
IMPORTANT! Before you use the services contemplated by this Margin Client Agreement, please read these terms and conditions carefully. We draw your particular attention to the risk disclosures set out in the Schedule to the General Business Terms.

By using the services contemplated in this Margin Client Agreement (which includes setting up a Margin Account), you will be considered to have accepted these terms and conditions and will be bound by them.

1 Definitions and interpretation

1.1 Interpretation

This Margin Client Agreement ("Margin Client Agreement") is supplemental to the General Business Terms to which this Margin Client Agreement is annexed. Where there is any conflict between the provisions of the General Business Terms and this Margin Client Agreement, the provisions of this Margin Client Agreement will prevail.

1.2 Definitions

In this Margin Client Agreement, a term not otherwise defined has the meaning given to that term in the General Business Terms. In addition, the following terms and expressions have the following meanings:

"Client Money Rules" means the Securities and Futures (Client Money) Rules (Cap. 571I of the laws of Hong Kong).

"Client Securities Rules" means the Securities and Futures (Client Securities) Rules (Cap. 571H of the laws of Hong Kong).

"Client Securities Standing Authority" means the standing authority granted by the Client to Saxo Capital Markets with respect to the Margin Securities on the terms set out in Clause 9.2 as amended from time to time.

"Facility" means the facility which Saxo Capital Markets makes available to the Client under this Margin Client Agreement for the purpose of purchasing or subscribing for Instruments to be recorded in the Margin Account.

"Facility Limit" means the maximum aggregate principal amount to be made available by Saxo Capital Markets to the Client under the Facility, being the aggregate amount of the Security Value of each specified security plus any cash deposited into the Margin Account by the Client (each comprised in the Pledge) less the Margin Requirement, as notified to the Client, and which may be varied by Saxo Capital Markets at its sole and absolute discretion from time to time.

"Indebtedness" means all moneys, in any currency, other than the Facility, which are due or owing by the Client to Saxo Capital Markets and from time to time in any place, capacity or manner (in each case whether alone or jointly with any other person, and whether as principal or guarantor), together with interest accruing up to the date of payment and all fees, charges and expenses at such rates and on such terms as may be payable by the Client from time to time.

“Instruction” means an instruction given to Saxo Capital Markets pursuant to Clause 6 of the General Business Terms.

“Loan” means the aggregate principal amount and interest owing to Saxo Capital Markets under the Facility at any time.

“Margin Account(s)” means one or more margin securities trading accounts maintained by the Client with Saxo Capital Markets from time to time for the purchase or sale of Instruments and in which Contracts will be recorded and is an “Account” as defined in the General Business Terms.

“Margin Securities” means the Client’s Instruments held in the Margin Account.

“Security Value” means with respect to any Margin Securities at any given time, the market price (net of expenses) which Saxo Capital Markets determines in its discretion, could be obtained on a sale of such Margin Securities at such time and in such market on which Instruments of the same type are normally dealt (for clarity, certain Margin Securities may be valued by Saxo Capital Markets at zero or no value).

