

CLIENT AGREEMENT

Monex Boom Securities (H.K.) Limited is a Registered Securities Dealer with Securities & Futures Commission of Hong Kong (SFC) CE No AEF808.

This document together with the related account application form contains important terms and conditions that apply to and constitute the agreement on all Accounts with Monex Boom Securities (H.K.) Limited. Please read this document carefully and retain it for future reference.

1 Interpretation

1.1 In this Agreement, unless the context otherwise requires, the following terms shall bear the following meanings:-

- "BOOM" means Monex Boom Securities (H.K.) Limited;
- "Access Codes" means together the Member ID, Login Password and Key Code;
- "Account" means the securities trading account opened and maintained by BOOM pursuant to this Agreement on your behalf;
- "Agents" means all agents, associates, affiliates, information service providers, providers of execution facilities and providers of other financial products;
- "Agreement" means this agreement between the parties including the account opening form and, where effective, the appendix;
- "Available Funds" means any cash or Securities in the Account which are not subject to any lien or actual liability;
- "Base Currency" means the currency in which the Account and all balances, fees and charges relating to the Account are denominated, as designated by you on or before the opening of the Account and as you may from time to time amend by giving notice to BOOM;
- "HKSCC" means the Hong Kong Securities Clearing Company Limited;
- "Information Provider" means any third party which provides information including any stock, futures or commodities exchange or information vendor whose information is contained in the Service;
- "Instruction" means any instruction given by you for the buying or selling of any Securities;
- "Minimum Balance Requirement" means the minimum positive balance of cash, or of cash and Securities, which BOOM may from time to time require you to maintain in the Account;
- "Other Market" means any market or exchange in which you instruct BOOM to transact Securities on your behalf other than SEHK;
- "Service" means the facility provided by BOOM which enables you to give electronic instructions to purchase, sell and otherwise deal with Securities and information services (which may contain SEHK data disseminated by Baby Boom Limited);
- "Member ID" means your personal identification used in conjunction with the Login Password to gain access to the Service.
- "Login Password" means your personal password, used in conjunction with the Member ID to gain access to the Service;
- "Key Code" means your personal identification number used when instructing BOOM;
- "SEHK" means The Stock Exchange of Hong Kong Limited;
- "Securities" means shares, stocks, bonds, debentures, warrants, options, certificates of deposit and other securities of every type and description and other property and investments;
- "Transaction" means an executed Instruction;
- "UNCITRAL" means the United Nations Convention on International Trade Law;

1.2 In this Agreement, words importing the singular include the plural and vice versa and words importing gender include any other gender.

2 **Description of the Service:** You understand that the Service is a semi-automated facility which enables you to send and receive electronic instructions to purchase, sell and otherwise deal with Securities and information;

3 **Opening an Account:** You warrant and represent that all information you supply in your account application (and other information which BOOM may require) is complete, true, up-to-date and accurate. BOOM is entitled to rely on such information until it has received written notice from you of any changes. You undertake to and will advise BOOM forthwith of any changes to such information. You expressly authorize BOOM to obtain references from the banks named in the account application, and to conduct a credit check on you for the purpose of ascertaining your financial situation and investment objectives. You warrant and represent that, if you are in Hong Kong, you are 18 years of age or older and, if you are in any other jurisdiction, you are of legal age in that jurisdiction. You acknowledge that BOOM is registered and licensed with the Securities and Futures Commission of Hong Kong ("SFC").

4 **Applicable Rules and Regulations:** All Transactions made pursuant to this Agreement in Hong Kong shall be subject to the relevant provisions of the constitution, Rules, regulations, bye-laws, customs and usages of SEHK and HKSCC and of the laws of Hong Kong as amended from time to time. In relation to any Transactions made pursuant to this Agreement in Other Markets, these shall be subject to the relevant provisions of the constitution, rules, regulations, bye-laws, customs and usages of the Other Markets, and their clearing houses (if any), in which the Transactions are executed by BOOM or its Agents on your behalf.

The Rules of SEHK and HKSCC, in particular those Rules which relate to trading and settlement, shall be binding on both you and BOOM in respect of Transactions concluded on your Instructions.

All Transactions executed on your Instructions through SEHK shall be subject to a transaction levy and any other levies or fees which SEHK may from time to time impose. You authorize BOOM to collect any such levies or fees in accordance with the Rules prescribed by SEHK from time to time.

5 Joint Account

5.1 If any Account is opened in joint names, such Account shall be held as either

- a. joint tenants with right of survivorship, and not tenants in common. In the event of the death of any of the joint account holders, their entire interest in any account opened shall be vested in the survivor or survivors on the same terms as previously held. The estate of the deceased shall have no interest in the assets of any such account at the date of death or in the operation of any such account thereafter. However, the estate of the deceased shall remain liable for obligations in respect of such account as provided in Clause 5.2; or
- b. tenants in common, each of the joint account holders having an undivided interest in any account opened on their behalf. In the event of the death of any of the joint account holders, BOOM may in its sole discretion, either liquidate any such account or accept the instructions of the survivor, or a majority of the survivors as the case may be, as to its continuance and as to the respective interests of the parties, including the estate of the deceased, therein. In either event, the deceased's estate shall remain liable for obligations in respect of such account as provided in Clause 5.2.

5.2 Whether the joint account holders are joint tenants or tenants in common, their liability shall be joint and several. In the event of the death of any of the joint account holders, the estate of the deceased shall, in the case of a joint tenancy, remain so liable in respect of any obligations, debit balances or losses incurred before or existing at the death of the deceased in respect of any account opened on their behalf and, in the case of a tenancy in common, together with the survivor or survivors continue to remain so liable in respect of any obligations, debit balances or losses (including those incurred in the liquidation of the account) until termination of the account.

5.3 The joint account holders undertake to give BOOM immediate notice in writing of the death of any of them. In the event of such death, BOOM may (before or after receiving such notice, and before or after releasing any property held or carried for any purpose by it in any account opened on their behalf) take such steps, require such documents, retain such portion and restrict transactions in any such account as it shall in its sole discretion deem necessary, advisable or desirable to protect its interests with respect to any tax, liability, penalty or loss under any present or future law or otherwise. The joint account holders agree that any tax or other expense becoming a lien against or being payable out of any account opened on their behalf as the result of the death of any one of them, or through the exercise by the deceased's estate of any rights in such account, shall be chargeable against the interest(s) of the survivor or survivors as well as against the interest of the deceased's estate.

5.4 The joint account holders ratify and confirm all transactions previously entered into by any of them in any account opened on their behalf. This term shall be binding on each of them and on each of their respective heirs, successors, legal representatives and assigns.

