

CLIENT AGREEMENT

TO: Mighty Brokerage (Asia) Limited (“Mighty Brokerage”)

CE Ref.: AXT 419

Shop 68-70, Manor Centre, 218 Fuk Wing Street, Kowloon

1. INTERPRETATION

1.1 In this Agreement, the following words and expressions have the meaning set out below:

- 1.1.1 “Access Codes” means together any Key File, Password and the Login ID;
- 1.1.2 “Account” means the securities trading account opened and maintained by Mighty Brokerage on behalf of Client pursuant to the Account Application;
- 1.1.3 “Account Application” means the application submitted by Client to Mighty Brokerage in such form as required by Mighty Brokerage for the opening and maintaining of a securities trading account;
- 1.1.4 “this Agreement” means this Client Agreement, the Account Application and any applicable Schedule and/or other documents as specified in the Account Application;
- 1.1.5 “Authorised Person” means each of those persons specified as such in the Account Application, or subsequently appointed as such and notice of such appointment has been given to Mighty Brokerage pursuant to the terms of this Agreement;
- 1.1.6 “Authorised Third Party” means each of those persons, if any, specified as such in the Account Application, or subsequently appointed as such and notice of such appointment has been given to Mighty Brokerage pursuant to the terms of this Agreement;
- 1.1.7 “Cash Client’s Securities” means securities which are not the property of Mighty Brokerage and for which Mighty Brokerage, or any nominee controlled by Mighty Brokerage, is accountable, and which are held for safe custody in Hong Kong, and, where the First Schedule is applicable, shall exclude any Margin Securities as defined in the First Schedule;
- 1.1.8 “Client” means the person in whose name Mighty Brokerage has agreed to open and maintain the Account in accordance with the terms of this Agreement;
- 1.1.9 “Exchange” means the SEHK and any other exchange, market or association of dealers in any part of the world on which securities are bought and sold;
- 1.1.10 “Group” means Mighty Brokerage, its ultimate holding company and each and every subsidiary of such holding company, and a “member of the Group” shall be construed accordingly;
- 1.1.11 “Hong Kong” means the Hong Kong Special Administrative Region;
- 1.1.12 “Key File” means a computer file or disk which contains a file code which may be used in conjunction with the Login ID and the Password to gain access to the Service;
- 1.1.13 “Laws” means all laws, rules and regulations applying to Mighty Brokerage, and to other brokers and dealers instructed by Mighty Brokerage, including, where applicable, the rules of the relevant Exchange and its associated clearing house;
- 1.1.14 “Login ID” means personal identification used in conjunction with other Access Codes to gain access to the Service;
- 1.1.15 “Password” means Client’s personal password, used in conjunction with other Access Codes to gain access to the Service;
- 1.1.16 “Securities” shall have the same meaning as in the SFO;
- 1.1.17 “SEHK” means the Stock Exchange of Hong Kong Limited;
- 1.1.18 “SFO” means the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
- 1.1.19 “Service” means the Internet or other facility provided by, and/or on behalf of, Mighty Brokerage which enables Client to give electronic instructions for the execution of transactions in accordance with the terms of this Agreement, whether in Hong Kong or elsewhere, and to receive information and related services;

- 1.1.20 “SFC” means the Securities and Futures Commission of Hong Kong.
- 1.1.21 “U.S. Code” means the U.S. Internal Revenue Code of 1986, as amended;
- 1.1.22 “FATCA” means (a) the Foreign Account Tax Compliance Act provisions of the U.S. Internal Revenue Service under Sections 1471 to 1474 of the U.S. Code or any associated treasury regulations, as amended or supplemented from time to time, or other official guidance; or (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or (c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction;
- 1.1.23 “FATCA Withholding” means a deduction or withholding from a payment under applicable agreements with FATCA;
- 1.1.24 “FATCA Withholdable Payments” include payments of interest (including original issue discount), dividends, and other items of fixed or determinable annual or periodical gains, profits, and income, in each case, from sources within the U.S., as well as gross proceeds from the sale of any property of a type which can produce interest or dividends from sources within the U.S. FATCA will also require withholding on the gross proceeds of such sales for payments made after December 31, 2016. Certain U.S. sourced financial payments in connection with lending transactions, investment advisory fees, custodial fees, bank or brokerage fees are also included;
- 1.2 In this Agreement:
- 1.2.1 the singular shall be deemed to include the plural and vice versa;
- 1.2.2 where Mighty Brokerage is give a discretion, such discretion shall be absolute and, unless otherwise stated, Mighty Brokerage shall not be required to give reasons for its act or decision; and
- 1.2.3 references to statute or statutory provision include a reference to that statute or provision as from time to time modified, extended or re-enacted provided that in the case of modifications, extensions or re-enactments made after the date of this Agreement the same shall not have effected a substantive change to that statute or provision.

2. SECURITIES TRADING

- 2.1 Mighty Brokerage shall open and maintain a securities trading account on behalf of Client for the trading of securities in Hong Kong or elsewhere, on the terms set out in this Agreement.
- 2.2 Client may from time to time instruct Mighty Brokerage to effect on Client’s behalf any purchase or sale of securities. Client shall make its own judgments and decisions independently without reliance on Mighty Brokerage in giving such instructions. Any such instructions shall be irrecoverable and may be given in writing, verbally, by facsimile or other electronic means (including through the Service) at Client’s own risk. Mighty Brokerage shall be entitled to rely on and to act as it thinks fit in connection with any such instructions, provided that Mighty Brokerage shall have discretion to reject such instructions.
- 2.3 Unless Client gives specific instructions to the contrary, Client agrees and acknowledges that all orders and instructions are good for the day only and will lapse at the end of the official trading day of the Exchange in respect of which they are given.
- 2.4 Mighty Brokerage may, in carrying out Client’s instructions, contract or otherwise deal with or through any broker for the purchase or sale of securities on any Exchange, or any person associated with Mighty Brokerage in any manner (including any member of the Group), on such terms as Mighty Brokerage may in its discretion determine.
- 2.5 Subject to all other provisions of this Agreement, Client may request Mighty Brokerage to apply on Client’s behalf for securities in a new issue for listing on an Exchange (an “Application”) and the provisions of this clause 2.5 shall apply.
- 2.5.1 Client authorises Mighty Brokerage to complete such application form as may be required, and represents and warrants to Mighty Brokerage that all representations, warranties, confirmations and undertakings on the part of the applicant contained or incorporated in the application form are true and accurate in respect of Client.
- 2.5.2 Client agrees to be bound by the terms of the new issue and in particular, Client hereby:

