

TARGET CAPITAL MANAGEMENT LIMITED

6/F, No.18 King Wah Road, North Point, Hong Kong

To : Target Capital Management Limited

Account No. _____

Margin Facility and Margin Requirements

These terms for Securities margin financing are supplemental to the Client Agreement between you and Target Capital Management Limited (hereinafter referred to as "**We**", "**Us**" or "**Our**"). Terms defined in the Client Agreement shall have the same meaning when used here.

Unless otherwise agreed by us in writing, any "**Margin Facility**" referred to herein and made available by us to you from time to time at your request shall be subject to the following terms and conditions: -

- (a) You hereby authorize us to open and maintain in your name one or more Accounts through which the Margin Facility is made available (hereinafter referred to as "**Margin Account(s)**"). For such Margin Account(s), we will provide financial accommodation to facilitate the subscription of new issue of Securities, the acquisition of listed Securities and, where applicable, for the continued holding of those Securities. We are authorized to draw on the Margin Facility any amount due to us in respect of any of your Transactions. You will not be able to withdraw funds under the Margin Facility unless with our consent.
- (b) The Margin Facility shall be subject to our overriding right of demand for repayment at any time and we may in our discretion prescribe such limits on the amount available for drawing under the Margin Facility from time to time. The Margin Facility may also be terminated by us at any time without prior notice to you.
- (c) You shall comply with all requirements prescribed by us from time to time as to the provision of margin and security for the Margin Facility including, without limitation, the execution by you or such other persons of such form of security and related documents as we may from time to time require. You will be notified of such requirements from time to time but they are subject to change at any time without prior notice.
- (d) Drawings on the Margin Facility by you shall be subject to our being satisfied with the form and value of the margin and security provided to us at all relevant times and subject further to such procedures as we may prescribe from time to time.
- (e) Interest (and default interest) shall be payable on any amount outstanding under the Margin Facility at such rate and in such manner as we may from time to time determine and notify you and shall accrue from day to day on the daily amounts outstanding.
- (f) If there is a debit balance in any of your Accounts which is a cash account and you hold a Margin Account, interest will be calculated on the combined debit balance and charged to the Margin Account.
- (g) You shall deposit initial margin and/or additional margin with us in such form and amount and within such time as we may require from time to time and at any time. We reserve the right to vary any margin requirements as we may consider appropriate and you shall check with us to ascertain the applicable margin requirements from time to time.
- (h) Any failure by you to meet any margin calls or to comply with any other provisions in this Agreement shall entitle us to close out or liquidate in any manner any or all Securities in your Margin Account(s) without further notice to you.
- (i) You shall, upon our demand at any time, repay to us all principal and interest accrued thereon outstanding under the Margin Facility, but nothing in this Clause shall prejudice our rights, powers and remedies under any security document executed in our favor in respect of the Margin Facility.
- (j) Repayments of any amount outstanding under the Margin Facility may be made at any time and, subject to availability of funds and the provisions in this Agreement, amounts repaid shall be available for re-drawing.
- (k) In consideration of the Margin Facility made and to be made available to you from time to time, you as beneficial owner charge by way of security and release to us all your right, title and interest in and to each of your Account(s) including all the Securities, dividends, interest, stocks, shares, rights, money or property payable or accruing at any time hereafter by way of redemption, bonus, preference, option or otherwise until all indebtedness owing by you to us at any time in connection with the Margin Facility whether actually or contingently including interest thereon and all expenses incurred by us in enforcing and preserving our rights under this Agreement (collectively "the Secured Indebtedness") have been paid or discharged in full.
- (l) A certificate of balance signed by any of our authorized officers shall be conclusive evidence against you of the amount of the Secured Indebtedness owing at any time unless and until the contrary has been established.
- (m) No amount in any of the Margin Account(s) shall be released to, withdrawn from or otherwise dealt with by, you without our consent.
- (n) The security created by Clause (k) above is a continuing security and is in addition to, shall not be affected by and may be enforced despite the existence of any other security held by us in respect of the Margin Facility. Any restriction on the right of consolidating security shall not apply to this security. If any event referred to in Clause (h) above occurs, we shall be entitled to enforce this security and may, without demand, notice, legal process or any other action against you, retain or apply the whole or any part of the assets held in all or any of the Margin Account(s) and/or any credit balance in any currency on all or any of your other Accounts with us, in or towards satisfaction of the Secured Indebtedness and we shall not be liable for any loss arising out of such retention or application.
- (o) If any moneys paid to us in respect of the Secured Indebtedness are required to be repaid by virtue of any law relating to insolvency, bankruptcy or dissolution or for any other reason, we shall be entitled to enforce this Agreement as if such moneys had not been paid.