6 **No Investment Advice:** You acknowledge that BOOM provides the Service and that it will not provide you with any legal, tax or accounting advice or advice regarding the suitability or profitability of any Security. You also acknowledge that BOOM's employees are not authorized to give any such advice and agree that you will not solicit or rely on any such advice from BOOM or any of its employees. You agree that you will, independently and without reliance on BOOM, make your own judgments and decisions with respect to each Instruction. You assume full responsibility for Transactions in or for the Account and for your investment decisions. You acknowledge and agree that BOOM and its officers, directors, employees and Agents will have no liability with respect to Transactions in or for the Account or for your investment decisions.

7 **Instructions:** You shall from time to time instruct the sale and/or purchase of Securities on your behalf, either through the Service or verbally or in writing. On receipt of such Instructions, BOOM shall so far as it considers it reasonably practicable sell and/or purchase Securities in accordance with those Instructions, provided always that BOOM shall have an absolute discretion to accept or reject sale and/or purchase Instructions.

8 **Agents and Counter Parties:** BOOM is authorized to employ Agents to perform all or part of its duties under this Agreement and to provide information regarding the Account to such Agents.

BOOM may purchase and/or sell Securities on your behalf by placing instructions with itself and any other company or client associated with it, whether acting as underwriters, investment managers, merchant or commercial banks, registered or licensed deposit takers, brokers, dealers or otherwise, or with any other brokers or dealers, as BOOM in its sole discretion decides.

9 **BOOM as Agent:** You understand that BOOM is acting as your agent unless it notifies you, electronically or in writing, before the settlement date for the Transaction that it is acting as a dealer for its own account or as agent for a third party.

10 **Custody:** Any securities deposited by you with BOOM or purchased by BOOM on your behalf, and held by BOOM for safe keeping may, at BOOM's discretion be either:-

- a. registered in your names or in the name of BOOM's nominee; or
- b. deposited in safe custody in a designated account of BOOM's banker or with another institution which, to the satisfaction of the Securities and Futures Commission of Hong Kong ("SFC"), provides facilities for the safe custody of documents.

BOOM is also authorized to deposit any of your Securities in unregistered form with any depository selected by it and to deposit any of your Securities in registered form in a designated account of its banker or with another institution which, to the satisfaction of the Securities and Futures Commission of Hong Kong ("SFC"), provides facilities for the safe custody of documents. If you call for delivery of any Securities, BOOM is not bound to deliver to you Securities identical to your Securities held by it or in its name or the name of any of its Agents or nominees.

BOOM shall not, without your prior consent, deposit any of your Securities as security for loans or advances or lend or otherwise part with the possession of any such Securities for any purpose.

If, in relation to any Securities deposited with BOOM which are not registered in your name, any dividends or other distributions or benefits accrue in respect of such Securities, your Account shall be credited, or payment shall be made to you as may be agreed, with the proportion of such benefit equal to the proportion of the total number or amount of Securities which shall comprise Securities held on your behalf.

11 **Consolidation, Disaggregation and Prioritization of Orders:** You authorize BOOM at any time and in its sole discretion, for the purpose of obtaining a better execution price and/or reducing the volume of instructions, to consolidate and/or disaggregate Instructions to purchase and/or sell Securities on your behalf with similar instructions received from other clients. Provided that such consolidation or disaggregation shall not result in the execution of your Instructions at a price less favorable than could have been achieved had your Instructions been executed individually, and Provided further that, in the event of there being insufficient Securities available to satisfy purchase orders so consolidated, the number of Securities actually purchased shall be divided proportionately between the individual instructions which were consolidated. You acknowledge and agree that BOOM and/or its Agents may at any time prioritize instructions for best execution pricing.

12 **Inventory Calls:** You agree that BOOM may contact you in the event that it receives instructions from another client to purchase Securities which you own and, after checking all sources from which such Securities may be available, BOOM has been unable to locate any such Securities available, Provided always that in respect of any consequent Transaction BOOM complies with the relevant reporting rules and regulations of the market or exchange in which such Transaction is executed.

13 Deposits to and Withdrawals from the Account

13.1 **Deposits:** In respect of all deposits of funds into the Account, you will complete on-line the funds deposit form. You will subsequently deliver or mail a hard copy of the funds deposit form to BOOM and arrange for the transfer to BOOM of funds in the amount stated on the funds deposit form. You acknowledge that the Account will not be credited with funds until the later of receipt by BOOM of cleared funds in the amount stated on the funds deposit form and receipt by BOOM of the hard copy of such form.

In respect of deposits or transfers of Securities into the Account, you will complete on-line the securities deposit form. You will subsequently deliver or mail a signed, hard copy of the securities deposit form to BOOM and arrange for the delivery or transfer to BOOM of the Securities described on the securities deposit form. You acknowledge that Securities will not be credited to the Account until the later of receipt by BOOM of the Securities and receipt by BOOM of the signed, hard copy of the securities deposit form. You acknowledge that, where Securities are to be transferred to BOOM, you shall be responsible for instructing their transfer from the transferring party to BOOM. You further acknowledge that transfer, handling and custodial fees and charges will be incurred in relation to the deposit or transfer of Securities into the Account, for which you undertake to be responsible.

13.2 **Withdrawals:** For all withdrawals of funds from the Account, you will complete on-line the funds withdrawal form. You will subsequently deliver or mail a hard copy of the funds withdrawal form to BOOM. Assuming the Available Funds exceed the amount stated on the funds withdrawal form, BOOM will either issue a cheque to you or transfer the funds telegraphically to your bank account nominated for the purpose, as you shall request. You acknowledge that there will be a charge in connection with the telegraphic transfer of funds. You further acknowledge that funds withdrawal form received by Boom after 12:00 noon on any business day (Saturday exclusive) in Hong Kong will not be acted upon until the next business day in Hong Kong.

For all withdrawals or transfers of Securities from the Account, you will complete on-line the securities withdrawal form. You will subsequently deliver or mail a signed, hard copy of the securities withdrawal form to BOOM. BOOM will arrange for the delivery to you or the transfer to a third party (as you shall request) of the Securities described on the securities withdrawal form. You will be responsible for instructing a third party to receive Securities transferred from BOOM. You acknowledge that handling and transfer fees and charges will be incurred in relation to the withdrawal or transfer of Securities from the Account, for which you undertake to be responsible. You further acknowledge that a securities withdrawal form received by BOOM after 12:00 noon on any business day (Saturday exclusive) in Hong Kong will not be acted upon until the next business day in Hong Kong.

You understand that all monies paid to BOOM whether on deposit or however described shall be entitled to earn interest from BOOM and agree that BOOM shall from time to time to determine the interest rate based on the savings rates offered by HSBC.

14 **Currency:** You shall when opening the Account specify the Base Currency. BOOM shall not, unless requested by you in writing to do so, change the Base Currency. You acknowledge that any changes in the Base Currency shall be entirely in your discretion and at your risk. BOOM does not in any way guarantee the timeliness of its response to requests to change the Base Currency and BOOM, its directors, officers, employees and Agents shall have no liability for losses incurred as a result, whether direct or indirect, of any change in the Base Currency, whether arising before or after such change.