- 2.5.2.1 warrants and undertakes that the Application shall be the only application made for Client's benefit in respect of the same issue of securities and that Client shall make no other application in that issue;
 - 2.5.2.2 authorises Mighty Brokerage to represent and warrant to the Exchange that no other application shall be made or shall be intended to be made by Client or for Client's benefit;
 - 2.5.2.3 acknowledges that Mighty Brokerage will rely on the above warranties, undertakings and authorisations in making the application.
- 2.5.3 Client may at the same time request Mighty Brokerage to provide a loan for the purpose of the Application (the "Loan"), and the following provisions shall apply:
- 2.5.3.1 Mighty Brokerage has the discretion to accept or reject the request for the Loan;
 - 2.5.3.2 Upon acceptance of a request for a Loan, Mighty Brokerage shall provide a term sheet ("Term Sheet") to Client confirming the terms of the Loan as agreed between Client and Mighty Brokerage, which shall be conclusive and binding on Client.
 - 2.5.3.3 Prior to the provision of a Loan by Mighty Brokerage, Client shall provide to Mighty Brokerage a deposit for the Loan, which shall form part of the proceeds for the Application, in the amount and on or before such time as specified in the Term Sheet. Client authorises Mighty Brokerage to debit from any of his accounts with Mighty Brokerage an amount representing the deposit, provided that Mighty Brokerage may, at its discretion, require Client to pay sufficient monies to Mighty Brokerage for the deposit.
 - 2.5.3.4 Unless otherwise specified in the Term Sheet:
 - (1) the amount of the Loan shall be the total price of the securities applied for in the Application less the amount of deposit provided by Client pursuant to this clause 2.5.3;
 - (2) Client shall have no right to repay the Loan, in part or in full, prior to the date of repayment specified in the Term Sheet.
 - 2.5.3.5 The rate of interest applicable to the Loan shall be specified in the Term Sheet.
 - 2.5.3.6 Where Mighty Brokerage receives any refund in respect of an Application, Mighty Brokerage shall have the right, at its discretion, to apply the same or any part thereof in or towards the discharge of the Loan including any interest accrued thereon or to return the same or any part thereof to Client, whether before or after the date of repayment specified in the Term Sheet.
 - 2.5.3.7 In consideration of Mighty Brokerage granting to Client the Loan, Client charges to Mighty Brokerage, by way of fixed charge as a continuing security for the full repayment of the Loan and the accrued interest thereon, all the securities acquired on behalf of Client by virtue of the Application in respect of which the Loan is provided. Subject to the Laws, Client authorises Mighty Brokerage, for so long as the security created hereby continues, at its discretion and without notice to Client, to dispose of such securities in settlement of Client's liability to repay or discharge any financial accommodation provided by Mighty Brokerage. Upon full repayment of the Loan and the accrued interest thereon, Mighty Brokerage shall discharge the security created hereby.
- 2.6 Client agrees and acknowledges that:
- 2.6.1 subject to clause 2.6.6, any one of the Authorised Persons (in the case of a corporate account) or the Authorised Third Parties (in the case of an individual or joint account) is hereby authorised to give instructions on Client's behalf;
 - 2.6.2 Client shall ratify and confirm any instructions whatsoever given or purported to be given by an Authorised Person or an Authorised Third Party for and on Client's behalf, including without limitation, any instructions which may be given or purported to be given by an Authorised Person or an Authorised Third Party during the inclusive period beginning on the revocation of the authority of such a person and ending on the day 5 days after the actual receipt by Mighty Brokerage of written notice of such revocation;
 - 2.6.3 if it transpires that any Authorised Person or any Authorised Third Party in fact had no authority at the time instructions are given then Client hereby agrees to accept full responsibility and shall not later challenge the instructions;

- 2.6.4 any subsequent appointment of an Authorised Person or an Authorised Third Party or any revocation or removal or change of the Authorised Person or the Authorised Third Party must be notified to Mighty Brokerage by Client in writing PROVIDED THAT such subsequent appointment, change, removal or revocation shall not take effect until 5 days (or shorter time acceptable to Mighty Brokerage) after the actual receipt by Mighty Brokerage of such written notification;
- 2.6.5 any instructions given or purported to be given by any Authorised Person or any Authorised Third Party after:-
- 2.6.5.1 revocation by Client of that person's authority; or
- 2.6.5.2 Client goes into liquidation, the commencement of bankruptcy proceedings in respect of Client, or the occurrence of an analogous event;
- shall so far as permitted by law be valid and effectual in favour of Mighty Brokerage until 5 days after the actual receipt by Mighty Brokerage of written notice of an event referred to in clause 2.6.5.1 or 2.6.5.2; and
- 2.6.6 Subject to Client's written instruction, Mighty Brokerage shall be entitled to assume that any one of the Authorised Persons or the Authorised Third Parties is duly authorised by Client to give all instructions on Client's behalf, provided that Mighty Brokerage will not normally accept instructions for the withdrawal of funds or scrip, CCASS settlement instructions or instructions with respect to non-trading activities of the Account, except where the beneficiary of such instructions is Client or in exceptional circumstances as determined at the discretion of Mighty Brokerage.
- 2.7 Any purchase or sale of securities effected by Mighty Brokerage on behalf of Client pursuant to Client's instructions shall be effected in accordance with the Laws. In the event of any inconsistency between any provisions of this Agreement and any Laws, the latter shall prevail and Mighty Brokerage shall be entitled in its discretion to take or refuse to take any action or to demand that Client shall take or refrain from taking any action to ensure compliance with the same. All actions taken by Mighty Brokerage in accordance with the Laws shall be binding on Client.
- 2.8 Mighty Brokerage shall issue contract notes to Client after purchase or sale of securities effected by Mighty Brokerage on behalf of Client pursuant to Client's instructions, and statements of accounts, in accordance with the Laws. Such contract notes and statements of accounts may be in electronic format at Client's risk. Where Client is provided with the Service, Client acknowledges that, although Client may be able to access pro forma contract notes and statements of accounts through the Service, only the contract notes and statements of accounts issued by Mighty Brokerage pursuant to this clause shall be conclusive and binding.
- 2.9 Client shall inform Mighty Brokerage when a sell order is in respect of securities which Client does not own (i.e. a short sale) and, where required, provide Mighty Brokerage with an assurance in accordance with the SFO.
- 2.10 Client shall pay to Mighty Brokerage in cleared funds any money required for the purchase of securities or shall deliver to Mighty Brokerage the certificates or documents of title required for the sale of securities (as the case may be), in each case at any time demanded by Mighty Brokerage (even if required to be paid and/or delivered earlier than the settlement date), and Client shall take all necessary action to enable due settlement and/or delivery in respect of such purchase and sale in accordance with the Laws. Should Client fail to do so, Mighty Brokerage is authorised:-
- 2.10.1 in the case of a purchase transaction, to transfer or sell any such purchased securities to satisfy Client's obligations to Mighty Brokerage; or
- 2.10.2 in the case of a sale transaction, to borrow and/or purchase such sold securities to satisfy Client's obligations to Mighty Brokerage.
- 2.11 Without prejudice to clause 2.10, Mighty Brokerage is authorised on Client's behalf and in Client's name to:-
- 2.11.1 withdraw from any account maintained with Mighty Brokerage such sums of money in payment of the purchase price for the securities purchased or purportedly purchased for Client as evidenced by the bought note issued in Client's name and at the same time deposit into any account maintained with Mighty Brokerage the securities so purchased or purportedly purchased. In addition, Mighty Brokerage may withdraw from any account maintained with Mighty Brokerage such sums of money in payment of brokerage, fees, disbursements, charges and any other sums owned by Client in connection with the securities;
- 2.11.2 withdraw from any account maintained with Mighty Brokerage such securities sold or purportedly sold for Client as evidenced by the sold note issued in Client's name and at the same time deposit into any account the sums of money representing the net proceeds of sale of the securities so withdrawn and so sold or purportedly sold.

