

**CSI GLOBAL MARKETS LIMITED**  
**TERMS AND CONDITIONS FOR SECURITIES TRADING**

INSTITUTIONAL PROFESSIONAL INVESTOR  
/EXPERIENCED CORPORATE PROFESSIONAL INVESTOR

**CSI Global Markets Limited**

18/F One Pacific Place,  
88 Queensway  
Hong Kong

Licensed Corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) licensed to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities.

Participant of The Stock Exchange of Hong Kong Limited

C. E. Number: BIG262

The Customer hereby agrees that the following terms and conditions (“**Terms and Conditions**”) will apply to all securities trading and related services which CSI Global Markets Limited (“**CSIGM**”) or “us”, “we”, may in its absolute discretion provide to the Customer from time to time.

The Terms and Conditions (as well as any addenda and/or annexes ) as amended and/or supplemented from time to time, and the Customer Information Statement or Application Form completed by or on behalf of the Customer, as well as any confirmations, contract notes, term sheets and subscription documents (or documents of a similar nature) issued in respect of transactions (together the “**Agreement**”), constitute a legally binding contract and take effect when the Customer gives the Instructions or signifies its acceptance by placing an order with us (or our Affiliates), or entering into a securities transaction with us (or our Affiliates). CSIGM may, at its absolute discretion, amend all or part of its Terms and Conditions from time to time. The updated version will be made available on our corporate website at [www.clsa.com](http://www.clsa.com).

**1. Definitions and Interpretation**

1.1 In the Terms and Conditions, save where the context otherwise requires, the following words and expressions shall have the following meanings:

“**Acceptance Notice**” has the meaning ascribed to it in Clause 6.7 hereunder;

“**Account Information**” means any information relating to the Securities Account including without limitation the account number, account balance or value, gross receipts, withdrawals and payments from the account;

“**Affiliate**” unless otherwise defined in the Clauses hereunder, in relation to a specific party means, any legal entity at any time directly or indirectly controlling, controlled by or under common control with such specific party or any of such entities’ directors, officers or employees;

“**Applicable Laws and Regulations**” means: (i) any applicable local or foreign laws, constitutions, ordinances (such as the SFO), regulations, demands, guidance, codes and codes of practice (such as the SFC Code of Conduct), guidelines, rules, by-laws, customs and practices, usages, rulings, interpretations, standards, levies and/or administrative requests of the relevant markets, governmental or regulatory authorities, exchanges, clearing houses and/or similar bodies (including those relating to intergovernmental agreements between the governments or regulatory authorities of two or more jurisdictions); and (ii) any agreements between CSIGM (or any other CSI Group Company) and any government or taxation authority in any jurisdiction (including but not limited to any agreements entered into by any CSI Group Company pursuant to FATCA);

“**Authorized Persons**” means those individuals who have been designated by or duly authorized by the Customer pursuant to necessary corporate or other actions (which shall be evidenced by appropriate documentation delivered and acceptable to CSIGM) to act on behalf of the Customer in connection with the Agreement. Such person(s) shall continue to be Authorized Person(s) until such time as CSIGM has received from the Customer appropriate documents revoking the authority of such person(s) and “**Authorized Person**” means any one of the Authorized Persons;

“**Authority**” means any national, state, or local government, any political subdivision thereof, any agency, authority, instrumentality, whether judicial or administrative, regulatory or self-regulatory organization, law enforcement body, court, central bank or tax or revenue authority in any jurisdiction whether within or outside of Hong Kong;

“**Client Money Rules**” means the Securities and Futures (Client Money) Rules (Chapter 571I of the Laws of Hong Kong) made by the SFC under section 149 of the SFO as amended from time to time;

“**Client Money Standing Authority**” means the client money standing authority granted by the Customer to CSIGM in the terms set out in Clause 14 as amended or supplemented from time to time;

“**CSI**” means CITIC Securities International Company Limited;

“**CSI Group Companies**” means any affiliated entity of CSIGM deemed under FATCA and CSI Group Company means any one of them;

“**Custodial Agent**” means such agents, correspondents, sub-custodians, Affiliates or nominees in Hong Kong or elsewhere employed by CSIGM as it thinks fit to hold securities or other assets, to pay for and receive, or to deliver or exchange or to make collections with respect to securities or other assets or otherwise to perform any of CSIGM’s duties as custodian under the Agreement and shall include (for the avoidance of doubt) any clearing systems;

“**Customer Information Statement**” or “**Application Form**” means any account application form or customer information statement in such form as may be prescribed by CSIGM which contains such information about the Customer as CSIGM may require;

“**Data**” means all such personal data or information as defined in the PDPO Circular;

“**Electronic Instruction**” has the meaning ascribed to it in Clause 16.2 hereunder;

“**Event of Default**” has the meaning ascribed to it in Clause 17.2 hereunder;

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

“**FATCA**” means Section 1471 to 1474 of the United States Internal Revenue Code of 1986 (as amended and/or supplemented from time to time) and any associated similar or analogous legislation, treaty, intergovernmental agreement, regulation, instruction, or other official guidance of any Authority in any jurisdiction whether within or outside of Hong Kong;

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

“**Identity Information**” has the meaning ascribed to it in Clause 5.2 hereunder;

“**Instruction**” means a written, oral or electronic communication which CSIGM believes in good faith to have been given by the Customer or any Authorized Person and shall, for the avoidance of doubt, include Electronic Instructions;

“**Loan**” has the meaning ascribed to it in Clause 6.7 hereunder;

“**Loss**” means any losses, damages, proceedings, claims, demands, actions, liabilities, costs, penalties, fines, taxes, fees and expenses whatsoever, including but not limited to any direct, indirect, special or consequential losses (whether or not the possibility of such were known about or reasonably in the contemplation of the relevant parties), any loss of profits, loss of revenue, damage to goodwill or reputation, loss of contracts or business opportunities, loss of use of money, money not recovered, money paid out in error, interest, and any liability to any third party of any nature whatsoever;

“**Market Requirements**” means all the constitutions, laws, rules, regulations, by-laws, customs and practices, rulings, interpretations, standards, Prescribed Terms, levies and administrative requests of the relevant market(s), governmental or regulatory authorities, exchange(s) and clearing house(s) whatsoever;

“**Monies**” has the meaning ascribed to it in Clause 14.1 hereunder;

“**New Listing Securities**” has the meaning ascribed to it in Clause 6.7 hereunder;

“**Offer**” has the meaning ascribed to it in Clause 6.7 hereunder;

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

“**PDPO Circular**” means the circular relating to the PDPO issued by CSIGM as amended and/or supplemented from time to time;

“**Person**” means an individual, corporation, company, partnership, joint venture, trust, estate, limited liability company, unincorporated organization or other entity;

“**Potential Event of Default**” has the meaning given to it in Clause 15.1;

“**Prescribed Terms**” means the terms of any client agreement which are mandatory under the Market Requirements of a particular market and which CSIGM enters into with a participant of such market in order for CSIGM to execute the Instructions to conduct a transaction in that market on its behalf;

“**Principal Transaction**” means a securities transaction in which CSIGM (acting on its behalf or its Affiliates) acts as principal to such transaction with the Customer acting as a counterparty to such transaction;

“**Refund Payment**” has the meaning ascribed to it in Clause 6.9 hereunder;

“**Relevant Persons**” has the meaning ascribed to it in Clause 3.10 hereunder;

“**Repayment Date**” has the meaning ascribed to it in Clause 6.10 hereunder;

“**Regulators**” has the meaning ascribed to it in Clause 5.1 hereunder;

“**Schedule**” has the meaning ascribed to it in Clause 15.1 hereunder;

“**securities**” means (1) stocks, shares, units and other equity securities (2) bonds, notes and other debt securities, (3) spot and forward contracts, options, warrants, futures, contracts for differences, swaps, exchanges and derivatives (whether or not linked or related in any way to any of the foregoing or to any moneys, index or other asset, property or item) and (4) other investments of any kind whatsoever, in each case whether listed or unlisted, traded or not traded on any exchange or market, privately placed or publicly offered and whether or not constituted, evidenced or represented by a certificate or other document (bearer, negotiable or otherwise) or by an entry in the books of an issuer, a clearing house, a depository, a custodian or any other person, together with rights against any issuer, clearing house, depository, custodian or other person in respect of any of the foregoing and other rights, benefits and proceeds in relation to any of the foregoing;

“**Securities Account**” means any account recording the Customer’s securities transactions opened by CSIGM in its books in the name of the Customer;

“**Services**” shall have the meaning ascribed to it in Clause 16.1 hereunder;

“**Settlement Account**” means the bank account of the Customer designated as the Settlement Account in the Customer Information Statement, the Application Form or such other bank account of the Customer as the Customer may notify CSIGM in writing from time to time;

“**SFC**” means the Securities and Futures Commission of Hong Kong;

“**SFC Code of Conduct**” means the Code of Conduct for Persons Licensed by or Registered with the SFC as amended, supplemented and/or modified from time to time;

“**SFO**” means the Securities and Futures Ordinance (Cap 571) of Hong Kong, and any subsidiary legislation made thereunder, as revised, amended or substituted from time to time;

“**Short Selling Order**”:

- (a) subject to paragraph (b), means an order to sell securities in respect of which the Customer has a presently exercisable and unconditional right to vest the securities in the purchaser of them by virtue of having:
  - (i) under a securities borrowing and lending agreement:
    - (a) borrowed the securities; or
    - (b) obtained a confirmation from the counterparty to the agreement that the counterparty has the securities available to lend to the Customer;
  - (ii) a title to other securities which are convertible into or exchangeable for the securities to which the order relates;
  - (iii) an option to acquire the securities to which the order relates;
  - (iv) rights or warrants to subscribe to and to receive the securities to which the order relates; or
  - (v) entered into with another person an agreement or an arrangement of a description as is prescribed by the SFC;
- (b) in relation to paragraph (a) (ii), (iii), (iv) or (v), does not include an order where the Customer has, at the time of placing the order, issued unconditional instructions to obtain the securities;

“**Supplier**” has the meaning ascribed to it in Clause 16.2 hereunder;

“**System**” has the meaning ascribed to it in Clause 16.2 hereunder;

“**Third-Party Supplied Part**” has the meaning ascribed to it in Clause 16.2 hereunder;

“**Ultimate Beneficiary**” has the meaning ascribed to it in Clause 5.2 hereunder;

1.2 The singular form of words used in this Agreement includes the plural form of those words, and references to one gender include references to all genders. Words denoting person include a firm, sole proprietorship, partnership and corporation and vice versa.

