

東航國際金融(香港)有限公司

CES Capital International (Hong Kong) Co., Limited

(香港證監會中央編號 AGT955 持牌法團)
(CE Number: AGT955)

(香港期貨結算有限公司全面結算參與者)
(General Clearing Participant of the HKFE Clearing Corporation Limited)

Futures Trading Agreement **期貨交易協議**

**Standard Terms and Conditions for Futures and Options Trading
Information, Disclaimer & Disclosures**

期貨及期權交易標準條款資料、免責聲明及披露



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CES CAPITAL INTERNATIONAL (HONG KONG) CO., LIMITED

**STANDARD TERMS AND CONDITIONS FOR FUTURES AND OPTIONS TRADING
(THE SECOND EDITION, EFFECTIVE FROM 2015/9/1)**

In consideration of CES Capital International (Hong Kong) Co., Ltd. (“CES CAPITAL (HK)”, this expression shall include the head office and each and every branch of CES CAPITAL (HK) wherever situate, its successors in title and assigns) opening or maintaining in its absolute discretion one or more account(s) in the name of Client (hereafter defined) for the purchase or sale or any other dealing in Futures Contracts and/or Options Contracts mentioned herein and/or providing to Client in its absolute discretion related services, Client agrees that all transactions and /or dealings executed by CES CAPITAL (HK) for or in connection with Client’s account(s) and/or the said related services shall be subject to the terms and conditions of the Futures Trading Agreement (hereafter defined) and Client agrees with CES CAPITAL (HK) to be bound by the Futures Trading Agreement. If Client utilizes or continues to utilize the services of CES CAPITAL (HK), this shall constitute Client’s acceptance of CES CAPITAL (HK)’s terms and conditions which form part of CES CAPITAL (HK)’s agreement with Client and constitute a legally binding contract between Client and CES CAPITAL (HK). The Futures Trading Agreement shall be in substitution for and to the exclusion of any prior terms of business between Client and CES CAPITAL (HK) relating to the subject matter of this Agreement.

1. INTERPRETATION

1.1 In this Agreement, the following expressions shall, unless the context otherwise requires, have the following meanings:-

- 1.1.1 “Client” means the company or body corporate named in the Account Opening Form and includes its permitted successors and assigns or (as the case may be) the individual(s), sole proprietor or firm named in the Account Opening Form and includes his or their respective personal representatives, executors and administrators and any permitted successors and assigns, in the case of a partnership, each partner who is a partner of the firm at the time when the Account is opened and any other person or persons who shall at any time thereafter be or have been a partner of the firm and the personal representatives, executors and administrators of each such partner and any permitted successors and assigns;
- 1.1.2 “Affiliate” means an individual, corporation, partnership or any other form of entity directly or indirectly controlling, controlled by or under common control with such party or any of such entities’ directors, officers or employees;
- 1.1.3 “Client Group Company” means Client, and (where Client is an individual or firm) any company which is controlled by Client and (where Client is a company or body corporate) any company which is the holding company or a subsidiary, or a subsidiary of the holding company of Client;
- 1.1.4 “Account” means the account or accounts (whether designated by name, number or otherwise) opened and maintained by Client with CES CAPITAL (HK) from time to time for use in connection with its trading in Futures Contracts and/or Options Contracts;
- 1.1.5 “Account Opening Form” means the account opening form and/or other document (however described) prescribed by CES CAPITAL (HK) from time to time and provided by or on behalf of the relevant Client to CES CAPITAL (HK) in respect of an application to open the Account as required by the provisions of the HKFE Rules and/or the Code, as amended from time to time by notice to CES CAPITAL (HK) from any person named in such form and/or document at the time of such notice as authorized to give instructions on behalf of Client;
- 1.1.6 “Futures Trading Agreement” or “this Agreement” means this Client Agreement and Schedules and Appendix(ces) (if any) and Supplement(s) (if any), the Account Opening Form and any applicable schedule, appendices and supplements and/or other documents as specified in the Schedules or determined by CES Capital (HK) from time to time;
- 1.1.7 “Beneficial Identity” of Client means the ultimate beneficiary of the Account (or where Client is a company or body corporate, the individual(s) who is/are the ultimate beneficial owner(s) of the share capital of the company or body corporate) and includes a beneficiary holding an interest through a nominee or trust;
- 1.1.8 “Electronic Trading Services” means the electronic trading facilities and services which may be provided by CES Capital (HK) including but not limited to services provided or accessible through its interactive voice response system, the Internet and/or any other electronic communication channel;
- 1.1.9 “Access Codes” means the Password, PIN, User ID or such codes as CES Capital (HK) may notify Client in respect of its access to the Electronic Trading Services;
- 1.1.10 “Commodity” or “Commodities” means any item and includes, without limitation, currencies, securities, indices of any kind (whether stock market or otherwise), interest rates, exchange rates, physical assets (including precious metals, agricultural products, oil and land) and other investments traded, or rights or options in relation to which are traded, on any exchange and shall where the case requires include a Futures/Options Contract in respect of any of the above and in each case whether or not the item is capable of being delivered.
- 1.1.11 “Securities” includes but is not limited to shares, stocks, debentures, loan stocks, money, bonds, notes or other similar instruments of any kind whatever or howsoever, of or issued by, anybody, whether incorporated or unincorporated, or of any government or local authority, and includes rights , options, or interests in or in respect of any of the foregoing as well as certificates of interest or participation in, or temporary or interim certificates for, receipts for , or warrants to subscribe to or purchase, any of the foregoing;

- 1.1.12 “Exchange Contract” means a contract for a Commodity approved by SFC and HKFE for trading on a Market and which may result in a Futures/Options Contract or a Futures/Options Contract which has been executed in accordance with the HKFE Rules;
- 1.1.13 “Futures Contract” means a contract executed on any Commodity, futures or options exchange, the effect of which is that:
- a) one party agrees to deliver to the other party at an agreed future time an agreed Commodity or quantity of a Commodity at an agreed price; or
 - b) the parties will make an adjustment between them at an agreed future time according to whether an agreed Commodity is worth more or less or, as the case may be, stands higher or lower at that time than a level agreed at the time of making of the contract, the difference being determined in accordance with the rules of the exchange on which the contract is made;
- 1.1.14 “Options Contract” means a contract executed between one party (the “first party”) and another party (the “second party”) on any Commodity, futures or options exchange under which:
- a) the first party grants the second party the right, but not the obligation, to buy an agreed Commodity, or quantity of a Commodity, from the first party at an agreed price on or before an agreed future date or on an agreed future date as the case may be and, in the event that the second party exercises his right to buy:
 - 1) the first party is obliged to deliver the Commodity at the agreed price; or
 - 2) the second party receives a payment referable to the amount (if any) by which the Commodity is worth more than the agreed price, such payment being determined in accordance with the rules of the Commodity, futures or options exchange in which the contract is made; OR
 - b) the first party grants to the second party the right, but not the obligation, to sell an agreed Commodity, or quantity of a Commodity, to the first party at an agreed price on or before an agreed future date or on an agreed future date as the case may be and, in the event that the second party exercises his right to sell:
 - 1) the first party is obliged to take delivery of the Commodity at the agreed price; or
 - 2) the second party receives a payment referable to the amount (if any) by which the agreed price is worth more than the Commodity, such payment being determined in accordance with the rules of the Commodity, futures or options exchange in which the contract is made;
- 1.1.15 “Open Contract” means a Futures Contract or an Options Contract which has not been closed out;
- 1.1.16 “Close Out” means, in the case of a Futures Contract for the sale of a Commodity, the entering into of a corresponding Futures Contract for the purchase of the same amount and quality of the relevant Commodity for delivery on the same date and, in the case of a Futures Contract for the purchase of a Commodity, the entering into a corresponding Futures Contract for the sale of the same amount and quality of the relevant Commodity for the delivery on the same date, and the expressions “closed out” and “closing out” shall be construed accordingly;
- 1.1.17 “HKFE” means Hong Kong Futures Exchange Limited and its successors or assigns;
- 1.1.18 “Exchange” means the Hong Kong Futures Exchange Limited and any other exchange, market or association of dealers in any part of the world on which F/O Contracts are bought and sold;
- 1.1.19 “Clearing House” means, in relation to HKFE, the body appointed by or established and operated by HKFE to provide clearing services to participants of HKFE in respect of Exchange Contracts and, in relation to any other exchange, any clearing house providing clearing services for any contract traded through or on the floor of that exchange;
- 1.1.20 “Market” means one of the markets from time to time established and operated by HKFE or other exchanges pursuant to the rules of HKFE or the respective exchanges;
- 1.1.21 “Trading Day” means any day during which the relevant Exchange is open for trading the relevant F/O Contracts;
- 1.1.22 “Regulatory Rules” means the rules of the Regulators or other laws, rules, codes, guidelines, circulars and regulatory directions issued by the Regulators from time to time;
- 1.1.23 “Clearing House Rules” means the general rules, regulations, procedures and practices from time to time in force of the Clearing House providing clearing services to participants of HKFE for Exchange Contracts or, in respect of other exchanges, to members or participants of such other exchanges for Futures/Options Contracts traded on such other exchanges;
- 1.1.24 “HKFE Procedures” means the practices, procedures and administrative requirements by whatever name called which may be prescribed from time to time by the HKFE in relation to trading of Exchange Contracts;
- 1.1.25 “HKFE Regulations” means the regulations made by the Board of the HKFE and from time to time in force for regulating the activities of the Markets or, as the context require, the regulations applicable to one particular Market;
- 1.1.26 “HKFE Rules” means rules of the HKFE and any amendments, supplements, variations or modifications thereto from time to time in force;

- 1.1.27 “Liabilities” means all or any monies, indebtedness or other liabilities (in whatever currency they may be expressed) now or from time to time owing to CES Capital (HK) or any Affiliate of CES Capital (HK) by Client or any Client Group Company including that owing on any margin account or any other accounts maintained by CES Capital (HK) in Client’s name(s) or in any other manner whatsoever, whether present or future, actual or contingent, primary or collateral, and whether as principal debtor or surety and whether alone or jointly with other(s), including all pecuniary obligations arising out of currency, futures and/or options trading, stock broking, margin securities trading and other financial transactions, together with any interest, management and other charges, commissions and legal and other expenses incurred in whatever manner by CES Capital (HK) or any Affiliate of CES Capital (HK) in relation to the said monies, indebtedness and liabilities (including without limitation any foreign exchange losses and expenses incurred by CES Capital (HK) or any Affiliate of CES Capital (HK) in enforcing or otherwise attempting to recover any such monies, indebtedness or liabilities);
- 1.1.28 “Margin” means such amount in such currency and such other security whatsoever as CES Capital (HK) may from time to time demand in its absolute discretion from Client by way of margin, variation adjustment or other cash adjustments in relation to Futures/Options Contracts;
- 1.1.29 “Margin Level” means the percent ratio of the account client funds to margin requirement, it is calculated as (client funds/margin requirement)*100%, on the statement of account as (net equity/initial margin) and the trading system as (net asset/initial margin)*100%;
- 1.1.30 “SFC” means the Hong Kong Securities and Futures Commission;
- 1.1.31 “Ordinance” means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any subsidiary legislation made thereunder amended, consolidated or substituted from time to time;
- 1.1.32 “Code” means the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission made under the Ordinance in force from time to time;
- 1.1.33 “Compensation Fund” means the Investor Compensation Fund established pursuant to the Securities and Futures Ordinance (Cap. 571);
- 1.1.34 “Risk Disclosure Statement” means the risk disclosure statement provided by CES Capital (HK) to Client in the Supplemental Document before the opening of the Account and/or from time to time;
- 1.1.35 “Variation adjustment” includes the amount payable by or to HKCC, and/or CES Capital (HK) on behalf of Client, calculated in accordance with Rules 408 to 411 of the Clearing House Rules of HKCC;
- 1.1.36 “Hong Kong” means Hong Kong Special Administrative Region;
- 1.1.37 “Client Funds” means funds balance held in client account, it also known as Equity/ Net Equity in statement of account and net asset in the trading system.
- 1.2 In this agreement :
- 1.2.1 The words not defined shall have the meanings ascribed to them in the Rules, Regulations and Procedures of Hong Kong Futures Exchange Limited, the Securities and Futures Ordinance or the regulations made thereunder unless the context requires otherwise;
- 1.2.2 The terms and conditions contained in this Agreement have been arranged into separate clauses and paragraphs for convenience only. Any of the terms and conditions in any clause or paragraph shall, where the context permits or requires, apply equally to transactions dealt with under other clauses or paragraphs. Clause headings are for ease of reference only and shall have no legal effect nor affect any interpretation.
- 1.2.3 Where Client consists of more than one person or where Client is a firm consisting of two or more persons, the obligations and liabilities of Client shall be joint and several obligations and liabilities of each such person and references to Client shall be construed as references to each of an/or any such persons. Unless terminated in accordance with this Agreement, the death of one joint Client does not operate to terminate this Agreement. Any notice payment or delivery by CES Capital (HK) to either or any one of the joint Clients shall be a full and sufficient discharge of CES Capital (HK)’s obligations to notify, pay or deliver under this Agreement. CES Capital (HK) is also authorized by Client to accept or carry out instructions from either or any one of the joint Clients.
- 1.2.4 The provisions of this Agreement shall be binding upon and enure to the benefit of the respective successors-in-title and assigns of the parties hereto provided however that Client may not assign any of Client’s rights or obligations hereunder without the express prior written consent and approval of CES Capital (HK). This Agreement shall continue to be valid and binding for all purposes notwithstanding any change by amalgamation consolidation or otherwise which may be made in the constitution of CES Capital (HK) and notwithstanding any change at any time or from time to time in the present constitution of Client whether by incorporation or by the retirement death or admission of partners or otherwise and in the case where Client is a sole proprietorship notwithstanding the change from the sole proprietor to a partnership.
- 1.2.5 Whenever the context permits, references herein to any person shall include a firm, company or corporation, words importing the singular shall include the plural and vice versa, words importing a gender shall include every gender, references to individual(s) shall include sole proprietor and partners in a firm and references to company shall include body corporate.
- 1.2.6 Whenever the context permits, references to a statute or a statutory provision includes a reference to it as

amended, extended or re-enacted from time to time.

- 1.2.7 Client agrees that the English version of this Agreement, the Account Opening Form and the Risk Disclosure Statement shall govern for all purposes and that any Chinese translation of such documents is to assist certain Clients and for reference only and shall not apply in construing their terms and in case of any discrepancy between the English version and the Chinese translation of it, the English version shall prevail.

2. APPLICABLE LAWS AND RULES

- 2.1 This Agreement shall be governed by and construed in accordance with the laws of Hong Kong and Client hereby irrevocably submits to the non-exclusive jurisdiction of the courts of Hong Kong. This Agreement, all rights, obligations and liabilities under this Agreement and all contracts and all transactions contemplated hereunder shall enure to the benefit of, and bind CES Capital (HK), CES Capital (HK)'s successors and assigns, whether by merger, consolidation or otherwise, as well as Client and the heirs, executors, administrators, legatees, successors, personal representatives and permitted assigns of Client.
- 2.2 Client's instructions and all Futures Contracts and Options Contracts entered into by CES Capital (HK) on behalf of Client shall be subject to :
- 2.2.1 the terms and conditions of this Agreement;
- 2.2.2 CES Capital (HK)'s procedures and policies, in effect from time to time, with respect to the operation and maintenance of client accounts.
- 2.2.3 all applicable laws, rules and regulations of government agencies and statutory bodies of competent jurisdiction including, without limitation, the Ordinance; and
- 2.2.4 the constitution, rules, regulations, customs, usages, rulings and interpretations then in force of the exchange or market and its Clearing House, if any, where the transactions are executed by CES Capital (HK) or its agents (including but not limited to the HKFE Procedures, HKFE Regulations, HKFE Rules and Clearing House Rules);
- 2.3 Any unresolved dispute between CES Capital (HK) and Client shall be settled by arbitration in accordance with the provisions of the arbitration rules of The Hong Kong International Arbitration Centre or (without limitation to the foregoing) in any other arbitral forum, provided that CES Capital (HK) only, in the sole discretion of CES Capital (HK), may at any time before the hearing of the arbitration give notice to Client in writing that CES Capital (HK) veto either the arbitral forum or the arbitration of such dispute. The sole obligation of either CES Capital (HK) or Client under any claim in court of law by the other shall be to pay such sum as may be awarded under arbitration pursuant to this clause, except where CES Capital (HK) shall have vetoed such arbitration. Any award resulting from such arbitration shall be final, and a judgment upon the award rendered may be entered in any court having jurisdiction.
- 2.4 Notwithstanding the foregoing, if there shall be any conflict or inconsistency between any of the provisions of this Agreement and any of the provisions of the aforesaid constitution, rules, regulations and applicable laws, the latter shall prevail. Any provision in this Agreement which is declared by any court or tribunal of competent jurisdiction to be illegal invalid or unenforceable for any reason in any jurisdiction shall be ineffective only to the extent of such illegality, invalidity or unenforceability and shall, to the maximum extent permitted by law, be severed from this Agreement and shall not affect the force, effect and validity of the remaining provision hereof or the force, effect and validity of such provision in any other jurisdiction. CES Capital (HK) may, in its absolute discretion, take or refuse to take any action or demand that Client shall take or refrain from taking any action to ensure compliance with the same.
- 2.5 Without prejudice to the aforesaid, Client acknowledges that his or its attention has been specifically drawn to the provisions of part XIII and part XV of the Ordinance as amended from time to time. Client is reminded that he or it alone is responsible for complying or ensuring compliance with any duty or obligation which arises under the Ordinance in respect of anything done, or which Client requests to be done, on his or its behalf by CES Capital (HK). Client confirms that Client is aware of the provisions contained in the Ordinance and that Client will at all times observe, or ensure that they are observed, so as to ensure that no breach or infringement of the Ordinance is caused as a result of anything done or proposed to be done by CES Capital (HK) acting on Client's directions or instructions.

3. CLIENT'S INSTRUCTIONS

- 3.1 Client may from time to time instruct CES Capital (HK) to enter into or close out any Futures Contract and/or Options Contract on behalf of Client and CES Capital (HK) shall be entitled in its absolute discretion, but not bound, to accept such instruction. All instructions shall be made by Client orally either in person or by telephone, or in writing, delivered by post, by hand or transmitted by facsimile or through Electronic Media (applicable to Account with Electronic Trading Service) at Client's risk. Any such instruction shall not be effective unless it is confirmed by CES Capital (HK) orally or in writing. Any such instruction shall be transmitted at the risk of Client. Unless Client expressly notifies CES Capital (HK) to the contrary in writing, CES Capital (HK) may assume that Client is acting as principal and not as agent for others.
- 3.2 If Client is acting on behalf of any other person when instructing CES Capital (HK) pursuant to this Agreement, CES Capital (HK) will continue to treat Client alone (rather than any such other person) as its customer for all purposes and in relation to all obligations, and Client will be liable as such. This applies even if Client is acting on behalf of a person whom Client has notified to CES Capital (HK) and no such person will be an "indirect customer". CES Capital (HK) shall have no responsibility for compliance by Client with any law or regulation governing Client's conduct as a fiduciary, if applicable.
- 3.3 It is expressly understood that unless otherwise disclosed herein or to Client in writing, CES Capital (HK) is acting solely as broker as to any transactions made with CES Capital (HK) by Client.
- 3.4 Client understands that all instructions related to his Account are only effective within the trading day on which the instructions are made and will become ineffective at the close of the related markets unless otherwise agreed by

CES Capital (HK). Client should fully understand and be willing to undertake the relevant risk before giving instructions with validity period other than a trading day.

