

APPENDIX FOR OVERSEAS SECURITIES TRADING

This Appendix applies in respect of securities trading services in Overseas Securities provided by ICBCIS to the Client, in addition to the General Terms and Conditions, the Appendix for Securities Trading, and the Appendix for Margin Accounts.

In the event that there is any inconsistency between this Appendix and the General Terms and Conditions, the Appendix for Securities Trading, and/or the Appendix for Margin Accounts, the provisions in this Appendix shall prevail in respect of trading in Overseas Securities.

Unless otherwise defined in this Appendix, terms defined in the "Definitions and Interpretation" section of the Standard Terms and Conditions shall have the same meaning when used in this Appendix.

Reference to "Appendix" shall include the Annexures.

1. DEFINITIONS AND INTERPRETATION

1.1 In this Appendix, the following terms shall have the following meanings:

"Account(s)" as referred to in this Appendix refers to any or more of the Securities Account, Margin Account and such other accounts that the Client maintains with ICBCIS from time to time, in respect of securities trading services in Overseas Securities provided by ICBCIS to the Client.

"Applicable Laws" mean all relevant or applicable laws, rules, regulations, by-laws, constitution, orders, directives, notices, circulars, codes, customs, contractual terms prescribed by any Clearance Systems and/or Exchanges and usages (whether of government bodies, authorities, Exchange, market, regulators, self regulatory bodies, Clearance System, whether or not having the force of law, and whether in or outside Hong Kong), as may be promulgated from time to time.

"Clearance System" means any Clearing House, settlement system, payments system, or depository (including any dematerialized book entry system or entity that acts as a system for the central handling of Overseas Securities in the country where it is incorporated or organized or that acts as a transnational system for the central handling of Overseas Securities), whether or not acting in that capacity, or other financial market utility or organized trading facility used in connection with Transactions and any nominee of the foregoing.

"Extension of Credit" includes but is not limited to any daylight and overnight overdraft or similar advances, any reimbursement demands as provided herein, and uncommitted overdraft lines or similar uncommitted lines provided by ICBCIS to the Client in connection with the Instructions or Transactions in respect of Overseas Securities or services hereunder.

"Required Amount" is as defined in Clause 2.9 below.

"Taxes" means all taxes, levies, imposts, charges, assessments, deductions, withholdings and related liabilities, including additions to tax, penalties and interest imposed on or in respect of (i) Overseas Securities or cash in the Account (including all payments made by ICBCIS to the Client in connection with any such Overseas Securities or cash), (ii) the Transactions effected under this Appendix (including stamp duties or financial transaction tax), or (iii) the Client; and **"Tax"** means any of them.