1.3 Titles: The title or heading of any provision of the Terms and Conditions shall not affect the meaning of that or any other provision.

## 2. Securities Account

2.1 The Customer shall open and maintain the Securities Account for recording all the Customer’s securities transactions made pursuant to the Agreement.

2.2 In respect of transfers of securities into the Securities Account, the Customer shall arrange for and instruct the transfer of the securities from the transferring party to CSIGM at his own costs and expenses. The securities will not be credited to the Securities Account until CSIGM has actually received the securities.

2.3 CSIGM will as soon as reasonably practicable after receipt of an Instruction arrange for the transfer of the Customer’s securities in the Securities Account to a third party nominated in the Instruction provided always that:

- (a) the Customer is responsible for procuring the third party to receive the securities transferred from CSIGM and for all the handling and transfer fees and charges for such transfer;

- (b) the securities may not be transferred when they are being processed for transfer to and registration in CSIGM's name or the name of a Custodial Agent; and
- (c) the Customer is not indebted to CSIGM.

### 3. Instructions and Service

- 3.1 CSIGM is hereby authorized to buy and sell securities for the Customer's account and otherwise deal with securities, receivables or monies held in or for the Securities Account in accordance with and in reliance on the Instructions, but CSIGM shall be entitled at its sole and absolute discretion to refuse to accept any Instruction and shall not be obliged to give reasons for such refusal and shall not be liable to the Customer for any Loss arising out of or in connection with its not accepting or acting on any Instruction or omitting to notify the Customer of such refusal. Without prejudice to the generality of the foregoing, CSIGM may refuse to so act if any Instructions are unclear or if CSIGM receives conflicting Instructions, or if CSIGM believes, in good faith, that Instructions are fraudulent, forged or unauthorised or that acting on any Instructions may be in breach of any law or regulation applicable to the Customer, the Authorised Person and/or CSIGM.
- 3.2 Where the Customer and/or the Authorised Person consist of more than one person, Instructions from any one of such persons may be accepted and acted on by CSIGM.
- 3.3 Notwithstanding the terms of the mandate or other agreement between the Customer and CSIGM governing the operation of the Securities Account, CSIGM is authorized, but is not obliged, to accept and act upon Instructions given through telephone or electronic or other means in connection with any securities transaction or for transfer of funds to or from the Securities Account, for any purpose in connection with the Agreement. Any Instructions given by the Customer in connection with the Securities Account or the Agreement shall be deemed to be proper, valid and binding from the Customer if given by any ONE person quoting or inputting the account number of the Securities Account and such information as may be required by CSIGM.
- 3.4 CSIGM may treat all Instructions given as fully authorised and binding on the Customer regardless of the circumstances prevailing at the time of the Instructions being given or the nature or amount of the transaction and notwithstanding any error, misunderstanding, lack of clarity, error in transmission, fraud, forgery or lack of authority in the terms of such Instructions except in the case of gross negligence, wilful misconduct or fraud on the part of CSIGM as finally and judicially determined by a competent court in Hong Kong. The Customer agrees that it is under an express duty to CSIGM to prevent any fraudulent, forged, erroneous or unauthorized Instructions being given. CSIGM shall be under no duty to inquire into the authenticity of any Instructions or the identity, authority or good faith of the person giving or purporting to give any Instructions.
- 3.5 CSIGM will act as the execution agent of the Customer and does not warrant to the Customer or its clients the value, merit or suitability of any securities transactions entered into by the Customer.
- 3.6 CSIGM may effect the Customer's securities transactions in such manner and through any Affiliate, participants of any exchange or clearing house, or brokers in the relevant markets as CSIGM may absolutely decide. CSIGM will usually act as the Customer's execution agent, and if CSIGM acts as principal to the transactions, this will be disclosed to the Customer in the relevant contract note and/or statement and Clause 10 will apply. CSIGM will not be accountable to the Customer for any commissions remuneration profit or other benefit resulting therefrom. When CSIGM acts as the Customer's execution agent and contracts with another broker(s) to provide services to the Customer in respect of any transactions, the Customer acknowledges that in such cases, CSIGM shall be treated as having entered into such transactions on the Customer's behalf and the Agreement shall be construed accordingly. If CSIGM introduces the Customer to another entity, whether one of CSIGM's Affiliates or not, whether overseas, and the Customer enters into a direct contractual relationship with such entity separate from the Agreement, the Customer acknowledges that CSIGM will not be liable to it for any act or omission of such entity of any kind or nature whatsoever (including those resulting from the fraud, negligence or wilful default on the part of such entity).
- 3.7 The Customer undertakes that he will not give any Instruction which involves the sale of securities which he does not own, unless the Customer proves to the satisfaction of CSIGM that such Instruction for sale is a Short Selling Order. The Customer further undertakes to inform CSIGM expressly that a sale is a short sale at the time of giving the Instructions to effect that sale, and to provide to CSIGM with documentary assurance that such order is covered within such time, in such form and with such information as CSIGM may require. The Customer further acknowledges that each market has its own regulatory requirements on short selling, and undertakes that the relevant requirements in each market will be complied with.
- 3.8 The Customer will not, and will not attempt to, access to the services of CSIGM in any country or jurisdiction where the offering of the same by CSIGM or the use of the same by the Customer is not lawful or where the Terms and Conditions may not be enforceable by CSIGM against the Customer.
- 3.9 The Customer will take reasonable precautions in using any service of CSIGM through electronic means, including but not limited to exiting the browser or clearing the browser cache after signing off from accessing any service of CSIGM (including by but not limited to computer).
- 3.10 CSIGM may in its absolute discretion do or refrain from doing anything that CSIGM deems necessary or desirable for the purposes of compliance with Applicable Laws and Regulations and/or Market Requirements and/or to prevent or remedy a breach thereof, and CSIGM and its Affiliates and their respective directors, shareholders, officers, employees, representatives or agents (collectively the "Relevant Persons") shall not be liable to the Customer nor its clients for any claims, losses or damages arising (directly or indirectly) out of or in connection with any such action or failure to act. Furthermore, whatever CSIGM does or refuses to do in order to comply with the Applicable Laws and Regulations and/or Market Requirements will be legally binding on the Customer.
- 3.11 The Customer undertakes not to engage in any conduct that will cause CSIGM, its Affiliates or the Relevant Persons to be in breach of Applicable Laws and Regulations and/or Market Requirements, and shall indemnify, protect and hold CSIGM, its Affiliates and the Relevant Persons harmless in respect of any losses, claims, damages and liabilities arising out of or connected with any breach by the Customer of its obligations under this Agreement including any costs reasonably and necessarily incurred by CSIGM, its Affiliates and the Relevant Persons.
- 3.12 The Customer shall comply with all applicable notification requirements established by the relevant market or exchange (including,

without limitation, those applicable under the Securities and Futures (Contracts Limits and Reportable Positions) Rules) and shall not exceed the prescribed limit for the relevant options class and type in accordance with the contract limits and reportable position rules established by the relevant market or exchange, if any. The Customer acknowledges that CSIGM shall not (except to the extent required by Applicable Laws and Regulations) be responsible for any of the Customer's transaction notification, filing or reporting obligations (including, where applicable, any filings required pursuant to Part XV of the SFO or equivalent legislation) and undertakes that he shall not rely on CSIGM to discharge his transaction notification, filing or reporting obligations pursuant to Applicable Laws and Regulations.

#### 4. Conflict of Roles, Rebates and Soft Commission Arrangements

- 4.1 CSIGM may (without the prior consent from the Customer) effect transactions for or on behalf of the Customer through the agency of and/or with a counterparty which is related to CSIGM whether directly or indirectly (or through another customer of CSIGM) even if a conflict of interest may arise. CSIGM may also (without the prior consent from the Customer) effect transactions for or on behalf of the Customer in which CSIGM or its Affiliates has a direct or indirect interest (whether material or not), including but not limited to acting as agent for another party; acting as principal in selling its own property; receiving and retaining commission from other parties to a transaction and/or from the Customer; executing a transaction with prior knowledge of other related transactions; being a holder, dealer or market maker in securities or other investments purchased or sold by the Customer, or otherwise participating or having an interest in an issue or issuer of securities. CSIGM shall take all reasonable steps to ensure the Customer receives fair treatment in the event that CSIGM has any such interest or in the event of an actual or potential conflict arising.
- 4.2 CSIGM may retain from brokers and other persons through whom the sale and purchase of securities for the Customer are carried out (1) any cash or money rebates arising out of such investments and (2) such goods and services and other soft dollar benefits which are of demonstrable benefit to the Customer. These services may include, for example, research and analysis of the relative merits of individual shares of markets or the use of data and quotation services and other information facilities.
- 4.3 In all cases where cash or money rebates or goods and services and other soft dollar benefits are retained by CSIGM or any of its connected persons, CSIGM, as the case may be, shall ensure that (1) transaction execution is consistent with best execution standards, (2) any brokerage borne by the Customer does not exceed customary full service brokerage rates for such transactions and (3) disclosure of the rebate and their approximate value is made to the Customer.
- 4.4 CSIGM may also provide a portfolio manager with goods, services, or cash rebates provided that it shall comply with the requirements on retention of rebates, soft dollars and connected transactions that may be prescribed by the SFC from time to time.