- 3.5 In addition, in the event of receipt of conflicting instructions, CES Capital (HK) may refuse to act on any of such instructions until CES Capital (HK) receives unequivocal instruction(s).
- 3.6 Without prejudice to the foregoing, CES Capital (HK) may use voice recording procedures in connection with communications with Client and/or his/its authorized representative(s) and any recorded voice will constitute conclusive evidence of the instructions or conversations so recorded. All relevant tapes or recordings and the contents thereof shall be the sole property of CES Capital (HK), who shall have the absolute right to listen and copy the same or permit/authorize the listening and copying of the same.
- 3.7 Client may give instructions through an electronic trading system. However, Client should fully understand and undertake the risk associated with the electronic trading system from which possible loss may arise. Client should read the Schedule III "The E-SERVICE RULES" carefully and bound to the rules within.
- 3.8 Client acknowledges that it may not be possible to cancel or amend its instructions once given. Client agrees to exercise caution before giving any instruction and accept full responsibility for the Transactions partially or fully executed prior to the processing of Client's cancellation or amendment.
- 3.9 CES Capital (HK) shall be entitled to rely upon and to act as it thinks fit as a consequence of and in connection with any instruction that is given by Client in the manner specified in Clause 3.1 above and may treat the same as fully authorized by and binding on Client regardless of the circumstances prevailing at the time of the instruction or communication or amount of the transaction and notwithstanding any error, misunderstanding, lack of clarity, fraud, forgery or lack of authority in relation thereto (save if the same is caused by the gross negligence, wilful default or fraud of CES Capital (HK)), and without requiring further confirmation in any form, provided that CES Capital (HK) believed the instruction to be genuine at the time it was given. Client shall keep CES Capital (HK) and its directors, officers, employees, agents and correspondents indemnified against all claims, demands, actions, proceedings, damages, losses, costs and expenses incurred by CES Capital (HK) or any of them arising out of anything done or omitted pursuant to any instruction or communication as aforesaid.
- 3.10 CES Capital (HK) may, for the purpose of carrying out any instruction given by Client, contract with or otherwise deal with or through any other agent, including any person or party associated in any manner with CES Capital (HK) or any Affiliate of CES Capital (HK), on such terms and conditions as CES Capital (HK) may in its absolute discretion determine. CES Capital (HK) or any Affiliate of CES Capital (HK) may be the counterparty to any transaction effected by CES Capital (HK) on Client's behalf.
- 3.11 Client authorizes CES Capital (HK) to instruct overseas brokers and dealers to execute transactions in overseas securities in such terms and at such times as in CES Capital (HK)'s discretion deems fit and acknowledges that the terms of business of such overseas brokers and dealers shall apply to such transactions and Client agrees to be bound by such terms.
- 3.12 All instructions relating to purchase or sale of Commodities or otherwise given hereunder which may be executed on more than one Exchange may be executed on any Exchange CES Capital (HK) selects.
- 3.13 Client hereby acknowledges that CES Capital (HK) and any Affiliate of CES Capital (HK) and their directors, employees and/or their associates may from time to time trade on their own accounts. Furthermore, Client acknowledges the existence of CES Capital (HK)'s interest, relationship or arrangement that is material in relation to any instruction received or Transaction effected for Client. In particular, CES Capital (HK) may, without informing the client:
- 3.13.1 effect Transactions through any Affiliate of CES Capital (HK);
- 3.13.2 effect Transactions with Client as principal for account of CES Capital (HK) and its related parties including but not limited to any Affiliate of CES Capital (HK) or its employees, or directors;
- 3.13.3 take position opposite to the order of Client either for its own account or others provided that the trading is executed competitively on or through the facilities of the Exchange in accordance with the Regulatory Rules;**
- 3.13.4 match Client's orders with those of other clients of CES Capital (HK); and/or
- 3.13.5 combine Client's order with orders of CES Capital (HK) or of any Affiliate of CES Capital (HK) or other clients of CES Capital (HK) for execution,
- and neither CES Capital (HK) nor its related parties shall be obliged to account to Client or any third party for any profits or benefits received in connection therewith. In event of insufficient Commodities to satisfy orders so combined as mentioned in the above paragraph 3.13.5, CES Capital (HK) may in its absolute discretion allocate the transactions between clients, CES Capital (HK) and any Affiliate of CES Capital (HK), having due regard to market practice and fairness to the concerned clients. Client acknowledges and accepts that such combination and/or allocation may on some occasions operate to Client's advantages and on other occasions to Client's disadvantages.
- 3.14 CES Capital (HK) shall be authorized but not bound to act on an instruction given by Client or the Authorized Person (if any) to carry out a Transaction (whether directly or through other dealer or otherwise). CES Capital (HK) may at any time and from time to time impose any limits including position limits on any Account and Client agrees not to exceed such limits. If any of the said limits are or will be exceeded or there is insufficient cleared funds in the Account for meeting initial Margin requirement or otherwise, CES Capital (HK) may decline such an instruction and/or is entitled to close the open position of the Transactions concerned. CES Capital (HK) may in its absolute discretion refuse to act on any of the instructions received from Client without giving any reason and/or is entitled to close the open position of the Transactions concerned. CES Capital (HK) is not in any circumstances be liable in any way for any loss of profit or gain, damage, liability or cost or expense suffered or incurred by Client arising from or in connection with CES Capital (HK)'s refusal to act on such instruction or omitting to notify Client of such refusal or taking action to close the open position. Except as directed by Client in circumstances where Client

is not in default hereunder and no Event of Default has occurred, CES Capital (HK) shall have no obligation to close out any Futures/Options Contract.

- 3.15 If CES Capital (HK) or its agent is not able to enter into the number of Futures Contracts or Options Contracts which are specified in any such instruction, CES Capital (HK) or its agent may enter into any lesser number of such contracts as it may in its absolute discretion determine and Client shall be bound by such contracts so entered into provide that CES Capital (HK) or its agent (as the case may be) shall not have any obligation or liability whatsoever and howsoever in respect of any Futures Contracts or Options Contracts specified in such instruction which have not been entered into.
- 3.16 If any relevant exchange and/or Clearing House and/or agent on or through whom any Futures Contract or Options Contract has been entered into by CES Capital (HK) on behalf of Client requires any alteration in any terms or conditions of any such contract, CES Capital (HK) may take all such action as it may in its absolute discretion consider necessary or desirable to comply therewith or as a result thereof or to avoid or mitigate loss thereunder and all such action shall be binding upon Client.
- 3.17 Because of physical restraints on any Exchange or the very rapid changes in the prices of Commodities that frequently take place, there may, on occasions, be a delay in making prices or in dealing. CES Capital (HK) may not always be able to trade at the prices or rates quoted at any specific time or "at best" or "at market". CES Capital (HK) shall not be liable for any loss howsoever arising by reason of its failing, or being unable, to comply with the terms of any limit order undertaken on behalf of Client or under the circumstances contemplated in this Clause. Where CES Capital (HK) is for any reason whatsoever unable to perform Client's order in full, it may in its discretion effect partial performance only. Client shall in any event accept and be bound by the outcome when any request to execute orders is made.
- 3.18 CES Capital (HK) may at any time without prior notice in its absolute discretion take such steps as it may consider necessary or desirable to comply with or perform, cancel or satisfy any obligations of CES Capital (HK) to the relevant Exchange, Clearing House and/or dealer in respect of Futures/Options Contracts acquired on the instructions of Client, including closing out, entering into any Transactions for hedging the current position, and/or performing any and all such Open Contracts, and may for such purpose:
- 3.18.1 buy or sell (in any manner howsoever and including from itself) the Commodity underlying any Open Contract; and/or
- 3.18.2 borrow, buy or sell any currency; and/or
- 3.18.3 apply any Margin in each case so that all sums expended by CES Capital (HK) in excess of any sums held by CES Capital (HK) on Client's behalf shall be paid by Client to CES Capital (HK) forthwith on demand.
- 3.19 Subject to the applicable laws and regulations, CES Capital (HK) may in its absolute discretion determine the priority in the executions of the orders received from its clients, having due regard to the sequence in which such orders were received and Client shall not have any claim of priority to another client in relation to the execution of any orders received by CES Capital (HK).
- 3.20 Nothing herein shall place CES Capital (HK) under any duty to disclose to Client any information which may come to the notice of CES Capital (HK) in the course of acting in any capacity for any other person, nor shall CES Capital (HK) be under any obligation to Client to see that any information pertaining to any Futures/Options Contract acquired by CES Capital (HK) be given either before or at the same time as such information is made available to other client. However, CES Capital (HK) shall take all reasonable steps to avoid conflicts of interest and where such conflicts cannot reasonably be avoided take all reasonable steps to ensure that clients are at all times treated fairly.

4. TRADING RECOMMENDATIONS

If CES Capital (HK) solicit the sale of or recommend any financial product to Client, the financial product must be reasonably suitable for Client having regard to Client's financial situation, investment experience and investment objectives. No other provision of this agreement or any other document CES Capital (HK) may ask Client to sign and no statement CES Capital (HK) may ask Client to make derogates from this clause.

5. CONFIRMATIONS

- 5.1 CES Capital (HK) will give notice to Client of the details of any Futures Contract or Options Contract (including product specification and any prospectus or other offering document covering such product) entered into by CES Capital (HK) on behalf of Client in such form, containing such details and provided to Client within such time limit as may be prescribed by any applicable rules, regulations or laws.
- 5.2 Any statement or confirmation issued by CES Capital (HK) stating the price or value at which any Futures Contract or Options Contract is entered into or closed out, or the exchange rate applicable in any currency conversion, or the amount owing by Client to CES Capital (HK) at any given time, shall (in the absence of manifest error) be binding on Client as to the particulars stated.
- 5.3 CES Capital (HK) may, and, if required by the Laws, shall, send to the address(es) (email address or otherwise) and/or other contact number(s) of Client on CES Capital (HK)'s records a Confirmation after CES Capital (HK) has facilitated a transaction with or for the Account, or upon the occurrence of certain events of or movements in Client's Account, in accordance with the Laws in relation to the Confirmations.
- 5.3.1 Client agrees that it is its responsibility to ensure that it receives Confirmations in due time and to make enquiries with and obtain the same from CES Capital (HK) immediately if not duly received;
- 5.3.2 any purported discrepancy between the contents of any Confirmation and Client's instructions must be notified to CES Capital (HK), orally or in writing in accordance with the notice provisions of this Agreement, within two (2) Business Days following the date of issue or re-issue of the Confirmation to

- Client; and
- 5.3.3 at the end of the expiration of two (2) Business Days, the contents of the Confirmation shall be conclusive evidence of the particulars set out therein without any further proof that the Confirmation and/or the transaction or event to which it relates are correct (subject to the right of CES Capital (HK), which may be exercised by it at any time and from time to time, to adjust any entries in the Account and/or details in the Confirmation where they have been wrongly or mistakenly made by it)
- 5.3.4 CES Capital (HK) shall not be responsible for failures or delays in the transmission of offers or instructions due to a breakdown or failure of transmission of communication facilities, or to any other cause or causes beyond the reasonable control or anticipation of CES Capital (HK).

6. SETTLEMENT

- 6.1 Every Futures Contract entered into by CES Capital (HK) on behalf of Client is made on the understanding that both CES Capital (HK) and Client contemplate actual performance thereof and, as between CES Capital (HK) and Client, shall be deemed to contain obligations on Client and CES Capital (HK) to make settlement of such contract and/or delivery of the Commodity the subject matter of such contract, as the case may be. In respect of Open Contracts maturing in a current futures month, Client shall at least 5 trading day before the cut-off date for the tender of exercise instructions prescribed by the writer of the Futures/Options Contract or the relevant exchange, Clearing House, or other person(s) (whichever prescribes the earliest cut-off date), either give instructions to CES Capital (HK) to close out the same or deliver to CES Capital (HK) all monies or Commodities deliverable by Client under such contracts in order to enable due settlement of such contracts by CES Capital (HK) in accordance with the rules of the applicable exchange or Clearing House. CES Capital (HK) shall have no obligation to provide Client with information with respect to any position of Client and (except as directed by Client) no obligation to (but shall have the right at the discretion of CES Capital (HK) to) close any position in any account CES Capital (HK) has entered or may carry on behalf of Client. If Client fails to provide CES Capital (HK) with such instructions, monies or Commodities on or before the aforesaid deadline, CES Capital (HK) may without notice either close out the relevant contracts or make or receive delivery on behalf of Client upon such terms and by such methods as CES Capital (HK) may in its absolute discretion determine. Client shall keep CES Capital (HK) indemnified in respect of all costs, losses, claims, penalties, fines, taxes, damages and expenses incurred by CES Capital (HK) as a result of action taken by CES Capital (HK) in connection with any delivery, exercise or settlement effected pursuant to the terms of this Clause 6.1, save as the same may arise as a consequence of the gross negligence, wilful default or fraud of CES Capital (HK).
- 6.2 Notwithstanding anything herein to the contrary, if CES Capital (HK) or its agent (as the case may be) shall for any reason whatsoever and howsoever fail to receive payment of all or any part of any amount or delivery of all or any part of any amount of any Commodity (whether from the relevant exchange and/or Clearing House and/or any other person) due to be paid or delivered to Client in respect of any Futures Contract or Options Contract entered into by CES Capital (HK) on behalf of Client on the due date for payment or delivery thereof in accordance with the rules and regulations of the relevant exchange and/or Clearing House and/or any applicable laws, CES Capital (HK)'s obligations to make payment or to deliver any Commodity to Client in respect such Futures Contracts or Options Contracts shall thereupon and by virtue of such failure become obligations to make payment of such amount or delivery of such amount of such Commodity as is equal to such payment or such amount as is actually received by CES Capital (HK) in respect thereof.
- 6.3 CES Capital (HK) shall be entitled, in its absolute discretion, but shall not be bound to act on any instruction from Client to take any action whatsoever or howsoever against any exchange and/or Clearing House and/or any other person in respect of any failure by such exchange and/or Clearing House and/or other person to make any payment or to deliver any amount of any Commodity in respect of any Futures Contract or Options Contract entered into by CES Capital (HK) on behalf of Client as provided in Clause 6.2 above provided that if any such action is taken by CES Capital (HK), Client shall indemnify CES Capital (HK) in respect of all costs, claims, demands, damages and expenses arising out of or in connection with the taking of such action.
- 6.4 Client shall, forthwith upon request by CES Capital (HK), supply to CES Capital (HK) in relation to any Futures Contract or Options Contract entered into by CES Capital (HK) on its behalf such information in relation to the delivery and/or settlement and/or (in the case of an Options Contract) exercise of any such Futures Contract or Options Contract which has not been closed out, as the case may be, exercised, as CES Capital (HK) may request.
- 6.5 Client shall pay CES Capital (HK) forthwith upon demand by CES Capital (HK) at any time or upon any payment due date (which ever is the earlier) the full amount of all losses, debit balances and deficiencies resulting from any transaction between Client and CES Capital (HK), or from the operation of Client's Account. Payment shall be made in such currencies as CES Capital (HK) may from time to time prescribe and not later than the close of business (Hong Kong time) on the date on which payment is required to be made. Client will be responsible to CES Capital (HK) for any losses, costs, fees and expenses in connection with Client's failure to meet Client's obligations on demand or by the due date as described as above. All payments by Client for transactions or otherwise in connection with this Agreement shall be made in cleared funds in the currency and at the place specified by CES Capital (HK),
- 6.5.1 free of any restrictions, conditions or equities,
- 6.5.2 free and clear and without any deduction or withholding on account of any taxes, and
- 6.5.3 without deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.
- 6.6 Unless CES Capital (HK) is specifically notified to the contrary at the time of Client's placing instructions to buy or to sell or otherwise deal in any Futures Contract or Options Contract, Client represents and warrants to CES Capital (HK) that Client is not, or in the case where Client is a company or body corporate, none of Client's officers are a connected person (as defined in the Listing Rules and/or the Growth Enterprise Market ("GEM") Listing Rules as the case may be) of the issuer of the securities which are or are directly relevant to the subject of these instructions.
- 6.7 Client acknowledges that some Exchanges and Clearing Houses have established cut-off times for the tender of

exercise instructions and that an option will become worthless if instructions are not delivered before such expiration time. Client also acknowledges that certain Exchanges and Clearing Houses automatically will exercise "in-the-money" options unless instructed otherwise. Therefore Client should familiarize himself with the rule and procedures of settlement established by the relevant Exchanges or Clearing Houses. Client acknowledges full responsibility for taking action either to exercise or to prevent the exercise of an Options Contract, as the case may be; CES Capital (HK) is not required to take any action with respect to an Options Contract, including without limitation any action to exercise a valuable option prior to its expiration date or to prevent the automatic exercise of an option, except upon Client's express instructions. Client further understands that CES Capital (HK) has established cut-off times, which may be tighter than those established by Exchanges and Clearing Houses.

- 6.8 Client acknowledges that all short option positions may be subject to assignment, including positions established on the same trading day that exercises are assigned and that exercise assignment notices (where applicable) are allocated by the relevant Clearing Houses at any time during the trading day. CES Capital (HK) will allocate such notices on a fair and reasonable basis. CES Capital (HK) is not responsible for any delay with respect to the assignment by the Clearing House or the receipt by CES Capital (HK) of such notices. Client confirms that Client will accept an allocation on this basis.
- 6.9 Client shall be liable for any deficit resulting from any or all losses in his Account and Client shall have no claim against CES Capital (HK) for losses arising from Client's failure to provide the underlying Commodities or money to CES Capital (HK) and CES Capital (HK)'s inability to give notice of exercise of Options Contract (where applicable) on behalf of Client, or otherwise in connection with any other matter therewith howsoever arising.
- 6.10 CES Capital (HK) shall be entitled, at any time and from time to time, without assigning any reason therefor and without any liability to Client or any third party, at its absolute discretion, to refuse to make or receive physical delivery of the underlying assets in relation to any transaction or contract contemplated hereunder or refuse to deliver or receive any certificate or document of title in respect of such underlying assets or refuse to procure the transfer or receipt of such underlying assets or of any certificate or document in title in respect of such underlying assets.

7. OPEN CONTRACT

- 7.1 Client acknowledges that the clearing house of the HKFE may do all things necessary to transfer any open positions held by CES Capital (HK) on behalf of Client and any money and security standing to the credit of Client's account with CES Capital (HK) to another exchange participant of the HKFE in the event the rights of CES Capital (HK) as an exchange participant of the HKFE are suspended or revoked.
- 7.2 Client further acknowledges that the clearing house of any other relevant Exchange may do all things necessary to transfer any open positions held by or via CES Capital (HK) on behalf of Client and any money and security standing to the credit of Client's account maintained with CES Capital (HK) or an account held via CES Capital (HK) on behalf of Client to another exchange participant of such Exchange in the event the rights of the relevant exchange participant (which may be CES Capital (HK) itself or any other person appointed or agreed by CES Capital (HK)) of such Exchange are suspended or revoked.
- 7.3 CES Capital (HK) shall not be liable in respect of matching Futures/Options Contracts or otherwise if the relevant Exchange, Clearing House and/or dealer has ceased for any reason (including setting off CES Capital (HK)'s positions with it) to recognize existence of any Futures/Options Contract or fails to perform or close out any Futures/Options Contract, but such cessation or failure shall not affect Client's obligations and liabilities hereunder in respect of such Futures/Options Contracts which Client has required CES Capital (HK) to open and which have not been closed out or other obligations or liabilities of Client arising therefrom.
- 7.4 Client acknowledges that CES Capital (HK) is bound by the Rules of the HKFE which permits the HKFE or the Chief Executive of the HKFE to take steps to limit the positions or require the closing out of contracts on behalf of Client who in its or his opinion is accumulating positions which are or may be detrimental to any particular market or markets established and operated by the HKFE or which are or may be capable of adversely affecting the fair and orderly operation of any such market or markets as the case may be.
- 7.5 Client further acknowledges that the rules of other relevant Exchanges are respectively binding on CES Capital (HK) and/or the relevant exchange participant(s) appointed or agreed by CES Capital (HK). The rules of any such Exchange may permit itself or any person authorized by it to take steps to limit the positions or require the closing out of contracts on behalf of Client who in its or his opinion is accumulating positions which are or may be detrimental to any particular market or markets established and operated by it or which are or may be capable of adversely affecting the fair and orderly operation of any such market or markets as the case may be.

8. MARGIN, COMMISSIONS AND FEES

- 8.1 Client agrees to provide to and maintain with CES Capital (HK) immediately upon demand such Margin together with such guarantees and other security in such form and amount and on such terms as CES Capital (HK) may in its absolute discretion require from time to time. Such Margin requirement established by CES Capital (HK) may exceed any margin requirements prescribed by any exchange or Clearing House or broker. CES Capital (HK) may change Margin requirement based on its internal policy, market condition or margin amendment by exchange, Clearing House or broker at any time without prior notice to Client at its sole discretion. CES Capital (HK) may release the margin requirement by using web site, email, SMS or telephone etc. Client is obliged to ensure the validity and reliability of the contact means registered with CES Capital (HK) and checks the official website for such Margin requirement from time to time. CES Capital (HK) will not be responsible for loss of any kind arising from Client's ignorance of such Margin requirement.