In respect of any Transaction on the Account actually executed in any currency other than the Base Currency:-

14.1 any profit or loss arising as a result of exchange rate fluctuations affecting such other currency will be entirely for the Account and your risk, and will accordingly be credited or debited (as the case may be) to the Account; and

14.2 unless requested by you and agreed by BOOM in writing, the amount to be credited or debited (as the case may be) to the Account in respect of the relevant Transaction will be the sum in the Base Currency converted at the prevailing money market rate from the relevant amount in that other currency.

15 **Other Markets:** You acknowledge that any Instructions to transact Securities on your behalf on Other Markets may be executed by BOOM and/or its Agents in the local currencies of those Other Markets. You further acknowledge that, in order to execute such Instructions, BOOM and/or its Agents may be required to enter into foreign exchange contracts on your behalf which may exceed the value of the Transaction and for which you undertake to be responsible. You also understand and agree that BOOM will charge a fee on top in the event of currencies exchange.

16 **Fees and Charges:** You shall pay, either directly or from the Account, all levies, duties, commissions, brokerage fees, tariffs, exchange fees, information license fees, account communication charges, maintenance fees, interest, special rights administration fees, forced settlement costs, penalties, telegraphic transfer charges, custodial fees, settlement charges, account rotation charges, change of account fees, currency exchange costs, taxes, subscriptions, insurance service fees, insurance premiums, foreign exchange losses, legal expenses and all and any other costs or expenses, whether incidental or material, properly incurred by BOOM in connection with your use of the Service and trading on the Account. You acknowledge that, in some circumstances, BOOM may receive from Agents rebates in respect of commission on Transactions. You agree that BOOM shall be entitled to keep any such rebates and that you shall have no right to benefit from them in any way.

17 **Interest:** You agree to pay interest, which shall accrue daily and be calculated and payable on the last day of each calendar month or upon any demand being made by BOOM, on all overdue balances owing by you to BOOM (after as well as before any judgment). In the case of overdue balances, the rate shall not exceed the prevailing best lending rate plus eight per cent (8.0%). In all other cases, the rate shall not exceed eight per cent (8.0%) above the cost to BOOM of funding the relevant overdue amount.

18 Lien: Any and all Securities acquired for and on your behalf or in which you have an interest which are held for the Account shall be subject to a general lien for the discharge of your obligations to BOOM arising from your trading in Securities.

19 Set-off: In addition, and without prejudice to any general lien or similar right to which BOOM may be entitled by law, BOOM shall be entitled at any time and without prior notice to:-

19.1 apply any credit balance in any currency to which you are any time beneficially entitled on any account with BOOM or any of its Agents; and/or

19.2 set off any of BOOM's liability to you in or towards the satisfaction of all or any of your liabilities to BOOM under this Agreement (whether actual or contingent) including all commissions, costs, charges or expenses payable to BOOM hereunder. If such credit balance and/or liability is insufficient, BOOM shall have the right to sell any Securities held by it or any of its Agents on your behalf and to utilize the proceeds to offset and discharge all or part of your liabilities to BOOM, regardless of whether any other person is interested in such Securities. BOOM, its directors, officers, employees and Agents shall have no liability for any loss thereby suffered unless such liability or loss is suffered as a result of BOOM's gross negligence or willful default and you will not make any claim concerning the manner or timing of such sale. BOOM shall be entitled at any time without notice to combine and/or consolidate all or any of your accounts with BOOM and any of its Agents. In respect of any payments by BOOM to offset and discharge any of your liabilities to any of its Agents, BOOM shall not be concerned whether or not such liabilities exist provided demand has been made on BOOM by your Agent(s).

20 Disclosure: BOOM may disclose information and details relating to you or Transactions on the Account to any department or agency of any government or public body, including SEHK, upon request to assist any of them with any investigation or enquiry it is undertaking, whether or not such request is legally enforceable, and you agree that BOOM will have no liability to you for so doing.

21 Indemnities: You agree to indemnify and keep indemnified BOOM and its directors, officers, employees and Agents for any loss, cost, claim, liability or expense arising out of or in connection with any breach by you of any of your obligations under this Agreement, including any costs reasonably incurred by BOOM in connection with the closure of the Account or in collecting any debts due to BOOM.

22 Settlement Failure: In the event that, following the failure of the selling broker to deliver on the settlement date, BOOM has to obtain in the open market Securities which it has purchased on your behalf, BOOM will be responsible for any difference in price and all incidental expenses in connection with such open market purchase.

23 Exclusion of Liability: Neither BOOM and its directors, officers, employees and Agents nor any Information Provider shall be liable to you for any loss, damage or litigation costs resulting from any error of fact or judgement, or from action taken or inaction or omission or default by BOOM or any of its directors, officers, employees and Agents, or from any consequences thereof whatsoever, save and except where such loss, damage or cost is suffered or incurred as a direct result of its gross negligence or willful default.

You further agree that neither BOOM and its directors, officers, employees and Agents nor any Information Provider will be liable for any indirect or other consequential losses or other economic losses (including but not limited to loss of profits, trading losses or special damages) whether arising from negligence, breach of contract or otherwise (including without limitation inconvenience, delay or loss of use of the Service), even if BOOM has been advised of the possibility of such losses or damages.

24 Restrictions on Trading: You understand that BOOM may at any time, in its sole discretion and without prior notice to you, suspend, prohibit or restrict your ability to give Instructions or to substitute Securities in the Account.

25 Closure of Account: BOOM agrees that, subject to satisfying any indebtedness to it, you may close the Account at any time by giving BOOM written notice. You agree that BOOM may close the Account at any time and for any reason. Closing the Account will not affect the rights and obligations of either party incurred prior to the date the Account is closed.

26 Market Data: You understand that each Information Provider asserts a proprietary interest in all of the information it furnishes to the parties who disseminate such data. You also understand that no party guarantees the timeliness, sequence, accuracy or completeness of market data or any other information. Neither BOOM, Information Providers nor any disseminating party make any representations or warranties concerning any information contained in the Service, including warranties as to satisfactory quality and fitness for a particular purpose, accuracy or completeness, or that the Service will be uninterrupted or error free. Neither BOOM nor any disseminating party nor Information Provider shall be liable in any way and you agree to indemnify and keep indemnified BOOM and such disseminating party for any loss or damage arising from or caused by any inaccuracy, error or delay in or omission from any such data, information or message, or the transmission or delivery of the same, non-performance or interruption of any such data, message or information due to any negligent act of BOOM or any disseminating party, or to any force majeure event, or any other cause beyond BOOM's reasonable control or the reasonable control of any disseminating party. You shall use real time quotes and market data for your individual use only and shall not furnish such data to any other person or entity for any reason.

