaction for a collective investment scheme, discretionary account or discretionary trust, the Client shall:
    - i. immediately upon request by GSSL, inform the Relevant Regulators of the identity details of the person(s) who, on behalf of the scheme, account or trust, has instructed the Client to effect the transaction; or
    - ii. as soon as practicable, inform GSSL when discretion to invest on behalf of the scheme, account or trust has been overridden, and the Client shall immediately upon request by GSSL, inform the Relevant Regulators of the identity details of the person who has given the instruction.
  - c) If the Client is a collective investment scheme, discretionary account or discretionary trust and in respect of a particular transaction, the discretion of the Client or its officers or employees has been overridden, the Client shall, as soon as practicable, inform GSSL when its discretion to invest on behalf of the beneficiaries of such scheme, account or trust has been overridden and immediately upon request by GSSL, inform the Relevant Regulators of identity details of the person who has given the instruction in relation to the relevant transaction.
  - d) If the Client is aware that its client is acting as intermediary for its underlying clients, and the Client does not know the identity details of any underlying client for whom the transaction is effected, the Client confirms that:
    - i. the Client has legally binding arrangements in place with its client which entitle the Client to obtain the information set out in Clause 11.5(a), (b) and/or (c) from its client immediately upon request or procure that it be so obtained;
    - ii. the Client will, upon request from GSSL in relation to a transaction, promptly request the information set out in Clause 11.5(a), (b) and/or (c) from its client on whose the transaction is effected, and provide the information to the Relevant Regulators as soon as it is received from its client or produce that it be so provided; and
    - iii. the Client and the Client's clients will comply with all applicable laws and regulations of Hong Kong

including but not limited to the SFO.

- 11.6. The Client hereby agrees that GSSL shall not be in any way liable for any consequences arising out of any disclosure made under this Clause.
- 11.7. The Client hereby authorizes GSSL to conduct a credit inquiry or check on the Client for the purpose of ascertaining the Client's financial situation and investment objectives. Such information (and other information acquired about the Client) may be used by GSSL for operation and maintenance of the Accounts and for credit control purposes and for the purposes of marketing products and services to the Client.
- 11.8. The Client understands that the Client has supplied or may from time to time supply to GSSL personal data about the Client (the "**Personal Data**"), within the meaning ascribed in the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), in connection with to opening or maintenance of any Account(s) or the provision of services to the Client by GSSL. The Client acknowledges that the Client is not required to provide any Personal Data to GSSL unless the Client chooses to do so. However, if the Client fails to supply any such Personal Data, GSSL may not be able to open or maintain as Account(s) for the Client and/or provide the Client with any services.
- 11.9. The Client acknowledges that the Client has read and understood the Personal Data Privacy Statement fully and agrees to the terms and conditions therein.
- 11.10. The terms and conditions contained in this Clause 11 shall continue in effect notwithstanding the termination of the Agreement.

## 12. TRANSACTIONS CONDUCTED IN FOREIGN CURRENCY

In the event that any Transaction effected by GSSL on behalf of the Client involves conversion of a foreign currency (i.e. currency other than Hong Kong Dollars), the Client agrees that:

- a) any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be entirely for the Client's account and risk; and
- b) any conversion from one currency to another required to be made for performing any action or step taken by GSSL under this Agreement may be effected in such manner and such time as it may in its absolute discretion decide.

## 13. AMENDMENTS

- 13.1. To the extent permitted by law, GSSL may from time to time amend or supplement (whether by the addition of schedules to this Agreement or otherwise) any of terms and conditions of this Agreement by notifying the Client in accordance with Clause 15. If the Client does not accept the same, the Client may terminate this Agreement by notifying GSSL in writing within seven (7) business days from the Client's receipt or deemed receipt of the notice in accordance with Clause 15. If the Client does not terminate this Agreement within such time or if the Client continues to operate the Account after receipt or deemed receipt of notice of the amendment or supplement, the Client shall be deemed to have accepted such amendment or supplement and shall continue to be bound by this Agreement as so amended or supplemented.
- 13.2. Subject to Clause 13.1, no provision of this Agreement may be amended or supplement unless agreed to in writing signed by GSSL's authorized representative(s).

## 14. JOINT CLIENT

14.1. Where the Client consists of more than one person:

- a) the liability and obligations of each of them shall be joint and several and references to the Client shall be construed, as the context requires, to any one of them;
- b) GSSL is entitled to, but shall not be obliged to, act on instructions or requests from any of them;
- c) any notice, payment or delivery by GSSL to any one of the Client shall be a full discharge of GSSL's obligations to notify, pay or deliver under this Agreement; and

- d) GSSL is entitled to deal separately with any one of the Client on any matter including the discharge of any liability to any extent without affecting the liability of any others.

14.2. Notwithstanding the above paragraph (b) and any agreement between any person of the Client with GSSL, GSSL reserves the right to demand all the persons of the Client to give instructions or requests in writing or in any such other manner determined by GSSL before GSSL's acceptance or act upon such instruction.

14.3. Where the Client consists of more than one person, the death of any of such persons (if being survived by any other such persons) and/or the bankruptcy of any of such persons (if any other such persons are not bankrupt) does not operate to terminate this Agreement automatically unless it is terminated in accordance with other provisions of this Agreement but such death and/or bankruptcy constitutes an Event of Default under Clause 6.1(c) and/or 6.1(d).

## 15. NOTICES

15.1. In the event of GSSL being required to give any reports, written confirmations, notice to, or to make any demand or request of the Client or otherwise being obliged to contact the Client in connection with this Agreement, notice (including any demand for Margin or Collateral) may be personally delivered, transmitted by post, telex, facsimile, through Electronic Media (email) or by telephone in each case to the address or telex, facsimile, email address or telephone numbers set out in the Account Opening Form or otherwise as notified to GSSL in writing from time to time.

15.2. Notices to be delivered by the Client to GSSL may be personally delivered, transmitted by post, telex or facsimile or through Electronic Media (email) or by telephone in each case to the address or telex, facsimile, email address or telephone numbers set out in this Agreement or otherwise as notified by GSSL from time to time.

15.3. All notices and other communications shall be deemed to be given at the time of transmission if delivered personally, by telex, facsimile or telephone or through Electronic Media (email) or one day after the date of posting if transmitted by mail whichever shall be the first to occur; provided that any notice or other communication to be given to GSSL shall be effective only when received by GSSL.

## 16. TERMINATION

16.1. Without prejudice to Clause 5 and 13, Clause 4 of the Additional Terms and Conditions – Dealing in Securities (General) and Clause 3.8 of the Additional Terms and Conditions – Dealing in Securities (Margin Account), GSSL and the Client may terminate this Agreement by giving to the other two (2) business days' prior written notice. This does not affect the undertaking and indemnities given by and obligations of the Client under this Agreement (including but not limited to Clause 9, 10 and 11, Clause 5 of the Additional Terms and Conditions – Dealing in Securities (General) and any rights and obligations under this Agreement outstanding as of the date of termination, all of which shall survive the termination. Without prejudice to the forgoing, any termination shall not affect the rights or liabilities of either party arising out of or in connection with any Transactions entered into before the time of termination or with any of the Client's contracts outstanding at the time of such termination, including as to Margin, until all such contracts have been closed out or settlement and/or delivery has been effected and all such liabilities have been fully discharged.

16.2. Notwithstanding Clause 16.1, the Client has no right to terminate the Agreement if the Client has sums owing to GSSL, open position or any other outstanding liabilities or obligations.

16.3. In case of any remaining cash balances in the Account upon termination of this Agreement, the Client agrees that such balances will be automatically credited into the designated account in the Account Opening Form within seven (7) days from the date on which all open positions and Open Contracts have been closed out. If there is no such designated account or if such designated account cannot be used by GSSL for any reason, GSSL may send the Client GSSL's cheque representing the credit balances in the Account to the last known address of the Client at the sole risk of the Client.

16.4. In case of any remaining Securities in the Account upon termination of this Agreement, the Client agrees that such Securities will be collected by the Client or his agent in person at GSSL's office within seven (7) days from the date on which all open positions and Open Contracts have been closed out. To the extent that it is not practicable to transfer any such Securities or the Client fails to collect any such Securities in the manner as stipulated in this Clause, GSSL is authorized to sell the same and account to the Client for the proceeds in accordance with Clause 16.3 above.

## 17. MISCELLANEOUS

- 17.1. This Agreement is written in English language and may be translated into Chinese language but in the event of any conflict arising the English version shall prevail.
- 17.2. In case of any conflict between any terms and conditions in the General Terms and Conditions and any terms and conditions in any applicable Additional Terms and Conditions, the provision of the latter shall prevail.
- 17.3. Time shall in all respects be of the essence in the performance of all the Client's obligations under or in connection with this Agreement, in particular for the Client's obligation in providing adequate Collateral to GSSL within the prescribed time limit.
- 17.4. Except where GSSL is given express written instructions to the contrary, in accordance with the terms of this Agreement, GSSL may make payment of any amounts owing to the Client by crediting the same to the Account, details of which are specified in this Agreement. Payment to such Account shall constitute payments to the Client for all purposes.
- 17.5. All sums payable by the Client in connection with this Agreement shall be exclusive of all taxes, duties or other charges of similar nature. If any tax, duty or other charge of similar nature is required by law to be withheld from such payments, the amount payable by the Client shall be increased to the extent necessary to ensure that, after the making of any withholding, GSSL receives on the due date a net sum equal to what it would have received and retained had no deduction been made.
- 17.6. Any provision in this Agreement which is invalid for any reason in any jurisdiction shall be ineffective to the extent of such invalidity and shall be severed from this Agreement in that jurisdiction without affecting the validity of the remaining provisions of this Agreement in that jurisdiction or affecting validity of such provision in any other jurisdiction.
- 17.7. This Agreement constitutes the whole agreement between GSSL and the Client and supersedes all previous agreements, memorandums of understanding and/or arrangements whether in writing or verbally.
- 17.8. The Client hereby declares that he has read and understood this Agreement in the language of the Client's choice of English or Chinese and that the Client agrees to be bound by the terms and conditions of this Agreement.
- 17.9. The Client hereby irrevocably appoints GSSL with full power and authority as the Client's attorney, to the fullest extent permitted by law, to act for and on behalf of the Client for the purpose of carrying out the provisions of this Agreement and taking any action and executing any document or instrument in the name of the Client or GSSL which GSSL may deem necessary or desirable to accomplish the purposes of this Agreement, including (without limitation), in particular for an Account being a Margin Account or an Options Account:
- a) to execute any transfer or assurance in respect of any of the Collateral;
  - b) to perfect GSSL's title to any of the Collateral;
  - c) to ask, require, demand, receive, compound and give a good discharge for any and all moneys and claims for moneys due or to become due under or arising out of any of the Collateral;
  - d) to give valid receipts and discharges and to endorse any checks or other instruments or orders in connection with any of the Collateral; and
  - e) generally to file any claims or take any lawful action or institute any proceedings which GSSL considers to be necessary or advisable to protect the security created under this Agreement.

## 18. DISPUTES AND GOVERNING LAW

- 18.1. This Agreement and its enforcement shall be governed by the laws of Hong Kong and its provisions shall be continuous, shall cover individually and collectively all Account which the Client may open or re-open with GSSL, and shall inure to the benefit of, and bind GSSL, GSSL's successors and assignees, whether by merger, consolidation or otherwise as well as heirs, estate, executors, administrators, legatees, successors, personal representatives and assignees of the Client.

- 18.2. Any dispute arising under or in connection with this Agreement, any Transaction or any of the Client's contract is to be settled by arbitration or by court proceedings in GSSL's absolute discretion which shall be binding absolutely on the Client.
- 18.3. Any dispute which, in GSSL's discretion, is referred to arbitration shall be settled at the Hong Kong International Arbitration Centre conducted in Hong Kong according to the securities arbitration rules of the Hong Kong International Arbitration Centre. The Client hereby expressly agrees to accept the finding of any such arbitration as absolute and final.
- 18.4. By execution and delivery of this Agreement the Client hereby irrevocably submits to and accepts unconditionally the non-exclusive jurisdiction of the courts of Hong Kong. In the event of any legal proceedings being brought in the courts of Hong Kong this Agreement shall in all respects be governed by and construed in accordance with the laws of Hong Kong PROVIDED ALWAYS THAT GSSL shall have the right to proceed against the Client in any other court which has jurisdiction over the Client or any of the Client's assets and the Client hereby submits to the non-exclusive jurisdiction of such other courts.
- 18.5. Notwithstanding any other provision in this Agreement, the Client has the right, to the extent conferred by applicable law and regulations, to refer any dispute arising under or in connection with this Agreement to the Financial Dispute Resolution Scheme.

#### 19. SUITABILITY OF FINANCIAL PRODUCTS

If GSSL solicit the sale of or recommend any Financial Product to the Client, the Financial Product must be reasonably suitable for the Client having regard to the Client's financial situation, investment experience and investment objectives. No other provision of these Terms or any other document GSSL may ask the Client to sign and no statement GSSL may ask the Client to make derogates from this clause.

#### 20. KNOWLEDGE OF SECURITIES, WARRANTS AND OPTIONS; CORPORATE ACTIONS

The Client acknowledges the Client's responsibility for knowing the terms of any securities, options, warrants or other products in the Client's Account, including upcoming corporate actions (e.g., tender offers, reorganizations, stock splits, delist etc.). The Company has no obligation to notify the Client of deadlines or required actions or dates of meetings, nor is the Company obligated to take any specific action for the Client. The Company may, in its discretion and without assigning any reason therefore, refuse to act for the Client or its Authorized Person in any particular Transactions.



## **Section B**

### **Additional Terms & Conditions**

#### **Dealing in Securities (General)**

The provision in these Additional Terms and Conditions – Dealing in Securities (General) apply to Cash Account, Margin Account and Options Account. The Client shall open and maintain a Cash Account, Margin Account and/or Options Account with GSSL subject to the General Terms and Conditions, these Additional Terms and Conditions – Dealing in Securities (General) and other applicable Additional Terms and Conditions.

Unless defined herein or the content otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the General Terms and Conditions. Further, in case of inconsistency between these Additional Terms and Conditions – Dealing in Securities (General) and the General Terms and Conditions, the provisions in the former shall prevail.