#### 5. Customer Information

- 5.1 CSIGM, its Affiliates and the Relevant Persons are authorised to conduct or cause to be conducted any investigations, checks and/or enquiries regarding the Customer and its clients (including but not limited to credit investigations, due diligence enquires, legal and/or regulatory investigations and/or checks) and for this purpose to approach any relevant parties, including the Customer's bankers. Subject to Clause 21.6 of the Terms and Conditions and the Customer's rights under the PDPO, CSIGM and its Affiliates are authorised to disclose any information obtained to:
- (a) any exchange, market, clearing house, listed corporation, government agency or regulatory authority including the Exchange and the SFC (collectively, the "**Regulators**" and each a "**Regulator**") in order to assist such Regulator with any investigation or enquiry which it is undertaking;
  - (b) any of its branches or Affiliates and any of their officers or employees;
  - (c) any professional advisors of CSIGM and its Affiliates; and
  - (d) any third party service providers, broker, agent, custodian, clearing house, depository or similar body in connection with carrying out the Instructions or fulfilling CSIGM's obligations to the Customer under the Agreement.
- 5.2 In the Agreement,
- (a) the expression "**Ultimate Beneficiary**", in relation to any transaction effected or to be effected by CSIGM for the Customer pursuant to the Agreement, means each and every person who:
    - (i) is the principal for whom the Customer is acting as agent in relation to such transaction;
    - (ii) stands to gain the commercial or economic benefit of such transaction and / or to bear its commercial or economic risk; or
    - (iii) is ultimately responsible for originating the Instruction in relation to such transaction; and
  - (b) the expression "**Identity Information**", in relation to any person, means the true and full identity of such person, including such person's alias(es), address(es), occupation(s) and contact details.
- 5.3 The Customer agrees that, where CSIGM and/or any of its Affiliates has received an enquiry from the Regulators, including in relation to a transaction, the following provisions shall apply:
- (a) The Customer shall, immediately upon CSIGM's request, provide CSIGM, the relevant Affiliate(s) or the Regulators with the requested information, which might include the identity and contact details of the clients of the Customer for whose account the transaction was effected, Account Information, financial and any other information about the Customer or its clients (whether on a discretionary or non-discretionary basis) and of the Ultimate Beneficiary(ies) in the transaction, or if different from the Ultimate Beneficiary(ies) and of the party who originated the Instructions for the transaction;
  - (b) Where the Customer is effecting the transaction for a collective investment scheme, discretionary account or discretionary

trust, the Customer shall immediately upon CSIGM's request provide the identity and contact details of the collective investment scheme, discretionary account or discretionary trust, and those of the person(s) who instructed the Customer to effect the transaction on behalf of the collective investment scheme, discretionary account or discretionary trust;

- (c) Where the Customer is effecting the transaction for a collective investment scheme, discretionary account or discretionary trust, he shall as soon as practicable inform CSIGM when his discretion to invest on behalf of the scheme, account or trust has been overridden. He shall also immediately upon CSIGM's request provide the identity and contact details of the person(s) who has or have given the instruction in relation to the transaction or, as applicable, given any instructions resulting in such instruction being given;
- (d) If the Customer is aware that his client is acting as an intermediary for an underlying client(s), and it does not know the identity and contact details of the underlying client(s) for whom the transaction was effected, he confirms that:
  - (i) he has arrangements in place with his client which entitles the Customer to obtain the information set out in Clauses 5.3(a), (b) and (c) from his client immediately upon request or procure that it be so obtained; and
  - (ii) he will, upon request from CSIGM in relation to a transaction, promptly request such information from his client on whose instructions the transaction was effected, and provide the information to the Regulators as soon as received from his client or procure that it be so provided; and
- (e) If the Customer is based in a jurisdiction with client secrecy laws, he consents to the disclosure of information in accordance with the above paragraphs. In circumstances where he acts for the account of clients and such secrecy laws prohibit disclosure, the Customer will procure the consent of the Ultimate Beneficiary(ies) of the transaction to the disclosure of any information in accordance with the above paragraphs. In addition, the Customer agrees to waive, as a client, the protections afforded by any applicable client secrecy laws, or as a counterparty or intermediary, he agrees to procure the written waiver of the relevant Ultimate Beneficiary(ies) to such protections.

The Customer's obligations under these provisions shall survive notwithstanding completion of any transaction or termination of this Agreement.

- 5.4 Notwithstanding Clause 5.3, the Customer undertakes to supply to CSIGM or any of its Affiliates on demand at any time or times such Identity Information, Account Information, financial and any other information about the Customer or its clients (including, without limitation, the identities of the persons ultimately beneficially interested in the Securities Account and/or any trading contract executed on the Securities Account) as CSIGM may request. Each of the Customer and CSIGM undertakes to notify the other in the event of any material change to the information provided in or in connection with the Agreement.

## **6. Acquisition of Securities in Public Offer / Placing, New Listing and Others**

- 6.1 The Customer authorises CSIGM, upon the Customer's Instruction, to apply for the subscription or purchase of securities in a public offer in respect of a new listing and/or placing of securities of companies listed as his agent and for the benefit of the Customer or for the benefit of the Ultimate Beneficiary, whether singly or in conjunction with applications of other customers or Affiliates of CSIGM as a bulk application. The Customer acknowledges that CSIGM shall not be responsible for the accuracy or completeness of or any misstatement in any prospectus and other offering documents relating to a public offer and/or placing, copies of which are supplied by CSIGM to the Customer.
- 6.2 In making such Instruction to CSIGM to apply for the subscription or purchase of securities in a public offer in respect of new listing and/or placing of securities of companies listed, the Customer confirms and declares that:
- (a) he has already read and understands the related prospectus, application forms and/or other relevant offering documents, and his application is subject to the terms and conditions of such prospectus, application forms and/or relevant offering documents (including the discretion of the relevant issuer to determine on the final pricing of the securities) or, in the absence of any written offering documents, he fully understands the terms and conditions of the relevant subscription/purchase;
  - (b) he is eligible to subscribe for or purchase the securities and will comply with or has complied with all the terms and conditions as stated in such prospectus, application forms and/or other relevant offering documents or, in the absence of any written offering documents, will comply with or has complied with the terms and conditions of the relevant subscription/purchase;
  - (c) CSIGM has the due authority to make such application on his behalf;
  - (d) the application made by CSIGM on the Customer's behalf is the only application made, and the only application intended to be made, by the Customer or on the Customer's behalf (for the benefit of the Customer or for the benefit of the Ultimate Beneficiary) and the Customer authorises CSIGM to disclose and warrant to the relevant exchange or otherwise of the same on any application form (or otherwise) or to any other person as appropriate; and
  - (e) he makes all the representations, warranties and declarations required to be made by an applicant for securities in the related prospectus, application forms and/or other relevant offering documents or, in the absence of any written offering documents, he makes all the representations, warranties and declarations required to be made by an applicant in the terms and conditions of the relevant subscription/purchase.
- 6.3 The Customer acknowledges that the confirmations and declarations made under Clause 6.2 will be relied upon by the issuer or vendor of the relevant securities (or its agent) in deciding whether or not to make any allotment or allocation of securities in response to the application made by CSIGM as agent for the Customer.
- 6.4 The Customer agrees and acknowledges that the issuer or vendor of the relevant securities (and its agent) have the full discretion to reject or accept the application made by CSIGM on the Customer's behalf or to accept only part of the application. In case of rejection or partial acceptance of the Customer's application, no matter whether it is caused by reasons which are related to the Customer's application or not, neither CSIGM nor CSIGM's Affiliates nor the Relevant Persons shall, in the absence of gross negligence or wilful

default, be liable to the Customer or any other persons as a result of such rejection or partial acceptance.

- 6.5 In case of a bulk application made by CSIGM on behalf of customers, the Customer agrees that if such bulk application is only accepted in part, CSIGM has the sole and full discretion to allocate the securities among its customers on the basis elected by CSIGM (at CSIGM's sole and absolute discretion).
- 6.6 The Customer further acknowledges that an application made by an unlisted company whose principal business is securities dealing, and in respect of which the Customer exercises statutory control, shall be deemed to be an application made for the benefit of the Customer.
- 6.7 Upon receipt of an oral or written offer ("**Offer**") of the Customer, CSIGM may in its sole and absolute discretion grant to the Customer a loan ("**Loan**") to be used exclusively to finance the subscription or purchase by the Customer of securities of a new listing for which listing is sought in a public offer and/or placing ("**New Listing Securities**") by issuing an acceptance notice ("**Acceptance Notice**") in writing to the Customer setting out the terms and other details of the Loan. The terms and conditions of this Clause are deemed to be incorporated by reference to the Offer in the Acceptance Notice. Once CSIGM has issued the Acceptance Notice, the Customer shall not revoke the Offer.
- 6.8 Payment for the New Listing Securities will be made in the name of CSIGM (or in its nominee's name) but for the Customer's exclusive account and risk. The Customer acknowledges that its application for the subscription or purchase of New Listing Securities (made by CSIGM or CSIGM's nominee on the Customer's behalf) may not be accepted by the issuer or vendor of the relevant securities, but the Customer shall still be liable for the interest on the Loan.
- 6.9 Notwithstanding that the application is made by CSIGM on the Customer's behalf, the Customer shall have no right, title, interest or claim of whatever nature in or to any payment refunded ("**Refund Payment**") by the relevant issuer or vendor in respect of the application that has not been accepted to the extent that the Refunded Payment does not exceed the Loan and any outstanding balance owed by the Customer.
- 6.10 Each Loan together with the accrued fees and interest thereon will be repayable (i) on demand, or (ii) the scheduled date on which the New Listing Securities are listed, whichever is earlier, provided however that if any application for New Listing Securities is unsuccessful, or successful in part only, Refund Payment shall be applied immediately in repayment of the outstanding Loan and the fees and interest accrued thereon, whether before or after the repayment date ("**Repayment Date**") specified in the Acceptance Notice.
- 6.11 The Customer agrees that the receiving bankers, custodians or nominees may pay to CSIGM all Refund Payment in respect of the unsuccessful application immediately, and CSIGM is authorized to give instructions to such receiving bankers, custodians or nominees as it deems appropriate or take other appropriate actions to give effect to such payment.
- 6.12 The Customer hereby authorizes CSIGM to pledge or grant, at CSIGM's absolute discretion, security interests of whatever nature over the New Listing Securities (including all rights and interests derived therefrom) and all money in connection with the subscription of the New Listing Securities (including Refund Payment) in favour of any third party for credit facilities made to CSIGM to finance its funding of all or any part of the Loan.
- 6.13 The Customer shall execute and sign all transfers, power of attorney, proxies and other documents and do all acts and things which CSIGM may require for CSIGM and any relevant parties to obtain full benefits of the security interests mentioned in this Clause 6, including without limitation, to perfect CSIGM's title to the New Listing Securities or enable CSIGM to vest such New Listing Securities in the name of its nominee or any relevant third parties.
- 6.14 The Customer shall pay to CSIGM interest on the Loan at the rate of interest as specified in the Acceptance Notice and such interest shall accrue on a daily basis for the period from the date of drawdown of the Loan (as specified in the Acceptance Notice) to the date of final repayment of the Loan by the Customer as determined by CSIGM on a 365 day basis (or such other basis stated in the Acceptance Notice).
- 6.15 Without limiting the generality of Clause 11, if the Customer fails to repay the Loan on the Repayment Date, CSIGM shall have an absolute right to sell all or any part of the New Listing Securities in such manner and at such price(s) as CSIGM deems fit and appropriate without any notice to the Customer and to apportion the proceeds thereof towards repayment of the outstanding Loan, the costs of such sale and any fees and interest accrued thereon. The Customer will have no right to claim against CSIGM in respect of any Loss arising out of any such sale.
- 6.16 The Customer agrees to fully indemnify and hold harmless each of CSIGM, its Affiliates and the Relevant Persons against all claims, actions, liabilities, proceedings against any of CSIGM, its Affiliates and the Relevant Persons and bear all Loss (including legal fees) which they may suffer in connection with the Loan. CSIGM, its Affiliates and the Relevant Persons shall in no event be liable for any Loss of the Customer or anything whatsoever which may be suffered as a result of any default, insolvency, act or omission of any firm or company through or with whom the application is effected.