- 2.12 Client agrees to pay interest on all overdue balances owing by Client to Mighty Brokerage (after as well as before any judgment) at a mutually agreed rate, such interest to be payable on the last day of each calendar month or upon any demand being made by Mighty Brokerage. If the interest rate calculated under this clause would exceed the maximum lawful rate under the Money Lenders Ordinance, then the maximum lawful interest rate under that Ordinance shall be applied instead.
- 2.13 If Mighty Brokerage has to obtain securities which Mighty Brokerage has purchased on behalf of Client in the open market, following the failure of the selling broker to deliver on the settlement date, Mighty Brokerage shall be responsible for any difference in price and all incidental expenses in connection with such open market purchase.
- 2.14 For the purpose of section 149 of the SFO, Client agrees that no interest shall accrue for Client's benefit on sums retained by Mighty Brokerage on Client's behalf until the same are paid into a trust account in accordance with the SFO. The rate and other terms applicable to any monies held in such trust account shall be determined by Mighty Brokerage at its discretion and shall be notified by Mighty Brokerage to Client from time to time.
- 2.15 Unless otherwise permitted pursuant to the terms of this Agreement, Mighty Brokerage shall ensure that Cash Client's Securities are either:-
- 2.15.1 registered in the name of Client;
 - 2.15.2 registered in the name of Mighty Brokerage's nominee (including, for the avoidance of doubt, any overseas nominee in circumstances where transactions in securities hereunder take place outside the Hong Kong); or
 - 2.15.3 deposited in Hong Kong in safe custody in a designated account with an authorised institution or some other institution approved by the SFC for the purposes of section 148 of the SFO.
- 2.16 Mighty Brokerage shall credit the Account with (or pay to Client, as may be separately agreed in writing) any dividends, distributions, or other benefits, after deduction of such reasonable charges as Mighty Brokerage may determine from time to time, accruing to any of Cash Client's Securities which are not registered in Client's name.
- 2.17 Except as permitted by the Laws, Mighty Brokerage shall take reasonable steps to ensure that Client's securities are not deposited, transferred, lent, pledged, repledged or otherwise dealt with.

3. THE SERVICE

- 3.1 Mighty Brokerage may at its discretion provide Client with the Service on the terms of this Agreement, and the provisions of this clause 3 apply if Mighty Brokerage provides Client with the Service.
- 3.2 Client acknowledges receipt of the Access Codes and agrees to be the sole user of the Access Codes and not to disclose the Access Codes to any other person; and to be solely responsible for the use and protection of the Access Codes and all instructions entered through the Service using the Access Codes.
- 3.3 Mighty Brokerage may at any time block Client's access to the use of the Service without prior notice.
- 3.4 Client shall forthwith notify Mighty Brokerage if:
- 3.4.1 an instruction has been placed through the Service and Client has not received an accurate acknowledgment of the instruction or its execution (whether by hard copy, electronic or verbal means) within one working day of the instruction;
 - 3.4.2 Client has received notification (whether by hard copy, electronic or verbal means) of a transaction which Client did not instruct;
 - 3.4.3 Client becomes aware of any apparent unauthorised use of any of Client's Access Codes; or
 - 3.4.4 Client experiences any problems in accessing its Account through the Service.
- 3.5 The use of the Service by Client and any software provided for use in accessing or using the Service is at the risk of Client. Client shall provide and maintain, at Client's own risk and cost, the connection equipment (including personal computers and modems) and services for accessing and using the Service.
- 3.6 Client shall use materials available through the Service for its own needs and shall not resell access to any such materials or otherwise deal with them in any way.

3.7 The Service, Mighty Brokerage' web sites and the software comprised in them are proprietary to Mighty Brokerage and/or its agents, partners or contractors. Client undertakes not to tamper with, modify, de-compile, reverse engineer or otherwise alter in any way, and shall not attempt to gain unauthorised access to any part of, the Service or Mighty Brokerage' web sites or any of the software comprised in them. Client undertakes to notify Mighty Brokerage immediately if Client becomes aware that any such action is being perpetrated or attempted by another person.

3.8 Client acknowledges that in providing the Service, Mighty Brokerage may use such authentication technologies as it deems appropriate.

4. FEES, DISBURSEMENTS, LIENS, SET-OFF AND CONSOLIDATION ETC.

4.1 In respect of every transaction, Client shall pay to Mighty Brokerage forthwith on demand such commission and charges as Mighty Brokerage may determine from time to time. Mighty Brokerage may levy additional charges or minimum transaction fees or subscription fees for the use of the Service.

4.2 Client shall pay or reimburse Mighty Brokerage forthwith on demand an amount equal to all commission, brokerage, levies, fees, duties and taxes and all other charges and expenses incurred by Mighty Brokerage arising out of or in connection with any transaction effected by Mighty Brokerage as agent on behalf of Client or otherwise arising out of or in connection with the performance of Mighty Brokerage' duties under the Agreement.

4.3 Client shall be responsible to Mighty Brokerage for all losses and expenses resulting from Client's settlement failure, and shall be subject to such additional charges therefor as Mighty Brokerage may determine.

4.4 If Mighty Brokerage is instructed (or if the circumstances require Mighty Brokerage) to effect any transaction for the Account in a currency other than Hong Kong dollars, Client shall bear the risk of loss arising from exchange rate fluctuation. In the absence of manifest error the determination of Mighty Brokerage as to the applicable exchange rate shall be conclusive.

4.5 Subject to at least one month's notice thereof, Mighty Brokerage may at its discretion charge such account maintenance fee as Mighty Brokerage may from time to time determine.

4.6 Subject to the Laws, without limitation to any other rights and remedies, Client agrees that:

4.6.1 without prejudice to any other provisions in this Agreement, Mighty Brokerage shall have a general lien over all or any part of any money or securities held by Mighty Brokerage for the discharge of Client's obligations to Mighty Brokerage or any member of the Group;

4.6.2 Mighty Brokerage may at any time without notice combine or consolidate all or any of Client's accounts with, and/or apply Client's securities towards any liabilities to, Mighty Brokerage and other members of the Group;

4.6.3 Mighty Brokerage may set-off or transfer any sum in whatever currency standing to the credit of any of Client's accounts with Mighty Brokerage or other members of the Group in or towards satisfaction of any of Client's liabilities of whatever nature (including liabilities incurred as principal or surety and whether such liabilities be actual or contingent, primary or collateral, several or joint) to Mighty Brokerage and other members of the Group.

4.7 Mighty Brokerage may, in the course of dealing with or through any broker for any transactions, receive benefit which is incidental to such dealings, including brokerage commission rebates and/or commission of any kind. Client agrees that Mighty Brokerage may receive and retain for itself any such benefit, subject to disclosure to Client of such information and in such manner as required by the SFC.

4.8 Without prejudice to the other provisions of this Agreement, Client authorises Mighty Brokerage, at its discretion and without notice to Client, to dispose of Client's securities for the purpose of setting any liability owned by Client to Mighty Brokerage for:

4.8.1 dealing in securities which remains after Mighty Brokerage has disposed of all other assets designated as collateral for securing settlement of that liability; or

4.8.2 financial accommodation provided by Mighty Brokerage to Client which remains after Mighty Brokerage has disposed of all other assets designated as collateral for securing settlement of that liability.

5. LIABILITY AND INDEMNITY

5.1 Client agrees that neither Mighty Brokerage nor any of its officers, employees or agents shall have any liability whatsoever (other than those resulting from fraud or wilful default on Mighty Brokerage' part) for any loss, expenses, or damage which Client may incur as a result of the performance or failure to perform this Agreement.

- 5.2 Client undertakes to indemnify Mighty Brokerage and its officers, employees or agents for any loss, cost, claim, liability and expenses (other than those resulting from fraud or wilful default on Mighty Brokerage's part) incurred by Mighty Brokerage or its officers, employees or agents in performing its services under this Agreement, or arising directly or indirectly from a breach by Client of any of its obligations under this Agreement.
- 5.3 If any claim is made against Mighty Brokerage or Client in connection with this Agreement, Mighty Brokerage may, at its discretion and without prejudice to clause 5.2, take all such steps as it considers advisable, including the withholding of payment or delivery to Client of any money or securities.