#### **1. DEALING**

- 1.1. GSSL shall be authorized but not bound to act on an instruction given by the Client or the Authorized Person (if any) to carry out a Transaction (whether directly or through other dealer or otherwise). GSSL may at any time and from time to time impose any limits including position limits on any Account and the Client agrees not to exceed such limits. If any of the said limits are or to be exceeded, GSSL may decline such an instruction and/or is entitled to close the open position of the Transaction concerned. GSSL may in its absolute discretion refuse to act on any of the instructions received from the Client without giving any reason, in particular for sell order without evidence of sufficient Securities, or buy order without evidence of sufficient funds or compliance with the Margin Requirements, or otherwise in accordance with law or requirements of the SFC. GSSL is not in any circumstance be liable in any way for any loss of profit or gain, damage, liability or cost or expense suffered or incurred by the Client arising from or in connection with GSSL's refusal to act such instruction or omitting to notify the Client of such refusal.
- 1.2. The Client shall inform GSSL when a sell order in respect of Securities which the Client does not own (that is, a short sale) and, where required, shall provide GSSL with the assurance in accordance with the SFO.
- 1.3. Because of physical restraints on any Exchange or the very rapid changes in the prices of Securities that frequently take place, there may, on occasions, be a delay in making prices or in dealing. GSSL may not always be able to trade at the prices or rates quoted at any specific time or "at best" or "at market". GSSL shall not be liable for any loss howsoever arising by reason of its failing, or being unable, to comply with the terms of any limit order undertaken on behalf of the Client or under the circumstances contemplated in this Clause. Where GSSL is for any reason whatsoever unable to perform the Client's order in full, it may in its discretion effect performance only in partial or in lesser number. The Client shall in any event accept and be bound by the outcome when any request to execute orders is made.
- 1.4. The Client acknowledges that it may not be possible to cancel or amend its instructions once given. The Client agrees to exercise caution before giving any instruction and accept full responsibility for the Transaction partially or fully executed prior to the processing of the Client's cancellation or amendment.
- 1.5. All orders shall be made by the Client orally either in person or by telephone, or in writing, delivered by post, by hand or transmitted by facsimile or through Electronic Media at the Client's risk. GSSL may act on such instructions which GSSL reasonably believes to come from the Client without any duty to verify the capacity of the person giving the instruction and for this purpose, GSSL is entitled to conclusively treat any written instruction bearing the same signature as appeared in the signature specimen on the Account Opening Form as a duly given instruction from the Client. GSSL shall not be responsible for the non-performance of its obligations hereunder by reason of any cause beyond GSSL's control, including, without limitation, transmission or computer delays, errors or omissions, strikes and similar industrial action or the failure of any dealer, Exchange or Clearing House to perform its obligations. The Client hereby confirms and agrees that the Client shall be responsible to GSSL for all engagements, indebtedness and any other obligations made or entered into in the Client's name whether in writing or orally and howsoever communicated and recorded.
- 1.6. All instructions relating to sale, purchase and entering into and closing out an agreement of Securities or otherwise given hereunder which may be executed on more than one Exchange may be executed on any Exchange GSSL selects. GSSL may also in its discretion direct the instructions of the Client to other dealers for execution without giving any notification to the Client. GSSL may also in its discretion instruct overseas brokers and dealers to execute

Transactions in overseas Securities in such terms and at such times as in GSSL's discretion deems fit and acknowledges that the terms of business of such overseas brokers and dealers shall apply to such transactions and the Client agrees to be bound by such terms.

- 1.7. All the trading orders placed by the Client are good for the day and will be automatically cancelled at the close of business of the relevant Exchange to the extent not yet executed unless the Client has indicated to GSSL to the contrary.
- 1.8. Following execution of the orders of the Client, GSSL will send trade confirmation of the Transactions effected and relevant statement summarizing Transactions and securities and cash positions in the Account subject to Clause 6 of Additional Terms & Conditions – Electronic Trading. Such trade confirmations and statements shall be conclusive and binding on the Client if not objected to in writing sent by registered mail to GSSL's office within forty-eight (48) hours after transmission of the information contained in such confirmations and statements to the Client. GSSL may not provide the Client with monthly statements in relation to the Account when during the relevant period there is no transaction or revenue or expense item and no outstanding balance or holding securities position in the Account.
- 1.9. If the services provided by GSSL to the Client relates to any Options Contracts or any other derivative products, GSSL shall provide to the Client, upon entering into Transactions relating to such products and upon the Client's request, product specifications and copies of prospectus and any other offering documents relating to such products.
- 1.10. The Client shall make own independent judgment and decision with respect to each instruction given to GSSL. GSSL is under no liability whatsoever in respect of any information or suggestion given by GSSL or any of its directors, officers, employees or agents irrespective of whether or not such information or suggestion is given at the Client's request.

## 2. SETTLEMENT

- 2.1. Unless otherwise agreed or GSSL is already holding sufficient cash or Securities on the Client's behalf to settle the Transaction, in respect of each Transaction, the Client shall
  - a) pay GSSL funds or deliver to GSSL Securities in deliverable form; or
  - b) otherwise ensure that GSSL has received such funds or Securities,by such time as GSSL has notified (whether verbally or in writing) the Client in relation to the relevant Transaction.
- 2.2. Unless otherwise agreed, the Client agrees that if the Client fails to make such payment or delivery of Securities by the due time as mentioned in Clause 2.1, GSSL is hereby authorized to:
  - a) in the case of a purchase transaction, sell the purchased Securities; and
  - b) in the case of a sale transaction, borrow and/or purchase such Securities in order to settle the Transaction.
- 2.3. The Client hereby acknowledges that the Client shall be responsible to GSSL for any loss, costs, fees and expenses incurred by GSSL in connection with the Client's failure to meet the Client's obligation by the due time as set out in Clause 2.1.

## 3. CHARGES, COSTS AND EXPENSES

- 3.1. The Client hereby agrees to the imposition upon its Account or Accounts from time to time as GSSL may determine, of a minimum charge in respect of Accounts that maintain only average credit balances of less than such minimum amount as GSSL may from time to time determine, or that has no trading activity for more than such period as GSSL may from time to time determine. Payment of such charge will be automatically deducted from the Account.

## 4. DEFAULT

- 4.1. In addition to Clause 5.1 of the General Terms and Conditions, the following shall also constitute Events of Default:
  - a) The Client's failure to provide sufficient Collateral within the time limit upon call from GSSL, deposits, purchase consideration or any other sums payable to GSSL, to submit documents or to deliver securities to GSSL hereunder when called upon to do so or on due date;

- b) In respect of any Transaction, the Client fails:
  - i. to provide Margin when called upon to do so;
  - ii. to make or take delivery of any underlying Securities when required under such Transaction; or
  - iii. to pay any purchase price or other payment thereunder when due;

4.2. In addition to Clause 5.2 of the General Terms and Conditions, without prejudice to any other right or remedy which GSSL may have, if any one or more Events of Default occur, GSSL shall be authorized, in its absolute discretion, to also take one of the following actions no matter separately, successively or concurrently (but shall not be bound to take any such action):

- a) cover any short position in the Account through purchase of securities on the relevant Exchange and subject to Clause 2.1 and 2.2, to liquidate any or all of the Client's Securities;
- b) close out without recourse any or all open positions under the Account; and/or
- c) borrow, buy or sell in any manner any property whatsoever (including the Commodity underlying any Open Contract) found necessary by GSSL or required to make delivery against any sale (including a short sale) effected for the Client.

4.3. In the event of sale of any client Securities or the Collateral or liquidation of the Accounts in Clause 1 of the Additional Terms and Conditions – Dealing in Securities (Margin Account) or Clause 5 or 6 of the General Terms and Conditions, GSSL shall not be responsible for any loss occasioned thereby howsoever arising if GSSL has already used reasonable endeavours to sell or dispose of any of client Securities and the Collateral and/or close out or liquidate any outstanding position in the Account under the prevailing market conditions. GSSL is also entitled to exercise its own judgement in determining the time of the aforesaid sale or disposal or liquidation and to sell or dispose of any of such properties at current market price to any person(s) (including GSSL) at GSSL's sole discretion without any responsibility for any loss occasioned or being accountable for any profit made by GSSL.

## 5. INFORMATION GIVEN TO CLIENT

5.1. GSSL shall provide to the Client product specifications, procedures and other information in such form or manner as the relevant Exchange or the Code of Conduct may specify. In particular, in relation to Securities admitted to trading under the Nasdaq-Amex Pilot Program of the SEHK, GSSL shall provide the Client with documentation on the Nasdaq-Amex Pilot Program as prescribed by SEHK in either the Chinese or English language according to the language preference of the Client.

5.2. GSSL may provide financial market data, quotes, news, research or other information, including graphic images (collectively, the “**Information**”), to Client by means of hardcopy, conversation, Electronic Media, website operated by GSSL or otherwise (no matter in writing or verbally). The Client acknowledges that the rights in the information are the property of GSSL the information providers of the licensors (the “**Information Providers**”) and are protected by applicable copyright and other intellectual property laws and the Client is allowed to use the Information on the condition of not engaging in any actions which may infringe the rights of the Information Providers.

5.3. The Client acknowledges that none of the Information Providers make any representation or warranty of any kind (including but not limited to warranties of merchantability or fitness for any particular use) and none of them guarantees the timeliness, sequence, accuracy, adequacy and/or completeness of the Information. In particular, owing to market volatility and possible delay in data-transmission process, the market data containing in the Information may not be real-time market quotes for relevant products. Whilst GSSL reasonably believes such data to be reliable, it has no independent basis to verify the accuracy or completeness of the Information provided. No recommendation or endorsement from GSSL shall be inferred from such data.

5.4. The Client acknowledges that the Information is provided for information purpose only and should not be used as a basis for making business, investment or any kind of decision and the Information Providers do not accept any responsibility or liability for any loss or damage howsoever arising from any person acting or refraining from acting in reliance on the Information. The Information does not constitute any offer, invitation or solicitation to enter into any transaction of Securities.

## 6. NEW LISTING OF SECURITIES

6.1. The Clause shall apply only to any Cash Account or Margin Account in respect of which the Client has requested

GSSL to apply on the Client's behalf for securities in new issue for listing on SEHK (an "**Application**") on the terms and condition of the Agreement.

6.2. The Client authorizes GSSL to complete such application form as may be required for the Application, and represents and warrants to GSSL that all representations, warranties, confirmations and undertakings on the part of the applicant contained or incorporated in such application form are true and accurate in respect of the Client.

6.3. The Client agrees to be bound by the terms of the new issue and in particular, the Client hereby.

- a) warrants and undertakes that the Application shall be the only application made by the Client or on the Client's behalf for the Client's benefit in respect of the same issue of securities and the Client shall make no other application in that issue;
- b) authorizes GSSL to represent and warrant to SEHK that no other application shall be made or shall be intended to be made by the Client or for the Client's benefit;
- c) acknowledges that any application made by an unlisted company which does not carry on any business other than dealing in Securities and in respect of which Client exercises statutory control shall be deemed to be an application made for the benefit of the Client; and
- d) acknowledges that GSSL will rely on the above warranties, undertaking and authorizations in making the Application.

6.4. In relation to a bulk Application to be made by GSSL on behalf of GSSL, the Client and/or Broker's other clients, the Client acknowledges and agrees:

- a) that if such bulk Application may be rejected for reasons which are unrelated to the Client, GSSL, in absence of fraud, gross negligence or willful, shall not be liable to the Client or any other person in consequence of such rejection; and
- b) to indemnify GSSL in accordance with Clause 9.1 and 9.2 of the General Terms and Conditions if such bulk Application is rejected because of any breach of representations and warrants or otherwise arising from factors relating to the Client.

6.5. The Client may at the same time request GSSL to provide a loan to finance the Application (the "**Loan**"), the following provisions shall apply:

- a) GSSL has discretion to accept or reject the request for the Loan.
- b) Upon the acceptance of the request for the Loan, the employee or representative of GSSL will verbally or in writing confirm the terms of the Loan ("**Agreed Loan Terms**") as agreed between GSSL and the Client, which shall be conclusive and binding on the Client.
- c) Before the provision of the Loan, the Client shall provide GSSL a deposit, which shall form part of the proceeds for the Application, in the amount and within the time in accordance with the Agreed Loan Terms.
- d) Unless contrary to the Agreed Loan Terms, the Loan amount is the total price of the securities (including applicable charges) applied under the Application less the amount of deposit in Clause 6.5 (c); and the Client has no right to repay the Loan, in part or full, before the date of repayment in accordance with the Agreed Loan Terms.
- e) The interest rate applicable to the Loan shall be determined under the Agreed Loan Terms.
- f) When GSSL receives any refund in respect of the Application, GSSL has the right, at its discretion, to apply the same or part of it towards the discharge of the Loan including any interest accrued thereon and/or return the same or the remaining balance (if any) to the Client, whether before or after the repayment date in accordance with the Agreed Loan Terms.
- g) In consideration for GSSL's granting of the Loan to the Client, the Client charges to GSSL by way of first fixed charge as a continuing security for the full repayment of the Loan and the accrued interest thereon, all the

securities acquired on behalf of the Client under the Application in respect of which the Loan is provided. The Client has no right to the possession of the aforesaid securities until the full repayment of the Loan (including interest accrued thereon). The Client authorises GSSL to dispose of the aforesaid charge securities without prior notice to the Client for discharge of the liabilities owing to GSSL under the Loan so long as to Loan (including interest thereon) has not been repaid in full.

## Section C

### Additional Terms & Conditions

#### Dealing in Securities (Cash Account)

The provision in these Additional Terms and Conditions – Dealing in Securities (Cash Account) apply to Cash Account. The Client shall open and maintain a Cash Account with GSSL subject to the General Terms and Conditions, the Additional Terms and Conditions – Dealing in Securities (General), these Additional Terms and Conditions – Dealing in Securities (Cash Account) and other applicable Additional Terms and Conditions.

Unless defined herein or the content otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the General Terms and Conditions. Further, in case of inconsistency between these Additional Terms and Conditions – Dealing in Securities (Cash Account) and the General Terms and Conditions and/or the Additional Terms and Conditions – Dealing in Securities (General), the provisions in the former shall prevail.

#### 1. SECURITIES IN THE ACCOUNT

- 1.1. The Securities of the Client in the Account shall be treated and dealt with in compliance with the provisions of the SFO. In particular, the Securities which the listed or traded on market operated by SEHK or interests in an authorized collective investment scheme (as defined in the SFO) and are received or held in Hong Kong by GSSL (“**Local Securities**”) shall be:
  - a) deposited in safe custody in a segregated account which is designated as a trust account or client account and maintained by GSSL in Hong Kong with an authorized financial institution, a custodian approved by the SFC or another intermediary licensed for dealing in securities; or
  - b) registered in the name of the Client or GSSL or its nominees.
- 1.2. In respect of any Securities of the Client other than Local Securities (“**Overseas Securities**”) held for safekeeping by any other party engaged by GSSL on the Client’s behalf, the Client hereby authorize GSSL to instruct the relevant party on behalf of the Client to deposit such Overseas Securities in the safe custody of that party or its custodian or with any other institution in the relevant jurisdiction where the relevant Transaction was effected which provides facilities for the safe custody of documents.
- 1.3. Any Securities held by GSSL on behalf of the Client in the manner mentioned Clause 1.1 and 1.2 or otherwise shall be at the sole risk of the Client and GSSL has no obligation to insure the Client against any kind of risk. GSSL shall not be responsible for any losses, costs, damages, interests and charges arising from or in connection with such engagement or custody under the aforesaid clauses, including without limitation any losses arising from fraud or negligence of that party so engaged.
- 1.4. For any Securities of the Client deposited with GSSL not registered in the name of the Client, any dividend, distribution or benefits accrued in respect of such Securities which are received by GSSL shall be credited to the Account (or payment made to the Client as may be agreed) subject to a reasonable administration fee charged by GSSL. GSSL shall not be responsible for any failure in making such distribution of any party which holds the Client Securities and Collateral for safekeeping. GSSL may also exercise voting right on behalf of the Client with respect to such securities upon prior specific instruction received by GSSL from the Client.
- 1.5. Securities purchased for the Client will be delivered to the Client (or as the Client may direct) PROVIDE THAT such Securities are fully paid and are not subject to any lien, and/or are not held as Collateral by GSSL.
- 1.6. GSSL is not obliged to return the Securities originally delivered or deposited by the Client but may return Securities of the same class, denominations and nominal amount and ranking to the Client.
- 1.7. Without prejudice to any other rights and remedies available to GSSL, GSSL is authorized to dispose of any of the Securities from time to time received from or held on behalf of the Client in settlement of any liability owed by the Client or on the Client’s behalf to GSSL or a third party.
- 1.8. Except as provided in Clause 1.7, Clause 2.2 of the Additional Terms and Conditions – Dealing in Securities (General), or Clause 5.2 and 6 of the General Terms and Conditions or permitted under the SFO, GSSL shall not without the Client’s verbal or written direction or standing authority deposit, transfer, lend, pledge, re-pledge or otherwise deal with any Securities of the Client.

- 1.9. Subject to the provisions of the SFO, the Client agrees that GSSL is entitled to retain for its own benefit and not accountable to the Client for any fee, income, rebate or other benefits resulting from any lending or deposit of the securities of the Client with any third party for any purpose by GSSL.