## **7. Set-off**

- 7.1 Without prejudice to other authorities granted to CSIGM hereunder, the Customer authorises CSIGM and/or its Affiliates to, (without responsibility for any loss) and where applicable set off any amount receivable from the Customer against any amount payable to the Customer where such amounts arise from the purchase and sale of securities by CSIGM and/or its Affiliates for and on behalf of the Customer under the Agreement and to dispose of any securities held for the Customer in settlement of any liability owed by or on behalf of the Customer to CSIGM or its associated entities (as defined in the SFO) or any other person.

## **8. Dealing Practices**

- 8.1 CSIGM may determine the priority in the execution of Instructions having due regard to market practice, applicable regulations and fairness to all customers. CSIGM will execute client orders on the best available terms, in accordance with our regulatory obligations and our best execution policy. What constitutes best execution will depend on the circumstances of each deal and market conditions.

- 8.2 CSIGM may, without prior notice to the Customer, combine for execution his Instructions with the instructions of other customers in accordance with Applicable Laws and Regulations. Where there are insufficient securities to satisfy instructions so combined, the transactions will be allocated between customers with due regard to market practice and fairness to customers provided that the instructions of the customers shall have priority over instructions of CSIGM for its own account.
- 8.3 CSIGM will not be liable for delays or failure in the transmission of Instructions due to breakdown or collapse of communication facilities or for any other delay or failure beyond the control of CSIGM.
- 8.4 By reason of physical restraints and rapid changes of securities prices, CSIGM may not always be able to execute Instructions in full or at the prices quoted at any specific time or "at best" or "at market" and the Customer agrees to be bound by such executions.
- 8.5 For orders for bonds placed on the over-the-counter ("OTC") markets, prices are negotiated on a bilateral basis with counterparties who generally do not make the prices quoted available to a broad market. Unlike on the equity markets, the choice of counterparties for bonds is often limited. In many cases, as the products are only offered by a limited number of counterparties, there is not much transparency in terms of liquidity or price. In a volatile non-transparent market, it may be necessary to accept the first price offered without the opportunity to obtain or request other prices. Moreover, there may be bonds offered exclusively through one counterparty, or for which settlement of an order of a certain size can only be guaranteed by one counterparty, in which cases it is not possible to obtain a comparative offer. In addition, the number and choice of counterparties can be limited in the OTC markets.
- 8.6 A request to cancel or amend an Instruction is only possible before it has been executed and is subject to acceptance (CSIGM shall not refuse to accept such a request unless on reasonable grounds) by CSIGM. In the case of full or partial execution of any Instruction before the request for cancellation has been accepted by CSIGM, the Customer agrees to accept full responsibility for the transactions. Instructions are, unless accepted by CSIGM for cancellation or amendment, good for the trading day on which it was accepted by CSIGM and shall lapse if not executed by the end of such trading day unless otherwise agreed to by CSIGM.
- 8.7 CSIGM will upon written request provide the Customer with product specification and any prospectus or other offering documents in relation to any derivative products which the Customer instructs CSIGM to purchase or sell on the Customer's behalf pursuant to the terms of the Agreement.
- 8.8 CSIGM may tape record conversations with the Customer and Authorized Persons in order to permit CSIGM to verify information concerning Instructions or any other matters. The Customer hereby consents to the recording of such telephone conversations.

## **9. Settlement**

- 9.1 Where CSIGM has executed a purchase or sale transaction on behalf of the Customer, the Customer will by the due settlement date as required by CSIGM and/ or the relevant exchange or clearing house make payment of cleared funds or delivery of securities in deliverable form to CSIGM. Should the Customer fail to do so by the due settlement date, CSIGM is hereby authorized, in its absolute discretion:
- (a) in the case of a purchase transaction, to transfer or sell any securities in the Securities Account (including the purchased securities) to satisfy the obligations; or
  - (b) in the case of a sale transaction, to borrow and/or purchase such sold securities as are necessary to satisfy the settlement obligations.
- 9.2 Notwithstanding Clause 9.1 above but without prejudice to Clause 3.1, CSIGM is entitled not to:
- (a) execute any Instruction for purchase transaction unless the Customer has made available to CSIGM cleared funds of an amount which is, in the opinion of CSIGM, sufficient to cover the relevant purchase price together with the relevant stamp duties, commissions, exchange and other levies and any other charges and expenses liable to be incurred in connection with such purchase; and
  - (b) execute any Instruction for sale transaction unless the Customer has deposited the relevant securities with CSIGM before giving the relevant Instruction.
- 9.3 The Customer will reimburse any premiums which CSIGM may be required to pay and for any Loss (including legal expenses on a full indemnity basis) in connection with any settlement failure of the Customer.
- 9.4 All currency exchange risks in respect of any transactions, settlement, actions or steps taken by CSIGM under the Agreement will be borne by the Customer.
- 9.5 The Customer hereby irrevocably authorises CSIGM's licensed representatives to execute or otherwise give effect to the Instruction for the settlement of the Securities Account or of a purchase or sale transaction executed on behalf of the Customer pursuant to the Agreement, including but not limited to, the deposit or transfer of amounts of the net proceeds to the Settlement Account or other bank account(s) designated by the Customer or personal collection and delivery of, at the Customer's risk, the cheque(s) for the net proceeds drawn in favour of the Customer to the address specified by the Customer.



## 10. Principal Transactions

- 10.1 The provisions in this Clause 10 shall in addition apply where CSIGM and the Customer enter into a Principal Transaction. In case of any conflict between the provisions of this Clause and other provisions in the Terms and Conditions, the former shall prevail insofar as a Principal Transaction is concerned.
- 10.2 CSIGM may, at its sole discretion and on such terms as it deems fit, enter into a Principal Transaction with the Customer (including, without limitation, any sale and/or purchase transaction of securities where CSIGM may be the principal seller or buyer, as the case may be, of such securities). Each Principal Transaction may be disclosed to the Customer in the relevant contract note or statement. CSIGM may enter into a Principal Transaction through its Affiliate(s).
- 10.3 Under a Principal Transaction, CSIGM is not an execution agent of, nor does it assume any other agency duty or obligation towards, the Customer under the Principal Transaction. CSIGM is not acting as a fiduciary for or an adviser to the Customer in respect of that Principal Transaction.
- 10.4 For each Principal Transaction involving the purchase of securities by the Customer from CSIGM, on the settlement date agreed for the purchase of securities, the Customer shall pay the purchase price for such securities (together with the relevant stamp duties, commissions, exchange and other levies and any other charges and expenses liable to be incurred in connection with such purchase) to CSIGM, and subject to any other provisions of the Agreement, CSIGM shall transfer to the Customer such securities purchased in that transaction simultaneously upon (or, if market practice differs, within such time as is usual under the market practice after) CSIGM's receipt of the purchase price of such securities in full.
- 10.5 For each Principal Transaction involving the sale of securities by the Customer to CSIGM, on the settlement date agreed for the sale of securities, the Customer shall make the delivery of such securities to CSIGM in the manner as CSIGM requires, and subject to any other provisions of the Agreement, CSIGM shall pay the purchase price of such securities to the Customer simultaneously upon (or, if market practice differs, within such time as is usual under the market practice after) CSIGM's receipt of the delivery of such securities in full.
- 10.6 CSIGM is entitled not to:-
- (a) settle a Principal Transaction involving the purchase of securities by the Customer from CSIGM unless the Customer has made available to CSIGM cleared funds of an amount which is, in the opinion of CSIGM, sufficient to cover the relevant purchase price together with the relevant stamp duties, commissions, exchange and other levies and any other charges and expenses liable to be incurred in connection with such purchase; and
  - (b) make payment in respect of a Principal Transaction involving the sale of securities by the Customer to CSIGM unless the Customer has deposited the relevant securities with CSIGM before the settlement date of such transaction.
- 10.7 CSIGM is authorised by the Customer to debit the Securities Account, the Settlement Account and/or any other account(s) of the Customer maintained with CSIGM, and to transfer the monies and/or securities from the relevant account(s) of the Customer towards settlement of the Customer's payment and/or delivery obligations to CSIGM under a Principal Transaction.
- 10.8 In giving an Instruction or making a request to CSIGM to enter into a Principal Transaction for purchasing securities from CSIGM, the Customer represents and confirms to CSIGM that:
- (a) the Customer has already read and understands the related prospectus and/or other relevant offering documents as well as the terms and conditions of the relevant securities and purchase (collectively, the "**relevant terms of the securities**"), and the Customer's Instruction and/or request is subject to the relevant terms of the securities;
  - (b) the Customer is eligible to purchase the securities and will comply with or has complied with the relevant terms of the securities; and
  - (c) the Customer makes all the representations and declarations required to be made by the purchaser or holder of the securities under the relevant terms of the securities.
- 10.9 The Customer acknowledges that the representations, confirmations and declarations made in this Clause will be relied upon by the issuer or vendor of the relevant securities (including CSIGM) in deciding whether or not to enter into the relevant Principal Transaction with the Customer.