- 8.2 Client agrees that no previous margin requirements shall establish any precedent and change in margin requirements (increase or decrease) shall apply to existing positions as well as to the new positions in the Futures/Options Contracts which are affected by such change.
- 8.3 Client agrees to provide Margin in form of cash. Margin in form of asset other than cash will only be accepted by CES Capital (HK) in its absolute discretion and CES Capital (HK) has absolute discretion to assign a notional value to such assets for determining the amount of required Margin which may not correspond to its market value.
- 8.4 Without prejudice and in addition to any other rights and remedies of CES Capital (HK) hereunder, Client irrevocably authorizes CES Capital (HK), without prior notice to the Client, to apply all or any part of any cash deposit or other property held for the account of Client by CES Capital (HK) or its Affiliate on any account whatsoever and whether or not relating to trading in Futures/Options Contracts:
- 8.4.1 in or towards the provision of any Margin or additional Margin demanded by CES Capital (HK) pursuant to Clause 8.1;
- 8.4.2 in payment to any exchange, Clearing House or broker in or towards satisfaction of any liability to provide margin demanded or required by such exchange, Clearing House or broker in respect of any Futures/Options Contract entered into by CES Capital (HK) on behalf of Client, or towards provision of security (whether in the form of mortgage, deposit, charge, pledge or otherwise) in favor or to the order of any exchange, Clearing House or broker, without prior notice to Client and free of any beneficial interest of Client or of any other person in the Margin, as security for CES Capital (HK)'s obligations to (and upon terms specified by) the exchange, Clearing House or broker in respect of any Futures/Options Contract entered into by CES Capital (HK) on behalf of Client, with power to such exchange, Clearing House or broker to enforce the security in satisfaction of any obligations of CES Capital (HK), provided that Client's deposit or property shall not be applied to finance or act as security for any Clearing House margin requirements or trading liabilities in respect of Futures/Options Contract entered into by CES Capital (HK) on behalf of any other client (and in either event, such deposit or property will be dealt with according to the rules and regulations of the relevant exchange, or Clearing House, or the terms of trading of the broker);
- 8.4.3 in satisfaction of any other obligations of CES Capital (HK) to any party insofar as such obligations arise in connection with or incidental to any Futures/Options Contract entered into by CES Capital (HK) on behalf of Client;
- 8.4.4 in or towards payment of money properly required to meet commissions, brokerage, levies or other proper charges relating to any Futures/Options Contract entered into by CES Capital (HK) on behalf of Client.
- 8.5 Margin calls must be met on demand (or such other time limit as may be specified by CES Capital (HK) from time to time (within Business Day) – however, never later than the time the relevant exchange requires client margin to be met). Without prejudice to the provisions of Clauses 10 and 19.12, failure to meet such calls may result in CES Capital (HK) being entitled or obliged by the rules or regulations of the relevant exchange and/or Clearing House to close out the Open Contracts held on behalf of Client in respect of which calls have not been met, and/or to notify the relevant exchange, Clearing House or broker particulars of such Open Contracts. In particular, CES Capital (HK) may be required to report to HKFE and SFC particulars of all open positions in respect of which two or more successive Margin calls have not been met by Client within the period specified by CES Capital (HK).
- 8.6 In the event that it is in the sole opinion of CES Capital (HK) that it is impracticable for CES Capital (HK) to make demand on Client for additional Margin pursuant to Clause 8.1, CES Capital (HK) shall be deemed to have made such demand of additional Margin in such form and amount as CES Capital (HK) may determine and such demand shall become immediately due and payable by Client. The aforesaid impracticality may be due to the following (without limitation) rapid changes or development involving prospective changes:
- 8.6.1 in the local, national or international monetary, financial, economic or political conditions or foreign exchange controls which has resulted or is in the opinion of CES Capital (HK) likely to result in a material or adverse fluctuation in the stock market, currency market, commodities or futures market in Hong Kong and/or overseas; or
- 8.6.2 which is or may be of a material adverse nature affecting the conditions of Client, performance of a Futures/Options Contract in the Account or operations of the Account.
- 8.7 If Client fails to satisfy such Margin requirement, CES Capital (HK) may take appropriate actions to protect its right at its sole discretion without prior notice to Client. Such actions may include but not limited to:
- 8.7.1 close out Client's open position without the prior consent of Client;
- 8.7.2 cancel all or part of Client's unfinished orders and guarantees made at Client's request. Client is bound to the outcome of the action as if the action is taken under the instruction of Client. Client acknowledges that CES Capital (HK) shall not be liable for loss of any kind arising from the action;
- Client understands the loss arising from the above actions may exceed the margin deposited. Client shall be liable for the balance due in the account. Client is obliged to monitor the risk of the account closely and maintain sufficient fund to satisfy the margin requirements at all time.
- 8.8 **Client shall closely monitor his positions as margin calls by CES Capital (HK) are not obligatory and forced liquidation without prior notice is possible.**
- 8.9 Client also agrees to pay CES Capital (HK) immediately upon demand :
- 8.9.1 brokerage commissions at such rates as may be determined by CES Capital (HK) and may be notified to Client from time to time;
- 8.9.2 all commissions, brokerage, levies, fees, duties and taxes and all other charges and expenses incurred by CES Capital (HK) arising out of or in connection with any Futures Contract or Options Contract entered into by CES Capital (HK) on behalf of Client or otherwise arising out of or in connection with the performance of any of CES Capital (HK)'s duties under this Agreement; and
- 8.9.3 interest on any monies advanced to Client at such rates as may be determined by CES Capital (HK) and notified to Client from time to time.

8.9.4 any other reasonable fees and charges imposed by CES Capital (HK) from time to time for services and facilities rendered to Client.

Without prejudice to the aforesaid, CES Capital (HK) may at its discretion vary the rate of such fees and subscription at any time and from time to time without notice.

- 8.10 Unless specifically instructed by Client, Futures/Options Contracts held in the Account which the exchange allows to be set off for margin purpose will automatically be set off for the determination of Margin without reference to Client, but these Futures/Options Contracts will not be closed out or treated as netted off for any other purpose.
- 8.11 CES Capital (HK) may:
- 8.11.1 without further disclosure to Client, receive, accept and retain for CES Capital (HK)'s own account(s) and benefit absolutely from any broker or underwriter or issuer or any other third parties (who may or may not act as an agent of Client in any respect), any profit, rebate, reallowance, brokerage, commission, fee, benefit, profit, discount and / or other advantage arising out of or in connection with the provision of services to or handling of transactions for Client. Client agrees that the consent given hereunder shall constitute a permission or lawful authority for the purpose of Section 9 of the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong); and
- 8.11.2 without further disclosure to Client, pay to any broker or underwriter or issuer or any other third parties (who may or may not act as an agent of Client in any respect), any profit, rebate, reallowance, brokerage, commission, fee, benefit, profit, discount and / or other advantage arising out of or in connection with the provision of services to or handling of transactions for Client. Client agrees that the consent given hereunder shall constitute a permission or lawful authority for the purpose of Section 9 of the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).
- 8.12 Client agrees to pay interest to CES Capital (HK) on all overdue balances owing by Client to CES Capital (HK) (including interest arising after a judgment debt is obtained against Client) at a rate of 3% per annum over CES Capital (HK)'s cost of funds or the prime lending rate of a Hong Kong bank at the relevant time, whichever is higher, and such interest will be calculated and payable on the last day of each calendar month or at such time as CES Capital (HK) may determine.
- 8.13 Without prejudice to any other rights and remedies available to CES Capital (HK), CES Capital (HK) may charge a monthly maintenance fee of such amount in such currency as CES Capital (HK) may determine from time to time on the dormant Account if Client has no trading activity for six months or more. Payment of such fees will be automatically deducted from the Account.

9. SET OFF, TRANSFER OR FUNDS AND LIEN

- 9.1 Notwithstanding anything contained in this Agreement or in any other agreement between CES Capital (HK) or any Affiliate of CES Capital (HK) and Client or any Client Group Company, Client irrevocably directs CES Capital (HK) to set-off and withhold from and apply (subject to applicable laws and regulations) all of Client's interest in any funds, Futures Contract and/or Options Contract and property (held by Client individually or jointly with others) held by CES Capital (HK) or any Affiliate of CES Capital (HK) at any time for any purpose, including (without limitation) safe-keeping, for full or partial discharge of all of Client's obligations and liabilities to CES Capital (HK) in respect of the Account or in respect of Margin or additional Margin or commissions or expenses in accordance with the terms of Clause 8 or otherwise whatsoever or howsoever in accordance with the terms of this Agreement, and CES Capital (HK) may without notice combine and/or consolidate all or any of the accounts (of any nature whatsoever including accounts of other clients guaranteed by the Client and whether in single or joint names) comprised in the Accounts and set off or transfer any money or other property interchangeably between any of the Accounts in such manner as CES Capital (HK) may in its absolute discretion determine. CES Capital (HK) and any Affiliate of CES Capital (HK) (if applicable) are authorized to do all things as necessary in connection with any such disposal without any liability for any resulting or associated loss or expense. Without prejudice to the foregoing, Client shall not make any claim against CES Capital (HK) and/or such relevant Affiliate of CES Capital (HK) (if applicable) concerning the manner or timing of such disposal.
- 9.2 Where any such set-off or combination requires the conversion of one currency into another, such conversion shall be calculated at the rate of exchange (as determined by CES Capital (HK) and binding in all respects upon Client) utilized by CES Capital (HK) in CES Capital (HK)'s normal course of business for such currencies at the time of the combination or set-off.
- 9.3 Client shall deliver to CES Capital (HK) upon signing of the Account Opening Form an authorization letter in the form thereto duly signed and completed by Client for CES Capital (HK)'s use. Without prejudice to the said authorization letter, CES Capital (HK) is authorized (without prejudice to the other authorities granted to CES Capital (HK) hereunder):-
- 9.3.1 to instruct any Affiliate of CES Capital (HK) and any bank, deposit-taking company or other person, firm or company with whom or which Client may at any time maintain an account (a "Deposit Holder") to transfer on Client's behalf any funds standing from time to time in any account maintained at any time by Client with any Affiliate of CES Capital (HK) or any Deposit Holder to any of Client's accounts with CES Capital (HK) and/or to any account maintained at any time by Client with any Affiliate of CES Capital (HK); and/or
- 9.3.2 to transfer any funds standing from time to time in any account maintained by Client with CES Capital (HK) to any account maintained at any time by Client with any Affiliate of CES Capital (HK); and/or
- 9.3.3 to transfer and/or procure the transfer of any funds standing from time to time in any local account maintained by Client with any Deposit Holder, CES Capital (HK) and/or any Affiliate of CES Capital (HK) to any overseas account maintained at any time by Client with such Deposit Holder, CES Capital (HK) and/or any Affiliate of CES Capital (HK); and/or
- 9.3.4 to give any Affiliate of CES Capital (HK) and any Deposit Holder notice of such authority.
- 9.4 Without prejudice to any other powers, authorities, rights and remedies granted to CES Capital (HK) under this

Agreement, and until all the aforesaid obligations and liabilities of Client have been satisfied or discharged in full, CES Capital (HK) shall have a charge and/or lien on and be entitled to retain and withhold all of Client's monies, interests in any Futures/Options Contract or other property from time to time in the possession or control of CES Capital (HK) or any Affiliate of CES Capital (HK) whether the same be held for safe custody, margin trading or otherwise, and whether pursuant to this Agreement or otherwise, and CES Capital (HK) shall have the right and is irrevocably authorized as the agent of Client to take such measures at such times as CES Capital (HK) may in its sole discretion deem necessary to sell, dispose of or otherwise realize all such monies, (subject to applicable laws and regulations) interests in any Futures/Options Contract or other property from time to time in the possession or control of CES Capital (HK) or any Affiliate of CES Capital (HK) in or towards satisfaction or discharge of any of the aforesaid obligations and liabilities of Client.

- 9.5 Without prejudice to the foregoing, Client shall not make any claim against CES Capital (HK) and/or any Affiliate of CES Capital (HK) (if applicable) concerning the manner or timing of such disposal.

10. DEFAULT

- 10.1 CES Capital (HK) shall be entitled to exercise their powers under Clause 10.2 upon or at any time after the occurrence of any of the following Events of Default:
- 10.1.1 Non-payment: Client defaults in paying, further securing or satisfying on demand any monies or liabilities under this Agreement or any agreement between Client and any Affiliate of CES Capital (HK);
 - 10.1.2 Breach of representation: any statement, representation, warranty or undertaking made, repeated or deemed to have been repeated by Client in this Agreement or in any notice or other document delivered to CES Capital (HK) or any Affiliate of CES Capital (HK) in connection with this Agreement that is or proves to have been incorrect or misleading when made, repeated or deemed to have been repeated;
 - 10.1.3 Breach of other obligations: Client fails to perform or comply with any of its other obligations under this Agreement or any agreement between Client and any Affiliate of CES Capital (HK) and, if that failure is capable of remedy, does not remedy such failure to the satisfaction of CES Capital (HK) immediately following the giving of notice by CES Capital (HK) (or any Affiliate of CES Capital (HK)) requiring it to do so;
 - 10.1.4 Winding-up, etc.: where Client is a corporation:
 - 10.1.4.1 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 CES Capital (HK); or
 - 10.1.4.2 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
 - 10.1.4.3 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(30) days of being levied; or
 - 10.1.4.4 Client, without the consent in writing of CES Capital (HK), stops payment to creditors generally or (if applicable) Client (otherwise than for the purpose of such an amalgamation, merger or reconstruction as is referred to in Clause 10.1.4.1 above) ceases or threatens to cease to carry on its business or any substantial part thereof or be deemed, for the purposes of Section 178 of the Companies Ordinance (Cap. 32 of the Laws of Hong Kong), 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;
 - 10.1.5 Bankruptcy, etc.: 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;
 - 10.1.6 Material adverse change in Client's financial condition, etc.: there occurs a material adverse change in Client's business, assets or financial condition which would, in the opinion of CES Capital (HK), prevent or hinder or tend to prevent or hinder Client from performing in any material respect its obligations;
 - 10.1.7 Judgment or court order: 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;
 - 10.1.8 Incompetence, etc.: where Client is an individual, a sole proprietor or a partnership, a judicial declaration of incompetence or mental incapacity is made in respect of Client or any of the partners, or Client or any of the partners dies;
 - 10.1.9 Unlawfulness: where CES Capital (HK) in its sole opinion believes there may be a basis for suspicion that Client has engaged or may be engaging in any market malpractice or any other activity which is prohibited by any Laws or Regulatory Rules or applicable terms and conditions of whatsoever nature; or it shall become unlawful for Client to maintain the Account or to perform any of Client's obligations under this Agreement; or any authorization, consent, approval or license necessary for Client to continue the Account or to perform any of its obligation under this Agreement is withdrawn, restricted, revoked or otherwise ceases to be in full force and effect;
 - 10.1.10 Fraud, etc.: Client is convicted of an offence involving fraud, deception or dishonesty or any other serious criminal offence (other than a road traffic offence where a non-custodial sentence is imposed);
 - 10.1.11 Regulatory requirements: in the discretion of CES Capital (HK), the exercise by CES Capital (HK) of any powers conferred by Clause 10.2 is necessary for compliance with any Regulatory Rules or Laws;
 - 10.1.12 Suspension of the Account: the Account or the trading of any commodities or instruments in the Account is for whatsoever reason suspended;
 - 10.1.13 Illiquidity: in the absolute discretion of CES Capital (HK), there occurs market conditions (for example, illiquidity) or a situation that may make it difficult or impossible to effect relevant transactions or liquidate or offset relevant positions; and
 - 10.1.14 Others: in the sole discretion of CES Capital (HK), when it regards it to be otherwise necessary or appropriate e.g. due to margin requirements or otherwise.
- 10.2 Upon or at any time following any Event of Default, all amounts owing by Client to CES Capital (HK) shall become

- immediately payable on demand and CES Capital (HK), without notice to Client, may do any or more or all of the following in its discretion:
- 10.2.1 terminate all or any part of this Agreement and close the Account, or otherwise suspend operation of the Account;
 - 10.2.2 immediately require Client to repay or discharge any facility, if any;
 - 10.2.3 cancel any or all outstanding orders or any other commitments made on behalf of Client;
 - 10.2.4 close any or all contracts between CES Capital (HK) and Client, cover any short position of Client through the purchase of commodities on the relevant Exchange(s) or, liquidate any long position of Client through the sale of commodities on the relevant Exchange(s);
 - 10.2.5 sell or otherwise dispose of commodities held for Client to settle any liability owed by Client to CES Capital (HK) which remains after CES Capital (HK) has disposed of all client collateral for securing the settlement of that liability;
 - 10.2.6 combine or consolidate any or all accounts of Client and exercise right of set-off in accordance with this Agreement; and
 - 10.2.7 Close Out, close, liquidate and/or give up any or all positions of Client in the Account.
- 10.3 In the event of any Closing Out sale pursuant to Clause 10.2:
- 10.3.1 CES Capital (HK) shall not be responsible for any loss occasioned thereby howsoever arising if CES Capital (HK) has already used reasonable endeavors to sell or dispose of the commodities or any part thereof at the then available market price;
 - 10.3.2 CES Capital (HK) shall be entitled to appropriate to itself or sell or dispose of the commodities or any part thereof at the current price to CES Capital (HK) or any Affiliate of CES Capital (HK) without being in any way responsible for loss occasioned thereby howsoever arising and without being accountable for any profit made by CES Capital (HK) and/or any Affiliate of CES Capital (HK);
 - 10.3.3 any debit balance or margin deficiency in the Account resulting from Closing Out (including but not limited to Closing Out pursuant to Clause 10.2) shall be charged with (Client shall pay) interest thereon (after as well as before any demand or judgment) at such rate as CES Capital (HK) shall in its absolute discretion determine with reference to the prevailing market rate, the aforesaid interest rate may be changed by CES Capital (HK) in its absolute discretion, at any time and from time to time and without notice to and without consent from Client or any third party, Client undertakes to pay to CES Capital (HK) any deficiency if the net proceeds of sale shall be insufficient to cover all the outstanding balances owing by Client to CES Capital (HK) and Client agrees that CES Capital (HK) shall be entitled (but not be obliged), at any time and from time to time, without prior notice, to debit any Account with CES Capital (HK) and/or any other account(s) of Client with any Affiliate of CES Capital (HK) with any interest payable by Client in accordance with this Clause 10.3.3 and Client undertakes to, immediately upon demand by CES Capital (HK), do such act(s) and/or execute such document(s) as may be required by CES Capital (HK) at any time and from time to time in order to give full effect to each such debit; and
 - 10.3.4 it is understood that Client shall at all times be liable for the immediate payment of any debit balance owing in the Account howsoever caused and whether or not an Event of Default with respect to the Account has occurred and that Client shall be liable for the immediate payment of any deficiency remaining in the Account in the event the liquidation thereof in whole or in part by CES Capital (HK) or by Client. Any debit balance or deficiency in the Account shall be charged with (and Client shall pay) interest thereon (after as well as before any demand or judgment) at such rate as CES Capital (HK) shall in its absolute discretion determine with reference to the prevailing market rate. The aforesaid interest rate may be changed by CES Capital (HK) in its absolute discretion, at any time and from time to time and without notice to and without consent from Client or any third party. Client shall immediately settle, upon demand, all liabilities outstanding to CES Capital (HK), together with all costs of collection (including, without limitation, reasonable legal fees) on a full indemnity basis. Client agrees that CES Capital (HK) shall be entitled (but not be obliged), at any time and from time to time, without prior notice, to debit any Account with CES Capital (HK) and/or any other account(s) of Client with any Affiliate of CES Capital (HK) with any interest payable by Client in accordance with this Clause 10.3.4 and Client undertakes to, immediately upon demand by CES Capital (HK), do such act(s) and/or execute such document(s) as may be required by CES Capital (HK) at any time and from time to time in order to give full effect to each such debit.
- 10.4 Any proceeds of sale hereunder shall be applied in the following order of priority:
- 10.4.1 in satisfaction of all costs, levies, charges, expenses and payments (including, without limitation, legal or other professional fees, stamp duty, commission and brokerage) incurred by CES Capital (HK) on a full indemnity basis;
 - 10.4.2 in or towards the satisfaction of the amount secured by this Agreement whether principal or interest or otherwise in such order as CES Capital (HK) may in its discretion decide;
 - 10.4.3 in or towards the satisfaction of any other amount owing to CES Capital (HK) or any Affiliate of CES Capital (HK), and the surplus if any shall be paid to Client or to its order. If there is any deficiency after the sale, Client shall pay such deficiency to CES Capital (HK) without the need for any demand.
- 10.5 A declaration, determination or decision by CES Capital (HK) that the power of sale has become exercisable under this Clause 10 shall be conclusive evidence of that fact in favor of any purchaser or other person deriving title under the sale.
- 10.6 Without prejudice to any other provision of this Agreement, when CES Capital (HK) exercises any of CES Capital (HK)'s rights:
- 10.6.1 by closing or giving-up all or any positions in the Account; or
 - 10.6.2 by closing-out all or any positions or sale or purchase of commodities in any accounts which CES Capital (HK) or any Affiliate of CES Capital (HK) may carry on Client's behalf or maintain with Client, and such closing or giving-up or closing out or sale or purchase (in this Clause 10.6 referred to as "the transactions") may be made on an Exchange or market where the transactions are usually transacted or in such manner as shall be decided by CES Capital (HK).
 - 10.6.3 Client agrees that in respect of the transactions, CES Capital (HK) shall not be liable for any resulting loss.

Without prejudice to the foregoing, Client shall not make any claim against CES Capital (HK) concerning the manner or timing of the transactions. Client understands that in all cases, CES Capital (HK) has the right to exercise closing out or giving up without demand or notice. A prior demand or call or notice of such closing out or giving up shall not be considered as a waiver of CES Capital (HK)'s above-mentioned rights.

11. TRANSACTIONS CONDUCTED IN FOREIGN CURRENCY

- 11.1 In the event that any Transaction effected by CES Capital (HK) on behalf of Client involves conversion of currency, Client agrees that:
- 11.1.1. any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be entirely for Client's account and risk;
 - 11.1.2. any conversion from one currency to another required to be made for performing any action or step taken by CES Capital (HK) under this Agreement may be effected in such manner and at such time as it may in its absolute discretion decide; and
 - 11.1.3. when such a contract is liquidated and which is denominated in a currency other than that of the Account, CES Capital (HK) is authorized to debit or credit the Account in the currency in which such Account is denominated at a rate of exchange determined by CES Capital (HK) in CES Capital (HK)'s sole discretion on the basis of the then prevailing money markets rates of exchange between such currencies.