27 Force Majeure: You agree that BOOM and its directors, officers, employees and Agents will not be liable for any delay or failure to perform any obligation on its part or for any losses caused directly or indirectly by any condition or circumstances over which BOOM, its directors, officers, employees and Agents do not have direct control, including but not limited to government restriction, exchange or market rulings, suspension of trading, failure of electronic or mechanical equipment or communication lines, telephone or other interconnect problems, unauthorized access, theft, war (whether declared or not), severe weather, earthquakes and strikes.

28 Internet Service: You agree to use the Service only in accordance with the terms of this Agreement. Any additional services offered through the Service in the future will only be used by you in accordance with the terms of this Agreement.

You agree that you shall be the only authorized user of the Service under this Agreement. You shall be responsible for the confidentiality and use of the Access Codes. You acknowledge and agree that you shall be solely responsible for all Instructions entered through the Service using the Access Codes.

You acknowledge that the Service and BOOM's Web site, and the software comprised in them, are proprietary to BOOM. You warrant and undertake that you shall not, and shall not attempt to, tamper with, modify, decompile, reverse engineer or otherwise alter in any way, and shall not attempt to gain unauthorized access to, any part of the Service or BOOM's Web site or any of the software comprised in them. You agree that BOOM shall be entitled to close the Account immediately without notice to you, and you acknowledge that BOOM may take legal action against you, if you at any time breach this warranty and undertaking or if BOOM at any time reasonably suspects that you have breached the same. You undertake to notify BOOM immediately if you become aware that any of the actions described above in this paragraph is being perpetrated by any other person.

29 Communication: You further acknowledge and agree that, as a condition of using the Service to give Instructions, you shall immediately notify BOOM if: (1) an Instruction has been placed through the Service and you have not received an Instruction number; (2) an Instruction has been placed through the Service and you have not received an accurate acknowledgment of the Instruction or of its execution (whether by hard copy, electronic or verbal means); (3) you have received acknowledgment (whether by hard copy, electronic or verbal means) of a Transaction which you did not instruct or any similar conflict; or (4) you become aware of any unauthorized use of your Member ID, Login Password or Key Code.

You agree that, if you fail to notify BOOM as soon as practicable when any of the above situations occurs, neither BOOM nor its directors, officers, employees or Agents will have any liability to you, or to any other person whose claim may arise through you, for any claims with respect to the handling, mishandling or loss of any Instruction.

You acknowledge that BOOM offers you several ways of accessing the Account, such as through the Internet, by telephone, through the SIM Card, and the WAP phone network. You agree that, should you experience any problems in reaching BOOM through either method, you will attempt to use the alternative methods to communicate with BOOM and inform BOOM of the difficulty you are experiencing. You acknowledge that there are additional charges associated with accessing the Account by the trading channels provided by the telecommunications operators.

You understand and agree that, for the mutual protection of you and BOOM, BOOM may electronically monitor or record any of your telephone conversations conducted with it.

30 Confirmations and Account Statements: BOOM shall record each Transaction in the Daily Activity Statement and Monthly Activity Statement Section of your electronic trading account. Transactions shall, notwithstanding Clause 33, be binding on you unless you object thereto in writing within two days after receipt of the relevant confirmation. In all cases BOOM reserves the right to determine the validity of your objection to a Transaction. You understand and agree that those Daily Activity Statement and Monthly Activity Statement are in replacements of the trading confirmations and contract notes.

You acknowledge that the Daily Activity Statement and Monthly Activity Statement contain a list of your Securities held in BOOM's name or the name of its Agents or nominees and details of all Transactions effected on the Account since the date of the preceding Account statement or, if there is no preceding Account statement, since the date the Account was opened.

31 Notices: Notices and other communications delivered to the mailing address provided by you for the purpose shall be deemed to have been personally delivered to you, in the case of mailing, two business days after posting.

32 Power of Attorney: You agree to and irrevocably appoint Monex BOOM Securities (H.K.) Limited with full power as your true and lawful attorney in fact, to the fullest extent permitted by law, for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument which BOOM deems necessary or advisable to accomplish the purposes of this Agreement.

33 Severability: If any provision of this Agreement shall be held to be illegal, invalid, void or unenforceable under the laws of any jurisdiction, the legality, validity and enforceability of the remainder of this Agreement in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of this Agreement shall not be affected in any other jurisdiction.

34 Waiver: No failure to exercise nor any delay in the exercise of any right, power or remedy under this Agreement shall constitute a waiver thereof and no single or partial exercise of any such right, power or remedy shall prevent any further or other exercise thereof or the exercise of any other right, power or remedy.

35 Successors: You agree that this Agreement and all the terms hereof shall be binding on your heirs, executors, administrators, personal representatives and assigns. This Agreement shall endure for the benefit of BOOM, its successors and assigns.

36 Assignment: BOOM may assign its rights and obligations under this Agreement to any of its subsidiaries or Agents without giving notice to you, or to any other entity upon prior written notice to you. You may not assign your rights and obligations hereunder without first obtaining BOOM's consent in writing.

37 Headings: The heading of each provision of this Agreement is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such provision.

38 Entire Understanding: This Agreement, together with all other written agreements between you and BOOM relating to the Account and terms contained on statements and confirmations sent to you, contains the entire understanding between you and BOOM concerning the subject matter of this Agreement.

39 Amendments: BOOM reserves the right unilaterally to alter, amend or modify the provisions of this Agreement and any such changes shall, on the giving of written notice thereof to you, be binding on you immediately. Except as specifically permitted in this Agreement, no provision of this Agreement can be, nor be deemed to be, waived, altered, modified or amended unless agreed to in writing signed by an authorized officer of BOOM.

40 Place of Contract and Governing Law: This Agreement shall be deemed to have been made in Hong Kong and shall be governed by and construed in accordance with Hong Kong law.

41 Arbitration: Any dispute, difference or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. 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 one arbitrator. Any such arbitration shall be administered by HKIAC in accordance with HKIAC Procedures for Arbitration in force at the date of this 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.

42 RISK DISCLOSURE STATEMENT

42.1 Price Fluctuation: You acknowledge 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. You appreciate therefore that there is an inherent risk that, as a result of buying and selling Securities, losses may be incurred rather than profit made. This is a risk you are prepared to accept.

42.2 Securities in Custody: You also acknowledge that there are risks associated with leaving Securities in BOOM's custody.