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- (p) If you create or purport to create any security (whether fixed or floating) over any of the Margin Account(s) or any part of it or if any person levies or attempts to levy any form of process against any of the Margin Account(s) or any part of it, the security created by Clause (k) above, to the extent that it may be a floating charge, shall automatically and without notice operate as fixed charge instantly such event occurs.
- (q) You hereby authorize us at any time and without prior notice to you to:
- (i) apply any of your Securities in your Accounts (including the Margin Account) pursuant to a securities borrowing and lending agreement;
 - (ii) deposit any of your Securities in the Margin Account with an authorized institution as collateral for financial accommodation provided to us;
 - (iii) deposit any of your Securities in the Margin Account with a recognized clearing house or another intermediary licensed or registered for dealing in securities as collateral for the discharge and satisfaction of our settlement obligations and liabilities.
- The term of your authorization contained in this Clause (q) shall be for a period commencing from the date of Agreement to 31 December of the calendar year when this Addendum is executed, and may be renewed or shall be deemed to be renewed upon its expiry date for a period of twelve months in such manner as may be required by applicable laws, regulations and codes of conduct from time to time. You may withdraw such authorization by giving us notice in writing of not less than 5 business days conditional upon your having discharged all outstanding debts owed to us.
- (r) Any Securities which are held by us for the Margin Account may, at our discretion, be:
- (i) registered in your name;
 - (ii) registered in our name or in the name of our associated entity (as defined in the Securities and Futures Ordinance);
 - (iii) deposited in safe custody in a designated account of our banker or with such other appropriate institution which provides safe custody facilities as may be permitted by the applicable laws and regulations.
- (s) You hereby irrevocably appoint us to be your attorney and in your name and on your behalf and as your act or deed or otherwise, without reference to or consent from you, to execute all documents and to do all things as may be required for the full exercise of all or any of the powers conferred on us and our rights under this Agreement as we may consider expedient in connection with the exercise of such powers and rights. You shall, at our request, execute such documents and perform such acts as we may consider expedient in connection with the exercise of our powers and rights under this Agreement.
- (t) Any money paid to us in respect of the Secured Indebtedness may be applied in or towards satisfaction of the same or placed to the credit of such account as we may determine with a view to preserving our rights or prove for the whole of the Secured Indebtedness.
- (u) We may, at any time, continue any existing account and open new account in your name and no subsequent Transactions, receipts or payments involving such new accounts shall affect your liability.
- (v) This Addendum shall be incorporated by reference into and form an integral part of the Client Agreement. Save as otherwise amended and/or supplemented herein, all other terms and conditions of the Client Agreement shall remain unchanged and in full force and effect. In the event of any discrepancy in interpretation between the terms and conditions of this Addendum and the Client Agreement, the terms and conditions of this Addendum shall prevail.

SIGNED by : 

.....
Authorized Signature(s) (for Corporate Applicant, with company chop)

.....
Signature of Other Joint Account Holder

Name of Authorized Person(s) (Corporate Applicant only, in BLOCK letters) :

Title (Corporate Applicant only) :

Account Name :

ID / Passport / CI No. :

Date :