2. INSTRUCTIONS AND TRANSACTIONS

- 2.1 ICBCIS is authorized but not obliged to act on an Instruction given or purported to be given by the Client. Instructions may only be given by the Client in such manner or form and during such time(s) as notified by ICBCIS to the Client, and which ICBCIS may at any time amend, vary or restrict from time to time. The Client shall comply with the security procedures required by ICBCIS from time to time, to establish the origination of the communication and the authority of the person sending any communication.
- 2.2 The Client agrees that the Client and the persons who make investment decisions on behalf of the Client are responsible for investment decisions in the Client's account, including whether to buy, hold, or sell any particular Overseas Security. The Client shall be obliged to monitor and stay informed about the Client's Overseas Securities holdings and respond to change as the Client deems appropriate.
- 2.3 The Client undertakes to provide ICBCIS timely and accurate information relating to any restrictions on the sale or transfer of any Overseas Securities held in the Account. In respect of any Instructions to sell or transfer Overseas Securities, the Client shall upon request provide ICBCIS with any necessary documents to the satisfaction of ICBCIS to satisfy any and all legal transfer requirements under the Applicable Laws. The Client shall be responsible for and shall reimburse ICBCIS for all costs associated with such transfers including those associated with any delays, expenses, losses and damages incurred by ICBCIS that are associated with compliance or failure to comply with any of the relevant requirements concerning such sale or transfer.
- 2.4 Where ICBCIS requires information and documents from the Client within a specified timeframe and the Client fails to respond within such timeframe, the Client acknowledges that it may result in ICBCIS being unable to act on an Instruction.
- 2.5 Unless the Client specifies otherwise, any Instruction for the sale or purchase of Overseas Securities is good for the day in the market where the Instruction is to be executed, and if the date of such Instruction is a public holiday in the relevant market, the Client agrees such Instruction may be executed in the relevant market on the first working day thereafter. Any Instruction for the sale or purchase of Overseas Securities for execution on the date of Instruction must be received by ICBCIS before the relevant cut-off time as notified by ICBCIS to the Client from time to time.
- 2.6 If for any reason any Instruction has not been executed (or any unexecuted part of any such Instruction in the case of a partially executed Instruction), it shall be deemed to lapse at the expiry of the trading date specified in the Instruction, or if no such date is specified, the later of the date of the Instruction or the first working day thereafter in the market where the Instruction is to be executed if it is a public holiday in that market on the date of Instruction. Any other Instructions shall be effective until cancelled by the Client and accepted by ICBCIS.
- 2.7 Notwithstanding any contrary provisions in the Agreement, ICBCIS shall have the right, exercisable at its sole and absolute discretion to immediately close out any transaction executed in error for any reason ("**error transactions**"). The Client hereby agrees that ICBCIS shall not be responsible for any losses, costs and expenses (if any) that arise from any error transactions which shall be borne by the Client absolutely, and that ICBCIS shall not be required to account to the Client, and shall be entitled to retain any profits, gains and income (if any) made in connection with such error transactions.
- 2.8 Unless otherwise agreed by ICBCIS and subject to such terms as prescribed by ICBCIS, the Client shall not place any Instruction to short sell Overseas Securities (i.e., Overseas Securities that the Client does not own).

- 2.9 Without prejudice to any provisions herein, in respect of each Instruction, the Client shall on demand place into the Account cleared funds in the amount and currency as ICBCIS so requires and Overseas Securities in the amount and form as ICBCIS so requires, to enable ICBCIS to discharge any liability incurred or to be incurred in connection with any Instruction or Transaction effected or to be effected for the Client (including but not limited to tax, duty, other fees, costs and expenses in connection therewith) (the "**Required Amount**"). The Client agrees that:
- (a) the Client shall not, until completion of the Transaction, be entitled to withdraw or in any way deal with all or any part of the Required Amount in the Account;
 - (b) ICBCIS shall be entitled to debit the Account (or if sufficient funds are not available in the Account, any other Account of the Client with ICBCIS) with the Required Amount on or (at the sole discretion of ICBCIS) at any time before completion of the Transaction; and
 - (c) ICBCIS shall be entitled to set-off over an amount equivalent to the Required Amount (in any currency) available in the Account (in the form of credit balance and/or credit facility) against all actual or contingent liabilities incurred by ICBCIS as a consequence of the said Instruction and Transaction, including any liability to pay the purchase price and all related interests, fees, costs and expenses; to deliver the Overseas Securities; and/or to meet such other obligations to satisfy settlement or margin requirements in relation thereto.
- 2.10 Subject to Clause 2.11 below, ICBCIS shall have the right (but not the obligation) to decline an Instruction unless:
- (a) there are sufficient Overseas Securities and sufficient immediately available monies in the required currency credited to the Account of the Client as necessary to meet the Required Amount in full on a timely basis or at such time(s) as notified by ICBCIS from time to time; or
 - (b) there are sufficient available Extension of Credit facilities to meet the Required Amount in full on a timely basis or at such time(s) as notified by ICBCIS from time to time, and provided that ICBCIS is satisfied that all terms and conditions relating to such facilities have or will have been met in full.
- 2.11 Notwithstanding any of the aforesaid, ICBCIS may at its discretion act on an Instruction despite that there are insufficient Overseas Securities or funds in the required currency in the Account or there is lack of prearranged Extension of Credit facilities. The Client shall be responsible to repay any outstanding amount, debit or overdraft to the relevant Account (including any interest charged by ICBCIS) in connection thereto subject to the terms of the Agreement.
- 3. FOREIGN CURRENCY EXCHANGE; EXTENSION OF CREDIT AND REIMBURSEMENT**
- 3.1 If there are insufficient funds in the Account in the currency in which the Transaction is to be settled by such time as ICBCIS requires, ICBCIS is authorized but not obliged to effect such currency exchange converting cash held in the Account into the required currency (at such exchange rate as ICBCIS shall determine at the relevant time) to satisfy the Required Amount. ICBCIS will accordingly debit the Client's Account to process foreign exchange and credit the Client's Account with the required currency.