**Section D**  
**Additional Terms & Conditions**  
**Dealing in Securities (Margin Account)**

The provision in these Additional Terms and Conditions – Dealing in Securities (Margin Account) apply to Margin Account. The Client shall open and maintain a Margin Account with GSSL subject to the General Terms and Conditions, the Additional Terms and Conditions – Dealing in Securities (General), these Additional Terms and Conditions – Dealing in Securities (Margin Account) and other applicable Additional Terms and Conditions.

Unless defined herein or the content otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the General Terms and Conditions. Further, in case of inconsistency between these Additional Terms and Conditions – Dealing in Securities (Margin Account) and the General Terms and Conditions and/or the Additional Terms and Conditions – Dealing in Securities (General) the provisions in the former shall prevail.

**1. MARGIN FACILITY**

- 1.1. The Margin Facility is extended by GSSL to the Client for financing the trading of securities in Margin Account on the Additional Terms and Conditions – Dealing in Securities (Margin Account) and any other terms and conditions which may be indicated by GSSL to Client from time to time.
- 1.2. GSSL is authorized by the Client to draw on the Margin Facility to settle any amounts due to GSSL in respect of purchase of Securities and to finance continued holding of Securities, the payment of commission, interest and any other expense incidental to the operation of the Margin Account and any other sums owing to GSSL. The Margin Facility is repayable on demand and GSSL may, in its absolute discretion, vary the terms in this Clause or terminate the Margin Facility at any time it thinks fit. GSSL is not obliged in any way to provide financial accommodation to the Client.
- 1.3. The Client shall provide and maintain adequate Collateral and provide such additional Collateral in the manner and within the time limit specified by GSSL for the compliance with the margin requirements set by GSSL. GSSL in its absolute discretion determines the amount, type and form, manner of delivery, calculation basis of permissible value and timing of the delivery or the required Collateral. GSSL may change the margin requirement at any time in its absolute discretion without prior notice to the Client. Any failure of the Client in providing the required Collateral in this Clause constitutes an Event of Default and GSSL is entitled to dispose of any of the Collateral without prior notice to the Client. No previous margin shall establish any precedent.
- 1.4. The time for provision of Collateral and for payment of margin deposit is of essential and if no time is stipulated by GSSL in making a demand for Collateral or margin deposit, the Client is required to comply with such demand within twenty-four hours from the time of making such demand (or in a shorter period if so required by GSSL). The Client also agrees to pay immediately in full on demand any amount owing under the Margin Facility. All initial and subsequent payments for margin deposits shall be made in cleared funds and in such currency and in such amounts as GSSL may in its sole direction require.
- 1.5. Notwithstanding Clause 1.3 and 1.4, in the event that it is in the sole opinion of GSSL that it is impracticable for GSSL to make demand on the Client for additional Collateral pursuant to Clause 1.3, GSSL shall be deemed to have made such demand of additional Collateral in such form and amount as GSSL may determine and such demand shall become immediately due and payable by the Client. The aforesaid impracticality may be due to the following (without limitation) rapid change or development involving prospective changes:
  - a) in the local, national or international monetary, financial, economic or political conditions or foreign exchange controls which has resulted or is in the opinion of GSSL likely to result in a material or adverse fluctuation in the stock market and currency market in Hong Kong and /or overseas; or
  - b) which is or may be of a material adverse nature affecting the conditions of the Client or operations of the Margin Account.
- 1.6. The Client shall pay interest on the outstanding amount of the Margin Facilities from time to time at such rate and in such manner as determined by GSSL from time to time. Interest will accrue on the outstanding amount of the Margin Facilities on daily basis and the accrued interest will be deducted from the Margin Account on a monthly



basis and shall be payable at any time upon the demand made by GSSL.

## 2. COLLATERAL

- 2.1. The Client, as beneficial owner of the Collateral, hereby charges in favour of GSSL in respect of all the Secured Obligations by way of first fixed charge all the Client's right, title, benefits and interests in and to the Collateral including any additional or substituted collateral and all dividends, interest paid or payable, rights, interests, money or other properties accruing or offering at any time by way of redemption, bonus, preference, options or otherwise on or in respect of the Collateral as continuing security for the payment and discharge of the Secured Obligations.
- 2.2. The Charge is a continuing security notwithstanding any intermediate payment, settlement of the Margin Account or satisfaction of whole or any part of Secured Obligations and notwithstanding any closure and subsequent opening of such Margin Account.
- 2.3. GSSL is entitled to exercise any voting right or other rights in respect of the Collateral for the protection of GSSL's interest in the Collateral and the Client shall not exercise any rights attaching to the Collateral in any manner which, in Broker's opinion, may be inconsistent with the obligations under this Agreement or prejudicial to GSSL's rights in the Collateral.
- 2.4. Whenever there is any Secured Obligations, GSSL has the right, without prior notice or consent from the Client, to dispose of or otherwise deal with any part of the Collateral at its absolute discretion upon such terms and in such manner it thinks fit for settlement of the Secured Obligations to protect its interest, in particular for the Client's failure in meeting any call for Collateral or Margin call made by GSSL or significant fluctuation in market prices. In event of any deficiency after the sale of Collateral, the Client shall make good and pay on demand to GSSL such deficiency.
- 2.5. The Client shall pay or reimburse GSSL immediately upon demand all costs (including collection expense and legal costs on a full indemnity basis) and expense in connection with the enforcement or preservations of any right of GSSL under this Agreement.
- 2.6. Without prejudice to the generality of the foregoing, neither the Charge nor the amounts thereby secured will be affected in any way by:
  - a) any other security, guarantee or indemnity now or hereafter held by GSSL in respect of the Secured Obligations;
  - b) any variation or amendment to or waiver or release of any security, guarantee or indemnity or other document (including the Charge except to the extent of the relevant variation, amendment, waiver or release);
  - c) the enforcement or absence of enforcement or release by GSSL of any security, guarantee or indemnity or other document (including the Charge );
  - d) any time, indulgence, waiver or consent given to the Client or any other person whether by GSSL.
  - e) the making or absence of any demand for Collateral or payment of any sum payable under this Agreement made on the Client whether by GSSL or any other person;
  - f) the insolvency, bankruptcy death or insanity of the Client;
  - g) any amalgamation, merger or reconstruction that may be effected by GSSL with any other person or any sale or transfer of the whole or any part of the undertaking, property or assets of GSSL to any other person;
  - h) the existence of any claim, set-off or other right which the Client may have any time against GSSL or any other person;
  - i) any arrangement or compromise entered into by GSSL with Client or any other person;
  - j) the illegality, invalidity or unenforceability of, or any defect in, any provision of any document relating to the Margin Facility or Margin Account or any security, guarantee or indemnity (including the Charge) or any of the rights or obligations of any of the parties under or in connection with any such document or any security, guarantee or indemnity (including the Charge), whether on the ground of ultra vires, not being in the interests of the relevant person or not having been duly authorized, executed or delivered by any person or for any other

reason whatsoever;

- k) any agreement, security, guarantee, indemnity, payment or other transaction which is capable of being avoided under or affected by any law relating to bankruptcy, insolvency or winding-up or any release, settlement or discharge given or made by the Client on the faith of any such agreement, security, guarantee, indemnity, payment or other transaction, and any such release, settlement or discharge shall be deemed to be limited accordingly; or
- l) any other thing done or omitted or neglected to be done by GSSL or any other person or any other dealing, fact, matter or thing which, but for this provision, might operate to prejudice or affect the Client's liabilities under the terms of this Agreement governing the Margin Facility.

### 3. SECURITIES IN THE ACCOUNT

- 3.1. The Securities and Securities Collateral in the Account shall be treated and dealt with in compliance with the provisions of the SFO. In particular, the Securities and Securities Collateral which are listed or traded on market operated by SEHK or interests in an authorized collective investment scheme (as defined in the SFO) and are received or held in Hong Kong by GSSL ("**Local Securities Collateral**") shall be:
  - a) deposited in safe custody in a segregated account which is designated as a trust account or client account and maintained by GSSL in Hong Kong with an authorized financial institution, a custodian approved by the SFC or another intermediary licensed for dealing in securities;
  - b) deposited in an account in the name of GSSL with an authorized financial institution, a custodian approved by the SFC or another intermediary licensed for dealing in securities; or
  - c) registered in the name of the Client or GSSL or its nominees.
- 3.2. In respect of any Securities of the Client other than Local Securities Collateral to which the Securities and Futures (Client Securities) Rules are not applicable under Section 3 of the aforesaid Rules, the Client authorizes GSSL in its discretion to deposit, transfer, lend, pledge, repledge or otherwise deal with such Securities to any other parties in whatsoever manner and for any purpose (including without limitation as security for financial accommodation provided to GSSL) GSSL thinks fit.
- 3.3. Any Securities and Securities Collateral held by GSSL on behalf of the Client in the manner mentioned in Clause 3.1 and 3.2 or otherwise shall be at the sole risk of the Client and GSSL has no obligation to insure the Client against any kind of risk. GSSL shall not be responsible for any losses, costs, damages, interests and charge arising from or in connection with such dealing of securities under the aforesaid clauses in the absence of bad faith or willful default of or by GSSL.
- 3.4. For any Securities of the Client deposited with GSSL not registered in the name of the Client, any dividend, distribution or benefits accrued in respect of such securities which are received by GSSL shall be credited to the Account (or payment made to the Client as may be agreed) subject to a reasonable administration fee charged by GSSL. GSSL shall not be responsible for any failure in making such distribution of any party which holds the securities of the Client. GSSL may also exercise voting right on behalf of the Client with respect to such securities upon prior specific instruction received by GSSL from the Client.
- 3.5. For so long as there exists any indebtedness to GSSL on the part of the Client, GSSL may refuse any withdrawal of securities collateral and the Client shall not without consent of GSSL withdraw any securities collateral.
- 3.6. GSSL is not obliged to return the Securities originally delivered or deposited by the Client but may return Securities of the same class, denominations and nominal amount and ranking to the Client.
- 3.7. Without prejudice to any other rights and remedies available to GSSL, GSSL is authorized to dispose of any of the Securities from time to time received from or held on behalf of the Client in settlement of any liability owed by the Client or on the Client's behalf to GSSL or a third party.
- 3.8. Without prejudice to any other right or remedy available to GSSL, the Client agrees to (and also agrees to give) the standing authority to GSSL to authorize GSSL to deal with the Local Securities Collateral from time to time received or held on the Client's behalf in one or more of the following ways (inter alia), namely to:

- a) apply any of the Local Securities Collateral pursuant to a securities borrowing and lending agreement;
- b) deposit any of Local Securities Collateral with an authorized financial institution as collateral for financial accommodation provided to GSSL; or
- c) deposit any of Local Securities Collateral with (i) a recognized clearing house; or (ii) another intermediary licensed or registered for dealing in securities, as collateral for the discharge and satisfaction of GSSL's settlement obligations and liabilities.

Such authority shall remain valid for a period of twelve (12) months from the approval date of the opening of the Margin Account unless the Client gives not less than ten (10) business days' prior written notice to GSSL to revoke the same at any time, provided that no such revocation shall be effective if there is any indebtedness in the Margin Account. Such standing authority which is not revoked prior to its expiry may be renewed or shall be deemed to have been renewed in accordance with the relevant rules made under the SFO. If the Client requests for revocation of such standing authority or the standing authority has not been renewed by the Client whom GSSL called upon to do so, GSSL reserves the right to terminate this Agreement and operations of the Margin Account and then the Client shall forthwith settle any indebtedness owing to GSSL.

- 3.9. Subject to the provisions of the SFO, the Client agrees that GSSL is entitled to retain for its own benefit and not accountable to the Client for any fee, income, rebate or other benefits resulting from any lending or deposit of the securities of the Client held in the Account with any third party for any purpose by GSSL.

## Section E

### Additional Terms & Conditions

#### Dealing in Securities (Options Trading)

The provision in these Additional Terms and Conditions – Dealing in Securities (Options Account) apply to Options Account. The Client shall open and maintain an Options Account with GSSL subject to the General Terms and Conditions, the Additional Terms and Conditions – Dealing in Securities (General), these Additional Terms and Conditions – Dealing in Securities (Options Trading) and other applicable Additional Terms and Conditions.

Unless defined herein or the content otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the General Terms and Conditions. Further, in case of inconsistency between these Additional Terms and Conditions – Dealing in Securities (Options Trading) and the General Terms and Conditions and/or the Additional Terms and Conditions – Dealing in Securities (General), the provisions in the former shall prevail.

#### 1. COMPLIANCE WITH LAWS AND REGULATIONS

- 1.1. The Client acknowledges and agrees that the terms of the “Standard Contract” as defined in the Options Trading Rules of the SEHK for the relevant options series (the “**Standard Contract**”) shall apply to each Options Contract between GSSL and the Client.
- 1.2. The Client acknowledges and agrees that all Options Contracts shall be created, exercised, settled and discharged in accordance with all laws, rules and regulations applying to GSSL (the “**Rules**”), including but not limited to the Options Trading Rules of SEHK, the Clearing Rules of the SEOCH and the rules of the HKSCC.
- 1.3. The Client acknowledges and agrees that SEOCH has the authority to make adjustments to the terms of the Options Contract(s) which shall be binding to the Client in accordance with the Rules, and GSSL shall notify the Client of any such adjustments which affect the Options Contract(s) to which the Client is a party.

#### 2. SECURITIES IN THE ACCOUNT

- 2.1. The Securities of the Client in the Account shall be treated and dealt with in compliance with the provisions of the SFO. In particular, the Securities which the listed or traded on market operated by SEHK or interests in an authorized collective investment scheme (as defined in the SFO) and are received or held in Hong Kong by GSSL (“**Local Securities**”) shall be:
  - a) deposited in safe custody in a segregated account which is designated as a trust account or client account and maintained by GSSL in Hong Kong with an authorized financial institution, a custodian approved by the SFC or another intermediary licensed for dealing in securities; or
  - b) registered in the name of the Client or GSSL or its nominees.
- 2.2. In respect of any Securities of the Client other than Local Securities (“**Overseas Securities**”) held for safekeeping by any other party engaged by GSSL on the Client’s behalf, the Client hereby authorize GSSL to instruct the relevant party on behalf of the Client to deposit such Overseas Securities in the safe custody of that party or its custodian or with any other institution in the relevant jurisdiction where the relevant Transaction was effected which provides facilities for the safe custody of documents.
- 2.3. Any Securities held by GSSL on behalf of the Client in the manner mentioned Clause 2.1 and 2.2 or otherwise shall be at the sole risk of the Client and GSSL has no obligation to insure the Client against any kind of risk. GSSL shall not be responsible for any losses, costs, damages, interests and charges arising from or in connection with such engagement or custody under the aforesaid clauses, including without limitation any losses arising from fraud or negligence of that party so engaged.
- 2.4. For any Securities of the Client deposited with GSSL not registered in the name of the Client, any dividend, distribution or benefits accrued in respect of such Securities which are received by GSSL shall be credited to the Account (or payment made to the Client as may be agreed) subject to a reasonable administration fee charged by GSSL. GSSL shall not be responsible for any failure in making such distribution of any party which holds the Client Securities and Collateral for safekeeping. GSSL may also exercise voting right on behalf of the Client with respect to such securities upon prior specific instruction received by GSSL from the Client.

- 2.5. Securities purchased for the Client will be delivered to the Client (or as the Client may direct) PROVIDE THAT such Securities are fully paid and are not subject to any lien, and/or are not held as Collateral by GSSL.
- 2.6. GSSL is not obliged to return the Securities originally delivered or deposited by the Client but may return Securities of the same class, denominations and nominal amount and ranking to the Client.
- 2.7. Without prejudice to any other rights and remedies available to GSSL, GSSL is authorized to dispose of any of the Securities from time to time received from or held on behalf of the Client in settlement of any liability owed by the Client or on the Client's behalf to GSSL or a third party.
- 2.8. Except as provided in Clause 2.7, Clause 2.2 of the Additional Terms and Conditions – Dealing in Securities (General), or Clause 5.2 and 6 of the General Terms and Conditions or permitted under the SFO, GSSL shall not without the Client's verbal or written direction or standing authority deposit, transfer, lend, pledge, re-pledge or otherwise deal with any Securities of the Client.
- 2.9. Subject to the provisions of the SFO, the Client agrees that GSSL is entitled to retain for its own benefit and not accountable to the Client for any fee, income, rebate or other benefits resulting from any lending or deposit of the securities of the Client with any third party for any purpose by GSSL.