## 11 Security and Money Transfer

- 11.1 All securities which are now or shall at any time hereafter be held or carried by CSIGM or its nominees for or on the Customer's account (including the New Listing Securities duly allotted for or on the Customer's account) and all money and other property at any time held by CSIGM and/or its Affiliates for safe-keeping on behalf of the Customer pursuant to this Agreement shall be charged to or held by CSIGM and/or its Affiliates for the benefit of CSIGM and/or its Affiliates as a first priority fixed continuing security for the payment and/or discharge to CSIGM and/or its Affiliates of all and any of the Customer's liabilities to CSIGM and/or its Affiliates under this Agreement and with respect to such security:

- (a) such security shall attach to all dividends or interest paid or payable after the date hereof on such securities and all stocks, shares (and the dividends or interest thereon), rights, moneys or properties accruing or offered at any time by way of redemption, bonus, preference, option or otherwise to or in respect of such securities;
  - (b) upon default by the Customer in payment on demand or earlier when due of any of the Customer's indebtedness to CSIGM and/or its Affiliates or any other default by the Customer under the Agreement, CSIGM and/or its Affiliates shall have the right, acting in good faith and without notice to the Customer, to dispose or initiate a disposal by its associated entity of the whole or any part (selected by CSIGM) of the subject matter of such security as when and how and at such price and on such terms as CSIGM and/or its Affiliates shall think fit, in each case without any liability on CSIGM and/or its Affiliates to the Customer for any such action, except in the case of gross negligence or wilful default, and to apply the net proceeds of such sale or realization and any moneys for the time being in CSIGM's and/or its Affiliates' hands in or towards settlement of any liability owed by or on behalf of the Customer to CSIGM and/or its Affiliates or any third party in such order as it may select;
  - (c) without prejudice to the provisions of the foregoing sub-paragraph (b), if the Loan and fees and interest accrued thereon have not been fully settled when due, CSIGM and/or its Affiliates may without notice to the Customer dispose or initiate a disposal by its Affiliates of the whole or any part (at the selection of CSIGM) of the New Listing Securities duly allotted to the Customer (together with all rights, title and interest attached to such New Listing Securities) at such time or times and in such manner and for such reasonable consideration as CSIGM may think fit, in each case without any liability on CSIGM and/or its Affiliates to the Customer for any such action (except in the case of gross negligence or wilful default), and to apply the proceeds of any such sale or realization in or towards the discharge of the Loan, and any fees and interest accrued thereon in such order as CSIGM may select; and
  - (d) such security shall be a continuing security unaffected by any intermediate payment and shall be in addition to and shall not prejudice or be prejudiced by any lien, right of set-off or other security which CSIGM may hold at any time for the Customer's indebtedness to CSIGM or by any release, modification, abstention from enforcement or other dealing therewith or thereof.
- 11.2 To the extent permitted under Applicable Laws and Regulations and/or Market Requirements, the Customer irrevocably authorises CSIGM and/or its Affiliates to do and execute all acts or things and documents necessary to transfer, complete and/or vest the title to any of the securities charged as aforesaid to CSIGM, CSIGM's nominee or in any purchaser or otherwise for the purpose of obtaining the full benefit of this security, and to perfect the security given hereunder.
- 11.3 CSIGM is hereby irrevocably authorised (without prejudice to the other authorities granted to CSIGM hereunder):
- (a) to instruct any Affiliate and any bank, including, without limitation, China CITIC Bank International Limited, deposit-taking company or other person, firm or company with whom or which the Customer may at any time maintain an account (a "**Deposit Holder**") to transfer on the Customer's behalf any funds standing from time to time in any account maintained at any time by the Customer with any Affiliate or any Deposit Holder to any of the Customer's accounts with CSIGM and/or to any account maintained at any time by the Customer with any Affiliate, and / or
  - (b) to transfer any funds standing from time to time in any account maintained by the Customer with CSIGM to any account maintained at any time by the Customer with any Affiliate, and/or
  - (c) to give any Affiliate and any Deposit Holder notice of such authority, and/or
  - (d) to provide to and request and receive from any Affiliate such information concerning the Customer and/or the Securities Account as CSIGM shall think fit.

For the purpose of this Clause 11, the term "**Affiliate**" shall mean, in relation to a company, its subsidiaries, any holding companies of that company and any subsidiaries of such holding companies.

- 11.4 The authorities given under Clause 11.3 shall be for a period of not more than twelve months from the date of the Agreement and may be renewed by the Customer's written consent, or deemed to be renewed, at CSIGM's absolute discretion, at or before the end of (1) the calendar year in which the Agreement is entered into and (2) each subsequent calendar year for, in each instance, a further twelve months in accordance with applicable law and rules.
- 11.5 The Customer agrees not to, and to not purport to, create or allow to subsist, a charge, pledge or other encumbrance over the Customer's account or securities held or carried by CSIGM for or on the Customer's account other than as created under the Agreement.
- 11.6 Any interest earned or received on any credit cash balance held by CSIGM on behalf of the Customer shall belong to CSIGM absolutely; however, CSIGM may at its full discretion pay part or all of such interest to the Customer.

## 12 Charges and Expenses

- 12.1 CSIGM and/or its Affiliates will charge the Customer fees and commissions calculated at such rate and on such basis as CSIGM and/or its Affiliates may from time to time determine and notify to the Customer. The Customer shall be liable for payment upon demand of any debts whatsoever and howsoever arising in respect of the Securities Account including but not limited to commission, charges, fees, statutory fees, taxes, levies, delivery charges. CSIGM may withdraw cash from or liquidate securities in the Securities Account to discharge the amounts due.

- 12.2 All amounts due by the Customer to CSIGM will be charged with interest at such rate(s) to be notified by CSIGM from time to time. In the absence of such notification interest will be charged at an annual rate of 6% above of the higher of the annual prime lending rate on Hong Kong dollars quoted by (i) China CITIC Bank International Limited or (ii) The Hongkong and Shanghai Banking Corporation from time to time.

### **13 Indemnity**

- 13.1 The Customer hereby unconditionally and irrevocably agrees to fully indemnify and hold harmless each of CSIGM, its Affiliates, the Custodial Agents and/or the Relevant Persons in respect of any claims, actions, liabilities, proceedings against any of CSIGM, its Affiliates, the Relevant Persons or the Custodial Agents and bear all Loss (including legal fees) which they may suffer in connection with their carrying out of obligations or services or agreeing to act and/or acting on Instructions hereunder or exercise of rights, powers or discretion under or in connection with the Agreement, including any action taken by CSIGM or its Affiliates to protect or enforce its rights, or its security interest thereunder whether or not as a result of any default or breach by the Customer but other than due to fraud, wilful default or gross negligence on the part of CSIGM.
- 13.2 CSIGM, its Affiliates and the Relevant Persons shall in no event be liable for any Loss suffered or incurred by the Customer in connection with the Agreement or anything whatsoever which may be suffered as a result of any default, insolvency, act or omission of the Custodial Agent or any person, firm or company through or with whom transactions are effected for the Securities Account.

### **14 Client Money Standing Authority and Combination of Accounts**

- 14.1 The Client Money Standing Authority covers money held or received by CSIGM and/or its Affiliates in Hong Kong (including any interest derived from the holding of the money which does not belong to CSIGM) in one or more segregated account(s) on the Customer's behalf ("Monies").
- 14.2 The Customer authorizes CSIGM, subject to Applicable Laws and Regulations and/or Market Requirements, to:
- (a) combine or consolidate any or all segregated accounts, of any nature whatsoever and either individually or jointly with others, maintained by CSIGM or any of its Affiliates and CSIGM may transfer any sum of Monies to and between such segregated account(s) to satisfy the Client's obligations or liabilities to CSIGM or any of its Affiliates, whether such obligations and liabilities are actual, contingent, primary or collateral, secured or unsecured, or joint or several; and
  - (b) transfer any sum of Monies interchangeably between any of the segregated accounts maintained at any time with CSIGM or any of its Affiliates.
- 14.3 The Customer acknowledges and agrees that CSIGM and/or its Affiliates may do any of the things mentioned in Clause 14.2 without giving the Customer prior notice.
- 14.4 The Client Money Standing Authority is given without prejudice to other authorities or rights which CSIGM or any of its Affiliates may have in relation to dealing in Monies in the segregated accounts.
- 14.5 The Client Money Standing Authority shall continue to be valid from the date of this Agreement, subject to the Customer's right of revocation as set out in Clause 14.6.
- 14.6 The Client Money Standing Authority may be revoked by the Customer serving a written notice to CSIGM at least fourteen (14) days prior to the actual date of revocation.
- 14.7 The Customer agrees that in addition to any general lien or similar right to which CSIGM may be entitled at law, contract or otherwise, CSIGM may, at any time and without prior notice, combine, consolidate, set off or transfer any securities or Monies standing to the credit of the Customer's account with CSIGM (or any Affiliates of CSIGM), and to set off or apply any obligation or liability of CSIGM (or any Affiliates of CSIGM) owed to the Customer, of whatever description and in whatever currency and whether held singly or jointly with others towards discharge of all the obligations or liabilities of the Customer to CSIGM (or any Affiliates of CSIGM) whether such obligations or liabilities be primary, collateral, several, joint or in other currencies, whether or not matured or contingent or not arising from the Agreement. CSIGM shall not be concerned whether or not such obligations or liabilities owed to the Affiliates of CSIGM exist, provided that demand has been made on CSIGM by such Affiliates. CSIGM (itself or through its Affiliates) may use any credit balance to purchase the currency of any indebtedness for this purpose and any such purchase may be effected by CSIGM (or, as the case may be, its Affiliates) at the spot rate of exchange (as conclusively determined by CSIGM) prevailing in such foreign exchange market as CSIGM shall determine to be relevant on the date of such purchase. Insofar as any liabilities to CSIGM (or its Affiliates) are contingent or future, the liability of CSIGM (or its Affiliates) to the Customer to make payment of any sums standing to the credit of any such accounts after the application of set-off hereunder will to the extent necessary to cover such sums be suspended until the happening of the contingency or future event.