6. DISCLOSURE OF INFORMATION

- 6.1 Client warrants and undertakes to Mighty Brokerage that the information provided by Client in this Agreement is and will be accurate, complete and up-to date. Client shall notify Mighty Brokerage forthwith of any change to such information.
- 6.2 Mighty Brokerage shall notify Client of any material change to the information relating to Mighty Brokerage provided in this Agreement.
- 6.3 Client shall immediately on demand by Mighty Brokerage supply to Mighty Brokerage such financial and other information relating to Client as Mighty Brokerage may in its discretion require.
- 6.4 Mighty Brokerage may provide any information relating to the Account to any regulatory authority to comply with their requirements or requests for information and, where necessary to comply with the Laws, to any member of the Group.

7. CLIENT IDENTIFICATION

- 7.1 Subject to clause 7.2, Client shall immediately upon Mighty Brokerage's request (which request shall include the relevant contact details of the SEHK and the SFC (the "Regulators")), inform Mighty Brokerage and/or the Regulators of:
- 7.1.1 the identity, address, occupation, contact details and such other information as may be required by the Regulators of the person for whose account the relevant transaction was effected;
- 7.1.2 (so far as Client is aware) the identity, address, contact details and such other information as may be required by the Regulators of the person with the ultimate beneficial interest in the transaction;
- 7.1.3 the identity, address, contact details and such other information as may be required by the Regulators of any third party (if different from the ultimate beneficiary) who originated the transaction.
- 7.2 If Client effected the transaction or had its discretion overruled in respect of a transaction the subject of an inquiry by the Regulators for a collective investment scheme, discretionary account or discretionary trust, Client shall, immediately upon Mighty Brokerage's request, inform the Regulators of the identity of the scheme, account or trust and, if applicable, the identity of the person who, on behalf of the scheme, account or trust, instructed Client to effect the transaction, and such other information as may be required by the Regulators.
- 7.3 If Client effected a transaction for its customer, and Client is aware that its customer is acting as intermediary for an underlying client, and Client does not know the identity of the underlying client for whom the transaction was effected, Client confirms that:-
- (i) Client has arrangements in place with its customer which entitle Client to obtain the information set out in clause 7.1 from its customer immediately upon request or procure that it can be so obtained; and
- (ii) Client shall, upon Mighty Brokerage's request in relation to a transaction, promptly request the information set out in clause 7.1 from Client's customer on whose instructions the transaction was effected, and provide the information to the Regulators as soon as it is received from Client's customer or procure that it be so provided.

8. AMENDMENT AND TERMINATION

- 8.1 Mighty Brokerage may, at its discretion, suspend or terminate the Account and cease to act on Client's behalf further. Upon termination of the Account, all monies owing from Client to Mighty Brokerage shall immediately become due and payable.

- 8.2 Client agrees that that terms and conditions of this Agreement may be varied by Mighty Brokerage from time to time, at its discretion, by notice in writing from Mighty Brokerage to Client, in which event such terms and conditions so varied shall continue to apply with effect from the date of the notice or such later date specified in such notice.
- 8.3 Either party may terminate this Agreement at any time by notice to the other provided that such termination shall not affect:
- 8.3.1 the rights or liabilities of either party arising prior to such termination;
 - 8.3.2 any warranties, representation, undertakings and indemnities given by Client under this Agreement, all of which shall survive termination; and
 - 8.3.3 Client's obligations under clause 7.

9. NOTICE

- 9.1 Any notice or communication (including instruction to operate the Account) to be made or given by either party shall be in writing and may be sent by ordinary post to the other party's address, or by facsimile transmission or electronic means (including through the Service) to the fax number or e-mail address stated in the Account Application (or to such other address, fax number, or e-mail address as may be notified by recipient in writing). Any notification so given shall be deemed to have been received 48 hours after dispatch if sent by post or at the time of transmission if given by facsimile or electronic means.
- 9.2 Client undertakes to notify Mighty Brokerage without delay if for any reason there is an error in any of the statements and/or contract notes supplied to Client or if Client does not receive statements and/or contract notes promptly after any dealings have taken place. Client will check all contract notes and statements thoroughly and if Client does not object in writing within 7 days from the date thereof in the absence of manifest error, Client accepts that such contract notes and/or statements are to be conclusively binding on Client as to the correctness of the matters stated therein.
- 9.3 Mighty Brokerage may also give notice to Client by telephone on the telephone number given in the Account Application or on such other number as Client shall notify Mighty Brokerage in writing. All notification so given to Client shall be deemed to have been received instantaneously if given by telephone.

10. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 10.1 Client represents, warrants and undertakes to Mighty Brokerage that:-
- 10.1.1 where Client is a corporation, it has the corporate power to enter into and perform this Agreement and has taken all necessary corporate and other action to authorise this Agreement upon these terms and conditions;
 - 10.1.2 no consent or authority of any person (except, in the case of a corporate client, as already obtained as contemplated in clause 10.1.1) is required for Client to enter into this Agreement; and
 - 10.1.3 the entering into by Client of this Agreement will not place Client in breach of the terms of any document (including Client's Memorandum and Articles of Association if Client is a corporation) or of any obligations.

11. NOMINEE ARRANGEMENTS

- 11.1 If any of Client's securities are registered in the name of a nominee for Client ("Nominee"), whether or not such Nominee is a member of the Group. Client agrees as follows:
- 11.1.1 the Nominee shall no liability (in negligence or otherwise howsoever) for failure to forward to Client any notice, information or other communication in respect of any such securities;
 - 11.1.2 the Nominee shall have full liberty to exercise or refrain from exercising any rights or to satisfy or refrain from satisfying any liabilities arising from or in connection with the holding of any such securities without the need to consult or notify Client beforehand without being in any way liable therefor and Client shall indemnify the Nominee for any loss, cost, claim, liability and expense incurred by the Nominee and arising directly or indirectly from any action taken or not taken by the Nominee in good faith;
 - 11.1.3 to pay such fees, expenses and charges as the Nominee may from time to time prescribe in consideration of the nominee services, such fees, expenses and charges to be deducted as Mighty Brokerage sees fit from any monies standing to Client's credit in any account with Mighty Brokerage and/or any member of the Group and until payment the securities held by the Nominee are subject to a lien in favour of the Nominee for the amount(s) concerned;

- 11.1.4 the Nominee may act on the instructions of any one Authorised Person or Authorised Third Party; and
- 11.1.5 the Nominee is not bound to return to Client securities bearing identical serial numbers as any transferred to the Nominee.

