

UNIFORM MARGIN CLIENT'S AGREEMENT

THIS AGREEMENT is made on the _____ day of _____, _____
BETWEEN **BULLISH SECURITIES LIMITED**, a [Member or Dealing Partnership] of the The Stock Exchange of Hong Kong Limited ("The Exchange") (hereinafter referred to as the "Broker") whose [registered] [principal] office is located at 7th Floor, Room B, Hillier Commercial Building, 89 Wing Lok Street, Hong Kong ;
and _____ (hereinafter referred to as the "Client").

WHEREAS

- (1) When a stockbroker provides a customer with credit facilities in respect of transactions in securities effected by the stockbroker on behalf of the customer, the account which the stockbroker establishes with the customer to record such transactions is said to be a margin securities trading account ("margin account");
- (2) The Client is desirous of opening one or more margin accounts with the Broker for the purpose of trading in securities; and
- (3) The Broker agrees that he will open and maintain such margin account(s) and act as an agent for the Client in the purchase and sale of securities subject to the terms and conditions of this Agreement.

NOW IT IS HEREBY AGREED as follows:-

1. This Agreement sets out the terms and conditions to which the Client shall be subject upon the Client opening a margin account with the Broker in relation to transactions carried out in connection therewith.
2. All transactions in securities made for or on behalf of the Client in Hong Kong shall be subject to the relevant provisions of the constitution, Rules, regulations, bye-laws, customs and usages of The Stock Exchange of Hong Kong ("the Exchange") and the Hong Kong Securities Clearing Company Limited ("HKSCC") and of the Laws of Hong Kong as amended from time to time.
3. All Transactions executed on instructions of the Client on the floor of the Exchange shall be subject to a transaction levy and any other levies that the Exchange from time to time may impose. The Broker is authorised to collect any such levies in accordance with the Rules prescribed by the Exchange from time to time.
4. The Rules of the Exchange and HKSCC, in particular those rules which relate to trading and settlement, shall be binding on both the Broker and the Client in respect of transactions concluded on the instructions of the Client.
5. In the event that the Broker commits a default as defined in the Securities Ordinance and the Client thereby suffers a pecuniary loss, the Client understands that the right to claim under the Compensation Fund established under the Securities Ordinance (Cap 333) will be restricted to the extent provided for therein.
6. The Client shall on demand from the Broker make payments of deposits or margins in cash, securities or otherwise in amounts agreed with the Broker or which may be required by the rules of any exchange or market of which the Broker is a member.
The Client shall be granted credit facilities up to _____% or such percentage as may be agreed from time to time of the market value of the collateral maintained with the Broker.
7. If the Client commits a default in payment on demand of the deposits or margins or any other sums payable to the Broker hereunder, on the due date therefor, or otherwise fails to comply with any of the terms herein contained, without prejudice to any other rights the Broker may have, the Broker shall have the right to close the margin account(s) without notice to the Client and to dispose of any or all securities held for or on behalf of the Client and to apply the proceeds thereof and any cash deposit(s) to pay the Broker all outstanding balances owing to the Broker. Any monies remaining after such application shall be refunded to the Client.
- 7A. Unless otherwise agreed, the Client agrees that when the Broker has executed a purchase or sale transaction on the Client's behalf, the Client will by the due settlement date make payment to the Broker against delivery of or credit to the Client's account for purchased securities, or make good delivery of sold securities to the Broker against payment, as the case may be.

Unless otherwise agreed, the Client agrees that should the Client fail to make such payment or delivery of securities by the due date as mentioned above, the Broker is hereby authorised to:-

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

The Client hereby acknowledges that the Client will be responsible to the Broker for any loss, costs, fees and expenses in connection with the Client's failure to meet the Client's obligations by due settlement dates as described above.