- 3.2 Without prejudice to the foregoing, if ICBCIS receives Instructions that would result in the delivery of Overseas Securities or payment of monies in a required currency exceeding the amount of Overseas Securities or monies in the relevant currency in the Account of the Client, ICBCIS may at its discretion:
- (a) effect any cash payment or other funds transfer and/or create or increase an Extension of Credit to the Client including any overdraft;
 - (b) make partial deliveries or payments consistent with market practice; or
 - (c) suspend or delay in acting on any Instruction until there are sufficient required Overseas Securities or cash in the required currency in the Account.
- 3.3 The Client agrees and acknowledges that any Extension of Credit to the Client hereunder will be uncommitted and at the sole discretion of ICBCIS, and the Client agrees that it shall repay any Extension of Credit upon demand by ICBCIS. The Client agrees that ICBCIS may elect at any time to make any debit balance or other obligation of the Client's Account immediately due and payable. ICBCIS may report any past due amounts to a consumer and/or securities credit reporting agency and may take measures necessary (including but not limited to engaging debt collection agents) to collect past due amounts. ICBCIS will charge interest on any Extension of Credit at a rate as notified to the Client from time to time. ICBCIS may at any time cancel or refuse any Extension of Credit. No prior action or course of dealings by ICBCIS with respect to any Extension of Credit to effect any settlement of any Transaction or Instruction will obligate ICBCIS to provide any other Extension of Credit with regards to any subsequent settlement of any Transaction or Instruction.
- 3.4 ICBCIS may at its discretion decide the currency in which the Extension of Credit is granted ("**Credit Currency**") (which may or may not be the same as the currency in which the Transaction is to be settled ("**Settlement Currency**")) and the currency in which the repayment shall be made to ICBCIS ("**Repayment Currency**"). If ICBCIS decides to provide the Extension of Credit in a Credit Currency other than the Settlement Currency, ICBCIS will determine the amount of Extension of Credit in the Credit Currency (at such exchange rate for converting the Credit Currency into the Settlement Currency as ICBCIS shall determine at the relevant time). When the Extension of Credit is due and if there are insufficient funds in the Account in the Repayment Currency, ICBCIS is authorized but not obliged to effect such currency exchange converting cash held in the Account into the required Repayment Currency (at such exchange rate as ICBCIS shall determine at the relevant time) to settle repayment to ICBCIS. ICBCIS will accordingly debit the Client's Account to process foreign exchange and credit the Client's Account with the required currency.
- 3.5 (*Applicable to Margin Accounts*) The Client shall on demand by ICBCIS make payments of deposits or Margin in cash or Overseas Securities acceptable to ICBCIS, as the case may be, or otherwise in amounts, forms and currencies as agreed with ICBCIS from time to time, or which may be required by the rules of any Exchange or relevant market, or for other reasons including but not limited to fluctuations in prices of Overseas Securities and/or currency exchange rates for any currency.
- 3.6 The Client shall on demand by ICBCIS reimburse ICBCIS in respect of any irrevocable commitment incurred in carrying out Instructions to clear and/or settle Transactions for the Client hereunder (including failure costs payable by ICBCIS if the Client were to fail to deliver any required currency or Overseas Securities). Irrevocable commitments are incurred on the date ICBCIS or its Agent(s) become irrevocably obligated to a Clearance System or other person for the delivery of Overseas Securities or payment of cash even if the Account has insufficient Overseas Securities or cash in the required currency on the applicable

settlement date. The Client agrees that its reimbursement obligation arises when the irrevocable commitment is incurred by ICBCIS or its Agent(s) despite the actual settlement or maturity date. The Client agrees that after ICBCIS has made a demand for reimbursement by the Client, ICBCIS may debit the Client for the amount ICBCIS or its Agent(s) will be obligated to pay with regards to the irrevocable commitment, whether or not that debit creates or increases any overdraft by the Client.