12. MISCELLANEOUS

- 12.1 Mighty Brokerage shall act as an agent and not as a principal in relation to any transaction undertaken by Mighty Brokerage pursuant to this Agreement, except where Mighty Brokerage gives notice to Client to the contrary.
- 12.2 Save as expressly provided in this Agreement, no failure to exercise, or delay in exercising, on the part of any party hereto any right, power or privilege under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise, or the exercise of any other right, power or privilege. No waiver by Mighty Brokerage shall be effective unless it is in writing. The rights and remedies of Mighty Brokerage are cumulative and not exclusive of any rights or remedies provided by law.
- 12.3 Client shall not assign, delegate, sub-contract, transfer or otherwise dispose of any rights or obligations under this Agreement to any person without Mighty Brokerage's previous written consent. Subject to the Laws, Mighty Brokerage may assign, sub-contract, delegate, transfer or otherwise dispose of any of its rights and obligations under this Agreement as Mighty Brokerage may see fit.
- 12.4 Client undertakes to do and execute any act, deed, document or thing which Mighty Brokerage may require in connection with the implementation, execution and enforcement of the terms of this Agreement.
- 12.5 Mighty Brokerage may record telephone conversations with Client and the contents of any such recording shall be final and conclusive evidence of the conversation concerned and its content.
- 12.6 If any provision of this Agreement shall be void or unenforceable by reason of any provision of applicable law, the remaining provisions shall continue in full force and effect and if necessary, be so amended as shall be necessary to give effect to the spirit of this Agreement so far so possible.
- 12.7 Client acknowledges that Mighty Brokerage has offered to explain to Client the terms of this Agreement, and either Client has received such explanation or that Client fully understands the terms of this Agreement without the need for such explanation. Client acknowledges that Client has been advised, and has had the opportunity, to consult Client's professional advisers.
- 12.8 If there is any inconsistency between the Chinese and English versions of this Agreement, the English version shall apply and prevail.
- 12.9 Where the Account is a joint account, unless otherwise stated in the Account Application, Mighty Brokerage may accept instructions from any of the account holders, and each joint account holder agrees with the others to be jointly and severally liable for all obligations in connection with this Agreement.
- 12.10 Where Client has an account with another member of the Group and instructs Mighty Brokerage to obtain cash and/or securities from such account, Client authorises Mighty Brokerage, on behalf of Client, to request such member of the Group to release such cash and/or securities to Mighty Brokerage.

13. PERSONAL DATA

- 13.1 All personal data concerning Client (whether provided by Client or any other person before or after the date on which Client receives this Agreement) may be used by any member of the Group for the following purposes:
 - 13.1.1 sharing, cross-checking and transferring the personal data with a member of the Group or any of Mighty Brokerage's partners or service providers in relation to new or existing client verification procedures, ongoing account administration or marketing;
 - 13.1.2 the comparison and/or transfer to third parties of such personal data for the purposes of credit checking and/or data verification;
 - 13.1.3 any purpose relating to or in connection with compliance with any law, regulation, court order or order of a regulatory authority including the provision of any such data to any such regulatory authority which shall request the same; or
 - 13.1.4 any other purpose relating to or in connection with Mighty Brokerage's business or dealings or the business or dealings of a member of the Group.

- 13.2 Client has the right to inquire whether Mighty Brokerage holds Client's personal data, and to request access to and correction of such personal data, and Mighty Brokerage may charge a reasonable fee for processing any data access request. Client may send requests for access to and/or corrections to Client's personal data to Mighty Brokerage's Personal Data Officer at Mighty Brokerage's address stated in this Agreement.
- 13.3 Mighty Brokerage may send Client information (whether prepared by Mighty Brokerage or such other person whom personal data may be shared with or transferred to) which in Mighty Brokerage's opinion may be of interest to Client by mail, e-mail or otherwise. Should Client not wish to receive such information, Client may send to Mighty Brokerage, at the address stated in this Agreement, a request in writing to cease using the personal data for such purpose without charge to Client.
- 13.4 Use of Data in Direct Marketing:
Mighty Brokerage intends to use and/or transfer the Customer's data to any related companies of Mighty Brokerage for direct marketing and Mighty Brokerage requires the consent (which includes an indication of no objection) of the Customer for that purpose. In this connection, please note that:
- 13.4.1 your name, contact details, products and services portfolio information, transaction pattern and behavior, financial background and demographic data held by Mighty Brokerage from time to time may be used by Mighty Brokerage in direct marketing;
- 13.4.2 the following classes of services, products and subjects may be marketed:
- (i) securities, commodities, investment and related services and products;
 - (ii) reward, loyalty or privileges programmes in relation to the class of marketing subjects as referred to in 13.4.2(i) above; and
 - (iii) donations and contributions for charitable and/or non-profit making purposes.
- 13.4.3 If a Customer does not wish Mighty Brokerage to use and/or transfer the Customer's data for use in direct marketing, the Customer may, without charge, exercise the right to opt-out.

14. RISK DISCLOSURE STATEMENTS

- 14.1 Client understands and accepts the following risks:

14.1.1 Risk of securities trading

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

14.1.2 Risk of trading growth enterprise market stocks

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

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

Current information on GEM stocks may only be found on the internet website operated by the SEHK. GEM companies are usually not required to issue paid announcements in gazetted newspapers.

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

14.1.3 Risk of trading NASDAQ-AMEX securities at the SEHK

The securities under Nasdaq-Amex Pilot Program ("PP") are aimed at sophisticated investors. Client should become familiarised with the PP before trading in the PP securities. Client should be aware that the PP securities are not regulated as a primary or secondary listing on the Main Board or the Growth Enterprise Market of the SEHK. Client should only consider participating in the PP if Client has sufficient means and resources to acquire and understand the relevant product and market information regarding the PP which is published on or distributed via the Internet in English.

14.1.4 Risk in relation to Authorised Third Party

There are substantial risks in allowing an Authorised Third Party to trade or operate the Account, and it is possible that instructions could be given by persons not properly authorised. Client accepts all the risks of such an operation and irrevocably releases Mighty Brokerage from all liabilities arising out of or in connection with such instructions, whether taken by Mighty Brokerage or otherwise.

14.1.5 Risk of providing an authority to hold mail or to direct mail to third parties

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

14.1.6 Deposited cash and property

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

14.1.7 Risks of client assets received or held outside Hong Kong

Client assets received or held by Mighty Brokerage or Mighty Brokerage's nominee outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the SFO and the rules made thereunder. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

14.1.8 Commission and other charges

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

14.1.9 Transactions in other jurisdictions

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

14.1.10 Fidelity Insurance

Client is not protected under any fidelity insurance for participants of the Stock Exchange of Hong Kong Limited.

14.1.11 Currency risks

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

14.1.12 Trading facilities

Electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Client's ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or participant firms. Such limits may vary and Client should ask the firm with which he deals for details in this respect.

14.1.13 Electronic Trading

Trading on an electronic trading system may differ from trading on other electronic trading systems. If Client undertakes transactions on an electronic trading system, Client will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that

Client's order is either not executed according to Client's instructions or is not executed at all.

14.1.14 Off-exchange transactions

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

14.1.15 Risk of options trading

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

14.1.16 Additional risk disclosure for options trading

(a) The following brief statement does not disclose all of the risks and other significant aspects of trading in options. In light of the risks, the client should undertake such transactions only if he understands the nature of the contracts (and contractual relationships) into which the client is entering and the extent of his exposure to risk. Trading in options is not suitable for many members of the public. The client should carefully consider whether trading is appropriate for him in light of his experience, objectives, financial resources and other relevant circumstance.

(b) Risk-reducing orders or strategies

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

(c) Variable degree of risk

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarise themselves with the type of option (i.e. put or call) which they contemplate trading the associated risks. The client should calculate the extent to which the value of the options must increase for his position to become profitable, taking into account the premium and all transaction costs.

The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a futures contract, the purchaser will acquire a futures position with associated liabilities for margin. If the purchased options expire worthless, the client will suffer a total loss of his investment which will consist of the option premium plus transaction costs. If the client is contemplating purchasing deep-out-of-the-money options, the client should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably.