12. CLIENT'S ACCOUNT(S) AND CLEARING HOUSE ACCOUNT

- 12.1. All monies, securities and other properties received by CES Capital (HK) from Client or from any other person (including an Exchange clearing house) for Client's account shall be held by CES Capital (HK) as trustee, segregated from CES Capital (HK)'s own assets in the manner required by the Regulatory Rules and all monies, securities or other properties so held by CES Capital (HK) shall not form part of the assets of CES Capital (HK) for insolvency or winding up purposes but shall be returned to Client promptly upon the appointment of a provisional liquidator, liquidator or similar officer over all or any part of CES Capital (HK)'s business or assets. This Clause 12.1 does not apply to any money, securities or other property received by CES Capital (HK) from Client in connection with transactions where CES Capital (HK) deals with Client as principal.
- 12.2. Subject to Clause 12.1 and applicable Regulatory Rules, CES Capital (HK) shall be entitled to deposit or transfer any monies held in the Account(s) or received for or on the account of Client with or to or interchangeably between one or more segregated account(s) opened and maintained by CES Capital (HK) or any Affiliate of CES Capital (HK) in Hong Kong or elsewhere each of which shall be designated as a trust account or client account, at one or more authorized financial institution(s) and/or any other person(s) approved by the SFC for the purposes of section 4 of the Securities and Futures (Client Money) Rules (Cap 571I of the Laws of Hong Kong) and/or any other person(s) overseas.
- 12.3. Client hereby confirms and authorizes CES Capital (HK) that in the event that there is a credit balance accrued in the Account(s) which balance is in excess of the minimum margin requirements prescribed by an Exchange or any margin requirements as may from time to time be demanded by an Exchange (the "Margin Requirements"), CES Capital (HK) may at its sole discretion but is not obligated to (and always subject to the relevant rules and regulations of the Exchange) transfer from such Account(s) of Client the whole or part of any such amount in excess of the Margin Requirements into any account opened and maintained in a name referable to Client with such financial institution (whether in Hong Kong or elsewhere) as CES Capital (HK) or any Affiliate of CES Capital (HK) may in its absolute discretion think fit from time to time but subject to compliance with applicable Regulatory Rules.
- 12.4. CES Capital (HK) is hereby authorized to apply, in the manner specified under the relevant Regulatory Rules, any monies, approved debt securities or approved securities which CES Capital (HK) may have received from Client or from any other person (including the clearing house of an Exchange) and which are held in the manner specified under the relevant Regulatory Rules. In particular, CES Capital (HK) may apply such monies, approved debt securities or approved securities in or towards meeting CES Capital (HK)'s obligations to any party insofar as such obligations arise in connection with or incidental to F/O Contracts transacted on Client's behalf.
- 12.5. Client acknowledges that in respect of any account which CES Capital (HK) maintains with a clearing house of an Exchange, whether or not such account is maintained wholly or partly in respect of F/O Contracts transacted on Client's behalf and whether or not monies, approved debt securities and approved securities paid by Client have been paid to or deposited with the said clearing house, as between CES Capital (HK) and the said clearing house, CES Capital (HK) deals as principal and accordingly no such account is impressed with any trust or other equitable interest in favor of Client and monies, approved debt securities and approved securities paid to the said clearing house are thereby freed from the trust referred to in Clause 12.2 above.
- 12.6. Client authorizes CES Capital (HK) to withdraw from the Segregated Bank Account, the Segregated Debt Securities Account or the Segregated Securities Account and to apply any monies, any Approved Debt Securities or any Approved Securities paid or deposited by Client to CES Capital (HK) for the following manner:
- 12.6.1. properly required to meet obligations of CES Capital (HK) to the Clearing House, an executing agent or any other party arising in connection with or incidental to Futures Contracts or Options Contracts transacted by CES Capital (HK) on the instructions or behalf of Client, provided that no withdrawal may be made which would have the effect that Clearing House Margin requirements, variation adjustment or other applicable adjustment requirements, or trading liabilities in respect of Futures Contracts or Options Contracts conducted on behalf of Client are thereby financed by other clients' money;
 - 12.6.2. properly required to meet commission, brokerage, levies and other proper charges directly relating to Futures Contracts or Options Contracts transacted by CES Capital (HK) on the instructions of Client (whether or not payable to CES Capital (HK));
 - 12.6.3. to transfer monies to another Segregated Bank Account, to transfer Approved Debt Securities to another Segregated Debt Securities Account or to transfer Approved Securities to another Segregated Securities Account;
 - 12.6.4. to pay to or in accordance with the directions of Client but in such a case, notwithstanding Client's directions, no monies, no Approved Debt Securities and no Approved Securities may be paid or deposited into another account of CES Capital (HK) unless it is a Segregated Bank Account, a Segregated Debt Securities Account or

a Segregated Securities Account (as the case may be); and
12.6.5. CES Capital (HK)'s retaining of such amounts of interest derived from the holding of Client's money.

In particular, Client acknowledges that CES Capital (HK) may apply such monies, Approved Debt Securities or Approved Securities in or towards meeting CES Capital (HK)'s obligations to any party insofar as such obligations arise in connection with or incidental to all Futures/Options Contracts transacted on Client's behalf. Client agrees that unless otherwise agreed between Client and CES Capital (HK) and to the extent permitted by the Laws, all the interest derived from the holding of Client's money belongs to CES Capital (HK) who has right to retain all such interest.

- 12.7. Client, as beneficial owner, charges in favor of CES Capital (HK) by way of first fixed charge all securities, Commodities, Margin, or other properties from time to time deposited by or on behalf of Client with CES Capital (HK), or purchased for or otherwise being held in or by or under the order or control of CES Capital (HK) for the Account or any other account otherwise, including any and all rights, title and interest, present or future, therein (collectively, "Charged Assets") as continuing security for all of Client's liabilities and obligations due, owing or incurred towards CES Capital (HK) of whatever nature and from time to time (including without limitation the margin and delivery obligations arising from the futures and options positions of Client) and Client hereby assigns and releases to CES Capital (HK) all such securities, Commodities, Margin, or other properties. CES Capital (HK) is entitled to, without further notice, sell, realise or dispose of all or any of the Charged Assets at any time and in any manner which CES Capital (HK) deems expedient for discharge of any indebtedness of Client owing towards CES Capital (HK) if Client fails to comply with any terms of the Agreement or to pay any debts to CES Capital (HK).
- 12.8. Subject to applicable laws, rules and regulations, any monies received under this Agreement may in the discretion of CES Capital (HK) be placed and credited to a suspense amount and may be held such account for so long as CES Capital (HK) thinks fit without any obligation in the meantime to apply the same or any part of such monies in or towards discharge of any money or liabilities due or incurred by Client to CES Capital (HK) and CES Capital (HK) shall be entitled to prove against Client as if any amount standing to the credit of any such account had not been so received.

13. NOMINEE ARRANGEMENTS

- 13.1. Subject to Clauses 12.1 and 12.2 above and applicable Regulatory Rules, CES Capital (HK) shall be entitled (and is hereby authorized), at any time and from time to time, to deposit or transfer any property (including, without limitation, any F/O Contract) of Client ("Property" for the purposes of this Clause 13 only) with or to or interchangeably between any banker(s), institution(s), custodian(s), clearing house(s), intermediary(ies) and/or other person(s) (whether any such banker, institution, custodian, clearing house intermediary or other person is in Hong Kong or elsewhere) and/or register or re-register any Property in the name of CES Capital (HK), any Affiliate of CES Capital (HK) or any nominee appointed or agreed by CES Capital (HK) (whether such nominee is a person in Hong Kong or elsewhere) and/or cancel any such registration.
- 13.2. If any Property is registered in the name of a nominee for Client ("Nominee"), whether or not such Nominee is an Affiliate of CES Capital (HK), Client agrees as follows:
- 13.2.1. that the Nominee shall have no liability (in negligence or otherwise howsoever) for failure to forward to Client any notice, information or other communication in respect of such Property;
- 13.2.2. that 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 such Property without the need to consult or notify Client beforehand and without being in any way liable therefor and Client shall indemnify the Nominee for all losses, costs, claims, liabilities and expenses incurred by the Nominee and arising directly or indirectly from any action taken or not taken by the Nominee in good faith;
- 13.2.3. 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 CES Capital (HK) sees fit from any monies standing to Client's credit in any account with CES Capital (HK) and/or any Affiliate of CES Capital (HK) and until payment the Property held by the Nominee is subject to a lien in favor of the Nominee for the amount(s) concerned and such lien shall be in addition and without prejudice to other rights of the Nominee; and
- 13.2.4. that the Nominee may act on the instructions of any one Authorized Person or Authorized Third Party.

14. INFORMATION GIVEN TO CLIENT

- 14.1. CES Capital (HK) may provide financial market data, quotes, news, research or other information, including graphic images (collectively, the "Information"), to Client by means of hardcopy, conversation, Electronic Media, website operated by CES Capital (HK) or otherwise (no matter in writing or verbally). Client acknowledges that the rights in the Information are the property of CES Capital (HK) and its Affiliates, the information providers or the licensors (the "Information Providers") and are protected by applicable copyright and other intellectual property laws and Client is allowed to use the Information on the agreement of not engaging in any actions which may infringe the rights of the Information Providers.
- 14.2. Client acknowledges that none of the Information Providers makes any representation or warranty of any kind (including but not limited to warranties of merchantability or fitness for any particular use) and does not guarantee the timeliness, sequence, accuracy, adequacy or completeness of the Information. In particular owing to market volatility and possible delay in data-transmission process, the market data containing in the Information may not be real-time market quotes for the relevant products. Whilst CES Capital (HK) believes such data to be reliable, it has no independent basis to verify the accuracy or completeness of the Information provided. No recommendation or endorsement from CES Capital (HK) shall be inferred from such data.
- 14.3. Client acknowledges that the Information is provided for informational purpose only and should not be used as a basis for making business, investment or any kind of decision and the Information Providers do not accept any responsibility or liability for any loss or damage howsoever arising from any person acting or refraining from acting in reliance on the Information.

15. DISCLOSURE OF INFORMATION

- 15.1. Client warrants and undertakes to CES Capital (HK) that all information provided by Client from time to time in, under or pursuant to this Agreement is and will be accurate, complete and up-to-date. Client shall notify CES Capital (HK) forthwith of any change to such information. CES Capital (HK) shall be entitled to rely fully on all such information for all purposes until CES Capital (HK) is notified to the contrary in writing and any such written notification shall be duly signed by Client. Client understands and accepts that notwithstanding anything to the contrary which may be contained in this Agreement, any change to any such information shall not take effect until five (5) days after the actual receipt by CES Capital (HK) of the relevant written notification or until such shorter period of time as may be agreed by CES Capital (HK) in writing.
- 15.2. CES Capital (HK) shall notify Client of any material change to the information relating to CES Capital (HK) provided in, under or pursuant to this Agreement.
- 15.3. Client shall immediately on demand by CES Capital (HK) at any time and from time to time supply to CES Capital (HK) such financial and/or other information in connection with the subject matter of this Agreement, Client and/or the compliance of any Laws or Regulatory Rules as CES Capital (HK) may reasonably require. Client agrees that CES Capital (HK) may conduct a credit enquiry or check on Client for the purpose of ascertaining the financial situation of Client.
- 15.4. CES Capital (HK) may provide any information supplied by or relating to Client and/or any contract and/or any transaction and/or the Account to any Regulator or other person to comply with the lawful requirements or requests (whether such requirements and requests are mandatory or otherwise) or otherwise where in CES Capital (HK)'s sole discretion, it deems it appropriate in the circumstances. Without limiting the foregoing, relevant information may be disclosed if there is reasonable ground for CES Capital (HK) to suspect that any Client may have committed a material breach or infringement of, or may not have complied with, any market misconduct provisions in Part XIII or XIV of the Securities and Futures Ordinance.
- 15.5. If Client shall at any time open one or more accounts with members of the HKFE other than CES Capital (HK) for the purpose of carrying out transactions relating to F/O Contracts, and Client's number of open F/O Contracts in aggregate amounts to a "Large Open Position", as determined by the board of the HKFE ("Board"), Client shall report to CES Capital (HK) immediately of such "Large Open Position" and provide CES Capital (HK) with such information as CES Capital (HK) may require in connection therewith, Client hereby confirms and acknowledges that CES Capital (HK) is obliged to report information relating to Client's "Large Open Position" to the HKFE as required by Rule 628 of the Rules of the HKFE and Client hereby consents to the release of such information by CES Capital (HK) to the HKFE.
- 15.6. CES Capital (HK) is subject to the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) which regulates the use of personal data concerning individuals. CES Capital (HK)'s policies and practices relating to the use of personal data are set out in Schedule II to this Agreement.
- 15.7. Client acknowledges that any failure, delay or refusal to provide relevant information to CES Capital (HK) would constitute a breach, and that in accordance with Clause 17, Client will fully indemnify CES Capital (HK) for such breach.
- 15.8. Client represents and warrants to CES Capital (HK) that Client has taken all action necessary to authorize the disclosure to CES Capital (HK) and other persons permitted hereunder of all information (including, without limitation, personal data as defined in the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) from time to time provided to CES Capital (HK) by or for Client in, under or pursuant to this Agreement and the use of such information for the purpose of this Agreement and/or any contract(s) and/or transaction(s) contemplated hereunder and/or the Account. This representation and warranty are taken to be also made by Client on each date that any information is provided to CES Capital (HK).

16. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 16.1 Client represents, warrants and undertakes to CES Capital (HK) (in this Clause 16, referred to as the "Warranties") that:
 - 16.1.1. Client is not, or in the case where Client is a company or body corporate, none of its officers are employed by any exchange, board of trade or Clearing House, or by any corporation of which any exchange owns a majority of the share capital, or (unless written consent to such trading is filed with CES Capital (HK)) employed by a member of any exchange or by a firm registered on any exchange.
 - 16.1.2. in addition, except as disclosed in writing :
 - 16.1.2.1. no one (other than any person named in the Account Opening Form as account holder, partner, beneficial owner or beneficiary) has an interest in the Account;
 - 16.1.2.2. Client has determined that trading in Futures/Options Contracts is for the benefit of and appropriate for Client, is prudent in all respects and does not and will not violate any statute, rule, regulation, judgment, or decree, agreement or undertaking to which Client is subject or bound;
 - 16.1.3. where Client is a corporation, it has been duly incorporated or established in accordance with all applicable laws and regulations and has the corporate power to enter into and perform this Agreement and has taken all necessary corporate and other action to authorize this Agreement upon these terms and conditions;
 - 16.1.4. no consent or authority of any person (except, in the case of a corporate client, as already obtained as contemplated in Clause 16.1.3) is required for Client to enter into this Agreement including without limitation the power of borrowing and giving security over its assets, or as the case may be, Client has obtained all such necessary consent or authority (including without limitation, consent from its employer where applicable);
 - 16.1.5. the entering into by Client of this Agreement or any trading or borrowing activity in connection with this Agreement will not place Client in breach of the terms of any other arrangement or document (including any constitutional documents such as Client's memorandum and articles of association if Client is a corporation

- and/or deed of trust if Client is a trustee or trust corporation), any staff dealing policies or rules of its employer (if any) or of any obligations under general law or imposed by Regulatory Rules; and Client undertakes to fully comply all relevant Laws, Regulatory Rules, terms, policies and rules;
- 16.1.6. no Event of Default or Potential Event of Default has occurred and is continuing;
- 16.1.7. no money, securities or other property received by CES Capital (HK) from Client in connection with this Agreement is subject to any restrictions on transfer or assignment, any lien, claim, charge or encumbrance or any other interest of any third party (other than a lien routinely imposed on all securities in a relevant clearance system);
- 16.1.8. Client has not taken any action nor has any step been taken or legal proceeding been started or threatened for the bankruptcy or liquidation of Client. Nor has Client entered into a compromise or scheme of arrangement with its creditors;
- 16.1.9. Client acknowledges that it is Client's duty to ascertain Client's nationality, citizenship, domicile or similar status. Client undertakes not to deal in, purchase or subscribe for any F/O Contracts, commodities or investments which by virtue of Client's status or other characteristics Client is prohibited to deal in, purchase or subscribe. Client has taken all necessary professional advice including legal, accounting, estate planning or tax advice relating to its tax or other liability under any relevant jurisdiction and Client has not relied in any way on CES Capital (HK) relating to any of Client's instructions or orders in respect of dealing in, purchase of or subscription in any F/O Contracts, commodities or investments; and
- 16.2 Client further warrants and represents to CES Capital (HK) that each of the Warranties is true, accurate and not misleading.
- 16.3 Client acknowledges that CES Capital (HK) has entered into this Agreement on the basis of, and in reliance on, the Warranties. The Warranties are deemed to be repeated on each day up to and including the termination of this Agreement.

17. LIABILITY AND INDEMNITY

- 17.1 Neither CES Capital (HK) nor any of its officers, employees or agents shall have any liability whatsoever (save in the case of gross negligence, wilful default or fraud) for any loss, expense or damage suffered by Client as a result of (a) CES Capital (HK) acting or relying on any instruction given by Client; or (b) CES Capital (HK) failing to perform its obligations hereunder by reason of any cause beyond CES Capital (HK)'s control including any 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 and/or Clearing House and/or broker and/or any other person, firm or company whatsoever to perform its obligations; or (c) any relevant exchange and/or Clearing House and/or broker ceasing for any reason to recognize the existence of any Futures Contract or Options Contract entered into by CES Capital (HK) on behalf of Client or failing to perform or close out any such contracts provided that such cessation or failure shall not affect Client's obligations hereunder in respect of any such contracts or other obligations or liabilities of Client arising therefrom.
- 17.2 Without limiting the generality of Clause 17.1 above, neither CES Capital (HK) nor any of its officer, employees or agents shall have any liability whatsoever (save in the case of gross negligence, wilful default or fraud) for any loss, expense or damage suffered by 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 Client to CES Capital (HK).
- 17.3 Client undertakes to fully indemnify and keep indemnified CES Capital (HK), its officers, employees, agents and Affiliates in respect of any costs, demands, damages and expenses whatsoever which may be suffered or incurred by CES Capital (HK), its officers, employees, agents and Affiliates directly or indirectly arising out of or in connection with any Futures Contract or Options Contract entered into by CES Capital (HK) as agent on behalf of Client or otherwise whatsoever or howsoever arising out of any action by CES Capital (HK), its officers, employees, agents and Affiliates in accordance with the terms of this Agreement. Client also agrees to pay promptly to CES Capital (HK) all damages, costs and expenses (including legal expenses on a full indemnity basis) incurred by CES Capital (HK), its officers, employees, agents and Affiliates in the enforcement of any of the provision of this Agreement.
- 17.4 If any claim is made against CES Capital (HK) or Client in connection with this Agreement, CES Capital (HK) may, without prejudice to Clause 17.1 above, take any such steps at its sole discretion, including the withholding of payment or delivery to Client of any money or commodities.

18. CES CAPITAL International (Hong Kong)'S ROLE, MATERIAL INTERESTS AND CONFLICTS OF INTERESTS

- 18.1 CES Capital International (Hong Kong)'s role
CES Capital (HK) may act as principal or as agent in relation to any transaction undertaken by CES Capital (HK) pursuant to this Agreement. Client is fully aware and hereby agrees that CES Capital (HK) may, subject to the applicable Laws and Regulatory Rules, contract as a principal in any transaction entered into between CES Capital (HK) and Client under this Agreement.
- 18.2 Material interests and conflicts of interest
Circumstances may arise in which CES Capital (HK), an Affiliate of CES Capital (HK) or one of their respective officers, employees or agents (each, a "Relevant Party") has a material interest in a transaction with or for Client or where a conflict of interest arises between Client's interests and those of other clients or counterparties or of itself. However, if CES Capital (HK) acts in circumstances where it has a material interest or conflict of interest, CES Capital (HK) will take reasonable steps to ensure Client is treated fairly. CES Capital (HK) may, in its discretion, without giving any reason therefor, without notice and without incurring any liability of any nature to Client or any third party, decline to act for Client in such circumstances. Material interests and conflicts of interest that may arise include, without limitation, the matters described in the following :
- 18.3 CES Capital (HK) may make recommendations with respect to, effect or arrange a transaction with Client or on Client's behalf or for the Account in relation with which a Relevant Party may have direct or indirect material interests. In

- particular, a Relevant Party may:
- 18.3.1. deal with Client as principal for its own account;
 - 18.3.2. deal with Client as agent for both Client and for any other person;
 - 18.3.3. match any order by Client with the order of any other person, receiving, in some cases, a fee or commission from that other person;
 - 18.3.4. otherwise make a profit in respect of a transaction pursuant to this Agreement; and
 - 18.3.5. recommend that Client buy or sell an investment in which the Relevant Party has a long or short position.
- 18.4 In addition, a Relevant Party may also:
- 18.4.1. have interests or act as an adviser to clients in investment banking, financial advisory, underwriting, asset management and other capacities;
 - 18.4.2. issue, underwrite or act in a proprietary capacity, as a market maker (or “principal trader”) or liquidity provider, or for other clients in relation to investments of all types including those in which the Account or Client may invest or deal;
 - 18.4.3. give advice to, and take action in relation to, any of its clients, companies or proprietary accounts that differs from advice given to Client, or involves different timing or actions taken;
 - 18.4.4. make a market in and have a position in an investment held, purchased or sold for the Account; and
 - 18.4.5. have an interest in, or serve as a director of, any company in which the Account or Client may invest or deal.
- 18.5 CES Capital (HK) may use any information Client provides in relation to an instruction or transaction to facilitate its execution and can take account of it in managing its market making positions or otherwise limiting the risks to which it is exposed in the course of its market making activities. In particular, where that information relates to a proposed transaction for which Client has asked CES Capital (HK) to quote terms, and in which CES Capital (HK) would commit its capital, CES Capital (HK) may also use that information to enter into transactions for the purpose of executing the proposed transaction (or facilitating such execution) on terms that are competitive in the market at that time. Such transactions could be at a different price from the price at which CES Capital (HK) executes Client’s transaction or instruction, which could result in CES Capital (HK) making a profit or loss. The effect of these and other trading activities of CES Capital (HK) may be to increase the market price of investments Client is buying or decrease the market price of investments Client is selling.
- 18.6 Subject to applicable Laws, CES Capital (HK) is not under any obligation to:
- 18.6.1. disclose that any Relevant Party has a material interest in a particular transaction with or for Client or that a conflict of interest or a conflict of duty has arisen or may arise, although CES Capital (HK) will generally manage such conflicts to ensure, with reasonable confidence, that risks of damage to Client’s interests will be prevented; or
 - 18.6.2. account to Client for any profit, commission or remuneration made or received in connection with transactions or circumstances in which a Relevant Party has a material interest, where a conflict of interest or a conflict of duty arises, or otherwise.
- 18.7 Client agrees and acknowledges that CES Capital (HK) may receive from, pay to or share with third parties (including any Affiliate of CES Capital (HK)) fees, commissions or other benefits. The amount or basis of any such fee, commission or other benefit will be disclosed to Client to the extent required by applicable Laws, and such disclosure may be in summary form only.
- 18.8 CES Capital (HK) may recommend to Client the services of (and may introduce Client to) any person (which may include a Relevant Party). These persons may not be regulated or subject to applicable Laws or Regulatory Rules for the protection of investors, including such rules and regulations in respect of clients’ money held or received for clients by such persons, and accordingly such money may not be protected as effectively as if such rules and regulations applied.
- 18.9 No fiduciary relationship
- Client and CES Capital (HK) acknowledge that neither:
- 18.9.1. the relationship between CES Capital (HK) and Client;
 - 18.9.2. the services to be provided under this Agreement; nor
 - 18.9.3. any other matter,
- gives rise to any fiduciary or equitable duties on CES Capital (HK)’s part in favor of Client. In particular, there are no duties which would oblige CES Capital (HK) (or any other Relevant Party) to accept responsibilities more extensive than those set out in the Agreement or which would prevent or hinder CES Capital (HK) (or any other Relevant Party) in carrying out any of the activities contemplated by this Agreement.