For the purpose of this Clause 14, the term "Affiliate" shall mean, in relation to a company, its subsidiaries, any holding companies of that company and any subsidiaries of such holding companies.

### **15 Representations, Warranties and Undertakings**

- 15.1 The Customer hereby warrants, represents and undertakes to CSIGM and/or its Affiliates in the following terms:
- (a) the Customer is entering into the Agreement with CSIGM as principal and is not trading on behalf of any other person (unless CSIGM is notified otherwise in writing) and will be responsible for settling all liabilities resulting from transactions effected pursuant to and in accordance with the Agreement and neither CSIGM nor its Affiliates has any responsibility towards any person on whose behalf the Customer may act in any circumstances (unless a separate customer relationship has been established between CSIGM and that person or unless otherwise agreed in writing with CSIGM);

- (b) the Customer has obtained and will maintain in full force and effect any necessary consents, licences and authorities and have taken all necessary action to enable him to lawfully to enter into and perform the obligations under the Agreement and each transaction and to grant the security interests and powers referred to in the Terms and Conditions;
  - (c) the Customer will enter into securities transactions solely in reliance upon his own judgment and analysis, and not upon advice or recommendations by any director, employee or agent of CSIGM;
  - (d) any information the Customer provides, including the Customer Information Statement or Application Form, is true and complete at the date hereof and the Customer will notify CSIGM forthwith upon any material changes in the information provided in the Customer Information Statement or Application Form or any other information relating to the Customer. Until the Customer gives such notification to CSIGM, CSIGM shall be entitled to rely on the information contained in the Customer Information Statement or Application Form or otherwise. CSIGM is hereby authorized to conduct a credit enquiry or check on the Customer for the purpose of ascertaining the financial situation and investment objectives of the Customer as set out in the Customer Information Statement or Application Form or otherwise;
  - (e) the Agreement constitutes a valid contract creating legally binding obligations on the Customer in accordance with the Agreement's terms;
  - (f) the Agreement and its performance and the obligations contained herein do not and will not:
    - i. contravene any existing applicable law, statute, ordinance, rule or regulation or any judgment, decree or permit to which the Customer is subject or any provisions of the memorandum and articles of association or bye-laws of the Customer (if applicable); or
    - ii. conflict with or result in any breach of the terms of or constitute any default under any agreement or other instrument to which the Customer is a party or is subject or by which any of the Customer's property is bound;
  - (g) the Customer, except as previously disclosed in writing to CSIGM, is not an officer or employee of any exchange, board of trade, clearing house, bank or trust company, or an affiliate of any introducing broker, or an officer, partner, director or employee of any securities broker or licensed corporation;
  - (h) the Customer is and will remain to be the beneficial owner of the securities in the Securities Account free from any lien, charge, equity or encumbrance (save as created by the Agreement) and will not charge, pledge or allow to subsist any charge or pledge over the securities or monies in the Securities Account (save as created by the Agreement) or grant or purport to grant an option over any securities or monies in the Securities Account without the prior written consent of CSIGM;
  - (i) the Customer is the person ultimately responsible for originating the Instructions in relation to each transaction in the Securities Account and shall stand to gain the commercial or economic benefit of such transactions and/or bear their commercial or economic risk (except where such other persons or entity has been disclosed to CSIGM in the Customer Information Statement, the Application Form or other written notice to CSIGM);
  - (j) the Customer understands the nature and risks of the products in which he is trading and has sufficient net worth to be able to assume the risks and bear the potential losses of trading in such products;
  - (k) any information which the Customer provides or has provided to CSIGM and its Affiliates is accurate and not misleading in any material respect;
  - (l) no Event of Default or any event which may become an Event of Default (a "**Potential Event of Default**") has occurred and/or is continuing with respect to the Customer;
  - (m) in respect of any Data which relates to an individual, the relevant individual has been fully notified as to the purposes for which his or her personal data may be used and the persons to whom his or her personal data may be provided to (including for direct marketing purposes), as set out in the schedule of the PDPO (the "**Schedule**") in accordance with the requirements of the PDPO, and the relevant individual has consented to his Data being used (including use and provision to third parties of such Data by CSIGM for direct marketing purposes) in accordance with the Schedule and such consent has been obtained in a manner which is sufficient to meet the requirements of the PDPO and to enable CSIGM and its Affiliates to lawfully use and transfer Data as set out in the Schedule; and
  - (n) the Customer has made its own independent decisions to enter into a securities transaction and as to whether that such transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. The Customer is not relying on any communication (written or oral) of CSIGM as investment advice or as a recommendation to enter into such transaction; it being understood that information and explanations related to the terms and conditions of a transaction shall not be considered investment advice or a recommendation to enter into that transaction. The Customer has not received from CSIGM any assurance or guarantee as to the expected results of that transaction.
- 15.2 The above representations, warranties and undertakings shall be deemed to be repeated immediately before each Instruction is given or executed.

## 16 Electronic Trading Services

- 16.1 This Clause 16 shall apply where CSIGM provides the Customer with the services of the System (the "**Services**") to enable the Customer to electronically connect to the order management system operated by CSIGM for execution of Electronic Instructions. Upon use of the Services for the first time, the Customer shall be deemed to accept the terms and conditions set out herein.

- 16.2 In this Clause, the following words and expression shall have the following meanings:
- “Electronic Instruction”** means, in relation to the provision and use of the Services and the System, an electronic communication which CSIGM believes in good faith to have been given by the Customer or any Authorized Person via the System;
- “Supplier”** means the provider and/or operator of any part of the System;
- “System”** means the electronic system (including, without limitation, the direct market access services) which is supported by computer-based component systems for the order-routing, execution, matching or registration, together with any associated software, hardware, facilities and services provided by CSIGM and used by the Customer from time to time; and
- “Third-party Supplied Part”** means any part of the System (including any associated software, hardware, facilities and services) which is not supplied by CSIGM or any Affiliate of CSIGM.
- 16.3 CSIGM makes no warranty, express or implied, concerning the Services and the System. The Customer acknowledges that the System has not been developed for the Customer’s individual needs and has been selected and is used by the Customer on an “as is” basis at their own volition and risk and that CSIGM shall bear no responsibility whatsoever for any consequence arising from the Customer’s choice or use of the System.
- 16.4 The Customer assumes full responsibility and risk of Loss whatsoever resulting from its use of, or access to data, files, information, content, or other materials (including without limitation software) on or through the System.
- 16.5 Unless CSIGM and the Customer have agreed otherwise in writing, the Customer shall be solely responsible for installing and maintaining any relevant hardware and software and for making all necessary arrangements with any Supplier in relation to obtaining access to and using the System, and complying with all requirements imposed in relation to the System, including installation and update of any applicable security procedures, and any applicable agreement entered into by the Customer in relation to the supply of any part of the System.
- 16.6 CSIGM shall have no responsibility to maintain the Services and information made through the System or to supply any corrections or updates in connection therewith. Availability of the Services and information are subject to change without notice.
- 16.7 The Customer is responsible for the accuracy and adequacy of all Electronic Instructions and information communicated via the System to CSIGM and for all use made of the System through the access provided to the Customer. CSIGM shall be entitled to rely and act on such Electronic Instructions (without conducting any due diligence as to the authenticity or authority of the Electronic Instructions) and information as being accurate, complete and duly authorized by and binding on the Customer. Any transaction executed by CSIGM in accordance with any such Electronic Instruction or information shall be binding on the Customer regardless of whether or not it has in fact been effected with the Customer’s authority. Electronic Instructions may only be revoked or amended via the System or such other way(s) as agreed between CSIGM and the Customer from time to time. The Customer agrees to maintain adequate security procedures to prevent unauthorized access to or use of the System by any person other than the Authorised Persons who are duly authorized by the Customer to give such Electronic Instructions to CSIGM via the System. Without prejudice to the generality of Clause 16.3, CSIGM makes no warranty whatsoever to the Customer, express or implied, regarding the security of the Services and the System, including with respect to the ability of unauthorized persons to intercept or access information transmitted by the Customer through the System.
- 16.8 CSIGM may accept the digital signature of the Customer supported by a digital certificate tendered to CSIGM issued by such certification authority as may be acceptable to CSIGM. CSIGM is entitled to treat such digital signature as the manual signature of the relevant person, and may presume the correctness of the information contained in a digital certificate tendered by or on behalf of the Customer if the relevant digital certificate was published in a repository.
- 16.9 Under no circumstances shall CSIGM be responsible for any Electronic Instructions for which it has not duly and properly received. Electronic Instructions will only be executed during normal trading hours of the relevant market or exchange.
- 16.10 The Customer agrees that the Authorized Person(s) shall be the only authorised user(s) of the System, and shall be solely and wholly responsible for the confidentiality, security and use of the Customer’s digital certificate, or the password and/or log-in name issued to the Customer by CSIGM.
- 16.11 Unless otherwise agreed, CSIGM will not execute any Electronic Instructions of the Customer through the System until it is satisfied that the Customer has sufficient cleared funds or securities in the Securities Account to settle the related transactions as set out in Clause 9.
- 16.12 CSIGM shall not be deemed to have received and/or executed the Electronic Instructions given through the System unless and until the Customer is in receipt of an order acknowledgement confirming receipt and/or execution of the Electronic Instructions (subject to details set out in the confirmation and periodic statements, if any).
- 16.13 The Customer acknowledges and agrees that, as a condition of CSIGM’s provision of the Services and the System, the Customer shall immediately notify CSIGM if:
- (a) after giving an Electronic Instruction, the Customer has not received any order acknowledgement or the acknowledgement contains incorrect details; and
  - (b) the Customer becomes aware of any unauthorised use of or disclosure of or access to the Customer’s digital certificate, log-in name or password, or that any unauthorized transactions have been effected.
- 16.14 The Customer acknowledges that he has no proprietary interests in any of the market data, and the intellectual property rights subsist in the computer software comprised in the component parts of the System. The Customer also warrants that it shall not, and shall not attempt to, tamper with, modify, decompile, reverse engineer, damage, destroy or otherwise alter in any way of any such component parts.