2 Margin Services

- 2.1 The Client hereby instructs and authorises Saxo Capital Markets to open and maintain in its books one or more Margin Account(s) in the name of the Client for the purpose of purchasing, investing in, selling, exchanging or otherwise disposing of and generally dealing in and with all kinds of Instruments in accordance with the terms and conditions of this Margin Client Agreement from time to time.
- 2.2 Unless otherwise indicated by Saxo Capital Markets (in the relevant Contract) or specified in this Margin Client Agreement, Saxo Capital Markets shall act as the Client’s agent only to deliver to, or collect from, the relevant brokers and any exchange or clearing house any money, share certificates and other documents relating to Margin Securities in performing its duties under this Margin Client Agreement.
- 2.3 All Contracts for the Margin Account(s) may be effected by Saxo Capital Markets directly on any Regulated Market where Saxo Capital Markets is authorised to deal in securities, or, at its option, on any Regulated Market indirectly through any other broker which Saxo Capital Markets may, at its discretion, decide to appoint.
- 2.4 Saxo Capital Markets will not inform the Client about any ordinary or extraordinary general meeting or any extraordinary information communicated by an issuer of the Margin Securities. Prior to the occurrence of an Event of Default, Saxo Capital Markets will not attend any such meetings.
- 2.5 Prior to the occurrence of an Event of Default, the Client shall exercise any voting or other rights including the completion of proxies in respect of the Margin Securities by providing written instructions to Saxo Capital Markets before any stipulated deadline, and Saxo Capital Markets will not exercise any such rights on the Client’s behalf except in accordance with the Client’s written instructions.
- 2.6 Saxo Capital Markets will not inform the Client about any ordinary or extraordinary general meetings or any extraordinary information communicated by the issuer of Margin Securities. Saxo Capital Markets has no duty to send or give any notice of receipt to the Client of any notices, communications, proxies and other documents relating to the Margin Securities.

2.7 The Client acknowledges that none of:

- (a) the relationship between the Client and Saxo Capital Markets;
- (b) the services to be provided under this Margin Client Agreement; or
- (c) any other matter,

give rise to any fiduciary or equitable duties on Saxo Capital Markets' part in favour of the Client, even where Saxo Capital Markets has better knowledge of the market generally or of any particular Contract. In particular, there are no duties that would oblige Saxo Capital Markets to accept responsibility more extensive than that set out in this Margin Client Agreement or which would prevent or hinder Saxo Capital Markets from carrying out any of the activities contemplated by this Margin Client Agreement.

3 Instructions and authorisation

- 3.1 If the Client wishes to use the services contemplated by this Margin Client Agreement, the Client must give Saxo Capital Markets an Instruction.
- 3.2 Saxo Capital Markets is authorised to act upon Instructions to deposit, purchase and/or sell Instruments for the Margin Account(s) and otherwise deal with Instruments, receivables or monies held in or for the Margin Account(s), subject to, where applicable, the Client Money Rules and the Client Securities Rules.

4 The Facility

- 4.1 Saxo Capital Markets makes the Facility available to the Client in accordance with this Margin Client Agreement.
- 4.2 The Facility is granted for a period of one day less than six (6) calendar months from the date on which this Margin Client Agreement is signed (the "Facility Period"). Before the expiry of such period, the creditworthiness of the Client will be re-assessed by Saxo Capital Markets and Saxo Capital Markets may, in its sole discretion, extend the Facility Period for a further period of one day less than six (6) calendar months or terminate the Facility at the end of the Facility Period. The Facility Period may be extended an unlimited number of times.
- 4.3 Without limiting Clause 4.2 above, Saxo Capital Markets has the right, in its discretion by giving the Client notice at any time, to cancel or terminate the Facility and to demand immediate payment of all moneys and sums (including principal, interest or expenses), then due and owing from the Client in respect of the Facility or any other liabilities under this Margin Client Agreement. Saxo Capital Markets also has the right to refuse to make available to the Client any advance under the Facility at any time even if the Facility Limit applicable at that time has not been exceeded.
- 4.4 No advance under the Facility will be made if it will cause the Facility Limit to be exceeded or the Margin Requirement to not be met.
- 4.5 Whenever the Loan exceeds the Facility Limit, Saxo Capital Markets will not make any further advance to the Client and the Client is required to pay Saxo Capital Markets at Saxo Capital Markets' election either:
 - (a) a fee in respect of the excess Facility amount at such rate as Saxo Capital Markets may set from time to time; or
 - (b) interest on the excess portion of the Facility at such rate as Saxo Capital Markets may set from time to time.

4.6 The Client may re-borrow (in full or in part) any amount of advance after it has been repaid as long as:

- (a) the re-borrowing will not cause the Facility Limit to be exceeded; and
- (b) Saxo Capital Markets has not cancelled or terminated the Facility.