19. MISCELLANEOUS

19.1 CES Capital (HK)’s right to report

Without prejudice to any right or obligation that CES Capital (HK) may have under the Laws, Client acknowledges CES Capital (HK)’s unfettered discretion to report all and any suspicious trading conduct or account irregularity and to disclose relevant information (without prejudice to Clause 15.4) or other relevant matter to any Regulator(s), authority(ies) or the issuer of the financial product concerned. Client shall not challenge any decision to make such report, or attempt to hold CES Capital (HK) responsible for resulting action against or loss incurred by Client. Client undertakes to provide CES Capital (HK) with such information as lawfully requested by CES Capital (HK) within one(1) Business Day of such request. Further, CES Capital (HK) may in its sole discretion suspend the operation of the Account or decline to act on any instruction without incurring any liability whatsoever to Client or any other person for any claim, loss, proceeding or expense howsoever related to CES Capital (HK)’s suspension of the Account or its delay or refusal to act upon any instruction relating to the Account.

19.2 Client’s obligation

19.2.1 Client undertakes to do and execute any act, deed, document or thing which CES Capital (HK) may require in connection with the implementation, execution and enforcement of the terms of this Agreement. Client irrevocably appoints CES Capital (HK) as its attorney to do and execute any act, deed, document and thing

which it undertakes to do or execute under this Agreement but fails to do or execute upon the request of CES Capital (HK).

- 19.2.2 If Client suspects that a fraud or an irregularity may have occurred with respect to the Account, it shall notify CES Capital (HK) of the same in writing immediately.

19.3 Joint account

- 19.3.1 Where the Account is a joint account, unless otherwise stated in the Account Opening Form, CES Capital (HK) may accept instructions from any of the joint 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. CES Capital (HK) has no obligation to inquire into the purpose or propriety of any instruction given or to see to the application of any funds delivered by Client or any or more of the joint account holders in respect of the Account. CES Capital (HK) shall be at liberty to release or discharge any of the joint account holders from his/her liability hereunder or to accept any proposition from or make other arrangements with any of the joint account holders without releasing or discharging the obligations of the other or others or otherwise prejudicing or affecting the rights and remedies of CES Capital (HK) against the other or others and none of the joint account holders nor shall this Agreement be released or discharged by the death of any one of them.
- 19.3.2 Any Confirmation, report, notice or communication given to any joint account holder in accordance with this Agreement shall be deemed to have been duly given to all joint account holders unless: (i) Client's correspondence address has been provided in the Account Opening Form, in which case, any such Confirmation, report, notice or communication shall be sent to that correspondence address or such other correspondence address as subsequently notified to CES Capital (HK) in accordance with this Agreement; or (ii) Client has requested and CES Capital (HK) has accepted that all Confirmations shall be sent to the email addresses of all joint account holders, being the last notified email addresses on CES Capital (HK)'s records and in such case, all Confirmations shall be so given. Any Confirmation, report, notice or communication given by CES Capital (HK) pursuant to the foregoing shall be deemed to have been received by all joint account holders and shall be binding on all of them.
- 19.3.3 The joint account holders each acknowledge and agree that if any one of them should die,
- 19.3.3.1 the surviving joint account holder(s) should immediately notify CES Capital (HK) in writing of the death;
- 19.3.3.2 CES Capital (HK) is to pay or deliver to or to the order of the surviving joint account holder(s) any moneys, investments, property, instruments and/or documents standing to the credit of or held for the Account, without prejudice to any right CES Capital (HK) may have in respect of the same arising out of any set-off, counterclaim, lien, charge, pledge or otherwise whatsoever or to any step which CES Capital (HK) may deem it desirable to take in view of any third party claims thereto and/or for protecting the interest of CES Capital (HK) and/or any Affiliate of CES Capital (HK) and CES Capital (HK) shall be entitled to require the surviving joint account holder(s) to give and/or sign such document(s) as prescribed by CES Capital (HK) before releasing any money, investment, property, instrument or document to or to the order of such survivor(s); and
- 19.3.3.3 CES Capital (HK) shall not in any circumstances be liable in any way for any claim, loss, damages, liability, cost, expenses or whatsoever suffered or incurred by any person or entity (including, without limitation, the surviving joint account holder(s)), directly or indirectly, arising from or in connection with any action or inaction taken or chosen by CES Capital (HK) pursuant to Clause 19.3.3.2 or any breach of this Clause 19.3.3 by any of the joint account holders; and the joint account holders each agree to indemnify CES Capital (HK) against all claims, losses, damages, liabilities, costs, expenses and whatsoever suffered or incurred by CES Capital (HK), directly or indirectly, arising from or in connection with any action or inaction taken or chosen by CES Capital (HK) pursuant to Clause 19.3.3.2 or any breach of this Clause 19.3.3 by any of the joint account holders.

19.4 Undertakings by Intermediary

If Client is an intermediary specified in section 18(3) (excluding section 18(3)(b)) under Part 2, Division 4 of Schedule 2 of the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance ("Specified Intermediary") and operates and manages the Account for its own client(s) (whether on a discretionary or non-discretionary basis) or otherwise for the transaction(s) with its own client(s), Client agrees to the following terms:

- 19.4.1 Client confirms that it is a Specified Intermediary;
- 19.4.2 In respect of each of its own client(s) for whom or for whose transaction(s) the Account is operated and managed, Client consents to be CES Capital (HK)'s intermediary to carry out for CES Capital (HK) the customer due diligence ("CDD") measure(s) as stated in the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance ("AMLO") and applicable regulatory requirements issued by the SFC from time to time and unless otherwise agreed by CES Capital (HK) in writing, Client shall carry out all the aforesaid CDD measures for CES Capital (HK);
- 19.4.3 Client shall on request provide to CES Capital (HK) a copy of any document, or a record of any data or information, obtained by Client in the course of carrying out the aforesaid CDD measure(s) for CES Capital (HK) without delay;
- 19.4.4 In relation to each transaction it carries out for the Account, Client shall, if requested by CES Capital (HK) within a period of six(6) years (beginning on the date on which the transaction is completed, regardless of whether any relevant Business Relationship (defined in section 1(1) under Part 1 of Schedule 2 of the AMLO) ends during that period) or such longer period of time as imposed by the SFC and notified by CES Capital (HK) to Client from time to time, provide to CES Capital (HK) a copy of any document, or a record of any data or information obtained by Client in the course of carrying out the aforesaid CDD measure(s) for CES Capital (HK) as soon as reasonably practicable after receiving the request;
- 19.4.5 In relation to each of its own client(s) for whom or for whose transaction(s) the Account is operated and managed by Client, Client shall, if requested by CES Capital (HK) (i) during the continuance of the Business Relationship with the client or within a period of six(6) years beginning on the date on which the relevant Business Relationship ends; or (ii) within such longer period of time as imposed by the SFC and notified by CES Capital (HK) to Client from time to time, provide to CES Capital (HK) a copy of any document, or a record of any data or information, obtained by Client in the course of carrying out the aforesaid CDD

- measure(s) for CES Capital (HK) as soon as reasonably practicable after receiving the request;
- 19.4.6 In relation to each transaction it carries out for the Account or in relation to each of its own client(s) for whom or for whose transaction(s) the Account is operated and managed by Client, Client shall keep all the documents, records, data and information referred to in the above paragraphs of this Clause 19.4 for so long as the Business Relationship(s) with any relevant client(s) remain(s) subsisting (regardless of whether the Business Relationship(s) with any other relevant client(s) has/have already ended) and for a period of six(6) years beginning on the date on which the relevant Business Relationship or the last relevant business Relationship (if more than one client) ends. If a longer period of time is imposed by the SFC, all such documents, records, data and information shall be kept by Client for such longer period of time as notified by CES Capital (HK) to Client from time to time and Client must keep all such documents, records, data and information in accordance with the AMLO;
- 19.4.7 If Client is about to cease trading or does not wish to continue to act as CES Capital (HK)'s intermediary to carry out the aforesaid CDD measure(s) for CES Capital (HK), Client shall give CES Capital (HK) sixty(60) days' written notice in advance and shall provide to CES Capital (HK) all the documents, records, data and information referred to in the above paragraphs of this Clause 19.4 without delay;
- 19.4.8 If CES Capital (HK) terminates its appointment of Client as its intermediary to carry out the aforesaid CDD measures(s) for CES Capital (HK) in respect of any client(s) of Client, Client shall immediately provide to CES Capital (HK) all the documents, records, data and information referred to in the above paragraphs of this Clause 19.4 and in respect of such client(s);
- 19.4.9 If there is any legal or regulatory requirement (other than those stated in the AMLO or issued by the SFC) in respect of the aforesaid CDD measure(s) carried out by Client for CES Capital (HK) and/or any documents, records, data and/or information referred to in the above paragraphs of this Clause 19.4 and/or the keeping of the same, Client shall also comply with such legal or regulatory requirement;
- 19.4.10 To the extent that any provisions of the AMLO, or of the regulatory requirements issued by the SFC from time to time, in respect of the aforesaid CDD measure(s) carried out by Client for CES Capital (HK) and/or any documents, records, data and/or information referred to in the above paragraphs of this Clause 19.4 and/or the keeping of any such documents, records, data and/or information are not expressly incorporated in this Agreement, the same shall be incorporated by reference in this Agreement. The provisions of the AMLO, and of the regulatory requirements issued by the SFC from time to time, in respect of the aforesaid CDD measure(s) carried out by Client for CES Capital (HK) and/or any documents, records, data and/or information referred to in the above paragraphs of this Clause 19.4 and/or the keeping of any such documents, records, data and/or information shall prevail over the provisions of this Clause 19.4. Notwithstanding anything in this Agreement or any other document, Client shall comply with all legal and regulatory requirements (as amended from time to time) in respect of the aforesaid CDD measure(s) carried out for CES Capital (HK) (including, without limitation, the relevant record-keeping requirements); however, nothing in the foregoing shall, in any way, affect any obligation of CES Capital (HK) stated in section 18(2) under Part 2, Division 4 of Schedule 2 of the AMLO; and
- 19.4.11 In this Clause 19.4, (i) words not defined shall have the meanings ascribed to them in the AMLO or applicable regulatory requirements issued by the SFC from time to time unless the context requires otherwise; and (ii) regulatory requirements issued by the SFC from time to time include, without limitation, the requirements contained in the Guideline on Anti-Money Laundering and Counter-Terrorist Financing.

19.5 Omnibus Account

Client warrants and undertakes to CES Capital (HK) that if the account which Client open with CES Capital (HK) is to be operated for a client or a number of clients of Client and not Client itself ("Omnibus Account"), Client shall notify CES Capital (HK) of the same and shall at all times meet the following requirements.

- 19.5.1 Client shall provide materials regarding his financial status to CES Capital (HK) when necessary and report to CES Capital (HK) his inability or likely inability to pay off his debts as well as his misconducts which have influenced or is likely to influence HKFE's reputation;
- 19.5.2 Client hereby warrants that it is authorized under the Ordinance or the laws of its jurisdiction to operate an omnibus account and shall inform CES Capital (HK) whether it is a dealer registered under the Ordinance or under the laws of its relevant jurisdiction;
- 19.5.3 If Client is not a member of the HKFE, then the following requirements shall be met.:
- 19.5.3.1 In Client's dealings with the person(s) from whom Client receives instructions with respect to the Omnibus Account, Client shall comply with and enforce the margin and variation adjustment requirements and procedures as stipulated in the Rules of the HKFE and the rules of the clearing house of the HKFE as though Client were a member of the HKFE and as though the person(s) for whose account or benefit such instructions are given were the "Clients" as defined in the Rules of the HKFE;
- 19.5.3.2 Client shall cause Exchange Contracts (as defined in the Rules of the HKFE) to be entered into in fulfillment of such instructions so that there shall in no circumstances be any dealing with the instructions in a manner which constitutes unlawful dealing in differences in market quotations of commodities or in a manner which constitutes or involves betting, wagering, gaming or gambling with respect to such items;
- 19.5.3.3 Client imposes the requirements of Clauses 19.5.3.1, 19.5.3.2 and 19.5.3.3 upon, and ensure that they are complied with by, the person(s) from whom Client receives instructions.
- 19.5.4 Client shall disclose detailed information of the ultimate beneficiary and the person or entity ultimately responsible for originating instructions about transactions of the account to CES Capital (HK) upon request. Client shall also disclose other information required by HKFE, SFC, exchanges or other regulatory authorities to CES Capital (HK) from time to time. Client acknowledges that if the aforesaid disclosure requirement is not met, CES Capital (HK) may close partial or all of the open positions held by CES Capital (HK) on behalf of Client. CES Capital (HK) may also impose margin surcharge on the open positions of Client if it considers it appropriate.
- 19.5.5 Client hereby agrees to be supervised by CES Capital (HK) in the same way that CES Capital (HK) is supervised by HKFE as an exchange participant. Client shall make best efforts to provide all related information and carry out all necessary measures to ensure CES Capital (HK) is in compliance with the

rules of related exchanges and clearing houses concerning the operation of the omnibus account.

19.5.6 To avoid doubt, Client shall maintain separate accounts for each of its clients and in no circumstances offset one client's positions with that of another client.

19.6 Client's authorization

Where Client has an account with any Affiliate of CES Capital (HK) and instructs CES Capital (HK) to obtain cash, commodities and/or other property from such account, Client authorizes CES Capital (HK), on behalf of Client, to request such Affiliate of CES Capital (HK) to release such cash, commodities and/or other property to CES Capital (HK).

19.7 Client's representation

Client acknowledges that CES Capital (HK) 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 own independent legal and other professional advisers. Client declares that Client has read and understood the contents of the Option Information Statement, Disclaimer in Relation to Trading of Stock Index Futures Contracts, Disclaimer in Relation to Trading of Stock Index Option Contracts and the HKFE Disclaimer, which have been fully explained to him in a language he understands.

19.8 Waiver

19.8.1 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 thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. No waiver by CES Capital (HK) shall be effective unless it is in writing. The rights and remedies of CES Capital (HK) are cumulative and not exclusive of any rights or remedies provided by the Laws.

19.8.2 Client acknowledges that no act, omission to act or forbearance by CES Capital (HK) or any of its employees, servants or agents shall be, or be deemed to be, a waiver by CES Capital (HK) of any rights against Client or against Margin, or any assets of Client on hand with CES Capital (HK).

19.9 Assignment

Client shall not assign any rights or obligations under this Agreement or any Futures/Options Contract of Client without prior consent of CES Capital (HK). Subject to the provisions of the SFO and any applicable law, CES Capital (HK) may assign any rights or obligations under this Agreement to another person after written notice to Client. All the provisions of this Agreement shall survive any changes or successions in CES Capital (HK)'s business and shall be binding, where Client is a corporation upon its successors, where Client is a partnership upon the partners and their personal representatives, and where Client is an individual upon his personal representatives.

19.10 Force majeure

In the event of war, terrorism, revolution, insurrection, restraint of rulers, military disturbances, riot, civil commotion, civil disobedience or other similar action involving any country, strike or lockout or stoppage or restraint of labour, seizure or confiscation of assets or other governmental action having a similar effect, any imposition of currency exchange control or restraint of capital movement or transmission by any government, any "Act of God", epidemic, pandemic, vandalism, disruption of the operation of any Exchange, breakdown of computer systems and/or communication facilities, or any other similar event outside the control of CES Capital (HK) which hinders or prevents the performance by CES Capital (HK) of its obligations under this Agreement (an "event of force majeure"), then CES Capital (HK) may, as an alternative to any performance otherwise required, at its absolute discretion either (a) postpone its performance until the event of force majeure no longer has such effect or (b) where any delivery or payment is required, provide or require a cash settlement based upon the prevailing price of the commodity or instrument relevant to such settlement on the second business day prior to the occurrence of the event of force majeure; such prevailing price being conclusively determined by CES Capital (HK). CES Capital (HK) shall not be responsible or held liable for any loss suffered by Client arising out of or in connection with an event of force majeure. Client agrees to bear solely the risk of such event of force majeure.

19.11 Notice

19.11.1 Any confirmation, report, notice or communication to be made or given to Client shall be in writing and may be sent by ordinary post to its address stated in the Account Opening Form, or by facsimile transmission or electronic means (including through the E-Service, as defined in Schedule III) to the fax number or e-mail address stated in the Account Opening Form (or to such other address, fax number, or e-mail address as subsequently notified by Client in writing in accordance with this Clause 19.11). Any notification so given shall be deemed to have been received forty-eight (48) hours after dispatch if sent by post or at the time of transmission if given by facsimile or electronic means.

19.11.2 CES Capital (HK) may also give notice to Client by telephone on the telephone number given in the Account Opening Form or on such other number as Client shall notify CES Capital (HK) in writing. All notifications so given to Client shall be deemed to have been received instantaneously if given by telephone.

19.11.3 In all cases if any notice or communication of whatsoever nature is given or delivered to CES Capital (HK), it shall only be deemed to have been given or delivered to CES Capital (HK) on the business day of actual receipt by it.

19.12 Amendment and termination

19.12.1 CES Capital (HK) may, at its absolute discretion and without giving reasons, suspend or terminate the Account and at any time cease to act on Client's behalf. Upon termination or suspension of the Account, all monies owing from Client to CES Capital (HK) shall immediately become due and payable and Client shall immediately repay such monies to CES Capital (HK).

19.12.2 Client agrees that the terms of this Agreement may be amended by CES Capital (HK) from time to time, at its discretion, by notice in writing from CES Capital (HK) to Client, in which event such terms

and conditions as so amended shall apply with effect from the effective date specified in such notice, whether the specified effective date is before or after the date of such notice but subject to applicable Laws. Such amendments shall be deemed incorporated into and form part of this Agreement.

- 19.12.3 Client agrees that this Agreement may be amended by CES Capital (HK) from time to time without prior notice to Client in order to comply with the Laws and/or Regulatory Rules then in force which are applicable to CES Capital (HK), this Agreement and/or the transactions contemplated under it. Such amendments shall be deemed incorporated into and form part of this Agreement.
- 19.12.4 Either party may terminate this Agreement at any time by notice to the other provided that such termination shall not affect:
- 19.12.4.1 the rights or liabilities of either party arising prior to such termination;
- 19.12.4.2 the warranties, representations, undertakings and indemnities given by Client under this Agreement, all of which shall survive termination; and
- 19.12.4.3 any of Client's obligations to CES Capital (HK) pursuant to this Agreement.
- 19.12.5 Termination of this Agreement shall not affect any action by CES Capital (HK), or any of its agents or any third party permitted under this Agreement initiated prior to the date of termination or any indemnity or warranty given by Client under this Agreement.
- 19.12.6 In case of any remaining cash balances in the Account upon termination of this Agreement, Client agrees that such balances will be automatically credited into the designated account in the Account Opening Form within seven business days from the date on which all Open Contracts have been closed out. If there is no such designated account or if such designated account cannot be used by CES Capital (HK) for any reason, CES Capital (HK) may send Client CES Capital (HK)'s cheque representing the credit balances in the Account to the last known address of Client at the sole risk of Client.

19.13 Investor Protection

- 19.13.1 Every HKFE contract shall be subject to the charge of a compensation fund levy and a levy pursuant to the Securities and Futures Ordinance, the cost of both of which shall be borne by Client.
- 19.13.2 If Client suffers pecuniary loss by reason of CES Capital (HK)'s default, the liability of the Investor Compensation Fund will be restricted to valid claims as provided for in the Securities and Futures Ordinance and the relevant subsidiary legislation and will be subject to the monetary limits specified in the Securities and Futures (Investor Compensation – Compensation Limits) Rules and accordingly there can be no assurance that any pecuniary loss sustained by reason of such a default will necessarily be recouped from the Investor Compensation Fund in full, in part or at all.

19.14 Time

Time shall, in all respects, be of the essence of the performance of all the obligations of Client under this Agreement and all contracts and transactions contemplated hereunder.