The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a futures contract, the seller will acquire a position in a futures contract with associated liabilities for margin. If the option is "covered" by the seller holding a corresponding position in the underlying interest or a futures contract or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premiums. The purchase is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

(d) Terms and conditions of contracts

The client should ask the company about the terms and conditions of the specific options which he is trading and associated obligations (e.g. expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

(e) Suspension or restriction of trading and pricing relationships

Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or “circuit breakers”) may increase the risk of loss by making it difficult or impossible to effect transactions of liquidate/offset positions. If the client has sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the futures, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge “fair value”.

(f) The client acknowledges that due to the volatile nature of securities markets, the purchase of options over securities involves a high degree of risk.

(g) Warning to options holders

Some options may only be exercised on an expiry day (european-style exercise) and other options may be exercised at any time before expiration (american-style exercise). The client understands that upon exercise some options require delivery and receipt of the underlying security and that other options require a cash payment.

An option is a wasting asset and there is a possibility that as an option holder the client may suffer the loss of the total premium paid for the option. The client acknowledges that, as an option holder, in order to realise a profit it will be necessary to either exercise the option or close the long option position in the market. Under some circumstances it may be difficult to trade the option due to lack of liquidity in the market. The client acknowledges that the company has no obligation either to exercise a valuable option in the absence of the client’s instruction or to give to the client prior notice of the expiration date of the option.

(h) Warning to options writers

As a writer of an option the client may be required to pay additional margin at any time. The client acknowledges that as an option writer, unlike an option holder, it may be liable for unlimited losses based on the rise or fall of the price of the underlying security and its gains are limited to the option premium.

Additionally, writers of american-style call (put) options may be required at any time before expiry to deliver (pay for) the underlying securities to the full value of the strike price multiplied by the number of underlying securities. The client recognises that this obligation may be wholly disproportionate to the value of premium received at the time the options were written and may be required at short notice.

14.2 If Client is provided with the Service, Client understands and accepts the following risks in using the Service:

14.2.1 the Internet or other electronic medium is an inherently unreliable medium of communication, and that such unreliability is beyond Mighty Brokerage' control;

14.2.2 transactions over the Internet or through other electronic medium may be subject to interruption, transmission blackout, delayed transmission due to data volume, or incorrect data transmission due to the public nature of the Internet or other electronic medium;

14.2.3 as a result of such unreliability, there may be time-lags or delays in the transmission of data and receipt of instructions and the execution of instructions at prices different from those prevailing at the time the instructions were given.

15. GOVERNING LAW

This Agreement shall be governed by and constructed in accordance with the laws of Hong Kong and Client submits to the non-exclusive jurisdiction of the courts of Hong Kong.

16. GENERAL DISCLOSURE ON FATCA

- 16.1 Under FATCA, all non-United States entities in a broadly defined class of financial institutions (FIs), are required to comply with an expansive documentation and reporting regime, or, beginning from July 1, 2014, be subject to a 30% United States withholding tax on certain U.S. payments constituting "FATCA Withholdable Payments" (beginning in 2017, a 30% withholding tax applies to gross proceeds from the sale of assets which could produce withholdable payments and foreign passthru payments). Certain passive non-U.S. entities which are not FIs are required to either certify they have no substantial U.S. beneficial ownership or report certain information with respect to their substantial U.S. beneficial ownership, or, beginning from July 1, 2014, become subject to the same 30% U.S. withholding tax as described above. The reporting obligations imposed under FATCA generally require FIs to obtain and disclose information about certain Client to the United States Internal Revenue Service (IRS).
- 16.2 The impact of FATCA on FIs in a specific country may be modified by an intergovernmental agreement (IGA) between the United States and that country. The United States is expected to enter into an IGA with Hong Kong (Hong Kong IGA).
- 16.3 A Hong Kong IGA should apply to Mighty Brokerage as it is a resident in Hong Kong. Under the Hong Kong IGA, Mighty Brokerage is obligated to apply prescribed due diligence procedures, and report account information with respect to "U.S. Accounts", "Non-consenting" and "Non-participating Financial Institutions" to the IRS.
- 16.4 The Client may be requested to provide a self-certification or other documentation to Mighty Brokerage in order to establish Client's tax residence. Furthermore, if there is any change in circumstances that would affect the Clients' tax residence statuses or there is reason for Mighty Brokerage to know that the self-certification is incorrect or unreliable, a new self-certification and/or additional documentation may be required from the Client.

17. REPRESENTATIONS AND WARRANTIES UNDER FATCA

- 17.1 The Client confirms that all the information and documents provided in connection with the Account with Mighty Brokerage are true, correct, complete, and not misleading. The Client undertakes to notify Mighty Brokerage promptly (and within 30 days of such change) with updated information and documents whenever there is any change in such information or documents.
- 17.2 In order to comply with FATCA and in accordance with any local or foreign law, legislation or regulation for Mighty Brokerage, the Client consents and authorizes that Mighty Brokerage may gather, store, use, process, disclose and report to any such Tax Authority or relevant parties any Personal Information and information in respect to the Account that provides to Mighty Brokerage.
- 17.3 The Client agrees to provide to Mighty Brokerage additional documentary evidence to validate the U.S. or non-U.S. status and information provided by the Client for FATCA purposes by Mighty Brokerage as requested by Mighty Brokerage.
- 17.4 If the Client fails to provide Mighty Brokerage with any of the necessary information within the time period specified, the Client agrees that Mighty Brokerage shall be entitled to reach whatever conclusions that Mighty Brokerage considers to be appropriate and Mighty Brokerage reserves the right to close the Client's Account or classify the Client's Account as "Non-consenting" or "Non-participating FFI" or execute withholding and reporting under FATCA regulations.
- 17.5 The Client agrees that it is reasonable and appropriate for Mighty Brokerage or its subsidiaries/affiliates to collect the information in relation to complying with FATCA. The Client agrees to the sharing of the relevant information, together with any other information collected by Mighty Brokerage in respect of the account application, with its subsidiaries/affiliates and also with the relevant government/tax authorities, based on the relevant tax requirements and subject to all applicable laws and regulations. The above process together with the related data processes may involve a transfer of information outside the Hong Kong and may also involve the transfer of data through intermediaries, service providers, counterparties or government bodies/ authorities. If a payee or any third party information is involved in any of the transfer, the Client agrees and has obtained all necessary consent from all such relevant parties in providing the information in respect to FATCA.

FIRST SCHEDULE MARGIN FINANCING

1. INTERPRETATION

- 1.1. In this First Schedule, the following words and expressions have the meanings set out below:
- 1.1.1 "Facility" means any financial accommodation provided by Mighty Brokerage from time to time to facilitate the acquisition and holding of securities listed on an Exchange;
 - 1.1.2 "Facility Letter" means the letter from Mighty Brokerage to Client offering the Facility;
 - 1.1.3 "Indebtedness" means any obligation for the payment or repayment of money, whether actual or contingent;
 - 1.1.4 "Liabilities" means the aggregate of:
 - (A) all present and/or future actual and/or contingent Indebtedness or other liabilities (in whatever currency they may be expressed) of Client to Mighty Brokerage (whether incurred solely, severally or jointly with others and whether incurred as principal or surety) including (without limitation) all monies advanced on any current, loan or other account (whether existing or opened at any time after the date hereof), and all pecuniary obligations arising out of currency and other financial transactions; and
 - (B) any interest accrued in respect of the amounts and liabilities referred to in paragraph (A) above both before demand and from the date of demand to the date of payment, as well after as before judgment (whether any of the same shall have been capitalised or not); and
 - (C) all charges, commissions and legal and other expenses incurred in any manner whatsoever by Mighty Brokerage in relation to the said Indebtedness and liabilities or to this Agreement (including without limitation any foreign exchange losses and expenses incurred by Mighty Brokerage in enforcing or otherwise attempting to recover any such Indebtedness or liabilities) on a full indemnity basis.
- 1.2. Terms and expressions defined in the Client Agreement shall have the same meaning in this Schedule unless the context otherwise requires.
- 1.3. The terms of the Facility Letter and any authorisation letter given by Client with respect to the Facility shall form part of this Schedule.
- 1.4. In the event of any inconsistency between the provisions of the Client Agreement and this Schedule, the provisions of this Schedule shall prevail.