5 Security

- 5.1 In consideration of Saxo Capital Markets granting or continuing to make available the Facility to the Client, the Client, as beneficial owner, Pledges the Collateral to Saxo Capital Markets.
- 5.2 In addition and without prejudice to any general liens, rights of set-off or other similar rights to which Saxo Capital Markets may be entitled under law, this Margin Client Agreement or the General Business Terms, all Collateral shall be subject to a general lien in favour of Saxo Capital Markets.
- 5.3 The security created by Clauses 5.1 and 5.2 is a continuing security to secure:
 - (a) the punctual payment to Saxo Capital Markets on the respective due dates of the Indebtedness, all amounts outstanding under the Facility and all other money and sums due or owing by the Client to Saxo Capital Markets from time to time under this Margin Client Agreement; and
 - (b) the performance of all the Client's obligations under this Margin Client Agreement.

6 Margin call

- 6.1 The Facility Limit applies for so long as the Client holds any Margin Securities. It is the Client's responsibility to continuously ensure that the Facility Limit is not exceeded. Saxo Capital Markets may, but is not required to, notify the Client if the Facility Limit is exceeded.
- 6.2 Where the Loan exceeds the Facility Limit or the Margin Requirement is not met, the Client shall be obliged immediately to provide additional Collateral in accordance with Clause 23.6 of the General Business Terms so as to reduce the Loan to an amount within the Facility Limit and/or to comply with the Margin Requirement. This is in addition to Saxo Capital Markets' rights under Clause 23 of the General Business Terms to, among other things, change the Margin Requirement, determine or re-determine the value of the Collateral, require the Client to deliver additional Collateral and/or close or reduce any Margin Positions.

7 Margin Securities

- 7.1 Clauses 18.6 and 19 of the General Business Terms apply mutatis mutandis except that references to "Custody Securities" shall be construed as references to Margin Securities.
- 7.2 Saxo Capital Markets' obligations to deliver, to hold in safe custody or otherwise or to register in the Client's name, Instruments purchased or acquired by Saxo Capital Markets on the Client's behalf do not have to be satisfied by the delivery, holding or registration of Instruments with serial numbers identical with those lodged, deposited with or transferred to Saxo Capital Markets so long as the Instruments returned to the Client are of the same class, issue, denomination and nominal amount and rank pari passu with those originally deposited with or transferred to Saxo Capital Markets (subject always to any capital reorganisation which may have occurred in the meantime).

8 Repledging

Notwithstanding any provision of the General Business Terms, Saxo Capital markets has the right to sell, pledge, re-hypothecate, assign, invest, use, commingle or otherwise dispose of, and otherwise use in its business, any Margin Securities.

9 Standing Authority

- 9.1 By entering into this Margin Client Agreement, the Client hereby agrees to provide the Client Securities Standing Authority set out under Clause 9.2, subject to the Client's right to revoke such Client Securities Standing Authority at any time in accordance with Clause 9.7. The Client understands and acknowledges the risks to the Client associated with giving the Client Securities Standing Authority, including the risks set out under the General Business Terms).
- 9.2 The Client hereby authorises Saxo Capital Markets to, without further notice or consent:
- (a) sell, withdraw or deal with any Collateral in any manner in accordance with any Instruction;
 - (b) as regards any action (including any rights or new issues or any consolidation, split or redenomination of funds, stocks or shares or any other routine event) in connection with any Collateral which affects the Client as the owner of such Collateral:
 - (i) subscribe, take up or dispose of any rights, benefits, interests of entitlements arising from them or deal or act in any manner in accordance with any Instruction (except that any applicable provisions in the constitutional or offering documents under which such Collateral was issued, offered or sold will always prevail and the Client authorises Saxo Capital Markets to deal or act or refrain from dealing or acting in accordance with such provision despite any Instruction); or
 - (ii) in the absence of or delay in receiving an Instruction, act in such manner as Saxo Capital Markets considers appropriate to preserve the Client's interests;
 - (c) subject to any applicable laws and regulations and Market Rules, deposit and hold any Collateral with one or more custodians or nominees (including any custodian or nominee acting for any exchange or clearing house) and transfer any Collateral among them for any purpose;
 - (d) sell, dispose of or otherwise deal with any Collateral under prevailing market conditions if such sale, disposal or dealing is required by any applicable laws and regulations and Market Rules or is otherwise for the Client's or Saxo Capital Markets' protection. Saxo Capital Markets will credit the proceeds of such sale or disposal (after deducting reasonable expenses) to the Client's cash Account;
 - (e) deal with any Collateral in such manner as Saxo Capital Markets considers appropriate to facilitate Saxo Capital Markets' provision of the services contemplated by this Margin Client Agreement to the Client having regard to applicable laws and regulations and Market Rules and prevailing market practice from time to time;
 - (f) subject to any applicable laws and regulations and Market Rules, apply any Margin Securities pursuant to a securities borrowing and lending agreement between Saxo Capital Markets and a third party. Saxo Capital Markets shall act as the Client's agent in entering into any securities borrowing and lending agreement with a third party and in the transfer of title to the Margin Securities pursuant to any such agreement;