42.3 Internet:

a. You acknowledge that the Internet is, due to unpredictable traffic congestion and other reasons, an inherently unreliable medium of communication and that such unreliability is beyond the control of BOOM. You acknowledge that, as a result of such unreliability, there may be delays in the transmission and receipt of Instructions and other information and that this may result in delays in the execution of Instructions and/or the execution of Instructions at prices different from those prevailing at the time the Instructions were given. You further acknowledge and agree that there are risks of misunderstanding or errors in any communication and that such risks shall be absolutely borne by you.

b. BOOM shall not be responsible for delays in the transmission, receipt or execution of Instructions due to a breakdown or failure of transmission of communication facilities, or to any other cause or causes beyond BOOM's control or anticipation.

c. You also acknowledge and agree that it is not usually possible to change or cancel an Instruction after it has been given, and you agree to exercise caution before placing all orders. Any attempt you make to change or cancel an order is simply a "request" to change or cancel. Whilst BOOM will use its reasonable efforts to process your "request", it will not be liable to you if BOOM is unable to change or cancel the order.

42.4 Assets Received or Held Outside Hong Kong: You acknowledge that your assets received or held by BOOM and/or its Agents outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the laws in Hong Kong and the rules made thereunder. Consequently such assets may not enjoy the same protection as that conferred on your assets received or held in Hong Kong.

42.5 Growth Enterprise Market ("GEM")

a. You understand that GEM has been established as a market designed to accommodate companies to which a high investment risks may be attached. In particular, you understand that companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. You appreciate that there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate.

b. You are aware of the potential risks of investing in such companies and understand that you should make the decision to invest only after due and careful consideration. You understand the greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

c. Given the emerging nature of companies listed on GEM, you understand there is a risk that the securities traded on GEM may be susceptible to higher market volatility compared to securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

d. You further understand that the principal means of information dissemination on GEM is publication on the Internet website operated by the Exchange. Companies listed on GEM are not generally required to issue paid announcements in gazetted newspapers. Accordingly, you acknowledge that you need to have access to up-to-date information on GEM-listed companies published on the GEM website.

e. You acknowledge that the Risk Disclosure Statement on GEM does not purport to disclose all the risks and other significant aspects of GEM. You understand that you should undertake your own research and study on the trading of securities on GEM before commencing any trading activities.

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

42.6 Trading NASDAQ-AMEX Securities at the SEHK: You acknowledge and agree that the Securities under the Nasdaq-Amex Pilot Program ("PP") are aimed at sophisticated investors. You should consult BOOM and become familiarized with the PP before trading in the PP securities. You should be aware that the PP Securities are not regulated as a primary or secondary listing on the Main Board or the GEM of the SEHK.

42.7 Trading equity-linked instruments: You understand that equity-linked instruments ("ELI") carry a high degree of risk. ELIs are products combining notes/deposits with stock options which may allow a bull, bear or strangle (i.e. trading range) bet. The return component of ELI is based on the performance of a single equity security, a basket of equity securities, or an equity index. ELI may come in different forms: equity-linked notes ("ELN"), equity-linked deposits ("ELD") and equity-linked contracts ("ELC"). You acknowledge and agree that while the maximum return on investment is usually limited to a predetermined amount of cash, an investor stands to potentially lose up to the entire investment amount if the underlying share price moves substantially against the investor's view. You should be able to understand the risks you are bearing before investing in ELIs.

43 You confirm that you have read the English/Chinese version of this Agreement, that the contents of this Agreement have been fully explained to you in a language which you understand, and that you accept this Agreement. In the event of any conflict between any provision of the English version of this Agreement and the corresponding provision of the Chinese version of this Agreement, the English version shall take precedence. In respect of any addendum, delete or changes over this Client Agreement, BOOM will inform you either electronically or by hard copy.

44 You confirm that you have read and accepted the terms of this Agreement (including the risk disclosure statements) which have been explained to you in a language which you understand.

For Margin Account Holders

These following terms for Securities margin financing are supplemental to the Client Agreement between you (the "Client") and BOOM (the "Broker"), considering that:-

- A. When a stockbroker provides a customer with credit facilities in respect of a transaction for the buying or selling of or otherwise dealing in any securities or related services effected by the stockbroker on behalf of the customer, the account which the stockbroker establishes with the customer to record such transaction is said to be a margin securities trading account ("margin account").
- B. The Client is desirous of opening one or more margin account(s) with the Broker for the purpose of trading in securities or other financial products and the Client agrees and consents to the terms and conditions of this Margin Trading Agreement.
- C. 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/or sale of securities or other financial products subject to the terms and conditions of this Agreement.
- D. The Client has agreed to provide collateral to secure its obligations on the terms of this Agreement (as may be supplemented and amended from time to time).

1. Agreement

1.1 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. Applicable Rules and Regulations

2.1 All transactions in securities or other financial products made for or on behalf of the Client in the Hong Kong Special Administrative Region of the People's Republic of China ("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 Limited (the "Exchange") and the Hong Kong Securities Clearing Company Limited ("HKSCC") and the laws of Hong Kong as amended from time to time and, in case the transaction is executed on a stock exchange in another country outside of Hong Kong, subject to the constitution, rules, regulations, bye-laws, customs and usages of that country's stock exchange, relevant clearing house, settlement system, market and laws, as amended from time to time. For the avoidance of doubt, such constitution, rules, regulations, bye-laws, customs and usages either in Hong Kong or elsewhere shall be legally binding on and enforceable against both the Broker and the Client.

2.2 The rules of the Exchange and HKSCC, and the relevant overseas stock exchange and clearing house in the event that the transaction is executed on a stock exchange in another country outside of Hong Kong, 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.

3. Transactions

3.1 The Broker shall act as the agent/broker of the Client unless the Client indicates that the Broker is acting as principal.

3.2 All transactions executed on the instructions of the Client in or outside Hong Kong shall be subject to a transaction levy and any other levies that the Exchange or the relevant overseas stock exchange from time to time may impose. The Broker is authorized to collect any such levies in accordance with the rules prescribed by the Exchange or the relevant overseas stock exchange from time to time.

3.3 For all transactions effected on the Exchange or any other stock exchange in a foreign currency, any profit or loss arising as a result of a fluctuation in the exchange rate of the relevant currency will be entirely for the account and risk of the Client. The Broker may convert funds in the margin account(s) into and from such foreign currency at such rate of exchange as the Broker shall from time to time determine.

3.4 In the event that the Client requests and authorizes the Broker to apply for an issue of a new listing of securities on the Exchange as agent for the benefit of the Client, the Client shall provide the following warranties to the Broker:-

- a. that the Broker has due authority to make such application on behalf of the Client;
- b. that no other application is being made for the benefit of the Client by the Client or by any person other than the Broker applying as the Client's agent or by any person other than the Broker; and
- c. that the Broker is duly authorized to provide a warranty to the Exchange on the application form that no other application is being made by the Broker as agent for the benefit of the Client or by the Client or by any other person as agent for the Client.