19.15 Entire agreement

This Agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

19.16 Additional undertakings

Without prejudice to Clause 19.4 above, CES Capital (HK) may take or omit to take any action which it, in its sole and absolute discretion, considers appropriate to take (a "Compliance Action") for the purpose of complying with the Applicable Laws and Compliance Rules, including preventing money laundering, terrorist financing or other crimes or the provision of financial and other services to any persons or entities which may be subject to sanctions (each such person or entity is referred to as a "Sanctioned Party"). Such Compliance Action may include without limitation:

- 19.16.1 declining the application or refusing to handle or process, or refusing to effect payment in connection with, any transaction contemplated in this Agreement on the ground of, or as a result of, a Compliance Action or if any person or entity relating to any related underlying transaction is a Sanctioned Party;
- 19.16.2 (if CES Capital (HK) becomes aware that any payment made to or at the request of Client contravenes the Compliance Rules) immediately recouping such payment from Client, irrespective of any other contrary agreement with Client;
- 19.16.3 the interception and investigation of any payment messages and other information or communications sent to or by Client or on Client's behalf via the systems of CES Capital (HK); and
- 19.16.4 making further enquiries as to whether a name which might refer to a Sanctioned Party actually refers to that party.
- 19.16.5 CES Capital (HK) will not be liable for any loss (whether direct, indirect or consequential loss, including without limitation loss of profit or interest) or any damage suffered by Client or any party arising out of:
- 19.16.6 any delay or failure by CES Capital (HK) in processing any payment messages or other information or communication or any request from Client, or in performing any of its duties or other obligations in connection with any transaction, caused in whole or in part by any Compliance Action; or
- 19.16.7 the exercise of any of CES Capital (HK)'s rights under or any action taken or omission made by CES Capital (HK) pursuant to this section.

In this section:

"Applicable Law" means the legal requirements of any place or any jurisdiction that CES Capital (HK) operates in or such legal requirements are otherwise applicable on CES Capital (HK); and

"Compliance Rules" means all regulations, sanction regimes, international guidance or procedures or rules of relevant regulatory or industry body that may be applicable to CES Capital (HK).

SCHEDULE I: CLIENT IDENTIFICATION

1. INTERPRETATION
 - 1.1 Terms and expressions defined in this Agreement shall have the same meaning in this Schedule I unless the context otherwise requires. References to clauses in this First Schedule shall refer to clauses contained in this Schedule I, unless the context otherwise requires.
 - 1.2 In the event of any inconsistency between the provisions of this Agreement and this Schedule I, the provisions of this Schedule I shall prevail.
2. Client shall immediately upon CES Capital (HK)'s request and within two (2) days (or such other time period as may be specified by CES Capital (HK)) provide to CES Capital (HK) and/or a Regulator information (including, without limitation, details of identity, address, occupation, contact details and/or in the case of a corporate entity, nature and scope of business activities, source of funds, business structure, shareholdings and other information) relating to the ultimate beneficial owner(s) of the Account and/or the person(s) ultimately responsible for the giving of instructions in relation to any transaction or in relation to any dealings with any F/O Contracts or investments in the Account.
3. Where Client is not trading on Client's own account in any transaction, it shall prior to the placing of any orders with CES Capital (HK) inform CES Capital (HK) of the same and provide CES Capital (HK) with such information regarding the ultimate beneficiary(ies) as CES Capital (HK) may request within two (2) days (or such other time period as may be specified by CES Capital (HK)) of such request. Client hereby acknowledges and agrees that such information may be supplied by CES Capital (HK) to the Regulators in compliance with the applicable Regulatory Rules.
4. In the event that CES Capital (HK) fails to comply with the disclosure requirements under Rules 606(a) or 613(a) of the Rules of HKFE, the Chief Executive of HKFE and/or any designated staff of Hong Kong Exchanges and Clearing Limited may require the Closing Out of positions on behalf of Client or the imposition of a margin surcharge on the positions of Client.
5. If Client operates the Account or effects any transaction for a collective investment scheme, discretionary account or trust, Client shall:
 - 5.1 immediately upon CES Capital (HK)'s request and within two (2) days (or such other time period as may be specified by CES Capital (HK)) provide to CES Capital (HK) and/or a Regulator the name, address and contact details of such scheme, account or trust and, if applicable, the identity, address, occupation or business structure and contact details of the person who, on behalf of such scheme, account or trust, ultimately originated the instruction to Client to operate the Account and/or effect the transaction; and
 - 5.2 as soon as practicable, inform CES Capital (HK) when Client's discretion or power to operate the Account or to invest on behalf of such scheme, account or trust has been overridden, revoked or terminated. In such case, Client shall, immediately upon CES Capital (HK)'s request and within the time specified by CES Capital (HK), provide to CES Capital (HK) and/or a Regulator the identity, address, occupation and contact details of the person who has given such overriding instruction or notice of revocation or termination.
6. If Client does not know the information referred to in Clauses 2, 3 and 5 above, Client must confirm that:
 - 6.1 Client has arrangements in place which would entitle Client to obtain and provide to CES Capital (HK) and/or a Regulator upon its request all such information or to procure that such information be so obtained within two (2) days;
 - 6.2 Client shall, upon CES Capital (HK)'s request, immediately obtain all such information from any relevant third party, and provide that information to CES Capital (HK) and/or a Regulator within two (2) days or such other time period as may be specified by CES Capital (HK) and/or the Regulators; and
 - 6.3 CES Capital (HK) may, pending receipt by it and/or by a Regulator of such information, or if such information is not received within two (2) days or such other time period as may be specified by CES Capital (HK) and/or the Regulators, decide in its absolute discretion and at any time, not to act (even if such declining may result in any loss) or not to give effect to any of Client's instructions and/or to suspend or terminate the effecting of any transaction or the operation of the Account.
7. Client confirms that Client is not subject to any Regulatory Rules, or any law of any relevant jurisdiction, which prohibits Client's performance of the obligation under this Schedule I or, if Client is subject to such Regulatory Rules and/or such laws, that Client or Client's own clients, as the case may be, has or have waived the benefit of such Regulatory Rules and/or such laws or consented in writing to the performance by Client of the obligations under this Schedule I. Client confirms that such waivers are valid and binding under the laws of all relevant jurisdictions.
8. Client's obligation to provide information under this Schedule I shall continue in full force and effect notwithstanding the termination of this Agreement.

SCHEDULE II: PERSONAL DATA

1. INTERPRETATION
 - 1.1 Terms and expressions defined in this Agreement shall have the same meaning in this Schedule II unless the context otherwise requires. References to clauses in this Schedule II shall refer to clauses contained in this Schedule II, unless the context otherwise requires.
 - 1.2 In the event of any inconsistency between the provisions of this Agreement and this Schedule II, the provisions of this Schedule II shall prevail.
2. From time to time, it shall be necessary for Client to supply CES Capital (HK) with data (including “personal data” as defined in the Personal Data (Privacy) Ordinance (Cap.486 of the Laws of Hong Kong) as amended from time to time) in connection with the establishment or continuation of accounts or the provision of services by CES Capital (HK) and generally Client’s relationship with CES Capital (HK) in Hong Kong. This may include but will not be limited to information obtained in relation to Client’s identity (name, date of birth, passport/identity card number, address(es), marital status, education level and employment information), as well as information collected for the purposes of ascertaining Client’s financial profile, risk appetite, income (including sources of income) and net worth. Failure to supply, or to allow CES Capital (HK) to use or disclose, such data may result in CES Capital (HK) being unable to provide, or continue to provide any of the above facilities or services to or for Client in Hong Kong or elsewhere. The documents client provided will not be return for unsuccessful application for account opening, such information will be kept and destroyed after six months.
3. The purposes for which data may be collected, used and/or disclosed by CES Capital (HK) (whether before or after the termination of Client’s relationship with CES Capital (HK)) are set out as follows:
 - 3.1 the processing of applications for, and daily operation of services provided to Client or to other persons for whom Client acts as guarantor or for whom Client provides third-party security;
 - 3.2 customer relationship management (including but not limited to loyalty programs or privileges and rewards schemes);
 - 3.3 conducting, seeking or obtaining credit checks, matching procedures, data verification, due diligence and risk management;
 - 3.4 assisting other financial institutions to conduct credit checks and collect debts;
 - 3.5 ensuring Client’s or any surety’s ongoing creditworthiness;
 - 3.6 maintaining Client’s or any surety’s credit history for present and future reference;
 - 3.7 improving, enhancing, designing or launching existing or new financial services or related products for Client’s use (including, where appropriate, providing Client with financial advice);
 - 3.8 if Client has consented (including an indication of no objection) to the use of Client’s personal data for direct marketing purposes by any Affiliate of CES Capital (HK) and/or other entities which are not Affiliates of CES Capital (HK) in the Account Opening Form, or otherwise marketing the following goods, products, services and facilities;
 - 3.8.1 Financial services;
 - 3.8.2 Related investment products;
 - 3.8.3 Financial and investment advice;
 - 3.8.4 Client relationship management services;
 - 3.8.5 Client credit protection and maintenance services; or
 - 3.8.6 Any other related goods, products or services that CES Capital (HK) or any Affiliate of CES Capital (HK) may develop under paragraph 3.7 of this Schedule II, unless Client instructs CES Capital (HK) otherwise, and seeking or obtaining the same;
 - 3.9 determining the amount of indebtedness owed to or by Client or any surety;
 - 3.10 collecting of amounts outstanding from Client or any surety;
 - 3.11 meeting any requests or requirements to make disclosure under the Laws;
 - 3.12 enabling an actual or proposed assignee of CES Capital (HK) in connection with merger, amalgamation, reconstruction or otherwise to evaluate the transaction intended to be the subject of the assignment;
 - 3.13 any other purpose disclosed in the website(s) of CES Capital (HK) or any Affiliate of CES Capital (HK) from time to time;
 - 3.14 commencing, defending or otherwise participating in any legal or administrative proceedings or inquiry before any court or competent authority;
 - 3.15 satisfying any requirements under the codes on takeovers and mergers and share repurchases issued by the SFC (as amended from time to time) and/or any other applicable Laws and/or Regulatory Rules in relation to takeovers in Hong Kong and/or any part of the world;
 - 3.16 seeking or obtaining administrative, telecommunications, computer, payment, debt collection or securities clearing, custodian, market data provision, audit, banking, financing, insurance, business consulting, outsourcing, or other services to CES Capital (HK) in connection with the operation of its business; and
 - 3.17 any other lawful purpose directly or indirectly relating or incidental to any of the above.
4. Data held by CES Capital (HK) relating to Client, any surety and/or the Account shall be kept confidential but CES Capital (HK) may, at its sole discretion, provide such information to the following persons for direct marketing purposes (where consented (including an indication of no objection) by Client) or any other purposes permitted by this Schedule II:
 - 4.1 any agent, contractor or third party service provider (whether in Hong Kong or elsewhere) who provides administrative, telecommunications, computer, payment, debt collection or securities clearing, custodian, market data provision, audit,

- banking, financing, insurance, risk management, business consulting, outsourcing, customer relationship management, marketing or other services to CES Capital (HK) in connection with the operation of its business;
- 4.2 any branch or office of CES Capital (HK) or any Affiliate of CES Capital (HK), whether in Hong Kong or elsewhere;
 - 4.3 any person acting or proposing to act as surety;
 - 4.4 any person under a duty of confidentiality to CES Capital (HK) (or any Affiliate of CES Capital (HK)) or who has undertaken to keep such information confidential;
 - 4.5 any financial institution with which Client has or proposes to have dealings;
 - 4.6 credit reference agencies and, in the event of default, to debt collection agencies;
 - 4.7 the drawee bank providing a copy of a paid cheque (which may contain information about the payee) to the drawer;
 - 4.8 any actual or proposed assignee or transferee of CES Capital (HK);
 - 4.9 any person or entity who has established or proposes to establish any business relationship with CES Capital (HK) or the recipient of the data; and
 - 4.10 any person in accordance with the Laws or Regulatory Rules including through or pursuant to any rules, judgment, decision or ruling of the courts, arbitral tribunals, Financial Dispute Resolution Centre Limited, governmental, regulatory or other bodies or institutions, whether as required by the Laws and Regulatory Rules that are applicable to any Affiliate of CES Capital (HK), or otherwise, or any company issuing a notice under section 329 of the Securities and Futures Ordinance.
5. Client agrees that data may be transferred overseas pursuant to the provisions of this Schedule II.
 6. Client acknowledges and accepts the risks that the information disclosed pursuant to this Schedule II may be subject to further disclosure by the recipient to other parties in accordance with the laws of the country in which the recipient is located. Such laws may be wider in scope and implemented under less restrictive terms than would otherwise be the case in Hong Kong due to difference in applicable laws and regulations.
 7. Client agrees to allow CES Capital (HK) to disclose Client's data for the purposes and to those persons as set out in this Schedule II and to use such data pursuant to this Schedule II.
 8. Where Client supplies CES Capital (HK) with any data (including personal data), Client represents and warrants to CES Capital (HK) that Client has taken all action necessary to authorize the disclosure of such data to CES Capital (HK) and the use by CES Capital (HK) of such data pursuant to this Agreement.
 9. Client may request to ascertain whether CES Capital (HK) holds Client's personal data and CES Capital (HK)'s policies and practices in relation to personal data. Further, Client may request access to and correction of Client's personal data. Client also has the right to be informed about the kind of personal data held by CES Capital (HK) and which items of data CES Capital (HK) routinely discloses to credit reference agencies, and to be provided with further information to enable the making of a data access and correction request to the relevant credit reference agency. Any requests should be made in writing with fourteen(14)-business-day advance notice to the Compliance officer, 22/F Jubilee Centre, 18 Fenwick Street, Wan Chai, Hong Kong
 10. Where CES Capital (HK) grants any credit facilities to Client or to another person for whom Client acts as guarantor, in the event that Client or the borrower defaults in repayment for a period exceeding sixty (60) days or such other period as prescribed by the laws or the relevant Regulators from time to time, data (which has been provided by CES Capital (HK) to the relevant credit reference agency) may be retained by that credit reference agency until the earlier of the expiry of five years from the date of final settlement of the amount in default and five years from the date of Client's discharge from bankruptcy as notified to that credit reference agency. In the event of termination of the relevant account by full repayment and on condition that there has not been, within five years immediately before account termination, any material default on that account, Client may instruct CES Capital (HK) to make a request to the relevant credit reference agency to delete from its database any account data relating to the terminated account but such instruction should be given within five years after account termination.
 11. Without limiting the other provisions of this Schedule II where Client applies for credit (including any loan, overdraft facility or any other kind of credit) to be granted to Client or to another person for whom Client acts as guarantor, the data which Client provides to CES Capital (HK) may be passed on to a credit reference agency or, in the event of a default, to a debt collection agency in accordance with the provisions of the code of practice on consumer credit data approved and issued under the Personal Data (Privacy) Ordinance as amended from time to time.
 12. For the purposes of this Schedule II, if applicable, account data may include account general data (i.e. general particulars of the relevant account such as account opening date, repayment terms, whether Client as a borrower or guarantor, approved loan amount, repayment terms) and account repayment data (such as the amount repaid, outstanding balance of the loan, default data including the amount and number of days overdue).
 13. Without prejudice to the right of CES Capital (HK) to rely on grandfathering provision(s) or exemption(s) under the Personal Data (Privacy) Ordinance as amended from time to time or other applicable law, by consenting (including an indication of no objection) to the use of Client's personal data for direct marketing purposes by any Affiliate of CES Capital (HK) in the Account Opening Form, or otherwise Client agrees and consents that CES Capital (HK) may send by telephone, mail, email or other electronic means to Client from time to time direct marketing materials or messages relating to services or products which, in the opinion of CES Capital (HK), Client may be interested in. Client agrees that to the extent permitted by Laws and the Regulatory Rules the consent herein shall constitute specific opt-in for the purpose of any applicable privacy rules or regulations. Notwithstanding this, Client may at any time request not to receive such direct marketing materials or messages from CES Capital (HK) if Client so requests in writing to CES Capital (HK) at this address: 22/F Jubilee Centre, 18 Fenwick Street, Wan Chai, Hong Kong. Unless and until Client has so requested in writing, Client shall be deemed to be willing to

receive any such information.

14. The contents of this Schedule may be updated by CES Capital (HK) by giving written notice to Client at any time.

SCHEDULE III: The E-SERVICE RULES

1. INTERPRETATION
 - 1.1 In this Schedule III, unless the context otherwise requires, the following words and expressions have the meanings set out below:
 - 1.1.1 “Access Codes” means together any Key File (if applicable), Password and the Login ID;
 - 1.1.2 “E-Service” means the Internet or other facility provided by, and/or on behalf of, CES Capital (HK) which enables Client to give electronic Instructions in accordance with the terms of this Agreement, whether in Hong Kong or elsewhere, and to receive information and related services;
 - 1.1.3 “Instruction” means any offer or acceptance in relation to any Securities or, where applicable, any instruction in relation to the Account and “Instruct” shall be construed accordingly;
 - 1.1.4 “Internet Trading Policy” means the policy relating to the operation of the E-Service as amended from time to time;
 - 1.1.5 “Key File” means a computer file, disk or other device which contains a file code which may be used in conjunction with the Login ID and the Password to gain access to the E-Service;
 - 1.1.6 “Login ID” means personal identification used in conjunction with other Access Codes to gain access to the E-Service; and
 - 1.1.7 “Password” means Client’s personal password, used in conjunction with other Access Codes to gain access to the E-Service.
 - 1.2 Terms and expressions defined in this Agreement shall have the same meaning in this Schedule III unless the context otherwise requires. References to clauses in this Schedule III shall refer to clauses contained in this Schedule III, unless the context otherwise requires.
 - 1.3 In the event of any inconsistency between the provisions of this Agreement and this Schedule III, the provisions of this Schedule III shall prevail.
2. CES Capital (HK) may at its discretion provide Client with the E-Service on the terms of this Agreement, and the provisions of this Schedule III apply if CES Capital (HK) provides Client with the E-Service. Client agrees to use the E-Service in accordance with the terms of this Agreement.
3. Client understands that the E-Service is a semi-automated facility which enables it to send electronic Instructions and receive information services. Client acknowledges that notwithstanding anything to the contrary contained herein or in any other document (written form or otherwise), CES Capital (HK) shall have the absolute discretion to determine the functions of E-Services available to Client and such functions may be changed by CES Capital (HK) at any time and from time to time without notice to or consent from Client and without assigning any reason therefor. Client further 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 confidentiality, use and protection of the Access Codes and all Instructions entered through the E-Service using the Access Codes. Client agrees that neither CES Capital (HK) nor CES Capital (HK)’s directors, officers or employees shall have any liability to Client, or to any other person whose claim may or may not arise through Client, for any claims with respect to the handling, mishandling or loss of, or loss of confidentiality of, any Instruction.
4. CES Capital (HK) may, at any time and from time to time, block Client’s access to and/or use of the E-Service (or any part thereof) without prior notice to or any consent from Client and without assigning any reason therefor.
5. Client shall forthwith notify CES Capital (HK) if:
 - 5.1 An Instruction has been placed through the E-Service and Client has not received an accurate acknowledgment receipt of the Instruction (whether by hard copy, electronic or verbal means) within one working day of the Instruction and the aforesaid “working day” means a day when CES Capital (HK) opens for business in Hong Kong;
 - 5.2 Client has received notification (whether by hard copy, electronic or verbal means) of a transaction which Client did not Instruct;
 - 5.3 Client becomes aware of any apparent unauthorized use of any of Client’s Access Codes;
 - 5.4 Client experiences any problems in accessing its Account through the E-Service; or
 - 5.5 Client loses, fails or is otherwise unable to adequately protect confidentiality of the Access Codes.
6. Any risk, including (without limitation) the risk of transmission error, transmission failure, delay, unauthorized access and unauthorized use, arising from or related to the access to and/or use of the E-Service by Client and/or any software or equipment for accessing and/or using the E-Service (whether provided by CES Capital (HK) or otherwise), is at the risk of Client. Client shall provide and maintain, at Client’s own risk and cost, the connection equipment (including personal computers, mobile trading devices and modems) and services for accessing and using the E-Service. Client shall be solely responsible for preventing anything which may be harmful to any such equipment (including, without limitation, computer virus, malicious program or harmful component) from entering into any such equipment, whether or not it is originated from CES Capital (HK)’s websites (including, without limitation, Website of any Affiliate of CES Capital (HK) and the website comprising E-Service), whether maintained or provided by or on behalf of CES Capital (HK), (together, the “Websites”) and, if applicable, whether or not originated from anything provided by CES Capital (HK). Further, Client acknowledges that the Internet or other electronic medium (including E-Service or any part of the Websites) is an inherently unreliable medium of

communication and that such unreliability is beyond CES Capital (HK)'s control. Client further acknowledges that such unreliability may give rise to various consequences e.g. it may result in failure or delay in transmission of any Instruction or information or affect any function of E-Service or the timeliness, sequence, accuracy, adequacy or completeness of any Instruction or information transmitted or cause loss, or loss of confidentiality, of any Instruction or information transmitted or any transaction made on terms different from the relevant Instruction. Client understands that the aforesaid is not an exhaustive list of all consequences resulted from such unreliability. Client agrees that without limiting the generality of Clause 17.1 of this Agreement above, CES Capital (HK) shall not be responsible for any loss, damage, cost, expenses, claim or liability of whatsoever nature, directly or indirectly, arising out of or in connection with such unreliability or the public nature of the Internet or other electronic medium (including E-Service or any part of the Websites).