2. MARGIN SECURITIES TRADING ACCOUNT

- 2.1 Mighty Brokerage shall grant the Facility to Client to enable Client to conduct margin securities trading in respect of the Account on the terms of this Agreement.
- 2.2 In consideration of Mighty Brokerage granting to Client the Facility, Client charges to Mighty Brokerage, by way of fixed charge as a continuing security for the payment and satisfaction on demand of the Liabilities, all of Client's securities which are now or which shall at any time be deposited with, or come into the possession, custody or control of, Mighty Brokerage, its nominee or any member of the Group, or with any person, to facilitate the provision of the Facility in respect of the Account, which shall include all distributions made or payable in respect of such securities, and all securities (and the distributions in respect thereof), rights, monies or property of whatever nature accruing to or offered at any time by way of redemption, bonus, preference, option, purchase consideration or otherwise in right or in respect of the aforesaid securities (the "**Margin Securities**").
- 2.3 Client undertakes:
- 2.3.1 at all times to maintain the level of margin specified in the Facility Letter or any other level of margin agreed with Mighty Brokerage, either by paying to Mighty Brokerage sufficient monies or by depositing (or procuring the deposit of) sufficient securities with Mighty Brokerage; and
 - 2.3.2 forthwith upon demand to pay to Mighty Brokerage such sum in cash and/or deliver to Mighty Brokerage such additional securities as additional or substituted security for the Liabilities.

Any securities deposited with or delivered to Mighty Brokerage under this clause shall form part of the Margin Securities.

- 2.4 Any monies received by Mighty Brokerage from Client may be placed and kept to the credit of an interest bearing suspense account for so long as Mighty Brokerage thinks fit without any obligation in the meantime to apply the same or any part thereof in or towards discharge of any Liabilities. Notwithstanding any such payment, in the event of any proceedings in or analogous to bankruptcy, winding-up, liquidation, composition or arrangement, Mighty Brokerage may prove for and agree to accept any dividend or composition in respect of the whole or any part of such money and liabilities in the same manner as if this security had not been created.
- 2.5 Client shall pay to Mighty Brokerage (or authorises to be debited from the Account with Mighty Brokerage) on a monthly basis, in respect of the Liabilities, interest at the Full Interest Rate specified in the Facility Letter, provided that if at the time a payment of interest should be made to Mighty Brokerage or debited from the Account with Mighty Brokerage, the Account has been maintained in accordance with the terms of this Agreement and none of the events mentioned in clauses 3.7.2 to 3.7.9 of the First Schedule has occurred, then the rate of interest applicable to the amount in respect of which such interest has accrued may, at the discretion of Mighty Brokerage, be discounted to the Reduced Interest Rate specified in the Facility Letter.
- 2.6 Notwithstanding any provisions of this Agreement, Mighty Brokerage may from time to time at its discretion, by written notice to Client, stipulate another interest rate, and such other rate shall apply as from the date of the notice or such later date specified in the notice.
- 2.7 Without prejudice to clauses 2.10 and 2.11 of the Client Agreement, Mighty Brokerage is authorised on Client's behalf and in Client's name to :-
 - 2.7.1 draw on the Facility for such sums of money in payment of the purchase price, brokerage, fees, disbursements, charges and the other sums referred to in clause 2.11.1 of the Client Agreement;
 - 2.7.2 apply the sums of money referred to in clause 2.11.2 of the Client Agreement or any part thereof in or towards discharge of any Liabilities.

3. MARGIN SECURITIES

- 3.1 Unless otherwise permitted pursuant to the terms of this Agreement, Mighty Brokerage shall ensure that, otherwise than in exercise of its powers under clause 3.6 of the First Schedule, as soon as practicable after Margin Securities are deposited with Mighty Brokerage or with another person to facilitate the provision of the Facility, the Margin Securities are:
 - 3.1.1 registered in the name of Client; or
 - 3.1.2 registered in the name of Mighty Brokerage or a nominee controlled by Mighty Brokerage; or
 - 3.1.3 deposited in safe custody in a designated account with an authorised institution or some other institution approved by the SFC for the purpose of section 81A(2) of the SFO.
- 3.2 Mighty Brokerage is irrevocably authorised, at its discretion, to transfer the Margin Securities into its name or that of a nominee controlled by Mighty Brokerage.
- 3.3 Client shall hold in trust for Mighty Brokerage any dividends, interest or other payments made in respect of the Margin Securities received by Client, and pay them over to Mighty Brokerage on demand.
- 3.4 Mighty Brokerage may, at its discretion and without notice to Client, exercise any voting rights and powers in respect of the Margin Securities as if Mighty Brokerage were the sole beneficial and registered owner thereof but shall not be obliged to do so.
- 3.5 Client authorises Mighty Brokerage, at its discretion and without notice to Client, to dispose of any Margin Securities in settlement of :
 - 3.5.1 Client's obligation to maintain the level of margin agreed with Mighty Brokerage;
 - 3.5.2 Client's liability to repay or discharge any financial accommodation provided by Mighty Brokerage;
 - 3.5.3 Client's liability to settle a transaction in any securities against which liability securities collateral has been provided by Client; or
 - 3.5.4 any liability which Client owes to Mighty Brokerage for dealing in securities which remains after Mighty Brokerage has disposed of all other assets designated as collateral for securing the settlement of that liability.