### 3. COLLATERAL

- 3.1. The Client agrees to provide GSSL with cash and/or Securities and/or other Collateral as Margin as may be agreed from time to time, as security for the Client's obligations to GSSL under this Agreement. Such Collateral shall be paid or delivered as demanded by GSSL from time to time. The amounts required by way of Collateral shall not be less than, but may exceed, the amounts as may be required by the Rules in respect of the Client's open positions and delivery obligations, and further Collateral may be required to reflect changes in market value.
- 3.2. The Client shall on request provide GSSL with such authority as GSSL may require under the Rules to authorize GSSL to deliver such Securities, directly or through an Options Exchange Participant, to SEOCH as SEOCH collateral in respect of transactions of Options Contracts resulting from the Client's instructions to GSSL; and GSSL does not have any further authority from the Client to borrow or lend the Client's Securities or otherwise part with possession (except to the Client or on the Client's instructions) of any of the Client's Securities for any other purpose.

### 4. DEFAULT

- 4.1. If the Client fails to comply with any of the Client's obligations and/or to meet the Client's liabilities under this Agreement, including failure to provide Collateral, this will be treated as an Event of Default and in addition the actions GSSL may take under any other provisions of this Agreement, GSSL is further authorized to:
  - a) decline to accept further instructions from the Client in respect of transactions of Options Contracts;
  - b) close out some or all of the Client's Options Contracts with GSSL;
  - c) enter into contracts, or into transactions in Securities, in order to settle obligations arising or to hedge the risks to which GSSL is exposed in relation to the Client's default; or
  - d) dispose of Collateral, and apply the proceeds thereof to discharge the Client's liabilities to GSSL.

Any proceeds remaining after discharge of all the Client's liabilities to GSSL shall be paid to the Client.

- 4.2. The Client agrees to pay interest on all overdue balances in its Options Account (including interest arising after a judgment debt is obtained against the Client) at such rates and on such other terms as GSSL may have notified the Client from time to time.

### 5. OPTIONS CONTRACTS

- 5.1. In respect of all Options Contracts effected on the Client's Instructions, the Client will pay GSSL, within the time period notified by GSSL, premium, GSSL's commission and any other charges, and applicable levies imposed by the SEHK, as have been notified to the Client. GSSL may deduct such premium, commissions, charges and levies from

the Options Account or any other account of the Client with GSSL or its group companies.

- 5.2. GSSL may place limits on the open positions or delivery obligations that the Client may have which will be notified to the Client from time to time.
- 5.3. The Client acknowledges that:
  - a) GSSL may close out Options Contracts to comply with position limits imposed by the SEHK; and
  - b) if GSSL goes into default, the default procedures of SEHK may result in Options Contracts being closed out, or replaced by Options Contracts between the Client and another Options Exchange Participant.
- 5.4. On exercise of an Options Contract by or against the Client, the Client shall perform the Client's delivery obligations under the relevant contract, in accordance with the Standard Contract and as notified by GSSL.
- 5.5. The Client acknowledges that on the expiry day but only on the expiry day, the options system will automatically generate exercise instructions in respect of all open long positions which are in-the-money by or above the percentage prescribed by SEOCH from time to time. The Client may instruct GSSL to override such an automatically generated exercise instruction before the system closure on the expiry day in accordance with the Operational Clearing Procedures of SEOCH.
- 5.6. The Client acknowledges that GSSL may, at the Client's request, agree to the Options Contracts between GSSL and the Client being replaced, in accordance with the Rules by Options Contracts between the Client and another Options Exchange Participant.
- 5.7. The Client acknowledges that, although all Options Contracts are to be executed on SEHK, the Client and GSSL shall contract as principals under Options Contracts.

## Section F

### Additional Terms & Conditions

#### Asset Management

The provision in these Additional Terms and Conditions – Asset Management apply to Discretionary Asset Management Account. The Client shall open and maintain an Asset Management Account with GSSL subject to the General Terms and Conditions, these Additional Terms and Conditions – Asset Management and other applicable Additional Terms and Conditions.

Unless defined herein or the content otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the General Terms and Conditions. Further, in case of inconsistency between these Additional Terms and Conditions – Asset Management and the General Terms and Conditions, the provisions in the former shall prevail.

#### 1. APPOINTMENT

- 1.1. The Client hereby appoints GSSL and GSSL hereby accepts appointment by the Client for the purpose of providing asset management service on a discretionary basis (the “**Management Services**”) in relation to the Client’s cash, Securities and other assets (the “**Portfolio**”) in accordance with this Agreement.
- 1.2. The commencement date of the Management Services as referred in this Agreement shall be the execution date of this Agreement. GSSL shall have received a duly signed application for discretionary asset management service from Client before providing Portfolio Management Services.

#### 2. THE PORTFOLIO

The Portfolio shall include those assets that the Client has placed or will place in the Asset Management Account or in the account(s) opened with the third party financial institution(s) as specified by GSSL or the Client. The type of assets comprises those are traded on Exchanges or over-the-counter, including but not limited to stocks, bonds, mutual funds, hedge funds, private equity funds, currencies, precious metal, options, futures, warrants, and other derivatives products.

#### 3. MANAGEMENT SERVICES

- 3.1. Subject to the investment objectives and restrictions as set out in Clause 4 and 5 below, the Client agrees that GSSL shall have the full authority from the Client to manage the Portfolio on a full discretionary basis while this Agreement remains in force as follows:
  - a) to manage the Portfolio in such manner as GSSL deems fit including the sale or purchase of Securities, the taking of any rights interest or privilege, the exchange of Securities, the placing of cash on interest bearing accounts, whether or not through any custodian(s) or sub-custodian(s), the effecting of any foreign exchange transactions in connection with any purchase, sale or other transaction relating to the Securities and such other actions as are set out in this Agreement;
  - b) to agree or disagree with any plan of reconstruction, merger or amalgamation in respect of any of the Securities which form part of the Portfolio;
  - c) to exercise, take up or refuse any rights or interest relating to any of the Portfolio;
  - d) to engage, employ appoint or change any broker, accountant, solicitor or agent (whether corporate or not) whatsoever and in any part of the world to transact any business and do any act required to be done pursuant to or incidental to the terms and conditions of this Agreement and to pay the remuneration or other professional charges of any such person engaged or appointed from the Portfolio;
  - e) to pay from the Portfolio the purchase price of the Securities and/or assets in the Portfolio purchased, the requisite sums for the subscription of or the taking up of any rights and interest in the Securities and all expenses incurred in relation to the Securities and/or assets in the Portfolio;
  - f) to release or deliver the relevant Securities’ certificates or documents or instruments of title and transfer forms relating to the Securities sold to such party or parties in accordance with GSSL’s instructions;

- g) to execute or to procure the execution of all documents of transfer of relevant Securities and if necessary to submit the same for stamping and/or registration and to keep the same in safe custody and to release the said documents to such party or parties as GSSL may direct;
  - h) to place any money in the Portfolio with GSSL, any custodian or any reputable bank or financial institution on a best effort basis for any period of time and on such terms and conditions as GSSL may deem fit and to withdraw or renew the same at any time;
  - i) to permit all or any part of the Portfolio to remain in the actual state of investment for so long as GSSL deems fit;
  - j) to direct and instruct, in respect of any interest dividends, the exercise of any powers or privileges relating to the Securities and other payments or distributions in respect of the Portfolio and to any attendance at meetings or the exercise of voting rights or the institution of legal proceedings or the defence to legal proceedings in respect of the Securities which form part of the Portfolio;
  - k) should the Portfolio is under the custody of a third party custodian(s) or sub-custodian(s), to direct and instruct such financial institution to act pursuant to Clause 3.1 (a) to (j) above;
  - l) should the Portfolio is under the custody of a third party financial institution, to obtain and receive statements from such financial institution as regards the Portfolio;
  - m) to take all action which GSSL deems fit in relation to the enforcement of the terms and conditions of this Agreement;
  - n) generally to do all acts and things and sign and execute all such documents as agent for and on behalf of the Client as may be necessary for effectuating any of the purposes aforesaid as fully and completely as the Client would do if personally present; and
  - o) generally to act in relation to the Asset Management Account and the Portfolio as fully and effectually in all respects as the Client could do.
- 3.2. The authority given hereunder by the Client is a continuing one and shall remain in full force and effect until termination of this Agreement in accordance with Clause 16 of the General Terms and Conditions provided always that such termination shall not affect any direction instruction and transaction given and/or undertaken or liability incurred by GSSL on behalf of the Client prior to actual receipt of such notice of termination.
- 3.3. GSSL shall provide Management Services and contact with the Client through its fund managers. GSSL shall specify the fund manager(s) serving the Client and inform the Client of the name and contact details of such fund manager(s). GSSL reserves the right to change any fund manager serving the Client upon giving prior notification to the Client.
- 3.4. The Client shall not furnish any research material or information which is prepared by GSSL or its group companies to any third party or parties.
- 3.5. GSSL is not obliged to return the Securities originally delivered or deposited by the Client but may return Securities of the same class, denominations and nominal amount and ranking to the Client.
- 3.6. GSSL shall not be liable or responsible for the authenticity of any document or instrument of title or certificate or subscription form or transfer form relating to any Securities in the Portfolio nor the authenticity of any signature or of any seal affixed to or any endorsement on any document or instrument of title or certificate or subscription form or transfer form affecting the ownership to or rights to the Securities which form part of the Portfolio.
- 3.7. The Client acknowledges and agrees that GSSL provides the Management Services on a non-exclusivity basis and GSSL is acting in the same or similar capacity for its other clients. The Client further acknowledges and agrees that notwithstanding the policy of GSSL to allocate investment opportunities among its clients who have appointed GSSL as discretionary investment manager, over a period of time on a fair and equitable basis, it is possible that GSSL may issue orders to sell or purchase certain Securities for some of the other said clients without issuing a similar order for the Client's or if such an order to sell or purchase is issued, the transaction may be effected at a different price.
- 3.8. GSSL may aggregate transactions in the investments in respect of the Account together with those for the account of



other customers. The Client acknowledges that aggregation may on some occasions operate to the disadvantage of the Client.

- 3.9. The discretion and authority given by the Client to GSSL in respect of the Client's Securities, money or otherwise assets pursuant to this Agreement shall be regarded as the Client's standing authority(ies) to GSSL for the purposes of the Securities and Futures (Client Money) Rules and Securities and Futures (Client Securities) Rules (as the case may be) to the SFO. Such standing authority(ies) is/are automatically revoked upon termination of this Agreement.

#### 4. INVESTMENT OBJECTIVE

Prior to exercising any discretions on the Client's behalf, the Client is required to complete and read all the relevant forms and documents as attached to this Agreement / Account Opening Form, and to inform GSSL the Client's investment objectives and risk tolerance level with respect to the Portfolio, including but not limited to completing the relevant parts in the Account Opening Form. The Client undertakes that should there be any subsequent change in objectives or levels of risk, the Client shall inform GSSL of such changes immediately.

#### 5. INVESTMENT RESTRICTIONS

- 5.1. Unless the Client specifically set out limit or restrictions in the Account Opening Form or otherwise in writing to GSSL AND accepted and acknowledged by GSSL in writing, the Client irrevocably authorized GSSL to enter into discretionary transactions on the Client's behalf without any limit or restriction on the type, class or value of any investments, the amount of consideration involved in any single investment or any similarly related matters unless the Client has given a written notice to GSSL in advance.
- 5.2. Should it be the Client's desire to restrict GSSL from investing in any type or origin of investments due to whatsoever reasons (e.g. ethical stance or religion), the Client shall give GSSL a prior written notice indicating such restrictions, including but not limited to completing the relevant parts in the Account Opening Form. The Client undertakes that should there be any subsequent change in such restrictions, the Client shall inform GSSL of such changes immediately.

#### 6. CUSTODY

- 6.1. The Portfolio shall be held under the Asset Management Account opened and maintained with GSSL, or an account opened and maintained by the Client with a third party financial institutions under the Client's own name. GSSL may hold the Client's assets under GSSL's own name or the name of its nominee.
- 6.2. In respect of the accounts opened and maintained by the Client directly or indirectly with a third party financial institutions, the Client shall maintain a valid instructions for such financial institutions:
- a) To comply with any instructions of GSSL given in accordance with this Agreement and to give all necessary notifications referred to in this Clause, including but not limited to completing a power of attorney in favour to GSSL at such times when GSSL requires; and
  - b) To provide trade confirmations and to provide GSSL all related statements or reports (e.g. monthly statements) on a regular basis.
- 6.3. Although GSSL may provide custodial service or hold money, Securities and assets for the Client, GSSL reserves the right to keep (or to direct to keep) the Portfolio in the brokerage houses under the brokerage accounts in the Client's own name at GSSL's sole and absolute discretion.

#### 7. FEES

- 7.1. In consideration of GSSL agreeing to provide the Management Services as referred to in this Agreement, the Client agrees to pay or will arrange to pay GSSL an investment management fee and performance fee (where applicable). The fees and charges are to be calculated and charged on the basis set out in GSSL's fee schedule or the relevant part of the Account Opening Form.
- 7.2. The Client shall be responsible for the payment of commission, custodian fee, tax and any other expenses incurred by GSSL when performing the Management Services of the Portfolio, and to pay the fees and charges as described in Clause 7.1 promptly (where applicable). The Client hereby authorize GSSL to deduct such payment from the Portfolio or to realize the investment in the Portfolio, when the payment of such fees and charges remains outstanding

when due.

## 8. SOFT DOLLAR AND CASH COMMISSION REBATES

- 8.1. The Client hereby agrees that GSSL may receive goods or services (i.e. “soft dollars”) from any financial institutions in consideration of directing transaction business on behalf of the Client to the financial institutions in a manner from time to time permitted by the SFC and provided that the goods and services are of demonstrable benefit to clients generally (whether or not in any particular case including the Client) of GSSL and that transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary full-service brokerage rate. Such goods and services may include but not restricted to research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; computer hardware and software incidental to the above goods and services; clearing and custodian services and investment-related publications. GSSL shall provide the Client at least annually with a statement describing GSSL’s soft dollar practices, including a description of the goods and services received by GSSL during the preceding year.
- 8.2. The Client agrees that GSSL may also receive and retain any cash or money brokerage commission rebates in relation to transactions effected for and on behalf of the Client and in relation to the Management Services provided that the brokerage rates are not in excess of customary full-service brokerage rate. Moreover, GSSL shall provide the Client at least twice per annum with a statement showing the approximate value of the rebates.