- (g) subject to any applicable laws and regulations and Market Rules regarding repledging limits, deposit any Margin Securities with an authorised financial institution as collateral for financial accommodation provided to Saxo Capital Markets;
- (h) deposit any Margin Securities with any clearing house recognised by the SFC or with any securities dealer as collateral for the discharge and satisfaction of Saxo Capital Markets' settlement obligations and liabilities;
- (i) apply or deposit any Margin Securities in accordance with Clauses 9.2(f), 9.2(g) and/or 9.2(h) above if Saxo Capital Markets provides financial accommodation to the Client in the course of dealing in securities and also provides financial accommodation to the Client in the course of any other regulated activity for which Saxo Capital Markets is licensed or registered; and
- (j) do all acts and things which are necessary for or incidental to the performance of the above activities or any of them.

9.3 The Client acknowledges that:

- (a) the Client has been informed of the repledging practice of Saxo Capital Markets and the Client has provided Saxo Capital Markets with a standing authority to repledge the Margin Securities; and
- (b) the Client Securities Standing Authority shall not affect Saxo Capital Markets' right to dispose or initiate a disposal by Saxo Capital Markets' associated entity of the Collateral in settlement of any liability owed by or on behalf of the Client to Saxo Capital Markets, the associated entity or a third person.

9.4 The Client understands that a third party may have rights to the Margin Securities, which Saxo Capital Markets must satisfy before the Margin Securities can be returned to the Client.

9.5 The Client acknowledges and agrees that the Client Securities Standing Authority is valid for a period of 12 months from the date of this Margin Client Agreement, subject to renewal by such Client or deemed renewal under the Client Securities Rules referred to in Clause 9.6 below. This Clause 9.5 applies only to Clients who are not professional investors as defined in the SFO.

9.6 The Client understands that the Client Securities Standing Authority shall be deemed to be renewed on a continuing basis without the Client's written consent if Saxo Capital Markets issues the Client a written reminder at least 14 days prior to the expiry date of the relevant authority, and the Client does not object to such deemed renewal before such expiry date.

9.7 The Client may revoke the Client Securities Standing Authority (in whole or in part) by giving Saxo Capital Markets at least 30 days prior written notice of revocation. Saxo Capital Markets has the right to terminate the services contemplated by this Margin Client Agreement immediately by notice if Saxo Capital Markets considers, in its opinion, that the absence of the Client Securities Standing Authority (in whole or any part thereof) makes it impracticable for Saxo Capital markets to continue to provide the relevant services to the Client.