7. Client shall use information and materials available through the E-Service or Websites for its own needs and shall not redistribute or resell to any third party or otherwise allow or permit any third party's access to or use of any such information or materials or otherwise deal with it/them in any way without CES Capital (HK)' previous written consent.

8. Client acknowledges that the E-Service, the Websites, information available via or on the E-Service and/or any part of the Websites and the software comprised in the E-Service and/or any part of the Websites are proprietary to CES Capital (HK) and/or its agents, partners or contractors. Client warrants and undertakes that it shall not, and shall not attempt to.

8.1 tamper with, modify, de-compile, reverse-engineer or otherwise alter in any way, or

8.2 gain unauthorized access to or make unauthorized use of,

any part of the E-Service or any part of the Websites or any information available via or on the E-Service or any part of the Websites or any of the software comprised in the E-Service or any part of the Websites. Client acknowledges that CES Capital (HK) may take legal action against it, if Client at any time breaches this warranty and undertaking or if CES Capital (HK) at any time reasonably suspects that Client has breached the same. Client undertakes to notify CES Capital (HK) immediately if Client becomes aware that any action described in this clause 8 is being perpetrated or attempted by another person.

9. Client acknowledges that in providing the E-Service, CES Capital (HK) may use such authentication technologies as it deems appropriate. Client acknowledges that no authentication, verification or computer security technology is completely secure or safe and Client agrees to bear all risks of unauthorized access/use, hacking or identity theft.

10. Client understands that CES Capital (HK) shall be entitled to prepare the Internet Trading Policy (as amended from time to time) setting out the operation policy and procedures of the E-Service and the terms of which shall be binding on Client in respect of its use of the E-Service. The Internet Trading Policy may be amended by CES Capital (HK) at any time and from time to time and each amended version shall be applicable on the effective date decided by CES Capital (HK) at its sole absolute discretion. In the event of inconsistencies between the terms of this Agreement and the Internet Trading Policy, the terms of this Agreement shall prevail.

11. Client acknowledges that the price quotation service (if any) available on any part of E-Service or any part of the Websites may be provided by a third party provider appointed by CES Capital (HK) from time to time. Client acknowledges and agrees that CES Capital (HK) shall not be responsible to Client or any other person for any losses, costs, expenses, damages, claims or liabilities of whatsoever nature which Client or such other person may suffer, directly or indirectly, as a result of or in connection with any aspect of such service including, without limitation, Client's or such other person's reliance on such service. Client shall use price quotation (if any) for its individual use only and shall not redistribute such data to any other person or entity for any reason without CES Capital (HK)' previous written consent.

12. Client understands that any part of the Websites may provide, for informational purpose only, data regarding Securities and/or other investments published by third parties. Owing to market volatility and possible delay in the data-transmission process, the data may not be real-time market quotes for the relevant Securities or investment. Client understands that whilst CES Capital (HK) believes such data to be reliable, there is no independent basis for CES Capital (HK) to verify or contradict the accuracy or completeness of such data. Client understands that no recommendation or endorsement from CES Capital (HK) shall be inferred from such data.

13. Client acknowledges and agrees that CES Capital (HK) does not guarantee the timeliness, sequence, accuracy, adequacy or completeness of any information provided by or via the E-Service or on or via the Websites (or any part thereof) and any such information is provided on an "as is", "as available" basis. CES Capital (HK) gives no express or implied warranties (including but not limited to warranties of merchantability or fitness for a particular use) with respect to such information. Further, Client acknowledges that CES Capital (HK) gives no express or implied warranties, representations or undertakings with respect to the prices available from or via E-Service at which Client may make offers in respect of Securities (including, without limitation, any warranty, representation or undertaking that such prices are real-time market quotes or best available market prices).

14. Client accepts the risks of receiving or gaining access to services and communication and conducting transactions via the E-Service or over the Internet or by other electronic means or facilities.

15. Client shall, forthwith upon CES Capital (HK)'s demand from time to time, pay to CES Capital (HK) such applicable costs, charges, expenses, fees, taxes, levies, duties, brokerages, commissions and other applicable remuneration and payments in respect of any transaction via the E-Service and/or the provision to Client of the E-Service (or any part thereof) as notified in writing by CES Capital (HK) to Client from time to time.

16. Client consents that any document (including, without limitation, any Advice), information, notice or communication may be given or presented to or exchanged with Client electronically on, via or over the Internet, the E-Service and/or any part of the Websites. Any document (including, without limitation, any Advice), information, notice or communication so given or presented to or exchanged with Client as aforesaid shall be deemed to have received by it immediately upon dispatch. However, all notices and communications given or delivered to CES Capital (HK) electronically on, via or over the Internet,

the E-Service and/or any part of the Websites shall be deemed to have been given or delivered to CES Capital (HK) on the business day of actual receipt by it.

17. Client agrees that should it experience any problems in accessing to and/or using the E-Service, it shall attempt to use the alternative method to communicate with CES Capital (HK) (whether or not for the purpose of any transaction) and inform CES Capital (HK) of the difficulty it is experiencing.
18. Client understands that each association/entity asserts a proprietary interest in all of the market data it furnishes to the parties who disseminate such data. Client also understands that no party guarantees the timeliness, sequence, adequacy, accuracy or completeness of market data or any other market information. Client agrees that neither CES Capital (HK) nor any disseminating party shall be liable in any way for any loss or damage arising from or caused by any inaccuracy, error or delay in or omission from any such data, information or related message, or the transmission or delivery of the same, or non-performance or interruption of any such data, message or information due to any negligent act of CES Capital (HK) or any disseminating party, or to any force majeure event, or any other cause beyond CES Capital (HK)'s control or the reasonable control of any disseminating party.
19. Client acknowledges and agrees that there are risks of misunderstanding or errors in any communication (including any communication or Instruction via the E-Service) and that such risks shall be absolutely and solely borne by Client.
20. Client acknowledges and agrees that it may not be possible to cancel or amend its Instruction once given and if acted on by CES Capital (HK), such Instruction shall be binding on Client. For the avoidance of doubt, any Instruction in relation to any Securities given via E-Service shall constitute an irrevocable offer which, if accepted by CES Capital (HK), shall become a binding contract between CES Capital (HK) and Client. Notwithstanding anything to the contrary which may be contained in this Agreement or any other document, CES Capital (HK) may, at any time and from time to time, in its absolute discretion without notice and without giving any reason therefor, decline to accept any Instruction. Client acknowledges that without prejudice to the foregoing in this clause 20, any trade confirmation issued from or via E-Service shall be merely an acknowledgement of the receipt of the relevant Instruction.
21. Client understands that the order management engine used in processing Client's Instructions is, generally speaking, handled on a "First-In-First-Out" order and accordingly, CES Capital (HK) does not guarantee that any of Client's Instructions will be processed even though it may have been received.
22. If Client gives any Instruction to CES Capital (HK) outside Hong Kong, Client agrees to ensure and represent that such Instruction will have been given in compliance with any applicable law of the relevant jurisdiction from which such Instruction is given, and Client further agrees that it shall, when in doubt, consult legal advisers and other professionals of the relevant jurisdiction. Client accepts that there may be taxes and/or charges payable to relevant authorities in respect of any Instruction given outside Hong Kong, and Client agrees to pay such taxes and/or charges as applicable.
23. Without limiting the generality of Clause 17.1 of this Agreement above, Client agrees that CES Capital (HK) shall not be responsible for any loss, damage, cost, expenses, claim or liability of whatsoever nature, directly or indirectly, arising out of or in connection with:
 - 23.1 Client's access to and/or use of the Internet or other electronic medium (including E-Service or any part of the Websites) notwithstanding that such access and/or use is for accessing any website operated by CES Capital (HK) and/or on CES Capital (HK)'s behalf and/or using any service provided by CES Capital (HK) and/or on CES Capital (HK)'s behalf;
 - 23.2 any reliance on any information obtained via Client's use of the Internet or other electronic medium (including E-Service or any part of the Websites) notwithstanding that such information is obtained from any website operated by CES Capital (HK) and/or on CES Capital (HK)'s behalf; and
 - 23.3 any other cause beyond CES Capital (HK)'s control or anticipation including, without limitation, any delay in the transmission, receipt or execution of any Instruction due to a breakdown or failure of transmission of communication facilities.
24. Client agrees that notwithstanding anything to the contrary contained herein or in any other document, should there be any inconsistency between the information (including any document but not any Advice) available from or via the E-Service, the Websites, the Internet or other electronic medium (whether or not the same being available in accordance with this Agreement) and the information on CES Capital (HK)'s records, the information on CES Capital (HK)'s records shall prevail save for any manifest error and that CES Capital (HK) shall accept no liability as a result of the unreliable nature of the Internet or other electronic medium (including E-Service or any part of the Websites) or other reason beyond the control of CES Capital (HK).
25. Client understands and accepts the following risks in using the E-Service:
 - 25.1 Risk in relation to the use of the Internet or other electronic medium
 - 25.1.1 The Internet or other electronic media (including without limitation, where applicable, electronic devices, services of third party telecom service providers such as mobile phones or other handheld trading devices) is/are an inherently unreliable form(s) of communication, and that such unreliability is beyond CES Capital (HK)'s control.
 - 25.1.2 Transactions over the Internet or through other electronic media (including without limitation, where applicable, electronic devices, services of third party telecom service providers such as mobile phones or other handheld trading devices) may be subject to interruption (including, without limitation, stoppage of price data feed), transmission blackout, delayed transmission due to data volume, incorrect data transmission due to the public nature of the Internet or other electronic media or loss of information or loss of confidentiality.
 - 25.1.3 As a result of such unreliability, there may be time-lags or delays in the transmission of data and receipt of Instruction. Client has to solely bear any loss resulting from any such time-lag or delay.
 - 25.2 Risk of Electronic Trading System
Trading on one electronic trading system may differ from trading on other electronic trading systems. If Client undertakes transactions on an electronic system, Client shall be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that in respect of Client's Instructions,

there may be transmission error, failure or delay.

25.3 Risk of Trading Facilities

Electronic trading facilities are supported by computer-based component systems. 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. Client should ask the firm with which Client deals for details in this respect.

Client understands and acknowledges that the risks above disclosed do not purport to disclose or discuss all of the risks associated with using E-Service and that Client should consult Client's own independent legal and other advisors prior to entering into any transaction via E-Service.

26. Client consents and authorizes CES Capital (HK) to deliver the Password to Client by email ("Authorization") to the email address specified in the Account Opening Form and agrees to bear all risks associated with such email delivery, including but not limited to the risks of transmission error, delay, unauthorized disclosure and unauthorized use. Client agrees that the Password will be deemed to have been received by Client immediately upon dispatch. Client acknowledges that once the Password is deemed to be received by Client, Client shall be the sole user of the Password and be solely responsible for the confidentiality, protection and use of the Password as well as all instructions/offers placed by using the Password. CES Capital (HK) shall not have any liability to Client or any third party for any loss, damages, expense, cost, claim or liability of whatsoever nature, directly or indirectly, arising out of or in connection with any such instruction/offer and/or the handling, inaccurate or incomplete transmission, delay in transmission, loss or loss of confidentiality, or the same. Client agrees at all times on demand to indemnify and keep indemnified CES Capital (HK) from and against all liabilities, costs and expenses of any nature whatsoever reasonably incurred by it arising from or in any way related to its reliance and/or acting on this Authorization (including any email address provided by Client). Client acknowledges that this Authorization will become effective on the date of CES Capital (HK)'s approval of sending the Password in accordance with the terms hereof, which approval may or may not be given by CES Capital (HK) in its absolute discretion.
27. Client acknowledges and agrees that the fees set by CES Capital (HK) appropriately reflect the allocation of risks set forth in this Agreement. Accordingly, based on the foregoing, Client acknowledges as reasonable the exclusions of warranties and limitations on liability set forth in this Agreement. As such, Client acknowledges and agrees that if any of the exclusions or limitation of warranties or liabilities set forth in this Agreement should be deemed to be invalid, ineffective or unenforceable, or in the event CES Capital (HK) is found liable for any claim arising out of or in connection with this Agreement or this Schedule III, then, the entire collective liability of CES Capital (HK) and/or any Affiliate of CES Capital (HK) shall in no circumstance exceed two (2) times the amount of fees paid by Client to CES Capital (HK) in the month immediately preceding the act or omission or circumstance giving rise to a claim.

SCHEDULE IV: Chicago Mercantile Exchange MARKET DATA SUBSCRIPTION AGREEMENT

This Market Data Subscription Agreement is entered into on the date when the client confirms this Market Data Subscription Agreement for the first time ("Effective Date") by and between CES Capital (HK) Capital International (Hong Kong) Co. , Ltd ("Distributor") and the client ("you" or "Subscriber"). This Market Data Subscription Agreement permits you to access, receive and use certain Market Data (defined below) in accordance with the following terms and conditions of this Market Data Subscription Agreement (the "Agreement"). The Agreement governs your access to receive and use the Market Data, and constitutes a binding legal agreement by and between Distributor and Subscriber (each of Distributor and the Subscriber, a "Party" and collectively, the "Parties").

1. Definitions

"Device" means any unit of equipment, fixed or portable, that receives accesses or displays Market Data in visible, audible or other comprehensible form. "Force Majeure Event" means any flood, extraordinary weather conditions, earthquake or other act of God, fire, war, terrorism, insurrection, riot, labor dispute, accident, action of government, communications or power failures, or equipment or software malfunctions. "Person" means any natural person, proprietorship, corporation, partnership, limited liability company or other organization. "Market Data" means information and data pertaining to listed and over the counter derivatives contracts (including without limitations swaps and futures) and options contracts or similar derivative instruments as well as index data and analytics data. Market Data may include, without limitation, opening and closing prices, high-low prices, settlement prices, current bid and ask prices, open interest information, last sale prices, price limits, requests for quotations, fixing prices, data curves, estimated and actual volume data, contract specifications and fast or late messages. With respect to Subscriber's obligations under the Agreement, Market Data also includes information, data and materials that convey information to Subscriber substantially equivalent to Market Data. "OTC Market Data" means Market Data relating to over the counter derivatives contracts.

2. Proprietary Rights In The Market Data

2.1 Subscriber acknowledges and agrees that Chicago Mercantile Exchange Inc. and its affiliates ("CME" or "Exchange") have exclusive and valuable property rights in and to the Market Data (or in the case of third party content providers who are licensing data through CME, such third party content provider has exclusive and valuable property rights), that such Market Data constitute valuable confidential information, trade secrets and/or proprietary rights of the Exchange, not within the public domain, that such Market Data shall remain valuable confidential information, trade secrets and/or proprietary rights of the Exchange and that, but for the Agreement, Subscriber would have no rights or access to such Market Data.

2.2 Subscriber acknowledges and agrees that disclosure of any Market Data, or any breach or threatened breach of any other covenants or agreements contained herein, would cause irreparable injury to the Exchange for which money damages would be an inadequate remedy. Accordingly, Subscriber further acknowledges and agrees that the Exchange shall be entitled to specific performance and injunctive and other equitable relief from the breach or threatened breach of any provision, requirement or covenant of the Agreement (including, without limitation, any disclosure or threatened disclosure of Market Data) in addition to and not in limitation of any other legal or equitable remedies which may be available.

3. Receipt Of Market Data By Subscriber

3.1 The Agreement sets forth the terms and conditions under which Subscriber may use the Market Data. Subscriber acknowledges that, notwithstanding any agreement, CME or Distributor may, in its discretion, discontinue disseminating Market Data or change or eliminate its own transmission method, speed or signal characteristics. In addition, Subscriber acknowledges and agrees that the Distributor or Exchange reserve the right to disapprove any Subscriber and to terminate any Subscriber's receipt of Market Data for any reason or no reason.

3.2 (i) Except as provided in section 3.2 (iii) below, Subscriber will use Market Data only for its own internal business activities (internal business activities shall exclude subsidiaries and affiliates) and only at the offices and locations and on the Devices designated by Subscriber in writing to Distributor and CME from time-to-time. (The term "for its own internal business activities," as used in the immediately preceding sentence herein, means for Subscriber's (a) trading, for its own account or for the account of its customers (b) evaluating, for its own internal business decisions or (c) provision of advice to its customers on movements or trends in markets for derivative instruments, subject to all of the limitations set forth below in this sub-section as to the telephonic disclosure to customers of a necessary and de minimis number of segments of Market Data.) (ii) Subscriber agrees that it will not communicate or otherwise furnish, or permit to be communicated or otherwise furnished, the Market Data, in any format, to any other party or any office or location other than that designated above, nor allow any other party to take, directly or indirectly, any of the Market Data from such offices or locations, and will adopt and enforce any policy that is reasonable to prevent the Market Data from being taken therefrom. Subscriber specifically agrees, without limiting or varying its obligations under section 7 herein or otherwise set forth in the Agreement, that Subscriber shall not use or permit another person to use any Market Data for the purposes of (a) creating derived data products based upon or derived from the Market Data, (b) determining or arriving at any price, including any settlement prices, for derivatives contracts, options on derivatives contracts, or like derivatives instruments traded on any exchange other than the Exchange and (c) for any other derived works that will be disseminated, published or otherwise used externally. Subscriber will abide by any other limitations on such use that any of the Exchange may specify from time to time. Subscriber will use its best efforts to ensure that its partners, officers, directors, employees and agents maintain sole control and physical possession of, and sole access to, Market Data received through Devices in Subscriber's possession. (iii) Notwithstanding sections 3.2 (i) and (ii) above, Subscriber may, in the regular course of its business, occasionally furnish, to each of its customers and branch offices, in a quantity restricted to that necessary to enable Subscriber to conduct its business, a de minimis number of segments of Market Data, provided that such Market Data does not include any OTC Market Data. Such redissemination must be strictly limited to telephonic communications not entailing the use of computerized voice synthesis or any other technology and must be strictly related to the trading activity of Subscriber or any such recipients. Any such recipients must be advised by Subscriber that such segments are proprietary and confidential information not to be disclosed or disseminated to other persons or entities. Subscriber agrees to make all reasonable efforts to ensure that such recipients abide by the provisions of the Agreement. (iv) Subscriber will use its best efforts to ensure that no unauthorized dissemination of the Market Data is permitted.

4. Reporting

Subscriber agrees to furnish promptly to Distributor, CME and their respective affiliates or agents, any information or reports that may be requested or required by Distributor or CME from time to time, which are reasonably related to Subscriber's receipt of Market Data.

5. Right Of Inspection And Audit

5.1 During regular business hours, any Persons designated by the Distributor or Exchange may have access to Subscriber's offices or locations in order to observe the use made of the Market Data and to examine and inspect any Devices, attachments or apparatuses, as well as any books and records required to be maintained by Subscriber under Sections 3.2 and 4 in connection with its receipt and use of Market Data.

5.2 Subscriber will make prompt adjustment (including interest thereon at the rate of 1½% per month), to compensate the Distributor and Exchange if the audit discovers an under-reported use of the Market Data by Subscriber. In addition, at the election of any such Exchange, Subscriber will be liable for the reasonable costs of any audit that reveals a discrepancy in such Exchange's favor of five percent (5%) or more of the amount of fees actually due such Exchange.

5.3 Subscriber shall maintain the records and books upon which it bases its reporting for three (3) years following the period to which the records relate. In the event that Subscriber fails to retain such records and books as required above, Subscriber agrees to pay CME the reasonable estimate of any discrepancy discovered pursuant to any such audit.

6. Market Data Fees

Subscriber will pay Distributor for the right to receive Market Data in accordance with the then-current fee schedule. Market Data fees are subject to modification by Distributor at any time, without prior notice to Subscriber.

7. Covenants, Representations And Warranties Of Subscriber

7.1 Subscriber covenants, represents and warrants that it is not engaged in the business of distributing Market Data and that, to its knowledge after reasonable inquiry, it is receiving the Market Data as authorized hereunder.

7.2 Subscriber agrees that it will not use or permit any other Person to use Market Data for any illegal purpose.

7.3 Subscriber agrees that it will not use Market Data in any way to compete with the Distributor or Exchange, nor use the Market Data in any way so as to assist or allow a third party to compete with the Distributor or Exchange.

7.4 Subscriber agrees that the provision of Market Data hereunder is conditioned upon Subscriber's strict compliance with the terms of the Agreement and that the Distributor or Exchange may, with or without notice and with or without cause, forthwith discontinue said service whenever in its judgment there has been any default or breach by Subscriber of the provisions hereof.

7.5 Subscriber further represents and warrants that (i) it has all necessary power and authority to execute and perform the Agreement; (ii) the Agreement is legal, valid, binding and enforceable against Subscriber; (iii) neither the execution of, nor performance under, the Agreement by Subscriber violates or will violate any law, rule, regulation or order, or any agreement, document or instrument, binding on or applicable to Subscriber or the Exchange; and (iv) its access to and use of the Market Data will be in accordance with all applicable federal, state, and local laws, regulations, and treaties.

8. Disclaimer Of Warranties

MARKET DATA IS PROVIDED, AND SUBSCRIBER AGREES THAT THE MARKET DATA IS PROVIDED, ON AN "AS IS," "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND. SUBSCRIBER AGREES THAT: DISTRIBUTOR AND ITS AFFILIATES; EXCHANGE AND ITS AFFILIATES; AND ANY OF THEIR RESPECTIVE MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS, AND ANY LICENSOR TO EXCHANGE, DO NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE MARKET DATA OR THE TRANSMISSION, TIMELINESS, ACCURACY OR COMPLETENESS THEREOF, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OR ANY WARRANTIES OF MERCHANTABILITY, QUALITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR NON- INFRINGEMENT, AND THOSE ARISING BY STATUTE OR OTHERWISE IN LAW OR FROM ANY COURSE OF DEALING OR USAGE OF TRADE.