## 9. RECORDS, STATEMENTS AND EVALUATIONS

- 9.1. GSSL shall keep and provide to the Client statements and/or records of investment, sales, purchases, valuations, disbursements and other investment transactions as carried out by GSSL in the Portfolio on a monthly basis in accordance with applicable laws.
- 9.2. GSSL shall keep and provide to the Client evaluations on performances of investment, sales, purchases, valuations, disbursements and other investment transactions as carried out by GSSL in the Portfolio on a quarterly basis in accordance with applicable laws.
- 9.3. The value of the assets comprised in the Asset Management Account shall be determined by the custodian (including GSSL) pursuant to the valuation rules as set out in this Clause and in accordance with procedures established in good faith to reflect the fair market value of the securities and other assets and in accordance with applicable rules and regulations.
- a) For investments quoted or listed on a stock exchange or similar market, the latest available closing price, or
    - i. if this is not available, the last bid prices as at the close of business, or
    - ii. if neither is available, the last available traded price provided that where GSSL considers for any reason such as the suspension of a security, that such price is inapplicable, the value shall be such value as GSSL determines is appropriate.
  - b) For any unquoted investments the value will be the cost thereof or such other valuation as GSSL considers appropriate.
  - c) For investments in any collective investment scheme, the value will be the latest available bid price or redemption price as published or determined by the administrator of such scheme or, if neither is available, such value as GSSL considers appropriate.
  - d) The value of futures contracts will be determined with reference to the contract value of the relevant futures contract, the amount required to close the relevant contract and the amount expended out of the Portfolio in entering into relevant contract.
  - e) Dividends and interest will be valued on a received basis.
  - f) Deposits will be valued at face value.

## 10. LIABILITY AND INDEMNITY

- 10.1. This Clause shall apply in addition and without prejudice to Clause 9 of the General Terms and Conditions.
- 10.2. Neither GSSL, nor any of its Relevant Persons shall be responsible for any default of any financial institutions, counterparty, banks, custodian or any party which holds investments or title documents for the Client or with or through whom transactions on behalf of the Client are conducted in respect of the Portfolio.
- 10.3. No representation or warranty is given by GSSL as to the performance or profitability of any investment purchased by GSSL on behalf of the Client and neither GSSL nor any of its Relevant Persons shall in any circumstances be liable for any loss of opportunity whereby the value of the Portfolio could have been increased or for any decline in such value. GSSL does not guarantee that the Portfolio or any part of it will not be affected by any adverse tax consequences and the Client is recommended to consult his own tax advisors.
- 10.4. While GSSL shall provide Management Services with reference to the investment objective and restrictions as set out under Clause 4 and 5 and shall make reasonable effort to adhere to such objective and restrictions, the Client acknowledges and agrees that any deviations from such objective and restrictions by GSSL shall not constitute a breach of this Agreement and accordingly GSSL and any of its Relevant Persons shall not be liable to the Client for any losses howsoever arisen as a result of such deviations.

## 11. DEPOSITS AND WITHDRAWALS

- 11.1. The Client shall, upon the signing hereof, make (or have made) into the Asset Management Account cash deposit which is equal to the Initial Investment Amount as set out in the Account Opening Form. The Client may thereafter make additional cash deposit into the Asset Management Account from time to time by giving notice to GSSL no later than one (1) business day before the proposed deposit, provided that the net cleared funds of each cash deposit are in an amount equal to, or exceeding, the Minimum Additional Amount as set out in the Account Opening Form.
- 11.2. Subject to 11.3, the Client may make cash withdrawals from the Asset Management Account from time to time by giving not less than ten (10) business days' written notice in advance to GSSL. Where a Client's proposed withdrawal would mean that the aggregate value of all the positions and assets (including cash) held in the Asset Management Account (the "**Account Value**") would in the opinion of GSSL fall below the Minimum Holding Amount as set out in the Account Opening Form, GSSL may, in its absolute discretion, either (i) decline that withdrawal, or (ii) realise all investments in the Asset Management Account and pay out all the net proceeds to the Client and (if GSSL in its absolute discretion considers desirable) terminate the Asset Management Account.
- 11.3. The Client agrees that it shall maintain at all times in the Asset Management Account such funds as are necessary to ensure the Account Value shall never fall below the Minimum Holding Amount. Upon receipt of notice from GSSL that the Account Value has fallen below the Minimum Holding Amount, the Client undertakes to make additional cash deposit into the Asset Management Account within three (3) business days. In the event the Client fails to make such additional deposit, GSSL may realise all investments in the Asset Management Account and pay out all the net proceeds to the Client and (if GSSL in its absolute discretion considers desirable) terminate the Account.

## 12. CONFLICTS OF INTEREST

- 12.1. The services of GSSL under this Agreement are not to be deemed exclusive. The Client acknowledges that: -
- a) GSSL and its affiliates may from time to time act as investment manager, investment advisor, broker or distributor in relation to, or be otherwise involved in, investment portfolio management and securities brokerage other than the Portfolio which may have similar objectives to that of the Client hereunder; and
  - b) it is therefore possible that GSSL and its affiliates may, in the course of business, have potential conflicts of interest with the Client. GSSL shall, at all times, have regard in such event to its obligations in respect of the Client and shall take reasonable steps to ensure that any such conflict is dealt with in a fair and equitable manner.
- 12.2. GSSL and its affiliates may invest in, directly or indirectly, or manage or advise other investment portfolios or accounts which invest in assets which may also be purchased or sold by the Portfolio. None of GSSL and its affiliates shall be under any obligation to account to the Client in respect of (or share with the Client or inform the Client of) any such transaction or any benefit received by any of them from any such transaction.

12.3. GSSL and its affiliates may, without prior reference to the Client, buy, hold and deal in any investments upon its individual account notwithstanding that similar investments may be held by or for the account of the Portfolio.

12.4. Nothing contained in this Agreement shall prevent GSSL or any of its affiliates from contracting or entering into any financial or other transaction with any company or body corporate, any of whose shares or securities are held by or for the account of the Portfolio or from being interested in any such contract or transaction.

### 13. TERMINATION

13.1. Subject to the provisions of this Clause 13, this Agreement shall continue and remain in force unless and until terminated by either Party giving to the other Party not less than thirty (30) days' written notice.

13.2. This Agreement shall be terminated, or shall be deemed to have been terminated, upon termination of the Asset Management Account for whatsoever reason(s).

13.3. This Agreement may be terminated immediately by any Party (the notifying Party) giving written notice to the other Party, if the other Party: -

- a) commits any material breach of its obligations under this Agreement and if such breach is capable of being made good, fails to make good such breach within thirty (30) days of receipt of written notice from the notifying Party requiring it so to do; or
- b) is liquidated or dissolved (except a voluntary liquidation or a voluntary dissolution for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying Party) or commits any act of bankruptcy under the laws of any jurisdiction to which that Party may be subject or if a receiver is appointed over any of its assets.

13.4. GSSL may terminate this Agreement immediately by giving written notice to the Client if GSSL cease to be able to fulfil its obligations or perform its duties under this Agreement due to any change of law or if GSSL cease to be permitted to provide its services to the Client under any applicable law.

13.5. GSSL may terminate this Agreement immediately by giving written notice to the Client if GSSL considers at its sole discretion that it may no longer be able or fit to perform (or perform properly, efficiently and satisfactorily) any of its duties hereby contemplated due to whatsoever reason(s) including but not limited to change of legal, regulatory, economic, technology or social policies, conditions or environment.

13.6. Termination of this Agreement shall be without prejudice to the completion of transactions already initiated. Such transactions will be completed by GSSL as soon as practicable.

13.7. Notwithstanding Clause 13.6, GSSL is at liberty, after receipt of or service of notice of termination of this Agreement, cancel unexecuted instructions and the Client shall remain liable for all cost and expenses incurred as a result of GSSL or the custodian or the broker settling such transaction.

13.8. On termination of this Agreement in accordance with this Clause 13, GSSL shall be entitled to receive all outstanding fees, costs and expenses accrued due up to the date of such termination.

13.9. For the avoidance of doubt, termination of this Agreement shall be without prejudice to the Asset Management Account Agreement and its subsistence and enforceability.

## **Section G**

### **Additional Terms & Conditions**

#### **Electronic Trading**

The provisions in these Additional Terms and Conditions (Electronic Trading) apply only to any Account in respect of which the Client has requested (including but not limited to by completing and filing the relevant part in the Account Opening Form) and GSSL has agreed to provide with Electronic Trading Service on the terms and conditions of this Agreement.

1. When using the Electronic Trading Service, the Client warrants that the Client is the only authorized user of the Client's Access Codes and will be responsible for all instructions placed and all Transactions conducted with the use of the Access Codes. The Client shall be responsible for the confidentiality, security and use of the Access Codes issued to the Client by GSSL. GSSL may use authentication technologies in connection with the Electronic Trading Service.
2. The Client acknowledges that it may not be possible to correct, amend or cancel an instruction given through Electronic Trading Service and agree to exercise caution before placing orders.
3. GSSL may (but not have obligations to) monitor and/or record any of the Client's instruction given or orders transacted through the Electronic Trading Service. The Client agrees to accept such recording (or a transcript thereof) as final and conclusive evidence of the contents and the nature of the relevant instructions and any Transactions in accordance with such instructions are binding on the Client.
4. GSSL will not be deemed to have received or executed the instructions from the Client given through the Electronic Trading Service unless and until the Client has received the relevant acknowledgement or confirmation in such manner specified by GSSL from time to time (including without limitation by posting the status of the instructions in order journals on the website which is operated by GSSL and is freely accessible by the Client). GSSL is also entitled to correct any errors in such acknowledgement or confirmation without incurring any liability in connection therewith.
5. The Client shall immediately notify GSSL if:
  - a) an instruction has been placed through the Electronic Trading Service and the Client has not received an instruction number or, whether accurate or at all, acknowledgement of receipt of the instruction or of its execution from GSSL (whether by hard copy, electronic or verbal means); or
  - b) the Client has received acknowledgement of a Transaction (whether by hard copy, electronic or verbal means) which the Client did not instruct;
  - c) the Client has any suspicion of unauthorized access to the Electronic Trading Service;
  - d) the Client becomes aware of or suspicious of any unauthorized disclosure or use of the Client's Access Codes;and/or otherwise, and GSSL or its agents, employees or representatives shall not be responsible or liable to the Client or any other person for any claim with respect to handling, mishandling or loss of instruction placed through the Electronic Trading Service
6. Notwithstanding any other provisions in this Agreement, where the Client is provided Electronic Trading Service, following execution of the Client's trading order, the Client accepts that GSSL may send to the Client and the Client agrees to receive trading confirmations and records (including but not limited to contract notes and statement of transactions) through electronic posting to the Account, a website operated by GSSL or the Client's email address (as provided in the Account Opening Form or notified by the Client from time to time) or other electronic means in lieu of printed documents. Any such information will be fully and freely accessible by the Client after such sending by GSSL and the Client shall print out such documents or make its own arrangement forthwith without delay to maintain its own records if necessary. If the Client insists to receive confirmation and records in printed documents, GSSL is entitled to charge a reasonable fee for providing such service.
7. The Client shall use any website and/or software provided (whether by GSSL or any other third party) for use in accessing or using the Electronic Trading Service at its own risk and costs. The Client shall provide and maintain the connection equipment (including computers and modems) and services for accessing and using the Electronic Trading Service at its own risk and costs.

8. The Client agrees that should Client experience any problems in reaching GSSL through the Electronic Trading Service or vice versa, the Client shall attempt to use an alternative method or device, as GSSL may make available, to communicate with GSSL to place the Client's orders and to inform GSSL of the difficulty the Client has experienced.
9. The Client acknowledges that the Electronic Trading Service, the website operated by GSSL, and the software comprised in them, are licensed or proprietary to GSSL. The Client shall not, and shall not attempt to, tamper with, modify, decompile, reverse engineer or otherwise alter in any way or gain unauthorized access to, any part of the Electronic Trading Service, the website operate by GSSL or any of the software comprised in them.
10. The Client acknowledges that the Client has fully understood the implications of the risks associated with the Electronic Trading Service but agrees that the benefits of using the Electronic Trading Service outweigh these risks and waive any claim the Client might have against GSSL arising from:
  - a) systemic errors or failures (including hardware, software and communication errors/failures);
  - b) GSSL's acceptance of any unauthorized instructions which appear or which GSSL believes to be from the Client;
  - c) failure of delay in execution of instructions from the Client of execution of the Client's instructions at prices different from those prevailing of the time the instructions were given;
  - d) the Client's access to the website of GSSL or the Electronic Trading Service being limited or unavailable;
  - e) failure of or delay in dispatch or delivery of any notice or information provided or requested via the Electronic Trading Service or any inaccuracy, error or omission in or from any such notice or in or from any information contained in any such notice;
  - f) Client's failure to use the Electronic Trading Service in accordance with this Agreement or any relevant agreement between GSSL and the Client; and
  - g) the Client's reliance, use or otherwise acting upon any information or materials provided via the Electronic Trading Service or the website operated by GSSL.
11. The Client acknowledges that the real-time quote service available at GSSL is provided by third party provider(s) appointed by GSSL from time to time and GSSL does not warrant and/or guarantee the accuracy and completeness of any information or materials provided via such real-time quote service, and is not liable to any loss or damage caused (whether directly or indirectly) by the any inaccuracy and/or incompleteness of such information provided.
12. The Client acknowledges that the Internet is, due to unpredictable traffic congestion and other reasons, an inherently unreliable medium of communication and that such unreliability is beyond the Client's or GSSL's control. The Client acknowledges that, as a result of such unreliability, there may be delays in the transmission and receipt of Instruction and other information and that this may result in delays in the execution of Instructions and/or the execution of Instruction at prices different from those prevailing at the time the Instruction were given. The Client further acknowledges and agrees that there are risks of misunderstanding or errors in any communication and that such risks shall be absolutely borne by the Client.

## **Section H**

### **Additional Terms & Conditions**

#### **Discretionary Trading**

The Client requests and authorizes GSSL to manage the Account, as specified in the relevant part of the Account Opening Form, on a discretionary basis (the “Discretionary Account”) (the “Authority”). The Discretionary Account shall be designated in GSSL’s books and records as a discretionary account and the Client further agrees and confirm as follows:

1. The Client hereby appoints GSSL as the Client’s agent and attorney for the purpose of investing and reinvesting the Investment Assets in connection with the Discretionary Account. GSSL shall fully and comprehensively manage the Discretionary Account in respect of the Investment Assets on a discretionary basis (the “Asset Management Service”).
2. “Investment Assets” shall consist of (1) all cash and investments of the Discretionary Account initially or later assigned to GSSL by the Client and (2) all investments, reinvestments and proceeds of the sale thereof, including without limitation, all dividends and interest on investments, and all appreciations thereof and additions thereto (less depreciation thereof and withdrawals therefrom).
3. GSSL shall delegate the duty to manage the Discretionary Account to its authorized representative(s) shown in the relevant part of the Account Opening Form, who is/are competent to perform such duty.
4. GSSL will receive and accumulate all the dividends and other income accrued or distributed in connection with the Investment Assets on behalf of the Discretionary Account.
5. The Client agrees that in entering into agreements to effect any transaction for the Client, GSSL may combine orders on behalf of the Client with its own orders and orders for other clients, and where this results in a number of transactions at different prices, GSSL may average the prices obtained so that all orders involved are executed at the same average price notwithstanding that combining the orders may result in a less favorable price being obtained for the transaction for the Client than would have achieved had the order for the Client been effected separately.
6. In the event that the net equity in Discretionary Account for futures and options trading falls below such sum as is specified by the Client in writing to GSSL from time to time or if, in any period of three or fewer consecutive trading days, it falls by more than 50% from the level at which it stood at the beginning of that period, GSSL should forthwith notify the Client in writing of the level of net equity and, except with the prior written consent of the Client to every subsequent transaction, should not initiate any new trades in respect of the Discretionary Account (except in order to close out existing open positions) until such time as the net equity in the Discretionary Account exceeds the specified amount or is restored to the level at which it stood at the beginning of the period (as the case may be). “Net equity” at any time means the balance at that time shown in the ledger account relating to the Discretionary Account plus any floating profit or less any floating loss in respect of the Discretionary Account, and after adjusting for any levies or commissions due from the Client.
7. GSSL should not accept, carry or initiate on behalf of the Discretionary Account for futures and options trading more than two day trades in any market or open short options positions unless GSSL has obtained prior written approval from the Client specifically authorizing such transactions. A “day trade” is a transaction whereby GSSL executes in the same day an order to buy and an order to sell Exchange Contracts on the same market in the same futures contract month, option series, or currency contract type.
8. GSSL may manage and continue to manage discretionary accounts for other clients and nothing in this Authority shall in any way be deemed to restrict its right to provide the Asset Management Service or other services for any person, and the provision of such services for any other person shall not be deemed to violate or give rise to any duty or obligation by GSSL to the Client.
9. Nothing in this Authority shall limit or restrict GSSL or any of its affiliates from buying, selling or trading in any securities for its or their own account or accounts. The Client acknowledges that GSSL, its affiliates and its other clients may at any time have held, acquired, or disposed of positions in investments which are at the same time being held, acquired or disposed of for the Discretionary Account.
10. The Client agrees and declares that GSSL and its authorized representative(s) shall not be liable for any loss or any diminution in value of the Investment Assets nor shall be held responsible for any judgment made or transactions effected in relation to the Discretionary Account unless the same is due to gross negligence or willful default on GSSL’s

part or on the part(s) of its authorized representative(s).