- 16.15 The Customer further acknowledges that CSIGM makes no representation and warranties on the timeliness, accuracy or completeness of market data or other information services, nor does CSIGM warrant the availability of the Services. The Customer agrees that CSIGM shall not be liable in any inaccuracy, error, or omission in the data and other information, or from any interruption or delay in the transmission, or suspension or breakdown of the System or the Services, or other Loss arising from or caused by forces beyond the control of CSIGM.
- 16.16 Subject as provided in this Clause 16, neither CSIGM nor any of its Affiliates nor the Relevant Persons shall be liable to the Customer (or to any third party) for any Loss suffered by the Customer (or any other third party) arising out of or in connection with CSIGM's provision of the Services or the System hereunder or any act or omission undertaken by it in connection with effecting any transaction in accordance with the Electronic Instructions from the Customer.
- 16.17 In the event of any failure, interruption or delay in the performance of CSIGM's obligations hereunder as a result of any act, event or circumstance not within the control of CSIGM from time to time, including but not limited to:
- (a) industrial disputes, acts or regulations of any government or governmental or supranational bodies, agencies or authorities, or of any exchange or any regulatory body whether in Hong Kong or elsewhere;
  - (b) service malfunctions, delay, suspension, interference, or operational difficulties encountered by third party service providers of electronic communications and telecommunication facilities wherever located;
  - (c) breakdown, failure, delay, interference or malfunction (in each case, whether total or partial, temporary or permanent) of or in any communications, telecommunication or computer services or electronic equipment;
  - (d) defaults by third parties in the performance of their obligations necessary to have been performed for the completion of any transactions;
  - (e) suspension or restriction of trading on any exchange or other market, or the failure of any relevant exchange, clearing house and/or broker for any reason to perform their respective obligations; and
  - (f) orders of courts, fire, war, natural disaster, terrorist acts, riots or civil commotion,

then neither CSIGM nor any of its Affiliates nor any of the Relevant Persons shall be liable or have any responsibility of any kind for any Loss thereby suffered or incurred by the Customer (or any third party).

- 16.18 Neither CSIGM nor any Affiliate nor any of the Relevant Persons shall be liable to the Customer (or any third party) for any Loss arising directly or indirectly out of or in connection with:
- (a) the Customer's choice and/or use (whether by Authorised Persons or otherwise) of the System or any part thereof for communication with CSIGM;
  - (b) the Customer's inability to access to or use of the Services or System or any part thereof for any reason;
  - (c) any failure by the System to transmit (or any delay in the transmission of) any Electronic Instruction (including acknowledgement of receipt of an Electronic Instruction, if any) or notification of execution or rejection of such Electronic Instruction; or
  - (d) any errors or omissions in any Electronic Instruction from the Customer to CSIGM that arise due to any equipment or software error or malfunction in or affecting the System or constraints on the capacity of the System or any error by any Supplier of any part of the System or any operator of the System;
  - (e) CSIGM makes no express or implied guarantee, warranty or representation of any kind whatsoever in relation to any Third-party Supplied Part, or to the Customer's choice or use of such Third-party Supplied Part, including, without limitation, as to the suitability or otherwise of such Third-party Supplied Part for the Customer's use or as to the availability, accuracy, capabilities, performance or integrity of such Third-party Supplied Part, and none of CSIGM's representatives has authority to agree to the contrary. To the extent permitted by applicable laws, all representations and warranties, express or implied, statutory or otherwise, as to such matters are hereby expressly excluded;
  - (f) CSIGM may, from time to time, impose such restrictions or limits on (where CSIGM is the Supplier) the Customer's use of the System or on (regardless of whether or not CSIGM is the Supplier) the type of Electronic Instructions or other communications which the Customer may transmit to CSIGM, and which CSIGM may accept, via the System, as CSIGM, in its sole discretion, determines; and
  - (g) any record maintained by CSIGM relating to the Electronic Instructions and information communicated via the System shall be conclusive evidence of such, save in the case of manifest error, and shall be the property of CSIGM.

## 17. Default

- 17.1 Despite any of the other terms and conditions herein or in any other agreement between the Customer and CSIGM, the Customer will pay all its indebtedness to CSIGM (whether actual or contingent, present or future) on demand or when due (whichever is earlier) and at the request of CSIGM will deposit such amounts in good funds, securities or otherwise and maintain such security with CSIGM as CSIGM deems satisfactory or which may be required by the rules of any exchange, market or authority of which CSIGM or its Affiliates is a member or to which CSIGM or its Affiliates may have any obligation. Each such security call shall be met immediately.
- 17.2 Without prejudice to the other terms of the Terms and Conditions, CSIGM or its Affiliates may in its absolute discretion exercise one or more of its rights under Clause 17.3 if at any time one or more of the following events (each an "Event of Default") occurs:

- (a) the Customer fails to make any payment when due or to make or take delivery of any property when due;
- (b) the Customer fails to perform or meet any of its obligations under the Agreement including but not limited to a failure to provide margin(s) or variation adjustment(s) when requested;
- (c) the commencement of any proceedings in relation to the bankruptcy or insolvency of the Customer or its affiliates or any legal process being levied or enforced against any of the assets and revenues of the Customer or its affiliates (including but not limited to being the subject of insolvency, bankruptcy, administration or similar proceedings, or a petition is presented for its winding up or liquidation);
- (d) the Customer becomes, or appears to be insolvent, is unable to pay his debts as they fall due or makes a general assignment, arrangement or composition with or for the benefit of creditors;
- (e) any attachment is levied against the Customer's Securities Account(s) with CSIGM;
- (f) any representation, warranty or statement made by or deemed made or given by the Customer under the Terms and Conditions was incorrect or misleading in any material respect as at the time it was made or given or deemed made or given;
- (g) CSIGM and/or its Affiliates considers it necessary or desirable to prevent what it believes could be a breach of the Applicable Laws and Regulations and/or the Market Requirements or be an action contrary to good standards of market practice; or
- (h) CSIGM and/or its Affiliates considers it necessary or desirable for its own protection or an event occurs which CSIGM reasonably believes might have a material adverse effect on the Customer's ability to perform or comply with the Customer's obligations under the Agreement.

17.3 (1) In the event of any Event of Default referred to above or (2) whenever and so often as CSIGM and/ or its Affiliates deems it advisable for its protection, by reason of insufficiency of margin, security or otherwise or for compliance with any rules of any relevant exchange, clearing house or broker, (a) CSIGM and/or its Affiliates may decline to accept any further Instructions; and (b) CSIGM and/or its Affiliates may close out all or any Securities Account held on the Customers' behalf. Upon any Event of Default or any closure of the Securities Account or termination of CSIGM's relationship with the Customer, all amounts owing by the Customer to CSIGM and/or its Affiliates will (to the extent, if any, not already due and payable on demand) immediately become due and payable to CSIGM and/ or its Affiliates on demand and CSIGM and/or its Affiliates is irrevocably authorised at its discretion (as to timing, terms and otherwise), without demand of any kind upon or notice to the Customer, and on the stock exchanges or commodity exchanges where such business is usually transacted or by private sale, or purchase as the case may be, to buy in any or all securities of which the Customer's account is short and/or sell any or all securities which CSIGM and/or its Affiliates is holding or carrying for or on the Customer's account and/or close out any open contract or position and/or cancel any outstanding orders, in each case without any liability on CSIGM's or its Affiliates' part to the Customer for any such action taken, except in the case of gross negligence or wilful default. The net proceeds of any such sale, or the securities received on any such purchase, shall be applied in such order as CSIGM and/or its Affiliates may select against the Customer's indebtedness to CSIGM and/or its Affiliates, or to the Customer's short position with CSIGM and/or its Affiliates, without prejudice to the Customer's liability for any deficiency. Without prejudice and in addition to any general lien, right of setoff or similar right to which CSIGM or its Affiliates may be entitled by law or otherwise under the Terms and Conditions, at any time following an Event of Default or whilst a Potential Event of Default has occurred and is continuing, the Customer expressly grants to CSIGM or its Affiliates: (a) a general lien over all or any part of its interest in any funds (including without limitation, for the avoidance of doubt, any deposit or margin payment), securities, commodities or other properties held by CSIGM and/or its Affiliates for any purpose or carried by CSIGM or its Affiliates in any account for the Customer (either individually or jointly with others) or which may be in CSIGM's and/or its Affiliates' possession.

17.4 After CSIGM and/or its Affiliates has taken any action referred to in Clause 17.3, CSIGM will give notice to the Customer as soon as practicable.

17.5 CSIGM or its Affiliates may place the proceeds of sale or realisation of any securities pursuant to the Agreement to the credit of a suspense account with a view to preserve CSIGM's and/or its Affiliates' rights to prove for the whole of CSIGM's or its Affiliates' claim against the Customer in the event of any proceedings in or analogous to bankruptcy, liquidation, winding up, composition or arrangement.

## **18 Investment Information**

18.1 The Customer fully understands that any transaction effected by the Customer shall be made solely upon exercise of his own judgment and at his own discretion notwithstanding any information, suggestion or documents CSIGM may have provided to the Customer.

18.2 The Customer agrees that CSIGM and/or its Affiliates will not be liable for any inaccuracy or incompleteness of any information provided by CSIGM or the performance or outcome of any transactions effected by the Customer after receipt of such information.

## 19 Termination

- 19.1 The Agreement may be terminated by either party by giving not less than two business days' (other than a Saturday, Sunday or a day which is a public holiday in Hong Kong) prior written notice to the other party. Notwithstanding the aforesaid, CSIGM may terminate the Agreement immediately upon the happening of any of the Event of Default or events referred to in Clause 17.2. Termination of the Agreement shall not affect any Instruction executed by CSIGM or its Affiliates or prejudice or affect any rights, powers, duties and obligations of either party accrued prior to the termination. In particular, any warranties, representations, undertakings and indemnities given by the Customer shall survive such termination.
- 19.2 Upon termination of the Agreement, the Customer shall immediately repay to CSIGM or its Affiliates any amounts due or owing to it.