- 3.6 Mighty Brokerage shall take reasonable steps to ensure that the Margin Securities are not deposited, transferred, lent, pledged or otherwise dealt with except in accordance with clause 3.1 of the First Schedule, provided that:
- 3.6.1 Mighty Brokerage shall have the power to deal with the Margin Securities in accordance with the provisions of the SFO, with, where required, the authority of Client or as permitted by the SFC; and
- 3.6.2 without limitation to clause 3.6.1 of the First Schedule, Mighty Brokerage may, with (where required) the authority of Client or as permitted by the SFC, deal with the Margin Securities in the following manner:
- (A) deposit the Margin Securities with an authorised institution as collateral for financial accommodation provided to Mighty Brokerage;
 - (B) lend or deposit the Margin Securities to a person in accordance with the rules and regulations of the SEHK, to a person in accordance with the rules and regulations of the Hong Kong Securities Clearing Company Limited, or to a person of a class specified by the Securities and Futures Commission for the purpose of section 81A(6)(b)(iii) of the SFO;
 - (C) deposit the Margin Securities with the Hong Kong Securities Clearing Company Limited as collateral for the discharge and satisfaction of Mighty Brokerage's clearing obligations and liabilities; and
 - (D) deposit the Margin Securities with the SEHK Option Clearing House Limited as collateral in respect of Mighty Brokerage's transactions in or relating to options contracts.
- 3.7 Mighty Brokerage may immediately require Client to repay or discharge the Facility if:
- 3.7.1 the Account is terminated by Mighty Brokerage pursuant to clause 8 of the Client Agreement; or
- 3.7.2 Client defaults in paying, further securing or satisfying on demand any monies or liabilities hereby secured or is in default of any terms of this Agreement; or
- 3.7.3 any consent or authorisation necessary for or incidental to these terms is withdrawn, restricted or revoked or ceases to remain in full force and effect; or
- 3.7.4 Client is convicted of a serious criminal offence (other than a road traffic offence where a non-custodial sentence is imposed); or
- 3.7.5 Client becomes bound to repay prematurely any other loan or similar obligation for borrowed money by reason of a default in its obligations in respect of the same or fails to make any payment in respect thereof on the due date; or
- 3.7.6 there occurs a material adverse change in Client's financial condition which would, in the opinion of Mighty Brokerage, prevent Client from performing in any material respect its obligations; or
- 3.7.7 where Client is a corporation:
- (A) a petition is presented or an order is made or any effective resolution is passed or analogous proceedings are taken for the winding up of Client save for the purposes of an amalgamation, merger or reconstruction the terms whereof have previously been approved in writing by Mighty Brokerage; or
 - (B) Client convenes a meeting for the purpose of making, or proposes and/or enters into, any arrangement or composition for the benefit of its creditors; or
 - (C) an encumbrancer takes possession or a Receiver or other similar officer is appointed of the whole or any part of the assets or the undertaking of Client, or a distress or execution is levied or enforced upon or sued out against any of the chattels or property of Client and is not discharged within thirty days of being levied; or
 - (D) Client shall without the consent in writing of Mighty Brokerage stop payment to creditors generally or (if applicable) Client shall (otherwise than for the purpose of such an amalgamation, merger or reconstruction as is referred to in sub-clause 3.7.7(A) of the First Schedule) cease or threaten to cease to carry on its business or any substantial part thereof or shall be deemed, for the purposes of Section 178 of the Companies Ordinance, to be unable to pay its debts or disposes or threatens to dispose of the whole or a substantial part of its undertaking or assets; or
- 3.7.8 bankruptcy proceedings are commenced in respect of Client where Client is an individual, or a bankruptcy order is made against Client or Client makes any composition or arrangement with Client's creditors, dies, becomes of unsound mind and/or insane; or

3.7.9 where Client is a partnership or a sole proprietorship, any of its partners or the sole proprietor shall have any judgment or order of Court made or any execution levied against his goods chattels or property, dies, becomes of unsound mind and/or insane.

Client shall notify Mighty Brokerage forthwith in writing of the occurrence of any event mentioned in this clause.

3.8 Mighty Brokerage may exercise its power of sale pursuant to this Agreement in such manner, and for such consideration as it shall think fit, and shall not be under a responsibility to Client to obtain the best price available and shall have discretion as to which of the securities comprised in the Margin Securities should be sold.

3.9 Any proceeds of sale hereunder shall be applied in the following order of priority:-

3.9.1 in satisfaction of all costs, levies, charges, expenses and payments (including, without limitation, legal fees, stamp duty, commission and brokerage) incurred by Mighty Brokerage;

3.9.2 in or towards the satisfaction of the amount secured by this Agreement whether principal or interest or otherwise in such order as Mighty Brokerage may in its discretion decide;

3.9.3 in or towards the satisfaction of any other amount owing to Mighty Brokerage or any member of the Group;

and the surplus if any shall be paid to Client or to its order.

If there is any deficiency after the sale of the Margin Securities, Client shall pay such deficiency to Mighty Brokerage without the need for any demand.

3.10 Any dividends, interest or other payments which may be received or receivable by Mighty Brokerage in respect of the Margin Securities (less such reasonable charges as Mighty Brokerage may determine from time to time) may be applied by Mighty Brokerage as though they were proceeds of sale hereunder notwithstanding that the power of sale may not have arisen.

3.11 A declaration by an officer of Mighty Brokerage that the power of sale has become exercisable in respect of the Margin Securities shall be conclusive evidence of that fact in favour of any purchaser or other person deriving title under the sale.

3.12 If Client shall pay to Mighty Brokerage the whole of the amount of Liabilities without any deduction, Mighty Brokerage shall at any time after such payment has been so made, upon Client's request and cost, discharge the security created hereby provided always that upon discharge Mighty Brokerage shall not be bound to return securities bearing serial numbers identical with those deposited with or transferred to Mighty Brokerage so long as the securities returned are of the same class, denomination and nominal amount and rank *pari passu* with those originally deposited with or transferred to Mighty Brokerage (subject always to taking account of such events like any capital reorganisation which may have occurred in the meantime).

3.13 Subject to clause 3.12 of the First Schedule, the security hereby conferred on Mighty Brokerage is a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Liabilities, or by the closing of any Client's accounts with Mighty Brokerage (whether subsequently reopened or not and either alone or jointly with others).

3.14 The security hereby conferred on Mighty Brokerage is in addition to and without prejudice to any collateral or other securities which Mighty Brokerage may now or hereafter hold from or on account of Client nor shall such collateral or other security or any lien to which Mighty Brokerage may be otherwise entitled (including any security, charge or lien prior hereto) or the liability of any person or persons not parties hereto for all or any part of the monies and liabilities hereby secured be in any way prejudiced or affected hereby. Mighty Brokerage shall have full power at its discretion to deal with, exchange, release, modify or abstain from perfecting or enforcing any such securities or other guarantees or rights which it may now or hereafter have or to give time for payment or any indulgence to any other person or persons without discharging or in any way affecting Client's liabilities or the security created hereunder. All monies received by Mighty Brokerage from Client or any person or persons liable to pay the same may be applied by Mighty Brokerage to any account or any transactions to which the same may be applicable.

3.15 Client shall, during the continuance of this security, pay all payments due in respect of any of the Margin Securities but Mighty Brokerage may if Mighty Brokerage thinks fit, make such payments on Client's behalf. Any sums so paid by Mighty Brokerage shall be repayable forthwith by Client and pending such repayment, shall both carry interest at the applicable rate and be a charge on the Margin Securities.

4. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

Client represents, warrants and undertakes to Mighty Brokerage that no other person has any interest in the Margin Securities and undertakes not to sell, grant an option over or otherwise deal in any way with or create or allow to subsist a charge, pledge or other encumbrance over the Margin Securities other than pursuant to the terms of this Agreement.

5. RISK DISCLOSURE STATEMENTS

5.1 Client understands and accepts the following risks:

5.1.1 Risk of margin trading

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

5.1.2 Risk of providing an authority to lend or deposit securities with third parties

There is risk in providing Mighty Brokerage with an authority that allows Mighty Brokerage to lend Client's securities to or deposit them with certain third parties under section 81, 81A or 121AB of the SFO and related rules. This is allowed only if Client consents in writing. The consent must specify the period for which it is current, which cannot exceed 12 months.

Client is not required by any law to sign these authorities. However, an authority is required by Mighty Brokerage to facilitate margin lending to Client or to allow Client's securities to be loaned to or deposited as collateral with third parties. Mighty Brokerage will, at Client's request, explain to Client the purposes for which one of these authorities is to be used.

If Client signs one of these authorities and Client's securities are lent to or deposited with third parties, those third parties will have a lien or charge on Client's securities. Although Mighty Brokerage is responsible to Client for Client's securities lent or deposited under the authority, a default by it could result in the loss of Client's securities.

A cash account not involving securities borrowing and lending is available from Mighty Brokerage. If Client does not require margin facilities or does not wish Client's securities to be lent or pledged, Client does not need to sign the above authorities and may instead ask to open this type of cash account.