11. This Authority shall be valid for a period of 12 months, commencing from the date of this Mandate (the “Service Period”). Written notification will be sent to the Client at least 1 month prior to the expiry date informing that this Authority will automatically be renewed for a further 12 months unless the Client specifically revokes it in writing before the expiry date. GSSL may set the initial Service Period to be less than 12 months in order to correspond to its renewal system which falls on the months ending March, June, September or December of each year. In alternative, the Client may give not less than ten (10) business days’ prior notice to GSSL to revoke this Authority. This Authority shall be revoked upon termination of this Agreement.
12. This Authority shall be construed in accordance with and governed by the laws of Hong Kong.



## Section I

### Additional Terms & Conditions

#### Investment Fund Services

**Important: Please read these terms and conditions carefully. These terms and conditions set out the rights and obligations of you, the Customer, and us, the Company, in connection with your use of the Investment Fund Services. All these terms are legally binding, so please read them through carefully before you agree to be bound by them.**

#### 1. Interpretation

- 1.1 In the event of any conflict or discrepancy between these terms and conditions and the terms of any other agreement subsisting from time to time between the Company and the Customer in respect of dealings in units or shares in any Collective Investment Schemes (as defined in clause 3.1 below), these terms and conditions shall prevail.
- 1.2 In these terms and conditions, “Application” means the application form signed by the Customer in respect of the Investment Fund Services; “Company” means Glory Sun Securities Limited and its successors and assigns; “Business Day” means any day (excluding Saturday and Sunday) on which the Company is open for the transaction of business in Hong Kong; “Customer” means any customer signing, and named in, the Application and who has applied to the Company to subscribe to the Investment Fund Services and in whose name the Settlement Account is maintained; where the Investment Fund Services are to be jointly subscribed by, and the Settlement Account is in the joint name of, two or more persons, then unless otherwise specified or the context otherwise requires, “Customer” shall mean all of such persons collectively; “Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China; “Investment Fund Account” means the account opened and maintained by the Customer with the Company for the purposes of the Investment Fund Services, and shall include such account as may from time to time be re-designated or re-numbered; “Instruction” means any instruction from the Customer given to the Company for the purposes of these terms and conditions; “Settlement Account” means the account or accounts established and maintained by the Customer which is designated by the Customer from time to time to hold funds intended for the settlement of the subscription, purchase or sale of any Fund Investments and/or for the receipt of income, dividends and other payments (if any) in connection with any Fund Investments and/or for the payment of any fees in connection with any Fund Investments, or in the absence of any such designated account(s) subsisting at the relevant time for whatever reason, any other cash account(s) maintained by the Customer.
- 1.3 In these terms and conditions, unless the context otherwise requires: (a) the word “person” includes any individual, company, firm, partnership, joint venture, association, sole proprietorship or other business entity; (b) words denoting one gender shall include all other genders; (c) words denoting the singular shall include the plural and vice versa; (d) headings have been inserted for convenience of reference and shall not affect construction.
- 1.4 The Chinese translation of these terms and conditions is provided for convenience only and the English version shall prevail for all purposes.

#### 2. Risk Disclosure Statements

- 2.1 The prices of securities fluctuate, sometimes dramatically. The price of the units/shares of a unit trust or mutual fund 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 unit trusts or mutual funds. Past performance of any unit trust or mutual fund is no guide to its future performance. The Customer should read the offering documents and latest results information carefully and is advised to seek independent financial advice before making any investment decision.
- 2.2 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.
- 2.3 The Customer acknowledges and accepts the risks set out in clauses 2.1 and 2.2 and agrees to bear all consequences of dealing in units or shares of any Collective Investment Schemes.

#### 3. Information on Collective Investment Schemes

- 3.1 Unless otherwise required by law or any regulatory requirements applicable to the Company, the Company will use all reasonable efforts after the Customer applying for the Company's Investment Fund Services as set out in these terms and conditions and subject to the availability of Information (as defined below) for distribution by the Company, from time to time upon request provide, or procure to be provided, to the Customer recently published editions of prospectuses, explanatory memoranda, semi annual and annual reports and accounts and other up to date promotional and advertising literature, publications, materials and statistical information ("Information") issued by and/or relating to one or more mutual fund corporations or unit trusts or other collective investment schemes or individual share classes therein which in each case have been authorised by the Securities and Futures Commission in Hong Kong ("Collective Investment Schemes").
- 3.2 The Information to be provided to the Customer by the Company may comprise: (a) information produced and provided to the Company on behalf of the relevant Collective Investment Schemes by any representative, agent or adviser to such Collective Investment Schemes ("Fund Information"); and/or (b) statistical information in respect of past performance of Collective Investment Schemes generated by the Company in relation to the relevant Collective Investment Schemes ("Additional Information").
- 3.3 The Company is not required to notify the Customer of any corporate action. The Company may decide whether to give or withhold giving approval or vote or refrain from voting on any notice or document which requires approval in writing or at a meeting of investors of any Collective Investment Schemes.
- 3.4 The Company accepts no responsibility and shall have no liability whatsoever to the Customer: (a) for advising or giving any recommendation to the Customer as to whether or not to invest in any Collective Investment Scheme in respect of which Information has been provided and the Customer acknowledges the desirability of seeking independent financial advice with respect to any such investment opportunity; (b) in respect of the accuracy, completeness or otherwise of any Information provided by the Company pursuant to these terms and conditions whether Fund Information, Additional Information or otherwise; and (c) for any costs, expenses, disbursements, liabilities, obligations, penalties, claims, demands, actions, proceedings, judgments, suits, losses or damages of whatsoever nature ("Losses") suffered or incurred by the Customer as a result of, or in connection with, any acquisition, holding, disposal or redemption by or for and on behalf of the Customer of any units or shares in any of the Collective Investment Schemes ("Fund Investments"), or any other transaction made or omitted to be made by the Customer on the basis of any Information (whether Fund Information, Additional Information or otherwise) provided by the Company pursuant to these terms and conditions or the performance of any Collective Investment Schemes.
- 3.5 If the Customer wishes to raise any questions or seek further details in respect of the Information provided the Customer will address such questions to the Company in writing and the Company will use all reasonable endeavours to obtain a written response to such questions from the appropriate representative of the relevant Collective Investment Scheme(s).
4. Acquisition, Holding and Redemption of Fund Investments
- 4.1 If the Customer decides to take advantage of these services provided by the Company in order to purchase any Fund Investments in any of the Collective Investment Schemes: (a) the Customer will instruct the Company, in accordance with clause 7, and hereby authorises the Company on its behalf, and as its agent, to place a purchase order (the "Purchase Order") for such Fund Investments with the appropriate representative of the relevant Collective Investment Scheme(s). Any such Purchase Order shall specify that any Fund Investments allotted are to be held in the name of Glory Sun Securities Limited or its wholly owned subsidiaries as nominee for the Customer ("Nominees"); (b) the Company will apply for the proposed Fund Investments as agent for and on behalf of the Customer. The Customer acknowledges that in placing the Purchase Order, the Company may, if it has received purchase orders from other Customers for investments in the same Collective Investment Scheme(s), aggregate the Customer's Purchase Order with such other purchase orders and place an aggregated purchase order; and (c) the Customer hereby authorises the Company, upon receipt from the Customer of Instructions as described in (a) above, and without further Instructions from the Customer, to debit the Customer's Settlement Account as referred to in clause 5) with an amount equal to the subscription moneys and other charges, costs and expenses (if any) required to be paid for or in connection with the acquisition of the Fund Investments. For the avoidance of doubt the Customer hereby expressly acknowledges and agrees that any Collective Investment Scheme which receives a Purchase Order from the Company will not be obliged to accept such Purchase Order in whole or in part and neither the Company nor Nominees shall have any responsibility or liability for ensuring that the relevant Collective Investment Scheme allots the Fund Investments or for any Losses including any loss of investment opportunity which the Customer may suffer or incur as a result of any refusal to accept or delay in accepting such Purchase Order by any such Collective Investment Scheme.

- 4.2 If, having purchased Fund Investments by means of the services provided by the Company, the Customer decides to switch Fund Investments between Collective Investment Schemes, the Customer shall instruct the Company accordingly and the provisions of clause 4.1 shall apply as if all references therein to the “Purchase Order” and other purchase orders were references to an application to switch Fund Investments or other such applications received from other Customers of the Company.
- 4.3 The Customer acknowledges and agrees that any contract notes issued in respect of Fund Investments applied for in accordance with clause 4.1 or switched in accordance with clause 4.2 will be delivered direct to the Company and such Fund Investments will be held by the Company as agent, and where relevant registered in the name of the Company, as agent for and on behalf of the Customer. The Customer agrees that, in respect of those Fund Investments where an applicant may elect to hold such Fund Investments by one or more means the Company or Nominees shall be authorised under these terms and conditions to make such election for and on behalf of and as agent for the Customer as the Company or Nominees shall deem fit.
- 4.4 If the Company has placed an aggregated purchase order in accordance with clause 4.1(b) above then the Company will procure that Nominees will upon issue of the relevant Fund Investments allocate in what the Company determines, in its absolute discretion, to be the most appropriate manner, the Fund Investment between the various purchasing Customers including the Customer.
- 4.5 By applying for the Company’s Investment Fund Services to be provided in accordance with these terms and conditions the Customer agrees that the Company may, from time to time release or provide to Nominees (or any sub-custodian appointed by Nominees pursuant to clause 6.2) all or any information held by the Company in respect of the Customer and the Settlement Account on the basis that Nominees (or such sub-custodian), its personnel and staff, will, save to the extent that it is required to disclose the same in order to comply with any laws or regulations or the requirements of any statutory and regulatory authorities or to carry out the duties and comply with the obligations referred to in these terms and conditions, keep such information confidential and only use it for the purposes of carrying out the duties and complying with the obligations referred to in these terms and conditions.
- 4.6 If, at any time, the Customer wishes to redeem all or any of the Fund Investments acquired pursuant to these terms and conditions, the Customer shall instruct the Company to apply or procure that an application is made to the appropriate representative of the relevant Collective Investment Scheme(s) for the redemption of the Fund Investments in accordance with the operative redemption provisions of such Collective Investment Scheme(s) and the Company will, or will procure that Nominees will, make the necessary application.
- 4.7 Upon any redemption of Fund Investments pursuant to these terms and conditions, the Company will, or will procure that Nominees will, credit to the Settlement Account such moneys (net of any fees, charges or expenses incurred in connection with the redemption) as may be received in consideration of the redemption of the Fund Investments.
- 4.8 Subject to clause 4.6 in the case of redemption, if at any time the Customer wishes to transfer, or sell or otherwise dispose of any of the Fund Investments acquired pursuant to these terms and conditions the Customer shall terminate its use of the Company’s Investment Fund Services in accordance with clause 9.1 and upon such termination the provisions of clause 9.3 shall apply. Save in the case of application for redemption of Fund Investments, the Company shall not be required to transfer or sell or otherwise dispose of or procure the transfer or sale or other disposition of any Fund Investments pursuant to these terms and conditions.
- 4.9 The Company will not be obliged under any circumstances to take any action at any time which occurs outside of normal Company business hours in Hong Kong. Subject as aforesaid, the Company and the Customer agree that: (a) provided the Customer instructs the Company so that the Company receives any such Instructions before the latest cutoff time specified by the Company from time to time for the receipt by the Company of any Purchase Order or application for switching or redemption in respect of any Collective Investment Scheme(s), the Company will use all reasonable endeavours to send by facsimile or deliver any Purchase Order or application for switching or redemption to the appropriate recipient in respect of the relevant Collective Investment Scheme(s) on the same day upon which the Company receives the relevant Instructions from the Customer so as to enable the relevant Collective Investment Scheme(s) to process such Instructions on:- (i) where such day is a day on which dealings take place in units or shares of such Collective Investment Scheme(s) (“Dealing Day”), the same day; or (ii) where such day is not a Dealing Day, the immediately following Dealing Day; (b) if the Customer instructs the Company so that the Company receives any such Instructions later than the cut-off time specified in (a) above, the Company will use all reasonable endeavours to send by facsimile or deliver any Purchaser Order or application for switching or redemption to the appropriate recipient in respect of the relevant Collective Investment Scheme(s) on the next Business Day so as to enable the relevant

Collective Investment Scheme(s) to process such Instructions on:- (i) where such Business Day is a Dealing Day, such Business Day; or (ii) where such Business Day is not a Dealing Day, the immediately following Dealing Day; and (c) if the Customer instructs the Company that any Purchase Orders or application for switching or redemption in respect of any Collective Investment Scheme(s) received by the Company from the Customer shall be placed with the appropriate representative of the relevant Collective Investment Scheme(s) on a particular day designated by the Customer (the "Specified Day"), the Company will use all reasonable endeavours to send by facsimile or deliver such Purchase Order or application for switching or redemption to the appropriate recipient in respect of the relevant Collective Investment Scheme(s) on the Specified Day so as to enable the Collective Investment Scheme(s) to process such Instruction on:- (i) where the Specified Day is a Dealing Day, the Specified Day; or (ii) where the Specified Day is not a Dealing Day, the immediately following Dealing Day. PROVIDED ALWAYS that in each case (i) any necessary subscription or other moneys required to be paid by or on behalf of the Customer in respect of the proposed transaction are available in freely available cleared funds in the Settlement Account; and (ii) the Company shall not be liable to the Customer for any Losses which the Customer may incur as a result of the Company's failure to send or deliver any Purchase Orders or applications unless such failure results directly from the gross negligence or wilful default of the Company or its servants or agents. For the purposes of this clause 4.9 information in respect of the specified cut-off times of the Company for the receipt of Purchase Orders and the other applications referred to above will be provided by the Company to the Customer upon request.

- 4.10 If, at any time, for any reason representatives of any Collective Investment Scheme instruct Nominees, as registered holder of any Fund Investments, to divest itself, transfer or otherwise dispose of any such Fund Investments in accordance with the terms and conditions governing the operation of such Collective Investment Scheme, the Company shall procure Nominees to redeem the relevant Fund Investments and credit the proceeds to the Customer's Settlement Account.
- 4.11 In the absence of Instruction from the Customer, cash dividends from Fund Investments may either be reinvested or credited to the customer's Settlement Account as the Company or its Nominees may deem fit.
- 4.12 Where the Company agrees to provide the Customer with an execution-only trading service, the following provisions will apply in respect of that service, in addition to the other provisions of these terms and conditions as applicable (except that this clause shall prevail to the extent of any conflict or inconsistency): (a) all decisions on whether to invest in, hold or dispose of any asset or to enter into any agreement shall be made by the Customer; (b) the Company shall execute orders in relation to the types of investments specified by the Customer only in accordance with the Customer's Instructions; (c) the Company shall not advise the Customer on the merits of a transaction and the Company is not obliged to ensure the transaction is suitable for the Customer. Since the Company will not provide the Customer with any advice, the Customer may not benefit from the protection offered by applicable laws and regulations on assessing the suitability of a transaction for the Customer as may otherwise be applicable to a solicited or advisory transaction; (d) where there is a corporate event or other matter which involves the exercise of rights (including but not limited to voting, conversion and subscription rights) that arise in relation to investments held by the Customer, the Company shall not be responsible for dealing with any of these matters. The Company may at its sole and absolute discretion obtain the Customer's Instructions from time to time (though the Company is under no obligation to do so). Where the Company does seek the Customer's Instructions and does not receive valid Instructions within the time specified by the Company, the Company shall take no action, as is consistent with the execution-only nature of these arrangements; and (e) in relation to proxy voting, which the Company may at its sole and absolute discretion undertake upon the Customer's specific request (though the Company is under no obligation to do so), the Company may charge the Customer a fee which the Company shall advise to the Customer separately.