The Client shall further declare and authorize the Broker to disclose that such application made by the Broker as agent for the Client is the only application made and the only application intended by the Client to be made, to benefit the Client or the person for whose benefit the Client is applying.

The Client acknowledges that the declaration made on the account application form will be relied upon by the issuer of the relevant securities in deciding whether or not to make any allotment of shares in response to the application made by the Broker as agent for the Client.

The Client undertakes to indemnify the Broker against any loss, damage, claim, liability, cost or expenses arising out of or in connection with any breach by the Client of any of the warranties referred to in this Clause.

3.5 The Client undertakes not to place any sell order in respect of securities or other financial products that the Client does not own i.e. is a short sale.

4. Payment, Expenses and Commission

4.1 The Client shall on demand from the Broker forthwith 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 the Exchange or the relevant overseas stock exchange.

4.2 The Broker shall be entitled to debit the margin account(s) with all expenses and commission incurred or charged by the Broker in connection with the deposit of securities at the rate prescribed from time to time by the Broker and the Client shall forthwith upon demand discharge any debit balance on such account in such manner as the Broker may require.

4.3 The Broker shall be entitled to debit the margin account(s) with all commission on purchases, sales and other transactions for the margin account(s) together with all stamp duties, bank charges, transfer fees, registration fees, interest, levies and other expenses in respect of or connected with the margin account(s) or any securities, receivables or moneys held in or for the margin account(s) or any transaction in respect of such securities, receivables or moneys. The Client shall forthwith on demand reimburse the Broker for all fees and expenses in connection with any transactions conducted on behalf of and services rendered to the Client.

4.4 The Broker shall be entitled to debit the margin account(s) the fees and interest as penalty at the rate prescribed from time to time by the Broker if the Client commits a default in payment on demand of the deposits or margins or any other sums payable to the Broker.

4.5 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 margin account(s) for purchased securities, or make good delivery of sold securities to the Broker against payment, as the case may be.

4.6 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 authorized 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 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. The Client shall be liable for all losses, whether or not the margin account is liquidated, for any debts and deficiencies in the margin account including all debts and deficiencies resulting from a liquidation of the margin account.

4.7 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).

5. Credit Facilities

5.1 The Client shall be granted, at the Broker's absolute discretion, credit facilities up to a certain percentage as may be agreed from time to time of the market value of the collateral maintained with the Broker.

5.2 The Client agrees that the Broker shall from time to time in its absolute discretion determine the credit facilities granted to the Client and shall advise the Client of any changes in writing.

6. Securities in Custody

6.1 Any securities deposited by the Client with the Broker or purchased by the Broker on behalf of the Client, and held by the Broker for safekeeping may, at the Broker's discretion be either

- a. (in case of registrable securities) registered in Client's name or in the name of the Broker's nominee; or
- b. deposited in safe custody in a designated account with an authorized institution as defined under the Banking Ordinance (Cap.155 of the laws of Hong Kong) or some other institution which provides satisfactory facilities for such safe custody as approved by the Securities and Futures Commission of Hong Kong ("SFC").

6.2 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 margin 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.

6.3 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(s) 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.

6.4 The Client undertakes to the Broker that it will not assign, pledge or otherwise encumber the whole or any part of the securities purchased or held by the Broker on Client's behalf to anyone other than the Broker.

6.5 The Client agrees to authorize the Broker, for a period of twelve months from the date the declaration on the application form is made in relation to all securities deposited by the Client or purchased or held for or on Client's behalf, without notice to the Client, to:-

- a. apply any of the Client's securities pursuant to a securities borrowing and lending agreement;
- b. deposit any of the Client's securities as collateral for loans or other financial accommodation made to the Broker by an authorized financial institution in the relevant market;
- c. deposit any of the Client's securities with a recognized clearing house or person licensed or registered for dealing in securities in the relevant market as collateral for the discharge and satisfaction of the Broker's obligations and liabilities. The Client understands that the relevant clearing house or licensed person will have a first fixed charge over Client's securities to the extent of the Broker's obligations and liabilities.

The Client understands that Client's securities may be subject to liens of third parties and return of such securities to the Client may be subject to satisfaction of such liens.

The Client understands that such authority shall be deemed to be renewed on a continuing basis without the Client's written consent if the Broker issues the Client a written reminder at least 14 days prior to the expiry date of the authority, and the Client does not object to such deemed renewal before such expiry date. The Client may revoke this authority by giving the Broker written notice, provided that such notice shall not be effective if there is any outstanding debt in the margin account.

6.6 The Broker may only lend or deposit securities collateral in accordance with Section 7 and Section 8 of the Securities and Futures (Client Securities) Rules (Cap. 571H of the laws of Hong Kong).

7. Security and Right over the Account

7.1 All money and securities or other financial products, acquired for or on the Client's behalf, or in which the Client has an interest (either individually or jointly with other) which are held for the margin account(s) shall be subject to a general lien held by the Broker as a continuing security for the payment and/or discharge of the Client's obligations to the Broker arising from the business of dealing in securities or other financial products if the Client does not fully and promptly satisfy those obligations and:-

- a. such security shall include all dividends or interest paid or payable after the date the declaration on the application form is made on such securities and all stocks, shares (and the dividends or interest thereon) rights, monies accruing or offered at any time by way of redemption, bonus, preference, option or otherwise to or in respect of such securities; and
- b. such security shall be in addition to and shall not prejudice or be prejudiced by any right of set-off or other security which the Broker may hold at any time for the Client's indebtedness to the Broker or by any release modification or abstention from enforcement thereof or other dealing herewith.

7.2 In addition but without prejudice to any general lien, right to combine or consolidate accounts, set-off or similar rights to which the Broker may be entitled by law, or any similar or other rights conferred on the Broker by any agreement between the Client and the Broker, the Client irrevocably authorizes the Broker, at any time without notice to the Client, to combine or consolidate all or any of the Client's accounts with and liabilities to the Broker anywhere in any currency, and set off, transfer or apply any sum standing to the Client's credit in any one or more of such accounts, or any other sum which may now or at any time hereafter be or become owing to the Client or may be or come into the hands of the Broker, in or towards satisfaction of the Client's liabilities to the Broker (actual or contingent) under this Agreement or the Client Agreement in such manner as the Broker may determine.

7.3 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 therefore, 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 owed or owing to the Broker. Any monies remaining after such application shall be refunded to the Client.

7.4 The Broker shall be at a full liberty on the Client's behalf to exercise any rights or satisfy any liabilities in respect of any securities or other financial products held in or for the margin account(s) as the Broker in its absolute discretion may think fit without consulting the Client or receiving instructions from the Client.