- 3.7 The Client agrees that it assumes the risks associated with holding or effecting Transactions in cash denominated in any currency including any events or laws that delay or adversely affect transferability, convertibility or availability of any currency, appropriation of seizure, any devaluation or redenomination of any currency, or fluctuations or changes in foreign exchange rates.
- 3.8 ICBCIS may net or set-off Transactions when effecting currency exchange transactions hereunder. ICBCIS and/or its Agent(s) may be compensated in part from the spread taken on currency exchange and ICBCIS and/or its Agent(s) or Affiliates may act as principal in any currency exchange. Unless otherwise provided in the Applicable Laws, neither ICBCIS nor its Agent(s) or Affiliates assumes any fiduciary or other duty by virtue of effecting a currency exchange transaction, nor are they acting as trustee.
- 3.9 The Client agrees and acknowledges that ICBCIS may not be able to process any foreign currency exchange on a non-banking day in Hong Kong and/or the relevant jurisdiction(s) or due to any unforeseen circumstances. The Client agrees and acknowledges that ICBCIS shall not be responsible for any losses, expenses or costs incurred as a result.

4. SECURITIES AND CASH IN THE ACCOUNT

- 4.1 The Client expressly authorizes ICBCIS to establish and maintain one or more custody account(s) (omnibus account in its name or otherwise) with any custodian, depository or Agent as ICBCIS may appoint to receive, hold and maintain any Overseas Securities, related assets and proceeds of the Transactions. The Client hereby expressly authorizes ICBCIS to deposit any Overseas Securities, related assets and proceeds of Transactions with any custodian, depository or Agent appointed by ICBCIS in a collective custody account or otherwise in ICBCIS's name but for the account and at the risk of the Client. Unless otherwise agreed by ICBCIS and the Client, any such Overseas Securities and assets shall be held in the relevant overseas jurisdiction and any transfer or delivery of such Overseas Securities and assets from one jurisdiction to another shall be at the expense and risk of the Client.
- 4.2 The Client acknowledges that in certain markets, the rules of the Clearance System may require an account to be opened at a Clearance System in the name of ICBCIS or the Client. The Client also acknowledges that the Overseas Securities may be held in the name of a custodian, a nominee of the custodian or its sub-custodian or a nominee of the Clearance System as may be required by that Clearance System.
- 4.3 The Client authorizes ICBCIS to make or accept payment for or delivery of Overseas Securities at such time and in such form and manner as is in accordance with the Applicable Laws of the relevant jurisdiction and/or with the practice and customs prevailing in the relevant market. The Client acknowledges that proceeds (including cash and Overseas Securities) from Transactions are processed in accordance with the trading hours and practice of the relevant market and may not be accessed or withdrawn from the Account by the Client until the same are received by ICBCIS.
- 4.4 ICBCIS may, but is not obligated to, credit cash to the Account before a corresponding and final receipt in cleared funds. The Client acknowledges that ICBCIS may at any time before final receipt, or if a Clearance System at any time reverses an applicable credit (or an Agent of