8. The Client undertakes to indemnify the Broker and its officers, employees and agents for any loss, cost, claim, liability or expense arising out of or connected with any breach by the Client of its obligations hereunder including, any costs reasonably and necessarily incurred by the Broker in collecting any debts due to the Broker or in connection with the closure of the margin account(s).
9. If in relation to any securities deposited with the Broker which are not registered in the Client's name any dividends or other distributions or benefits accrue in respect of such securities, the Client's account with the Broker shall be credited (or payment made to the Client as may be agreed) with the proportion of such benefit equal to the proportion of the total number or amount of relative securities which shall comprise securities held on behalf of the Client.

10. If, in relation to any securities deposited with the Broker but which are not registered in the name of the Client, any loss is suffered by the Broker therefrom, the margin account may be debited (or payment made by the Client as may be agreed) with the proportion of such loss equal to the proportion of the total number or amount of relative securities which shall comprise securities held on behalf of the Client.
11. The Broker shall not, without the Client's prior written consent, deposit any of the Client's securities as security for any loans or advances made to the Broker, or lend or otherwise part with the possession of any of the Client's securities for any purpose. Such written consent shall be in the form appearing at Appendix 1 to this Agreement.
12. Whilst the Client expects the Broker to keep confidential all matters relating to the Client's account, the Client hereby expressly agrees that the Broker may, if requested by the Exchange, provide to the Exchange details of the Client's account, in order to assist the Exchange with any investigation or enquiry it is undertaking.
13. In the event that the Broker has to obtain securities, which the Broker has purchased on behalf of the Client, in the open market, following the failure of the selling broker to deliver on the settlement date, the Broker will be responsible for any difference in price and all incidental expenses in connection with such open market purchase.
14. The Client hereby agrees to pay interest on all overdue balances owing by him to the Broker (after as well as before any judgement), at such rate(s), not exceeding Hong Kong Prime rate + _____% as demanded by the Broker and be calculated and payable on the last day of each calendar month or upon any demand being made by the Broker.
15. The information contained in the "Account Opening Information Form" or otherwise supplied by or on behalf of the Client to the Broker in connection with the opening an account is complete, true and correct. The Broker is entitled to rely on such information until written notice from the Client of any changes therein has been received.
16. The Client authorises the Broker to conduct a [personal] credit enquiry or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client.
- 16A. I/We hereby undertake to inform you when a sell order is in respect of securities which I/we do not own i.e. is a short sale.

17. RISK DISCLOSURE STATEMENT

The Client acknowledges that the price of securities can and does fluctuate, and that any individual security may experience downward movements, and may under some circumstances even become valueless. The Client appreciates therefore that there is an inherent risk that losses may be incurred rather than profit made, as a result of buying and selling securities. This is a risk that the Client is prepared to accept.

18. The Client also acknowledges that there are risks in leaving securities in the custody of the Broker or in authorising the Broker to deposit securities as collateral for loans or advances made to the Broker or authorising the Broker to borrow or loan securities.
19. The Client confirms that he has read the English/Chinese version of this Agreement and that the contents of this Agreement have been fully explained to him in a language which he understands. The Client hereby agrees and consents to the terms and conditions herein contained.
20. This Agreement and all rights, obligations and liabilities hereunder shall be governed by and construed in accordance with the Laws of Hong Kong and may be enforced in accordance with the Laws of Hong Kong.

IN WITNESS WHEREOF this Agreement has been entered into on the day and year above written.

SIGNED by _____)
 Name: _____)
 HKID No.: _____)
 For and on behalf of: _____)
 HKID No./B.R. No. _____)
 in the presence of: _____) _____ [Client's Signature]

Name of Witness: _____
 Occupation: _____
 Address: _____
 _____ [Witness's Signature]

SIGNED by _____)
 Name: _____)
 For and on behalf of **BULLISH SECURITIES LIMITED**)
 in the presence of: _____) _____ [Broker's Signature]

Name of Witness: _____
 Occupation: _____
 Address: _____
 _____ [Witness's Signature]