10 Client confirmations and agreements

10.1 The Client confirms to Saxo Capital Markets that:

- (a) the Client has read, fully understood and accepted the Risk Disclosure Statements set out in the Schedule to the General Business Terms;
- (b) the Client is the sole beneficial owner (or where the services contemplated by this Margin Client Agreement are provided to two or more persons, such persons are the only beneficial owners) of all Collateral and has good title to all Collateral, free from encumbrances or any third party interests (except in Saxo Capital Markets' or its nominee's favour);
- (c) the Client has and will maintain beneficial ownership of the Collateral free from encumbrances or any third party interest (except with Saxo Capital Markets' consent or in Saxo Capital Markets' or its nominee's favour); and
- (d) the security created by Clause 5 of this Margin Client Agreement and Clause 24.1 of the General Business Terms (as amended by Country Annex – Hong Kong) constitutes and will continue to constitute your valid and legally binding obligations enforceable in accordance with its terms.

10.2 The Client undertakes and agrees to the following:

- (a) the Client will not (and will not attempt to) create or permit to arise any encumbrance or third-party interest over any Margin Securities (except with Saxo Capital Markets' consent or in Saxo Capital Markets' or its nominee's favour);
- (b) the Client will execute and deliver such further charges, authorisation and/or other documents as Saxo Capital Markets may from time to time reasonably require for perfecting Saxo Capital Markets' title to or for vesting to Saxo Capital Markets or enabling Saxo Capital Markets to enjoy the full benefit of the security created by Clause 5 of this Margin Client Agreement and Clause 24.1 of the General Business Terms (as amended by Country Annex – Hong Kong). For these purposes, the Client irrevocably appoints Saxo Capital Markets as the Client's lawful attorney, and will ratify and confirm all documents, acts and things and all Contracts entered into or effected by Saxo Capital Markets in exercising Saxo Capital Markets' rights or powers under this Margin Client Agreement. The Client irrevocably agrees that this power of attorney is given to secure the performance of the Client's obligations under this Margin Client Agreement; and
- (c) the Client will maintain in full force and effect all governmental and other approvals, authorities, licenses and consents required in connection with the security created by Clause 5 of this Margin Client Agreement and Clause 24.1 of the General Business terms (as amended by Country Annex – Hong Kong) and the Client will do or cause to be done all other acts and things necessary or useful for the performance of all the Client's obligations under this Margin Client Agreement, or for ratifying or confirming anything done by Saxo Capital Markets in the performance of its duties or exercise of Saxo Capital Markets' right or powers under this Margin Client Agreement.

11 Suspension, termination and closure of Margin Account(s)

- 11.1 Saxo Capital Markets has the right to suspend or terminate with or without giving notice or any reason all or any of the services contemplated by this Margin Client Agreement at any time.
- 11.2 Without limiting or reducing the effect of Clause 11.1, Saxo Capital Markets has the right to terminate the Margin Account(s) by giving the Client not less than thirty (30) days' prior written notice.
- 11.3 Without limiting or reducing the effect of Clauses 11.1 and 11.2 and the General Business Terms, if any Event of Default occurs, Saxo Capital Markets has the right to terminate the services contemplated by this Agreement and close the Margin Account(s) with immediate effect without notice to the Client.
- 11.4 The Client has the right to terminate the Margin Account(s) by giving Saxo Capital Markets not less than thirty (30) days' prior written notice.
- 11.5 Without limiting or reducing the effect of the General Business Terms, upon termination pursuant to Clauses 11.1 to 11.4 above, the Loan and all amounts due or owing by the Client to Saxo Capital Markets under this Margin Client Agreement will become immediately due and payable. Saxo Capital Markets will cease to have any obligations to grant or continue to grant the Facility or to deal or continue to deal in securities on the Client's behalf under this Margin Client Agreement, even if the Client has given a contrary Instruction.
- 11.6 Even if any or all of the services contemplated by this Margin Client Agreement are suspended or terminated or the Margin Account is closed, the Client continues to be bound by this Margin Client Agreement to the extent that it relates to any of the Client's obligations or liabilities which remain to be performed or discharged.