- ICBCIS makes a corresponding credit to ICBCIS), reverse all or any part of a credit of cash in the Account to the Client and make an appropriate entry to its records including restatement of the Account and reversing any interest paid.
- 4.5 ICBCIS will credit Overseas Securities to the Account upon receipt of the Overseas Securities by final settlement determined in accordance with the practices of the relevant market. Final settlement depends on the market confirmation of settlement to ICBCIS and may include real time movement with finality or real time movement without finality, or confirmation of settlement but movement of securities at end of the day. If any Clearance System reverses any credit of Overseas Securities (or ICBCIS or its Agent(s) are otherwise obligated to return Overseas Securities as a result of a settlement reversed in accordance with market requirements) or an Agent of ICBCIS makes a corresponding credit to ICBCIS, the Client acknowledges that ICBCIS may reverse all or any part of a credit of the Overseas Securities to the Account and make an appropriate entry to its records including restatement of the Account. In the event of any reversal of Overseas Securities, ICBCIS may reverse any credit of cash provided to the Client in regard to the Overseas Securities such as distributions or the proceeds of any Transaction.
- 4.6 Where there is a reversal of Overseas Securities or cash in the Account, ICBCIS is not required to specifically notify the Client. If there is insufficient cash in the required currency or Overseas Securities to satisfy the reversal, the Client shall, as applicable, promptly repay in the applicable currency the amount required to satisfy the deficit in the Account and/or place any Overseas Securities to the Account.
- 4.7 Any Client's assets received or held outside Hong Kong shall be subject to the Applicable Laws of the relevant overseas jurisdiction which may be different from Hong Kong law, including the SFO and the rules made thereunder. The Client understands that such assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.
- 4.8 Notwithstanding any provisions to the contrary in the Standard Terms and Conditions, the Client hereby expressly authorizes ICBCIS and/or its Agents to:
- (a) deposit, transfer, lend, pledge, repledge or otherwise deal with any of the Overseas Securities held in the Account for the purpose of settling any liability owed by or on behalf of the Client to ICBCIS, an Associated Entity or a third person;
 - (b) apply any of the Overseas Securities held in the Account pursuant to a securities borrowing and lending agreement;
 - (c) deposit any of the Overseas Securities held in the Account with another financial institution or intermediary for financial accommodation provided to ICBCIS or its Agents ;
 - (d) deposit any of the Overseas Securities held in the Account with another financial institution or intermediary as collateral for the discharge and satisfaction of settlement obligations and liabilities of ICBCIS or its Agents; and
 - (e) apply any of the Overseas Securities held in the Account pursuant to the terms of business or agreement with any executing or settlement broker(s), custodian(s), and/or Agent(s) used by ICBCIS.
- 4.9 Absent a contrary Instruction, the Client agrees that ICBCIS and/or its Agent(s) will be authorized to carry out non-discretionary matters in connection with any Instruction or services provided hereunder. Without limiting the authority of ICBCIS and/or its Agent(s) with regard to non-discretionary matters, the Client authorizes ICBCIS and/or its Agent(s) to carry out the following:

- (a) in the Client's name or on its behalf, sign any documents relating to the Overseas Securities or cash which may be required (i) pursuant to an Instruction to obtain any Overseas Securities or cash; or (ii) by any Tax or other regulatory authority or market practice;
- (b) receive and/or credit income, payments and distributions in respect of the Overseas Securities;
- (c) exchange interim or temporary receipts for definitive certificates, and old or overstamped certificates for new certificates;
- (d) deposit Overseas Securities with any Clearance System as required by Applicable Laws;
- (e) make any payment by debiting any balance credited to the Client as required to effect any Instructions, payment of Taxes or other payment provided herein;
- (f) to the extent any shortage of Overseas Securities or cash occurs in connection with receipt of distributions with regards to any corporate action, make *pro rata* distributions, allocations, deliveries or credits of received Overseas Securities or cash as consistent with market practice and as it deems fair and equitable; and
- (g) take any other actions which ICBCIS and/or its Agent(s) consider reasonably necessary in furtherance of the services provided hereunder.

4.10 In the event ICBCIS exercises its rights or authority under the Agreement to close any or all contracts between ICBCIS and the Client and/or sell or dispose of any Overseas Securities in the Account, the Client agrees that ICBCIS may effect any currency exchange transaction in respect of the proceeds of such sale or disposal as ICBCIS sees fit (and at such exchange rate as ICBCIS shall determine at the relevant time) to satisfy any outstanding actual or contingent liabilities owed by the Client to ICBCIS.

5. OTHER PROVISIONS ON SERVICES

5.1 ICBCIS is authorized, at its discretion, to take such steps as it may consider appropriate to enable it to provide the services hereunder and to exercise its powers, including the right:

- (a) to return to the Client Overseas Securities which may not have the same serial number or identification as those originally deposited with or received by ICBCIS; or
- (b) to participate in and to comply with the rules and regulations of the depository and any system which provides central clearing and settlement facilities in respect of the Overseas Securities and to hold the Overseas Securities in any such depository or system without ICBCIS incurring any liability for any acts or omissions on the part of the manager or operator of such system or depository.