9. Limitations Of Liability And Damages

9.1 SUBSCRIBER AGREES THAT: DISTRIBUTOR AND ITS AFFILIATES; EXCHANGE AND ITS AFFILIATES; AND THEIR RESPECTIVE MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS AND ANY LICENSOR TO EXCHANGE:

(i) DO NOT GUARANTEE THE SEQUENCE, ACCURACY OR COMPLETENESS OF THE MARKET DATA, NOR SHALL ANY OF THEM BE LIABLE TO SUBSCRIBER OR ANY OTHER PERSON FOR ANY DELAYS, INACCURACIES, ERRORS OR OMISSIONS IN MARKET DATA, OR IN THE TRANSMISSION THEREOF, OR FOR ANY OTHER DAMAGES ARISING IN CONNECTION WITH SUBSCRIBER'S RECEIPT OR USE OF MARKET DATA, WHETHER OR NOT RESULTING FROM NEGLIGENCE ON THEIR PART, A FORCE MAJEURE EVENT OR ANY OTHER CAUSE.

(ii) SHALL NOT BE LIABLE TO SUBSCRIBER OR ANY OTHER PERSON OR ENTITY FOR ANY LOSS, LIABILITY OR OTHER DAMAGE, DIRECT, INDIRECT OR CONSEQUENTIAL, ARISING OUT OF OR RELATING TO THE AGREEMENT AND THE MARKET DATA THEREUNDER, INCLUDING BUT NOT LIMITED TO:

(a) ANY INACCURACY OR INCOMPLETENESS IN, OR DELAYS, INTERRUPTIONS, ERRORS OR OMISSIONS IN THE DELIVERY OF, THE SITE OR THE MARKET DATA; OR

(b) ANY DECISION MADE OR ACTION TAKEN OR NOT TAKEN BY SUBSCRIBER, ITS CUSTOMERS OR ANY OTHER ENTITIES OR ANY OF THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS.

(c) LOSS OF BUSINESS REVENUES, LOST PROFITS OR ANY PUNITIVE, INDIRECT, CONSEQUENTIAL, SPECIAL OR SIMILAR DAMAGES WHATSOEVER, WHETHER IN CONTRACT, TORT OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9.2 SUBSCRIBER EXPRESSLY ACKNOWLEDGES THAT DISTRIBUTOR, EXCHANGE AND ITS AFFILIATES DO NOT MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, TO SUBSCRIBER OR ANY THIRD PARTY WITH RESPECT TO THE AGREEMENT AND THE MARKET DATA, INCLUDING, WITHOUT LIMITATION: (i) ANY WARRANTIES WITH RESPECT TO THE TIMELINESS, SEQUENCE, ACCURACY, COMPLETENESS, CURRENTNESS, MERCHANTABILITY, QUALITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE MARKET DATA OR (ii) ANY WARRANTIES AS TO THE RESULTS TO BE OBTAINED BY SUBSCRIBER OR ANY THIRD PARTY IN CONNECTION WITH THE USE OF THE MARKET DATA.

9.3 IF THE FOREGOING DISCLAIMER AND WAIVER OF LIABILITY, OR ANY PART THEREOF, SHOULD BE DEEMED INVALID OR INEFFECTIVE, THE CUMULATIVE LIABILITY OF DISTRIBUTOR, EXCHANGE, AND THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, MEMBERS, EMPLOYEES AND AGENTS SHALL NOT EXCEED THE ACTUAL AMOUNT OF LOSS OR DAMAGE, OR THE SUM OF FIFTY DOLLARS (\$50.00), WHICHEVER IS LESS.

10. Term And Termination

10.1 The Agreement will commence on the Effective Date. Subject to Subscriber's strict compliance with the provisions of the

Agreement, the provision of Market Data by the Distributor hereunder will continue in force for a period of one (1) month from the Effective Date (the "Initial Term"), and shall automatically renew at the end of such Initial Term for one (1) month and automatically thereafter on a month-to-month basis (such ongoing renewals, the "Renewal Terms"), provided, however, that either Party may terminate the Agreement by providing at least ten (10) days' prior electronic or written notice that it declines such automatic renewal.

10.2 Distributor and Exchange may from time to time modify and amend the Agreement, and Subscriber agrees to be bound by such terms. Subscriber may terminate the Agreement upon ten (10) days' electronic or written notice upon such modification or amendment. By continuing to access or use the Market Data after Distributor or Exchange has provided you with notice of a modification, you are indicating that you agree to be bound by the modified Agreement.

10.3 Upon any termination of the Agreement, Subscriber shall discontinue any use of the Market Data, and delete any and all Market Data received under the Agreement, including without limitation any stored historical Market Data.

11. Survival

The provisions of the Definitions Section 1, Proprietary Rights In The Market Data Section 2, and Sections that by their nature should reasonably survive, and any amendments to the provisions of the aforementioned, will survive any termination or expiration of the Agreement.

12. Indemnification

Subscriber will indemnify, defend and hold the Distributor and Exchange, and their respective affiliates, directors, officers, employees and agents harmless from and against any and all claims arising out of or in connection with the Agreement, including, without limitation, any liability, loss or damages (including, without limitation, attorneys' fees and other expenses) caused by any inaccuracy in or omission from, Subscriber's failure to furnish or to keep, or Subscriber's delay in furnishing or keeping, any report or record required to be kept by Subscriber hereunder.

13. Miscellaneous

13.1 Any action arising out of the Agreement shall be governed and construed in accordance with the internal laws (and not the law of conflicts) of the State of Illinois. The Parties submit to the exclusive jurisdiction of the state and federal courts situated in Cook County, State of Illinois.

13.2 Subscriber may not assign all or any part of the Agreement without the prior written consent of the Distributor.

13.3 Subscriber may not modify or amend the terms of the Agreement.

13.4 In the event of any conflict between the terms and conditions of the Agreement and any other agreement relating to Subscriber's receipt and use of Market Data, the terms and conditions of the Agreement will prevail.

13.5 If, for any reason, one or more provisions of the Agreement or part thereof is held invalid, the other provisions of the Agreement, or parts thereof, shall remain in full force and effect.

13.6 Subscriber hereby consents to use by CME and its affiliates of proprietary data or other personal information regarding Subscriber received by CME and its affiliates from time to time through the conduct of their businesses, including any data submitted to them to fulfill regulatory obligations, for commercial, business and marketing purposes. Except as may be otherwise set forth herein (for reporting purposes or otherwise), CME and its affiliates will not reveal the following information obtained from Subscriber to fulfill regulatory obligations to non-affiliated third-parties on a non-aggregated, non-anonymized basis, except (x) as permitted by law, (y) as required or requested by regulatory authority or (z) pursuant to a valid court order, subpoena or equivalent legal instrument: (i) personally identifiable information, (ii) detailed transaction data, (iii) position data, (iv) investigative materials, or (v) financial source documents.

13.7 The Distributor and Subscriber acknowledge and agree that CME is an intended third party beneficiary to the Agreement, and that CME may enforce all of the terms hereunder.

FUTURES AND OPTIONS TRADING – INFORMATION, DISCLAIMER & DISCLOSURES

This document consists of:-

<u>Part</u>	<u>Contents</u>
1.	Information about CES Capital International (Hong Kong)
2.	Disclaimer
3.	Risk Disclosure Statements
4.	Summary of Prescribed Limits and Reporting Level Applicable to Client's Accounts

PART 1: INFORMATION ABOUT CES Capital International (Hong Kong)

Company

Incorporated in Hong Kong, CES Capital International (Hong Kong) Co., Ltd. ("CES Capital (HK)") is an Exchange Participant (Cert No. EP0247) of Hong Kong Futures Exchange Limited ("HKFE"), a Clearing Participant (Cert No. CP0225) of HKFE Clearing Corporation Limited ("HKCC") and duly licensed by or registered with the Hong Kong Securities & Futures Commission ("SFC") to carry on Type 2 (Dealing in Futures Contracts) regulated activity (as defined in the Ordinance) with CE No. AGT995 under the Securities and Futures Ordinance (the "Ordinance").

PART 2: DISCLAIMER

1. HKFE DISCLAIMER

Stock indices and other proprietary products upon which contracts traded on Hong Kong Futures Exchange Limited (the "Exchange") may be based may from time to time be developed by the Exchange. The HKFE Taiwan Index is the first of such stock indices developed by the Exchange. The HKFE Taiwan Index and such other indices or proprietary products as may from time to time be developed by the Exchange (the "Exchange Indices") are the property of the Exchange. The process of compilation and computation of each of the Exchange Indices is and will be the exclusive property of and proprietary to the Exchange. The process and basis of compilation and computation of the Exchange Indices may at any time be changed or altered by the Exchange without notice and the Exchange may at any time require that trading in and settlement of such futures or options contracts based on any of the Exchange Indices as the Exchange may designate be conducted by reference to an alternative index to be calculated. The Exchange does not warrant or represent or guarantee to any Member or any third party the accuracy or completeness of any of the Exchange Indices or their compilation and computation or any information related thereto and no such warranty or representation or guarantee of any kind whatsoever relating to any of the Exchange Indices is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange in respect of the use of any of the Exchange Indices or for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspensions, changes or failures (including but not limited to those resulting from negligence) of the Exchange or any other person or persons appointed by the Exchange to compile and compute any of the Exchange Indices in the compilation and computation of any of the Exchange Indices or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any Member or any third party dealing with futures or options contracts based on any of the Exchange Indices. No claims, actions or legal proceedings may be brought by any Member or any third party against the Exchange in connection with or arising out of matters referred to in this disclaimer. Any Member or any third party engages in transactions in futures and options contracts based on any of the Exchange Indices in full knowledge of this disclaimer and can place no reliance on the Exchange in respect of such transactions.

2. DISCLAIMER DELIVERED PURSUANT TO THE RELEVANT PROVISIONS OF THE REGULATIONS FOR TRADING FUTURES CONTRACTS ON STOCK INDICES

Hang Seng Indexes Company Limited ("HSI") currently publishes, compiles and computes a number of stock indices and may publish, compile and compute such additional stock indices at the request of Hang Seng Data Services Limited ("HSDS") from time to time (collectively, the "Hang Seng Indices"). The marks, names and processes of compilation and computation of the respective Hang Seng Indices are the exclusive property of and proprietary to HSDS. HSI has granted to the Exchange by way of licence the use of the Hang Seng Index and the four Sub-indices of the Hang Seng Index, the Hang Seng China-Affiliated Corporations Index and the Hang Seng China Enterprises Index solely for the purposes of and in connection with the creation, marketing and trading of futures contracts based on such indices respectively and may from time to time grant to the Exchange corresponding use of other Hang Seng Indices for the purposes of and in connection with futures contracts based on such other Hang Seng Indices (collectively, "Futures Contracts"). The process and basis of compilation and computation of any of the Hang Seng Indices and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSI without notice and the Exchange may at any time require that trading in and settlement of such of the Futures Contracts as the Exchange may designate be conducted by reference to an alternative index or alternative indices to be calculated. Neither the Exchange nor HSDS nor HSI warrants or represents or guarantees to any Member or any third party the accuracy or completeness of the Hang Seng Indices or any of them and the compilation and computation thereof or any information related thereto and no such warranty or representation or guarantee of any kind whatsoever relating to the Hang Seng Indices or any of them is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange, HSDS or HSI in respect of the use of the Hang Seng Indices or any of them for the purposes of and in connection with the Futures Contracts or any of them and/or dealings therein, or for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspension, changes or failures (including but not limited to those resulting from negligence) of HSI in the compilation and computation of the Hang Seng Indices or any of them or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any Member or any third party dealing with the Futures Contracts or any of them. No claims, actions or legal proceedings may be brought by any Member or any third party against the Exchange and/or HSDS and/or HSI in connection with or arising out of matters referred to in this disclaimer. Any Member or any third party deals in the Futures Contracts or any of them in full knowledge of this disclaimer and can place no reliance whatsoever on the Exchange, HSDS and/or HSI.

3. DISCLAIMER DELIVERED PURSUANT TO THE RELEVANT PROVISIONS OF THE REGULATIONS FOR TRADING OPTIONS CONTRACTS ON STOCK INDICES

Hang Seng Indexes Company Limited (“HSI”) currently publishes, compiles and computes a number of stock indices and may publish, compile and compute such additional stock indices at the request of Hang Seng Data Services Limited (“HSDS”) from time to time (collectively, the “Hang Seng Indices”). The marks, names and processes of compilation and computation of the respective Hang Seng Indices are the exclusive property of and proprietary to HSDS. HSI has granted to the Exchange by way of licence the use of Hang Seng Index and the four Sub-indices of the Hang Seng Index, the Hang Seng China-Affiliated Corporations Index and the Hang Seng China Enterprises Index solely for the purposes of and in connection with the creation, marketing and trading of option contracts based on such indices respectively and may from time to time grant to the Exchange corresponding use of any other Hang Seng Indices for the purposes of and in connection with option contracts based on such other Hang Seng Indices (collectively, the “Option Contracts”). The process and basis of compilation and computation of any of the Hang Seng Indices and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by HSI without notice and the Exchange may at any time require that trading in and settlement of such of the Option Contracts as the Exchange may designate be conducted by reference to an alternative index or alternative indices to be calculated. Neither the Exchange nor HSDS nor HSI warrants or represents or guarantees to any Member or any third party the accuracy or completeness of the Hang Seng Indices or any of them and the compilation and computation thereof or any information related thereto and no such warranty or representation or guarantee of any kind whatsoever relating to the Hang Seng Indices or any of them is given or may be implied. Further, no responsibility or liability whatsoever is accepted by the Exchange, HSDS or HSI in respect of the use of the Hang Seng Indices or any of them for the purposes of and in connection with the Option Contracts or any of them and/or dealings therein, or for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspension, changes or failures (including but not limited to those resulting from negligence) of HSI in the compilation and computation of the Hang Seng Indices or any of them or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any Member or any third party dealing with the Option Contracts or any of them. No claims, actions or legal proceedings may be brought by any Member or any third party against the Exchange and/or HSDS and/or HSI in connection with or arising out of matters referred to in this disclaimer. Any Member or any third party deals in the Option Contracts or any of them in full knowledge of this disclaimer and can place no reliance whatsoever on the Exchange, HSDS and/or HSI.

PART 3: RISK DISCLOSURE STATEMENTS

CES Capital (HK) hereby makes the following risk disclosure statements to Client:-

RISK OF TRADING FUTURES AND OPTIONS

The risk of loss in trading futures contracts or options is substantial. In some circumstances, you may sustain losses in excess of your 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. You may be called upon at short notice to deposit additional margin funds. If the required funds are not provided within the prescribed time, your position may be liquidated. You will remain liable for any resulting deficit in your account. You should therefore study and understand futures contracts and options before you trade and carefully consider whether such trading is suitable in the light of your own financial position and investment objectives. If you trade options, you should inform yourself of exercise and expiration procedures and your rights and obligations upon exercise or expiry.

RISK OF CLIENT ASSETS RECEIVED OR HELD OUTSIDE HONG KONG

Client’s assets received or held by the licensed or registered person outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap.571) and the rules made thereunder. Consequently, such Client’s assets may not enjoy the same protection as that conferred on Client’s assets received or held in Hong Kong.

RISK OF PROVIDING AN AUTHORITY TO REPLEDGE YOUR SECURITIES COLLATERAL ETC

There is risk if you provide the licensed or registered person with an authority that allows it to apply your securities or securities collateral pursuant to a securities borrowing and lending agreement, repledge your securities collateral for financial accommodation or deposit your securities collateral as collateral for the discharge and satisfaction of its settlement obligations and liabilities.

If your securities or securities collateral are received or held by the licensed or registered person in Hong Kong, the above arrangement is allowed only if you consent in writing. Moreover, unless you are a professional investor, your authority must specify the period for which it is current and be limited to not more than 12 months. If you are a professional investor, these restrictions do not apply.

Additionally, your authority may be deemed to be renewed (i.e. without your written consent) if the licensed or registered person issues you a reminder at least 14 days prior to the expiry of the authority, and you do not object to such deemed renewal before the expiry date of your then existing authority.

You are not required by any law to sign these authorities. But an authority may be required by the licensed or registered person, for example, to facilitate margin lending to you or to allow your securities or securities collateral to be lent to or deposited as collateral with third parties. The licensed or registered person should explain to you the purposes for which one of these authorities is to be used.

If you sign one of these authorities and your securities or securities collateral are lent to or deposited with third parties, those third parties will have a lien or charge on your securities or securities collateral. Although the licensed or registered person is responsible to you for securities or securities collateral lent or deposited under your authority, a default by it could result in the loss of your securities or securities collateral.

A cash account not involving securities borrowing and lending is available from most licensed or registered persons. If you do not require margin facilities or do not wish your securities or securities collateral to be lent or pledged, do not sign the above authorities and ask to open this type of cash account.

RISK OF PROVIDING AN AUTHORITY TO HOLD MAIL OR TO DIRECT MAIL TO THIRD PARTIES

If you provide the licensed or registered person 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.

ADDITIONAL RISK DISCLOSURE FOR FUTURES AND OPTIONS TRADING

This brief statement does not disclose all of the risks and other significant aspects of trading in futures and options. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures and options is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

FUTURES

1. **Effect of “Leverage” or “Gearing”**

Transactions in futures carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract so that transactions are ‘leveraged’ or ‘geared’. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit: this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit.

2. **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.

OPTIONS

3. **Variable degree of risk**

Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarize themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your 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 (see the section on Futures above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you 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 (see the section on Futures above). 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 premium. The purchaser 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.

ADDITIONAL RISKS COMMON TO FUTURES AND OPTIONS

4. **Terms and conditions of contracts**

You should ask the firm with which you deal about the terms and conditions of the specific futures or options which you are trading and associated obligations (e.g. the circumstances under which you may become obliged to make or take delivery of the underlying interest of a futures contract and, in respect of options, 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.

5. **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 or liquidate/offset positions. If you have 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.

6. **Deposited cash and property**

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

7. **Commission and other charges**

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you

will be liable. These charges will affect your net profit (if any) or increase your loss.

8. Transactions in other jurisdictions

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

9. Currency risks

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your 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.

10. 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. Your 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: you should ask the firm with which you deal for details in this respect.

11. Electronic trading

Trading on an electronic trading system may differ from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you 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 your order is either not executed according to your instructions or is not executed at all.

12. Off-exchange transactions

In some jurisdictions, and only then in restricted circumstances, firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your 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 you undertake such transactions, you should familiarize yourself with applicable rules and attendant risks.

PART 4: SUMMARY OF PRESCRIBED LIMITS AND REPORTING LEVEL APPLICABLE TO CLIENT'S ACCOUNTS

Certain prescribed limits and reporting level set by the Securities and Futures Commission ("SFC") under the Securities and Futures (Contracts Limits and Reportable Positions) Rules ("the Rules") made pursuant to Section 35 (1) of the Securities and Futures Ordinance (the "Ordinance") will directly affect your Account(s) – these are summarized below. Client should note that failure to comply with such limits or to report may constitute a criminal offence under the Ordinance and the Rules.

SFC PRESCRIBED LIMITS

Under these limits, each of CES Capital (HK) and Client is prohibited from entering into, holding or controlling more than a specified number of open contracts in any one contract month, unless the excess is expressly authorized by SFC, HKFE or Stock Exchange of Hong Kong ("SEHK") (as the case may be) under the Rules. A schedule of contracts and the applicable prescribed limits is set out below.

SFC REPORTING LEVEL

Under these requirements, each of CES Capital (HK) and Client is prohibited from holding or controlling more than a specified number of open contracts in any on contract month or expiry month unless the position held or controlled is reported to the HKFE, SEHK and/or other recognized exchange pursuant to the Rules.

DIRECT APPLICATION OF THE RULES TO CLIENTS

The SFC's prescribed limits and reporting level apply to CES Capital (HK) for its own account and separately and directly to Client. Clients using more than one participant of the HKFE continue to be subject to the SFC's prescribed limits and reporting level. Client is therefore required to report to the HKFE a position which exceeds the prescribed net long or short contracts reporting level and the specific positions held through each participant of the HKFE. A sample of the reporting form is available from CES Capital (HK) on request.

HKFE'S LARGE OPEN POSITION REPORT PROCEDURES

The HKFE has also set large open position limits in a number of markets operated by the HKFE. In particular, Client should note that Client shall itself have direct reporting obligations to the HKFE where Client holds or controls, in aggregate, open positions equal to or more than the number of futures contracts and/or options contracts specified by HKFE from time to time, whether directly or through Client's affiliate, and whether through one or more participants of the HKFE, in which event Client shall be required to file a Large Open Position Report with the HKFE. For the purposes of the HKFE Rules, large open position means the number of open Futures Contracts and/or Options Contracts in a particular futures contract month or option series in a particular market determined by the Board (as defined in the HKFE Rules) to be a Large Open Position pursuant to Rules 628 of the HKFE Rules. This is similar to the concept of "reportable position" prescribed in the Rules. A sample of the reporting form is available from CES Capital (HK) on request.

Please refer to the website of Hong Kong Exchanges and Clearing Limited (<http://www.hkex.com.hk/tradinfo/futures/contract/lop.htm>) for a schedule of the prescribed limits and reporting level for some of the corresponding Futures Contract or Options Contract under the HKFE Rules (which forms an integral part of this Document and is subject to change from time to time without prior notice). A copy of the schedule is available from CES Capital (HK) on request.