## 5. Receipt and Disbursement of Moneys

- 5.1 The Settlement Account shall be used for the purposes of transactions contemplated by these terms and conditions.
- 5.2 The Company shall, subject to the provisions of these terms and conditions, hold in the Settlement Account: (a) all cash received by it from or for the account of the Customer for the purposes of acquiring Fund Investments; (b) all cash received by it and/or Nominees for the account of the Customer from the disposal or redemption of such Fund Investments, and (c) all income, dividends and other payments received in respect of the Fund Investments held pursuant to these terms and conditions on behalf of the Customer. The Company shall make arrangements for the collection and receipt of, and shall procure that Nominees remit into the Settlement Account or any other cash account(s) maintained by the Customer with the Company, all income, dividends and other payments received with respect to the Fund Investments held pursuant to these terms and conditions. If the Settlement Account or such other cash account(s) as aforesaid is in a different currency, the Company and the Nominees are hereby authorised to convert such income, dividends and other payments so received into the same currency of the relevant Settlement Account or

such other cash account(s) (as the case may be) in which case the conversion to that different currency of the Settlement Account or such other cash account(s) (as the case may be) shall be made at the rate which the Company determines to be prevailing in the relevant foreign exchange market at the relevant time, such determination to be conclusive and binding on the Customer. The Company shall not be liable for any losses or costs suffered or incurred by the Customer as a result of the Company and the Nominees acting upon such authorisation. The Customer shall indemnify the Company and the Nominees and hold the Company and the Nominees harmless from any and all losses, damages and liabilities whatsoever arising, and all costs and expenses (including legal fees and costs on all indemnity basis) which are of reasonable amounts and are reasonably incurred by the Company, directly or indirectly from the Company and the Nominees acting upon such authorization.

5.3 Subject always to the provisions of clauses 5.4, the Company shall make payments from the Settlement Account without further Instructions from the Customer, and the Customer hereby authorises the Company to make such payments, only: (a) upon the purchase of Fund Investments for the account of the Customer and for payments in connection with the registration of such Fund Investments in the name of Nominees; (b) for the payment by the Customer, whether to the Company, Nominees or otherwise, of all taxes, fees, disbursements, charges and expenses properly payable by the Customer pursuant to these terms and conditions or in respect of the acquisition, holding or disposal of Fund Investments; and (c) for any payments in connection with the switching or redemption of Fund Investments held on behalf of the Customer. The Company may make other payments from the Settlement Account in accordance with the Customer's Instructions.

5.4 The Customer agrees at all times to maintain sufficient funds in the Settlement Account for the purpose of effecting any purchases of Fund Investments on the Customer's Instructions and/or for paying any fees, costs or other expenses which the Customer is liable to pay under these terms and conditions. The customer acknowledges and agrees that if at any time there are in the reasonable opinion of the Company (having regard to other payments debited or due to be debited) insufficient funds in the Settlement Account for these purposes the Company may: (a) decline to place a Purchase Order on the Customer's behalf with any Collective Investment Scheme; (b) (in the Company's sole discretion and without any obligation to do so on the part of the Company transfer funds as necessary from any other Company accounts maintained by the Customer with the Company without further instruction or sanction from the Customer.

## 6. Custody of Fund Investments

6.1. The Company shall procure that Nominees shall, record and hold in a separate account in its books all Fund Investments received and held by it from time to time for the account of the Customer and shall arrange for all Fund Investments to be held in safe custody in such manner as the Company may in its absolute discretion determine.

6.2. The Company shall be entitled to authorise Nominees, to appoint, without the further consent of the Customer, any Company, trust company or member firm of any securities exchange to act as (a) a sub-custodian of any of the Fund Investments held by the Company and/or Nominees pursuant to the agreement evidenced by these terms and conditions and (b) as an administrator to assist in the performance of obligations pursuant to these terms and conditions (a "Sub-Custodian") on such terms as the Company may, in its absolute discretion, consider appropriate provided that if the Company and/or Nominees has exercised reasonable care and skill in the selection of any such Sub-Custodian, the Company shall not be liable or responsible for any act or omission of any such Sub-Custodian or any of its officers, employees, servants or agents in connection with the Fund Investments in its custody.

6.3. Unless and until the Company receives an instruction to the contrary the Company shall procure that Nominees and/or where relevant any Sub-Custodian appointed pursuant to clause 6.2 shall: (a) (to the extent that the Company or Nominees has actual notice of the relevant event) present for payment the Fund Investments which are called, redeemed or retired or otherwise become payable and all coupons and other income items held pursuant to these terms and conditions for the account of the Customer which call for payment upon presentation and hold the cash received upon such payment for the account of the Customer; (b) hold for the account of the Customer all stock dividends, rights and similar securities issued with respect to any Fund Investments held pursuant to these terms and conditions; (c) receive and collect all interest, dividends and other payments or distributions of income in respect of the Fund Investments; such Customers, any Instruction from the Customer shall be given: (a) by letter delivered by hand or sent by prepaid postage duly signed or purportedly signed by an Authorised Person; (b) subject to execution of such additional documentation as the Company may require, by facsimile message duly signed or purportedly signed by an Authorised Person; or (c) subject to verification of such security code and/or personal data and/or other information of the Customer as the Company may require, by telephone, internet or any other electronic means in the manner as determined from time to time by the Company.

- 6.4. Notwithstanding any other provisions of these terms and conditions if at any time it is, in the opinion of the Company and/ or Nominees, necessary in order to protect the interests of the Customer, to act without Instructions the Company may (but shall not be obliged to) do so, and may (but shall not be obliged to) procure Nominees to do so, as if it were the absolute beneficial owner of the Fund Investments and in this connection the Company and/or Nominees may subscribe or otherwise deal with any money, securities or other rights offered in respect of the Fund Investments.
- 6.5. The Company shall procure that Nominees will not vote in relation to any of the Fund Investments held for the account of the Customer except in accordance with Instructions received from the Customer in accordance with clause 7. The Company shall, if required in accordance with such Instructions, use all reasonable efforts to procure the delivery by Nominees, or the execution in blank and delivery by Nominees, to the Customer of relevant notices, proxies and proxy soliciting materials in relation to the Fund Investments held pursuant to these terms and conditions.
- 6.6. Upon being fully indemnified to the Company's reasonable satisfaction for costs and liabilities by the Customer and upon production by the Customer to the Company of such evidence as may be requested by it, the Company shall execute, or shall procure the execution by Nominees and/or any Sub-Custodian of, such ownership and other certificates and affidavits as may be reasonably requested by the Customer for fiscal or tax purposes in connection with the Fund Investments held pursuant to these terms and conditions and shall make or procure the making of such applications and reports as may be required under the laws of any jurisdiction in order to apply for or secure any tax privileges to which the Customer is or may otherwise be entitled in connection with such Fund Investments.
7. Instructions
- 7.1. Upon applying for the Company's Investment Fund Services, the Customer shall provide to the Company on the Company's form of signature card the names and specimen signatures of the persons authorised to give and/or sign instructions on behalf of the Customer ("Authorised Persons"). The Customer shall promptly notify the Company of any changes that may be made from time to time to the list of its Authorised Persons. Until the Company has received the Customer's notification of such changes, the Company is entitled to rely on the last list of Authorised Persons on record with the Company.
- 7.2. Subject to Clause 4.9, Instructions shall for the purposes of these terms and conditions be deemed to have been received upon receipt during normal business hours (Saturdays excepted) by the Company's Dealing and Administration Unit or any replacement section or unit carrying out the same or similar functions from time to time.
- 7.3. The Company shall be entitled in its absolute discretion to refuse to comply with any Instructions which in the opinion of the Company are unclear or ambiguous or which would or might cause the Company to contravene any law or regulation (whether or not having legal and binding effect) and the Company shall not incur any liability to the Customer as a result of its refusal to act in such circumstances.
- 7.4. Notwithstanding the terms of any other agreement or course of dealing between the Company and/or Nominees and the Customer, the Company and/or Nominees is requested and authorized, but is not obliged, to rely upon and act in accordance with any Instruction, notice or other communication which may from time to time be, or purport to be, given by facsimile transmission, telephone, internet or any other electronic means by or on behalf of the Customer (when applicable) without inquiry or verification on the part of the Company and/or Nominees as to the authority or identity of the person making or giving or purporting to make or give such Instruction, notice or communication and regardless of the circumstances prevailing at the time of such Instruction, notice or communication. The Customer agrees that the risks of any such Instruction, notice or communication being given by any person(s) purporting to be or act on behalf of the Customer shall be borne by the Customer. The Customer shall be bound by all such Instructions, notice or communication which the Company and/or Nominees in good faith believes to have been made by or on behalf of the Customer notwithstanding any actual error, misunderstanding, lack of clarity, fraud, forgery or lack of authority in relation thereto. The Company and/ or Nominees shall not be liable for any losses, damages or costs suffered or incurred by the Customer as a result of the Company and/or Nominees relying and acting upon the same in good faith.
- 7.5. The Company is authorized to record any telephone conversations between the Customer and the Company in writing and/or by tape recording on a centralized system operated by the Company and/ or by other means, and the Company's records shall be conclusive and binding on the Customer in the absence of manifest error. The Company may dispose of any such written or other records and erase such tapes after the expiration of such period as the Company may determine.
8. Fees, Charges and Expenses

8.1. (a) The Customer shall pay fees to the Company for the services performed by the Company and/or Nominees pursuant to these terms and conditions in accordance with a scale which the Company may prescribe from time to time. The Company shall be entitled at any time by notice to the Customer to change the scale of fees. In relation to services which the Company considers exceptional in nature, the Customer agrees to pay to the Company such amount as may be agreed between the Company and the Customer from time to time. (b) The Customer shall pay or reimburse to the Company all costs and out-of-pocket expenses (including, without limitation, all costs and fees imposed by any relevant Collective Investment Scheme(s) and all taxes, duties or levies payable in respect of any Fund Investments acquired, held or redeemed pursuant to these terms and conditions) incurred by the Company in the performance of its duties pursuant to these terms and conditions.

8.2. If the agreement set out in these terms and conditions is terminated, the Company shall be entitled to receive a proportionate amount of its fee calculated on a daily basis up to and including the date of termination together with full reimbursement of all out-of-pocket costs and expenses incurred by the Company up to termination including for the avoidance of doubt any levies or fees incurred in the transfer of Fund Investments pursuant to clause 9.3 below.

8.3. The Customer acknowledges and agrees that the Company may receive a selling or placing commission (howsoever designated) from representatives of any Collective Investment Scheme(s) in respect of which it provides Information to the Customer under these terms and conditions and that the Company shall be entitled.

## 9. Termination

9.1 The agreement set out in these terms and conditions may be terminated at the Company's sole discretion at any time by the Company and may be cancelled by the Customer giving to the Company not less than 14 days notice in writing.

9.2 The agreement set out in these terms and conditions shall, if the Customer is an individual, forthwith terminate upon the death or upon the legally recognised declaration of incapacity or incapability of the Customer (or, in the case of more than one individual being the Customer, of all such individuals), but all acts performed by the Company and/or Nominees prior to receiving written notice of such death, incapacity, incapability, winding-up or insolvency shall be valid and binding upon the Customer and the successors in title or permitted assigns of the Customer.

9.3 Upon termination of the agreement set out in these terms and conditions the Company shall be deemed to have been authorised by the Customer to request the appropriate representative of the relevant Collective Investment Scheme(s) to transfer the Fund Investments to the Customer (and in so doing the Company and Nominees shall be discharged from any further responsibility therefore); provided always that the Company shall not be liable to arrange the transfer of the Fund Investments as aforesaid until all the Customer's liabilities to the Company under these terms and conditions (including any outstanding fees and expenses payable under these terms and conditions) shall have been fully discharged by the Customer.

## 10. Indemnity

10.1. The Customer hereby agrees to indemnify and hold harmless Nominees, the Company for itself and as trustee for Nominees and its/their respective directors, officers, employees, servants, agents and correspondents from time to time ("Personnel") against all liabilities, obligations, penalties, claims, demands, action, proceedings, judgments, suits, losses and damages which may be imposed on, asserted against or suffered by the Company, Nominees or its/their Personnel and all costs and expenses (including legal costs on an indemnity basis) which are of reasonable amount and were reasonably incurred by the Company, Nominees or its/their Personnel arising out of, or in connection with, the agreement set out in these terms and conditions at any time or from any cause whatsoever including, without limitation, the purchase, holding, switching and redemption of Fund Investments, the operation of the Settlement Account, any reliance by the Company, Nominees and/ or its/their Personnel in good faith upon any Instruction, notice or communication given, or purportedly given, by or on behalf of the Customer by letter, facsimile transmission, telephone, internet or any other electronic means and the enforcement of these terms and conditions (whether by the Company, Nominees, or its/their Personnel and/or any third party agent employed by any one or more of them for such purpose) save and except where such Losses have been incurred by the Company, Nominees and/or its/their Personnel as a result of its/their respective negligence or willful breach of duty. rendered by them under these terms and conditions or for any loss or damage which the Customer may suffer or sustain as a result or in the course of discharge by the Company and/or Nominees and/or their respective Personnel of its/their duties under or pursuant to these terms and conditions.

10.2. Neither the Bank nor Nominees nor their respective Personnel shall, in the absence of negligence or willful breach

of duty, be liable to the Customer for any action or omission in the course of or in connection with the services rendered by them under these terms and conditions or for any loss or damage which the Customer may suffer or sustain as a result or in the course of discharge by the Bank and/or Nominees and/or their respective Personnel of its/their duties under or pursuant to these terms and conditions.

- 10.3. Neither the Company nor Nominees shall be liable to the Customer for or in respect of any Losses or failing to comply or delay in complying with its/their obligations under these terms and conditions which is caused directly or indirectly by force majeure, Act of God, war, terrorism, industrial disputes, natural disaster, adverse weather conditions, failure of communication systems or any other cause, event or circumstances beyond the Company's or Nominees' reasonable control.
- 10.4. The Customer further agrees to be bound by all the terms and conditions pursuant to which the Company and/or Nominees effects each purchase, switching or redemption of any Fund Investment(s).
- 10.5. Neither the Company nor Nominees shall be required to take any legal action unless fully indemnified to its/their reasonable satisfaction (as a prerequisite to taking such action) for all costs and liabilities by the Customer.
- 10.6. Nothing in these terms and conditions or the indemnities contained in this clause shall operate so as to exclude or restrict any liability, the exclusion or restriction of which is prohibited by the laws of Hong Kong.

## 11. Non-Exclusivity

- 11.1. The services to be provided by the Company (and by Nominees on behalf of the Company to the Customer under these terms and conditions are non-exclusive and the Company and/or Nominees shall be permitted to perform such services for such other persons as the Company and/or Nominees in its/their absolute discretion deem fit and neither the Company nor Nominees shall be liable or under any obligation (a) to account to the Customer for any benefit received by the Company and/or Nominees for providing such services to others; or (b) to disclose to the Customer any fact or thing which may come to the notice of the Company and/or Nominees or any of its/their Personnel in the course of providing such services to others or in the course of its/their business in any other capacity or in any manner whatsoever otherwise than in the course of carrying out its/their duties under these terms and conditions.