7.5 The Broker shall be entitled, at its sole discretion, to sell, realize or otherwise deal with any single securities or any portfolios of securities held in the name or for the account of the Client and for the time being in the custody or control of the Broker and any security given to the Broker on behalf of the Client, without giving prior notice to the Client, upon or at any time after the occurrence of a decrease by ten (10) per cent in the share price of any single securities either on its own or within any portfolios held in the account on a business day in comparison with the closing price thereof on the immediately preceding business day in the relevant market if there is a deficit in the margin account when the Broker exercises its power pursuant to this Clause 7.5 and the Client shall be bound by such sale of securities.

7.6 The Broker shall in the exercise of its power under Clause 7.5 have absolute discretion to choose the type of and the manner in which any security shall be sold. The Client waives all claims and demands (if any) against the Broker in respect of any loss, involuntary or otherwise, directly or indirectly arising from the exercise by the Broker of the powers conferred by this Agreement, howsoever such loss may have been caused (other than through the fraud, willful default or negligence of the Broker) whether in relation to timing or manner of the exercise of powers or otherwise.

7.7 Until all the Client's liabilities, actual or contingent, present or future, owing to the Broker are fully discharged, the Broker shall be entitled at any time and from time to time to refuse any withdrawal or transfer of any monies or any or all of the securities or other financial products held for or on the Client's behalf in whole or in part from the margin account(s) with the Broker.

7.8 The Client agrees to pay interest on all overdue balances owed or owing by the Client to the Broker (after as well as before any judgment), at such rate(s), as demanded by the Broker from time to time, from the due date until the date of payment thereof in full, and be calculated and payable on the last day of each calendar month or forthwith upon any demand being made by the Broker.

- 8 Cash held for Client**
- 8.1** The Client agrees that any cash in the margin account(s) held by the Broker on behalf of the Client with an average daily balance of less than HK\$1,000 or US\$500 (as the case may be), which is determined by the Broker at its absolute discretion from time to time, will not accrue interest. All cash in the margin account(s) held by the Broker on behalf of the Client with an average daily balance of not less than HK\$1,000 or US\$500 (as the case may be) shall bear interest payable at a rate as determined by the Broker from time to time.
- 9 Default**
- 9.1** The Broker may at its sole discretion without any prior notice to the Client cancel any or all outstanding orders or any other commitments made on the Client's behalf, terminate any or all contracts between the Broker and the Client, cover any short position through the purchases of securities or other financial products on the Exchange or any other stock exchanges, or liquidate any long position with the Broker through the sales of securities or other financial products on the Exchange or any other stock exchanges, exercise the Broker's right of set-off conferred by this Agreement, or immediately terminate this Agreement, in case any of the following events occur:-
- the Client's failure to pay any purchase price or other payments under this Agreement when due;
 - the filing of a petition in bankruptcy, winding up or the commencement of other analogous proceedings against the Client;
 - default by the Client in the due performance or observance of any terms of this Agreement;
 - any representation or warranty made in this Agreement or in any document provided to Broker being or becoming incorrect; or
 - the occurrence of any event which, in the Broker's sole opinion, might jeopardize any of its rights under this Agreement.
- 10 Client's Information**
- 10.1** The Client confirms that the information contained in the Client Agreement or otherwise supplied by or on behalf of the Client to the Broker in connection with the opening of a margin 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. The Client shall notify the Broker forthwith and the Broker shall notify the Client forthwith of any material changes in any information supplied in accordance with the Client Agreement and this Agreement.
- 10.2** The Client authorizes the Broker to conduct a credit enquiry or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client.
- 10.3** Whilst the Client expects the Broker to keep confidential all matters relating to the margin account(s), the Client expressly agrees that the Broker may, if requested by the Exchange or the SFC, provide them with details of the margin account(s), in order to assist the Exchange and the SFC with any investigation or enquiry it is undertaking from time to time.
- 11 Instructions from Client**
- 11.1** The Client irrevocably authorizes the Broker to accept instructions and other communication from the Client given verbally by telephone or in writing addressed to the Broker and dispatched by post, facsimile transaction, telex, telegraph, cable or electronic means to the address or number as the Broker may from time to time inform the Client as the original instructions or communication from the Client. The Client shall fully indemnify the Broker on demand against all actions, demands, claims, proceedings, loss, damages, interests, costs, expenses whatsoever which the Broker may incur, suffer or sustain as a result of or arising from the Broker's acceptance, reliance on or acting upon those instructions or communication.
- 11.2** The Client agrees to ensure and represent that any instruction to the Broker outside Hong Kong will have been given in compliance with any applicable laws of the relevant jurisdiction from which the Client's instruction is given. The Client further agrees that it shall consult legal advisers of the relevant jurisdiction wherever in doubt. The Client also agrees to pay any taxes or charges payable to relevant authorities in respect of any instruction given outside Hong Kong (if applicable). The Client shall indemnify the Broker on demand for any damage, loss, costs, actions, demands or claims the Broker may suffer in connection with or arising from the Client giving any instruction outside Hong Kong.
- 12 Indemnity**
- 12.1** The Client shall fully indemnify the Broker in respect of any costs, claims, demands, damages and expenses, which may be suffered or incurred by the Broker directly or indirectly arising out of or in connection with any purchase or sale of securities entered into by the Broker as agent on behalf of the Client, or otherwise whatsoever or howsoever arising out of any action by the Broker pursuant to the terms of this Agreement, or arising out of any late settlement or any other non-performance by the Client of any of its obligations under this Agreement (including (but not limited to) any penalty charged to the Broker by any exchange and/or clearing house, and/or all costs and expenses incurred by the Broker in purchasing or borrowing securities to make settlement on behalf of the Client).
- 12.2** The Client also undertakes to indemnify the Broker, and keep the Broker indemnified, against any action, loss, damage, claim, liability, cost, expense or proceeding which may be taken or made against, or incurred by the Broker pursuant to, or in connection with this Agreement, or arising out of or in connection with any breach by the Client of any of the warranties referred to in this Agreement.
- 13 Limitation of Liability**
- 13.1** Neither the Broker nor any of its directors, employees or agents shall have any liability whatsoever (whether in contract, tort or otherwise) for any loss, expenses or damage suffered by the Client as a result of:-
- the Broker in good faith acting or relying on any instruction given by the Client, whether or not such instruction was given following any recommendation, advice or opinion given by the Broker or by any of its or their directors, employees or agents; or
 - the Broker failing to perform its obligations hereunder by reason of any cause beyond the Broker's control, including any governmental or regulatory restrictions, closure of the Exchange or any stock exchanges outside of Hong Kong (or any division thereof), breakdown or failure of transmission or communication or computer facilities, postal or other strikes or similar industrial action, or the failure of any relevant exchange, clearing house or broker or any other person, firm or company whatsoever to perform its obligations.
- 13.2** In addition and without prejudice to the generality of any other provisions in the Agreement, neither the Broker nor any of its directors, employees or agents acting in good faith shall have any liability whatsoever (whether in contract, tort or otherwise) for any loss, expense or damage suffered by the Client arising out of or alleged to arise out of or in connection with any delay or alleged delay in acting or any failure to act on any instruction given by the Client to the Broker.
- 14 Risk Disclosure Statements**
- 14.1 Margin Trading:** The Client acknowledges and agrees that the risk of loss in financing a transaction by deposit of collateral is significant. The Client may sustain losses in excess of the Client's cash and any other assets deposited as collateral with BOOM. Market conditions may make it impossible to execute contingent orders, such as "stop-loss" or "stop-limit" orders. The 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, the Client's collateral may be liquidated without the Client's consent. Moreover, the Client will remain liable for any resulting deficit in the Client's account and interest charged on the Client's account. The Client should therefore carefully consider whether such a financing arrangement is suitable in light of the Client's own financial position and investment objectives.
- 14.2 Authority to Repledge Client's Securities Collateral:** The Client acknowledge and agreed that:-
- there is risk if the Client provides BOOM with an authority that allows BOOM to apply the Client's securities or securities collateral pursuant to a securities borrowing and lending agreement, repledge the Client's securities collateral for financial accommodation or deposit the Client's securities collateral as collateral for the discharge and satisfaction of its settlement obligation and liabilities. It is allowed only if the Client consents the above arrangement in writing. Such authority must specify the period for which it is current and be limited to not more than 12 months, unless the Client is a professional investor.
 - the Client's authority may be deemed to be renewed (i.e. without the Client's written consent) if BOOM issues the Client a reminder at least 14 days prior to the expiry of the authority, and the Client does not object to such deemed renewal before the expiry date of the Client's then existing authority.
 - the Client is not required by any law to give such authorities. But an authority may be required by BOOM, for example, to facilitate margin lending to the Client or to allow the Client's Securities or securities collateral to be lent to or deposited as collateral with third parties. BOOM should explain to the Client the purposes for which one of these authorities is to be used.