## 20 Notice

- 20.1 Any notice or other communication to be given or made pursuant to the Agreement by CSIGM to the Customer may be made by personal delivery, prepaid post (airmail if overseas), electronic means or facsimile and shall be deemed to have been duly served:
- (a) if delivered personally or by electronic means, at the time of delivery;
  - (b) if sent by prepaid post, 48 hours or (if by airmail) 96 hours after posting; and
  - (c) if sent by facsimile, at the time of issuing of a transaction report indicating that the fax was sent in its entirety.

Any such notice or communication shall be sent to the Customer at the address, facsimile number or e-mail address set out in the Customer Information Statement, the Application Form or such other address, facsimile number, e-mail address or through other means as CSIGM may agree from time to time upon receiving the Customer's notification for the purpose of this clause.

- 20.2 Any notice or communication made or given by the Customer will be sent at his own risk and will be effective only upon actual receipt by CSIGM.
- 20.3 The Customer agrees that CSIGM may send any notice, contract notes, confirmations, periodic statements and communication (if any) to the Customer in electronic form ("**Electronic Communication**"), and the Customer agrees to accept and bear all the risks associated with the sending and receiving of the Electronic Communication, including but not limited to the risks as follows:
- (a) communication, sending and receiving of the Electronic Communication conducted through the internet or other electronic media is, inherently an unreliable medium and may be subject to interruption, transmission blackout, delayed transmission or incorrect data transmission due to, where applicable, unpredictable traffic congestion, the public nature of the media used or other reasons;
  - (b) communication, sending and receiving of the Electronic Communication conducted through the internet or other electronic media may not be executed or may be delayed; and
  - (c) communication and sending and receiving of personal data through the internet or other electronic media may be accessed by unauthorized third parties,

and the Customer acknowledges and agrees that none of CSIGM or its Affiliates or the Relevant Persons assumes any liability or responsibility to the Customer or to any other person for any consequences arising therefrom or in connection therewith and hereby waives all the rights of making any claims against CSIGM, its Affiliates and the Relevant Persons in connection therewith.

## 21 General Provisions

- 21.1 Time shall in every respect be of the essence under the Agreement.
- 21.2 No provision of the Agreement shall operate to remove, exclude or restrict any rights and obligations of the Customer or CSIGM under the laws or regulations of Hong Kong except to the extent permitted thereunder.
- 21.3 If any one or more of the provisions contained in the Agreement shall be deemed invalid, unlawful or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.
- 21.4
- (a) The Agreement shall benefit and be binding on CSIGM and the Customer, their respective successors and subject to this Clause 21.4, any permitted assignee or transferee of some or all of CSIGM's rights or obligations under the Agreement.
  - (b) The Customer may not assign or transfer all or any of his rights or obligations under the Agreement.
  - (c) CSIGM may assign or transfer all or part of its rights, benefits and obligations under the Agreement and disclose to a potential assignee or transferee or any other person proposing to enter into contractual arrangements with CSIGM in relation to the Agreement such information as CSIGM may think fit for the purposes of such contractual arrangements.
- 21.5 Failure or delay in exercising any rights, power or privilege by CSIGM in respect of the Agreement shall not operate as a waiver, nor shall a single or partial exercise, enforcement or waiver of any such rights, power or privilege preclude CSIGM from further exercise, enforcement, or the exercise or enforcement of any other right, power or privilege hereunder.



- 21.6 The Customer agrees that the data requested by CSIGM in the Customer Information Statement or Application Form or otherwise from time to time is necessary for CSIGM to provide the services in connection herewith. If the Customer fails to provide the same to CSIGM, CSIGM may not be able to provide or continue to provide such services to the Customer. The Customer may always contact its sales representative at CSIGM to gain access to and request correction or amendment to such data. Such data together with any other data of the Customer obtained by CSIGM from time to time may be disclosed to such persons and may be used for such purposes as are respectively set out in the PDPO Circular. Without prejudice to the foregoing, CSIGM may, if requested by the exchange, the SFC or any Regulators, provide to the exchange or the SFC details of the Securities Account in order to assist the exchange, the SFC or any Regulators with any investigation or enquiry it is undertaking.
- 21.7 The Customer acknowledges and agrees that CSIGM may appoint any person as its agent (“**debt collection agent**”) to collect any amount due by the Customer to CSIGM under the Agreement and the Customer shall be responsible for all costs and expenses which may be incurred by CSIGM for that purpose on each occasion. Further, CSIGM shall have, and the Customer admits and agrees that CSIGM does have, the right to disclose to debt collection agency any of the Customer’s personal data for that purpose on any occasion.
- 21.8 Either party will notify the other in the event of any material change to the information in the Agreement (including, for the avoidance of doubt, the Customer Information Statement or the Application Form).
- 21.9 Neither CSIGM nor its Affiliates nor the Relevant Persons shall be liable for any delay or failure to perform obligations and any Loss resulting therefrom so long as they have acted in good faith. Moreover, CSIGM, its Affiliates and the Relevant Persons shall not be held responsible for any Loss or any consequences resulting whether directly or indirectly from any events not within their control including, without limitation, government restrictions, imposition of emergency procedures, exchange ruling, third party’s conduct, suspension of trading, war, strike, market conditions, civil disorder, acts or threatened acts of terrorism, natural disasters, or any other circumstances beyond CSIGM’s control whatsoever.
- 21.10 All sums to be payable by the Customer hereunder shall be paid on the relevant due dates or on demand by CSIGM in immediately available and freely transferable funds in the relevant currency on the relevant due dates for payment. All such payments shall be made in full without set off or counter claim and free and clear of and without any deductions or withholdings for or on account of any present or future taxes, imposts, duties or other withholdings or deductions of any nature whatsoever. If any payment to be made to CSIGM is subject to any deduction, tax or other withholdings (other than tax on CSIGM’s income), then the Customer will forthwith pay to CSIGM such additional amount(s) as may be necessary to ensure that CSIGM’s receipt is equivalent to the amount which CSIGM would otherwise have received had there been no such deduction, tax or withholding.
- 21.11 The Terms and Conditions revoke and supersede all previous mandates and agreements. Subject to contrary arrangements in writing between the Customer and CSIGM, any account subsequently opened will be operated on the Terms and Conditions.
- 21.12 No provision of the Terms and Conditions is enforceable under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) by a person who is not a party to the Terms and Conditions, other than by the Affiliates of CSIGM and their Relevant Persons. Any rights conferred on third parties by the Terms and Conditions exclude the right to assign, and their consent is not required to rescind or vary the Terms and Conditions.

## **22 Amendment**

- 22.1 CSIGM shall be entitled to add, amend or delete any of the Terms and Conditions at any time. Any amendments will be on the CSIGM website. CSIGM will notify the Customer of any material changes to the Terms and Conditions although it is the Customer’s responsibility to ensure that the Customer is referring to the current version of the Terms and Conditions.

## **23 Governing Law and Applicable Regulations**

- 23.1 The Agreement and all rights, obligations and liabilities under it shall be governed by and construed in accordance with the laws of Hong Kong.
- 23.2 The Customer hereby submits to the non-exclusive jurisdiction of the courts of Hong Kong in the event of any dispute arising out of the Agreement. Such submission shall not prejudice CSIGM’s right to commence action against the Customer in any other court of competent jurisdiction.
- 23.3 If the Customer is a company incorporated outside Hong Kong, the Customer hereby appoints the process agent as set out in the Customer Information Statement , the Application Form or such other process agent appointed thereafter by the Customer to be its process agent to receive all notices and communications relating to any legal proceedings involving the Customer and the Customer agrees that any service of the legal process on such process agent shall constitute sufficient service on the Customer for the purpose of legal proceedings in the Hong Kong courts. Without prejudice to the validity of the appointment of the process agent pursuant to the foregoing sentence or the validity of the service of legal process on such process agent, to the extent that the Customer has provided to CSIGM an address in Hong Kong in the Customer Information Statement , the Application Form or pursuant to Clause 20.1 hereunder (the “**Hong Kong Address**”), the Customer agrees that service by way of post or deliver to such Hong Kong Address shall constitute sufficient service on the Customer for the purpose of legal proceedings in the Hong Kong courts.
- 23.4 The Customer, CSIGM and all transactions with respect to securities made for or on the Customer’s behalf shall be subject to the constitution, by-laws, rules, rulings, regulations, transaction levies and other levies, customs and usages (including, without limitation, with respect to trading and settlement) prevailing from time to time of the exchange or market and its clearing house, if any, where made (including, without limitation, the Exchange, the Hong Kong Securities Clearing Company Limited and the SEHK Options Clearing House Limited) and to all laws, regulations and orders of any governmental or regulatory authorities that may be applicable as amended from time to time. CSIGM is authorised to collect any such transaction or other levies in accordance with the rules prescribed by the relevant exchange, market or clearing house. The Customer shall be bound by all CSIGM’s rules and regulations applicable from time to time to the Securities Account or the Customer’s securities trading or the financing of such trading. CSIGM or any Affiliate may be the counterparty to any transaction effected by CSIGM on the Customer’s behalf.

## **24 Arbitration**

- 24.1 At the sole option of CSIGM and at its absolute discretion, any dispute, controversy or claim arising out of or relating to the Agreement, or the breach termination or invalidity thereof, shall be settled by arbitration in accordance with the United Nations Commission on International Trade Law ("**UNCITRAL**") Arbitration Rules as at present in force and as may be amended by the rest of this Clause. The appointing authority shall be Hong Kong International Arbitration Centre ("**HKIAC**"). The place of arbitration shall be in Hong Kong at HKIAC. There shall be only one arbitrator. Any such arbitration shall be administered by HKIAC in accordance with HKIAC Procedures for Arbitration in force at the date of the Agreement including such additions to the UNCITRAL Arbitration Rules as are therein contained. The language to be used in the arbitral proceedings shall be English.