## 12. Representations of the Customer

- 12.1. By applying to the Company for the provision of Investment Fund Services upon these terms and conditions (a) The Customer (if the Customer is more than one individual, each such individuals) hereby represents and certifies under penalties of perjury that (i) he is not a citizen or resident of the United States of America; (ii) he has not been nor does he anticipate or expect to be present in the United States of America for a period aggregating 183 or more days during any calendar year; (iii) the gains from his purchase, switching or redemption transactions carried out pursuant to the Investment Fund Services are not effectively connected or related to any US trade or business which the Customer is engaged in or plans to engage in during the calendar year; (iv) he will not acquire or hold the Fund Investments beneficially for any other person, or in violation of any applicable law and he will be the beneficial owner of the Investment Fund Account; (v) he is the person ultimately responsible for originating the transactions to be made on the Investment Fund Account and no other person stands to gain the commercial or economic benefit or bear the commercial or economic risk thereof; (vi) he has reached the age of majority under the laws of his country of nationality or domicile; and (vii) all the representations made by the Customer remain true and accurate at all times. (b) The Customer acknowledges that the offer and/or provision of the Investment Fund Services in certain jurisdictions or to certain investors may be restricted or prohibited by applicable law. The Customer hereby warrants and represents that: (i) he has read and understood these terms and conditions and the terms of the relevant prospectus or offering document of the funds, investment products or Collective Investment Schemes offered pursuant to the Investment Fund Services; and (ii) having regard to the eligibility criteria and/or restrictions set out in each of the aforementioned documents, including without limitation the applicable restriction or prohibition in relation to the offer or provision of the Investment Fund Services to persons domiciled or resident in or a citizen of certain jurisdictions, he is eligible to apply for and participate in the Investment Fund Services.

## 13. Disclosure

- 13.1. The Customer agrees that all personal data relating to the Customer collected by the Company from time to time may be used and disclosed for such purposes and to such persons (whether in or outside Hong Kong) as may be in accordance with the Company's policies on use and disclosure of personal data set out in statements, circulars, terms and conditions or notices made available by the Company to its customers from time to time and such data may be (a)



used in connection with matching procedures (as defined in the Personal Data (Privacy) Ordinance), and (b) disclosed (by way of Company references or otherwise) to any financial institution with which the Customer has or proposes to have dealings to enable such financial institution to conduct credit checks on the Customer; and (c) disclosed by the Company in the event that such disclosure is required by any securities exchange or regulatory or governmental body having jurisdiction over it (including without limitation The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission) whether or not the requirement has the force of law.

#### 14. Notices

- 14.1. Any communications or notices required or permitted to be given by or on behalf of the Company to the Customer may be given in writing and sent by mail (postage prepaid) or facsimile or electronic mail (where applicable) addressed to the Customer at the last mailing address or facsimile number or e-mail address on record with the Company.
- 14.2. All communication and documents so sent under clause 14.1 shall be deemed to have been received by the recipient (a) if sent by letter 24 hours after posting if mailed to an address in Hong Kong, or 7 days after posting if mailed to an address elsewhere, save that in the case of legal process these periods shall be increased to 7 and 21 days respectively; and (b) if sent by facsimile or electronic mail: when dispatched. 14.3 Each of the other joint applicants (if any) irrevocably appoints the person named as “Primary Applicant” in the Application as his agent for the purpose of service by the Company of such notices, demands or other communications as well as any legal process arising in connection with the agreement constituted by these terms and conditions or the Investment Fund Services. Any notice to the “Primary Applicant” will be deemed effective notification to all joint applicants.

#### 15. Lien and Set-off

- 15.1. The Company shall have a first and general lien on all Fund Investments held pursuant to these terms and conditions for any amounts properly due from the Customer to the Company in connection with the Investment Fund Services set out in these terms and conditions.
- 15.2. In addition to and without prejudice to the Company’s right of set off at law or under any other agreement from time to time subsisting between the Company and the Customer, the Company may at any time and without prior notice to or consent of the Customer, set off, appropriate and apply any credit balance in the Settlement Account or any other account in the name of the Customer (or, if the Customer consists of more than one person, any one or more of such persons) with the Company or Company (and whether or not such account is maintained singly or jointly with others and whether or not matured or subject to notice) in or towards discharging any debit balance in the Settlement Account or any such other accounts.
- 15.3. The circumstances in which the Company will exercise its right of set-off against the Customer include without limitation the following (a) any liabilities of the Customer to the Company, whether present or future, actual or contingent, and whether owed individually or jointly with any other person, becomes overdue, (b) any attachment, execution or similar process is levied against the Customer, (c) an act of Company bankruptcy is committed by the Customer or a petition in Company bankruptcy (or winding up) is filed by or against the Customer, (d) a receiver is appointed of all or any substantial part of the assets of the Customer, or (e) the Company has reason to believe that the Customer is unable to pay his debts when due.

#### 16. Governing Law and Submission to Jurisdiction

- 16.1. These terms and conditions shall be governed by and construed in accordance with the laws of Hong Kong.
- 16.2. The Customer hereby: (a) irrevocably submits to the non-exclusive jurisdiction of the courts of Hong Kong and of any country where the Customer has assets now or in the future; (b) waives any objections on the grounds of venue, forum non convenient or similar grounds; and (c) consents to service of process including any writ, judgment or other notice by mail to the Customer’s address on the Company’s records or to such other address as may subsequently be notified in writing to, and received by, the Company.

#### 17. Miscellaneous

- 17.1. In circumstances where two or more persons have jointly subscribed to the Investment Fund Services :- (a) the Company may act on the Instructions of either person acting singly but each such person shall be jointly and severally liable with the other person for any obligation or liability incurred by either of them to the Company in connection with the Investment Fund Services or the Settlement Account or otherwise under or in connection with these terms

and conditions; (b) on the death of any person, the Company or Nominees will hold any Fund Investments and any money or other assets standing to the credit of the Investment Fund Account to the order of the survivor(s), without prejudice to any right which the Company or Nominees may have arising out of lien, mortgage, charge, pledge, set-off, counterclaim or otherwise whatsoever or to any step which the Company or Nominees may consider desirable to take in view of any claim by any person other than the survivor(s), subject to compliance with the Estate Duty Ordinance and all applicable laws; (c) the Company or Nominees may at its absolute discretion comply with any request from any governmental or regulatory authority relating to any one or more of the persons and, for such purpose, apply such Fund Investments or any money or other assets in the Customer's account as may in the opinion of the Company or Nominees be required, without seeking Instructions from or notifying the Customer; and (d) the Company shall be at liberty to release or discharge any of such persons from the liability hereunder or to accept any composition from or make other arrangements with any of such persons without releasing or discharging the other or others or otherwise prejudicing or affecting the Company's rights and remedies against the other or others, and none of them shall be released or discharged by the death of any one of them.

- 17.2. The authorised signatories for the Settlement Account shall be the authorised signatories for the Investment Fund Account with the same limitation (if any) on signing authority, and the signature(s) of the Settlement Account shall be the Customer's specimen signature(s) for operating the Investment Fund Account.
- 17.3. The Company shall, and shall procure that Nominees shall, comply with the provisions of any law, regulation or order now or hereafter in force which purports to impose any duties on the Company and/or Nominees as the holder of any Fund Investments to give any notification or to take or refrain from taking any action.
- 17.4. The Company shall be under no duty to take any action other than as specified in these terms and conditions with respect to any Fund Investments or cash of the Customer held by the Company and/or Nominees under these terms and conditions. The Company shall be entitled to receive and to act, or procure Nominees to act, upon any advice of counsel and shall be without liability for any action taken or thing done in good faith in reliance upon such advice.
- 17.5. The Customer hereby confirms and acknowledges that the risk category/categories to which any Fund Investments is/are currently classified as may change from time to time and the risks arising from any transaction(s) of such Fund Investment (the "Transaction(s)") (a) may not correspond to the Customer's risk tolerance reflected in the Investment Profile contained in the Application which the Customer completed when he applied for the Investment Fund Services, or (b) when aggregated with those arising from other outstanding fund transactions effected on the Customer's Investment Fund Account, may exceed or fall below the Customer's risk tolerance level. Notwithstanding the foregoing, the Customer confirms and acknowledges that it is his independent decision to enter into the Transaction(s) and the Customer fully understands the risks and consequences of his doing so and agrees to bear all consequences in the event that the risks arising from the Transaction(s) exceed or fall below the Customer's risk tolerance level. The Company shall have no liability whatsoever in respect of the Customer's entering into any or all of the Transaction(s).
- 17.6. Any written confirmation sent out by the Company shall (save in the case of manifest error) be conclusive and shall be deemed to have been accepted by the Customer if not objected in writing by the Customer within the period stipulated in the confirmation for this purpose (if any). The Customer acknowledges that any statement given over the telephone or other electronic means as to the status of the Settlement Account or any particular transaction is not binding on the Company.
- 17.7. The Customer shall notify the Company forthwith of any material change in any information provided by the Customer from time to time in connection with the establishment and operation of the Investment Fund Services. The Company shall notify the Customer of any material change in the information on the Company provided hereunder.
- 17.8. The failure of the Company to exercise or delay in exercising a right or remedy provided by these terms and conditions or by law does not constitute a waiver of the right or remedy or prevent further exercise of the right or remedy or another right or remedy.
- 17.9. The Company shall be entitled at any time by notice to the Customer to amend or change any or all of these terms and conditions.
- 17.10. If any of these terms and conditions is held or deemed to be void or unenforceable, the other terms will remain in full force and effect.

## **Section J**

### **Foreign Account Tax Compliance Act (“FATCA”) and Common Reporting Standard (“CRS”) Policies**

Under Foreign Account Tax Compliance Act (“FATCA”), financial institutions in Hong Kong are required to report certain information of their clients to tax and/or other governmental authorities and withhold on clients’ U.S. source Fixed, Determinable, Annual, or Periodical income in certain circumstances. Hong Kong has also passed local legislation to implement the Common Reporting Standard (“CRS”) under which financial institutions must report certain information with respect to tax residency of their clients to the Hong Kong Government Authority (e.g. Hong Kong Inland Revenue Department), which may be shared with certain offshore Government Authorities. For compliance of the regulatory requirement in relation to FATCA, CRS and other related regulations, GSSL implemented the terms and conditions of this Appendix to govern the relevant rights and obligations between the clients and GSSL.

#### **1. Privacy Waiver**

1.1 The Client hereby irrevocably authorises GSSL to disclose and/or submit such information provided by the Client, including without limitation to personal/institutional information, identity/company documents and W8ben/W9 forms to the competent regulatory or Government Authority and/or other financial intermediaries (“FI”) as required by their Qualified Intermediary Agreement made between the FI and the U.S. Internal Revenue Service (“IRS”) in the relevant jurisdiction(s) (including without limitation to IRS, U.S. Department of the Treasury and the Hong Kong Inland Revenue Department) for the purpose of compliance of the requirements under FATCA, CRS and other related laws, regulations, codes and rules.

1.2 The Client further acknowledges that GSSL may not notify the Client such disclosure or submission as required by the applicable laws or regulations, and agrees that it will not require GSSL to make such notification to the Client before or after the disclosure or submission of the information to the relevant authorities.

#### **2. Further Assurance for Provision of Information**

2.1 The Client undertakes that it will promptly provide GSSL such information, including without limitation to the personal/institutional information in the Client Information Statement and the relevant account opening forms designated by GSSL from time to time and the relevant tax forms completed by the Client, for the purpose of compliance of the requirements under FATCA, CRS and other related laws, regulations, codes and rules.

2.2 The Clients shall ensure that the information provided to GSSL under section 2.1 shall always be true, complete and accurate without misleading in all material aspects.

2.3 The Clients further undertakes that it will promptly (in any event, within 30 days) notify GSSL whenever any information provided to GSSL under section 2.1 is changed or becomes untrue, incomplete, inaccurate or misleading and provide GSSL the necessary updated information.

2.4 Upon GSSL’s request, the Client shall promptly (in any event, within 30 days) provide GSSL such additional or substitute certificates and forms and other documentary evidences, including without limitation to the self-certification, substitute tax forms of expired tax forms (if any), the Client’s written nationality statement, certificate of loss of U.S. nationality and privacy waivers.

2.5 The Client acknowledges and agrees that failing to provide GSSL information as required under this Section 2 will entitle GSSL to change the FATCA or CRS status of the Client’s account based on information available to GSSL,

suspend the trading activities under the Client’s account, withhold the assets in the Client’s account, close the Client’s account, or sell the assets in the account to produce withholdable payments at GSSL’s sole and absolute discretion.

2.6 GSSL will keep and use the Client’s personal/institutional data in compliance with the Personal Data (Privacy) Ordinance and other applicable data privacy policy.

#### **3. Withholding Authorisation**

3.1 The Client hereby authorises GSSL to withhold any part of or all assets in the Client’s account (in cash or other forms) or sell the assets in the account to produce withholdable payments if, at GSSL’s sole and absolute discretion:

(a) The Client do not provide GSSL with the information or documents requested in a timely manner or if any information or documents provided are not up-to-date, accurate or complete such that GSSL is unable to ensure its ongoing compliance or adherence with the requirements under FATCA;

(b) the FATCA status of the Client is identified as recalcitrant or non-participating foreign financial institutions;

(c) there is no reliable evidence to treat the Client as exempted from withholding requirement under FATCA or other relevant regulations;

(d) the withholding is required by competent regulatory or Government Authorities in the relevant jurisdiction; or

(e) the withholding is otherwise necessary or appropriate for the compliance of the requirements under FATCA and other related laws, regulations, codes and rules.

#### 4. Indemnification

4.1 The Client hereby agree to hold GSSL and its directors, officers, employees and agents (the “Indemnified Persons”) indemnified against all losses, liabilities, costs, claims, actions, demands or expenses (including but not limited to, all reasonable costs, charges and expenses incurred in disputing or defending any of the foregoing) which the Indemnified Persons may incur or which may be made against the Indemnified Persons arising out of, or in relation to or in connection with:

- (a) any breach or alleged breach of the terms and conditions hereunder, whether by act or omission, of the Client; and
- (b) any non-compliance of FATCA, CRS or any other applicable laws, regulations, codes, and orders in relation to the Client and/or the Client’s account, except where such loss or damages arise from wilful default, fraud or negligence of the Indemnified Persons.

4.2 The Client undertakes to assist GSSL in any proceeding or investigation arising in any matter out of or in connection with the compliance with the requirements under FATCA, CRS and other applicable laws, regulations, codes, and orders. In such case, GSSL will notify the Client when GSSL becomes aware of such proceedings, unless prohibited by applicable laws and regulations.

4.3 If any payment to be made by the Client to the Indemnified Persons under the clauses hereunder is subject to deduction or withholding tax, the sum payable by the Client in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction or withholding, the Indemnified Persons receive on the due date and retain (free from any liability in respect of such deduction, withholding or payment) a net sum equal to what the Indemnified Persons would have received if no such deduction, withholding or payment been made or required to be made.

4.4 The Client shall continue to be bound by the provisions of this clause despite the Client ceasing to be an Accountholder or the termination of any account.

#### 5. Incorporation with the Terms and Conditions

5.1 This Appendix shall be deemed to be incorporated as a part of the Terms and Conditions in relation to the Client’s Account and subject to amendments made by GSSL from time to time at GSSL’s sole and absolute discretion. In case of conflict or inconsistency between the Terms and Conditions and this Appendix, the terms of this Appendix shall prevail.

5.2 Unless otherwise defined, capitalized terms in this Appendix shall have the same meaning as defined under the Terms and Conditions in relation to the Client’s Account.

#### 6. Language

6.1 This Appendix is prepared in both English and Chinese. If there is any conflict or inconsistency, the English version shall prevail.