- if the Client sign one of the authorities and the Client's Securities or securities collateral are lent to or deposited with third parties, those third parties will have a lien or charge on the Client's Securities or securities collateral. Although BOOM is responsible to the Client for the Client's Securities or securities collateral lent or deposited under the Client's authority, a default by BOOM could result in loss of the Client's Securities or securities collateral.
- a cash account not involving securities borrowing and lending is available from BOOM. If the Client does not require the credit facilities or does not wish the Client's Securities or securities collateral to be lent or pledged, the Client should not sign and give the above authorities and the Client should instead ask to open this type of cash account.

15 Termination

- 15.1** Subject to Clause 9.1 hereof, this Agreement may be terminated at any time by either party in writing provided that this Agreement shall not be deemed to be terminated by the Client until at least fourteen (14) days after the actual receipt by the Broker of such written notice. Such notice shall not affect any transactions entered into by the Broker prior to its receipt and shall be without prejudice to any rights, powers or duties of the parties to this Agreement prior to such receipt.

16 Notices and Communications

- 16.1** Any notice or communication given by the Broker to the Client shall be deemed made or given, if the same is addressed to the Client at any of the Client's business, residential or mailing addresses as they appear from time to time on the Broker's records or by telephone, telex cable, telegraph, electronic mail or facsimile to any number or address notified to the Broker from time to time for the purpose

- on the second business day after such notice is mailed (in the case of post); and
- when delivered (in the case of personal delivery) or communicated (in the case of telephone, telex cable, telegraph, electronic mail or facsimile transmission) and that no such notice of communication need be signed on behalf of the Broker, and

Client agrees that all daily and monthly statements, contract notes, trades confirmations, entitlement notices and any other statement or notice relating to transactions, cash movement and/or entitlements in respect of any of the Client's accounts with the Broker may be sent to it by the Broker in any of the forms and on the same terms as any other notice pursuant to this Clause 16.1.

- 16.2** The Client acknowledges that the notices and communications from the Client to the Broker shall be sent or delivered or communicated (as the case may be) to an address or location as notified by the Broker from time to time and shall only be effective upon actual receipt thereof by the Broker.

- 16.3** The Broker may from time to time in the Broker's absolute discretion add, amend, delete or substitute any of the terms and conditions herein contained by sending to the Client a notice in writing setting out such modifications which will become effective from the date specified in such notice and be binding on the Client. The Client acknowledges and agrees that if the Client does not accept any amendments as notified by the Broker from time to time, the Client shall have the right to terminate this Agreement in accordance with Clause 15.1.

17 Governing Law and Jurisdiction

- 17.1** This Agreement and all rights, obligations and liabilities hereunder shall be governed by and construed in accordance with the laws of Hong Kong and the parties hereto irrevocably submits to the non-exclusive jurisdiction of Hong Kong courts.

18 General

- 18.1** The Broker's failure to insist at any time on strict compliance with any of the terms or conditions of this Agreement or any continued course of such conduct on the part of the Client shall in no event constitute or be considered as a waiver by the Broker of any of its powers, rights, remedies or privileges.

- 18.2** If any provision of this Agreement shall be prohibited by or judged by any court or regulatory agency or body, to be unlawful, void or unenforceable such provision shall to the extent required be severed from this Agreement. The validity of the remaining provisions shall not be affected thereby and this Agreement shall be carried out as if any such unlawful, void or unenforceable provision were not contained here.

18.3 Assignability

- The Client shall not be entitled to assign, delegate, transfer or otherwise dispose of any of its rights or obligations in accordance with the terms of this Agreement, or the performance thereof, to any person, firm or company without the prior written consent of the Broker in its absolute discretion.
- The Broker shall have the right to assign, transfer or otherwise dispose of all or any interest in its right under this Agreement to any person, firm or company and to delegate and sub-contract the performance of its obligations thereunder as the Broker thinks fit in its absolute discretion.

- 18.4** Where the margin account is opened in joint names and signed by more than one person, the obligations of the signatories shall be joint and several. In the event of the death of either person, the Broker is directed to pay or deliver to or to the order of the survivor, all moneys, securities and other property held by the Broker in the margin account.

- 18.5** Where the expression "Client" consists of more than one person, the liability of each of the Clients shall be joint and several and references to "Client" shall be construed, as the context requires, to any or each of the Clients. The Broker shall be entitled to deal separately with any of the Clients including the discharge of any liabilities to any extent without affecting the liability of the others.

- 18.6** You confirm that you have read the English/Chinese version of this Agreement, that the contents of this Agreement have been fully explained to you in a language which you understand, and that you accept this Agreement. In the event of any conflict between any provision of the English version of this Agreement and the corresponding provision of the Chinese version of this Agreement, the English version shall take precedence. In respect of any addendum, delete or changes over this Client Agreement, BOOM will inform you either electronically or by hard copy.



Monex Boom Securities (H.K.) Limited

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