6. APPLICABLE LAWS AND REGULATIONS

6.1 All Transactions executed in Overseas Securities shall be subject to the Applicable Laws and the applicable terms of business or agreement with any executing or settlement broker(s), custodian(s) and/or Agent(s) used by ICBCIS, and all actions taken by ICBCIS in accordance therewith shall be binding on the Client. The Client shall enter into and comply with the terms and conditions of any agreement required by any Exchange, trading venue, Clearance System or market centre where any Instruction is executed or cleared. The Client agrees and

undertakes to provide information and documents and take such actions as requested by ICBCIS from time to time to enable ICBCIS to comply with the Applicable Laws and/or requests from relevant government or regulatory authorities and perform its contractual obligations with its counterparts.

- 6.2 To the extent that the Client receives Exchange data, financial information or other data from ICBCIS, its Agents or other third parties ("**Market Data**"), the Client agrees to comply with any relevant Market Data agreements governing the receipt and use by it of the same. The Client agrees that ICBCIS shall not be responsible for the timeliness, accuracy or reliability of Market Data.
- 6.3 Without limitation to Clause 3 of the General Terms and Conditions, the Client hereby undertakes to comply with all the Applicable Laws. The Client agrees that it is solely responsible for all filings, notifications, returns (including Tax returns), reports, disclosures of beneficial ownership or other requirements of any jurisdiction relating to any Overseas Securities or cash held for the Client or Transactions concerning such Overseas Securities, and ICBCIS shall assume no responsibility. The Client also agrees to do such things as ICBCIS may require to ensure compliance with the same. The Client further agrees that ICBCIS shall not be obliged to monitor interest holding positions of the Client, or determine, advise or assist the Client in any way in respect of any such filings, notifications, returns, reports or disclosure obligations applicable to the Client under any Applicable Law. The Client shall be responsible for compliance with all applicable limitations or qualifications with regards to the Client's investment in any Overseas Securities in any jurisdiction.
- 6.4 The Client agrees and acknowledges that the procedures and requirements for trading in Overseas Securities may differ in each jurisdiction. The Client agrees that it shall comply with the relevant procedures and requirements and if required, sign further documentation, provide additional information or take other steps and actions as may be necessary from time to time.

7. LIEN

- 7.1 The Client agrees and acknowledges that ICBCIS may grant lien on Overseas Securities (which are held by ICBCIS for a Client) to a third party until satisfaction of liabilities and obligations (whether actual or contingent) of ICBCIS to such third party. The Client agrees and acknowledges that such third party may (i) appropriate and apply all or any part of the Overseas Securities and cash held by such third party for ICBCIS (including those held in an omnibus account maintained by ICBCIS for the Client) against any or all obligations of ICBCIS to such third party (whether matured or subject to any demand); (ii) sell all or any of such Overseas Securities and (iii) exercise in respect of such Overseas Securities and cash all the rights and remedies a party with a senior security or similar right would be entitled to exercise in such default under any Applicable Laws.

8. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 8.1 The Client warrants, represents and undertakes to ICBCIS that:-
- (a) the Client has the legal capacity and authority to enter into and perform this Appendix;
 - (b) the Client has full power and authority to perform the obligations and grant the authorizations under the provisions in this Appendix and if the Client is a corporate Client, the Client has taken all necessary action or corporate action to authorize the performance of such obligations and the grant of such authorizations;

- (c) the Client has obtained and is in compliance with all necessary and appropriate consents, approvals and authorizations for the purposes of its entry into and performance of this Appendix;
 - (d) Information supplied by the Client is accurate and complete;
 - (e) No one, other than the Client, has an interest in the Client's account;
 - (f) the Client's entry into and performance of this Appendix will not violate any Applicable Laws;
 - (g) the Client has the authority and the capacity to deliver the Required Amount (including the Overseas Securities and cash) in the Account;
 - (h) there is no claim or encumbrance that adversely affects any deposit with custodians, deposit with Clearance System, delivery of Overseas Securities and/or payment of cash made in accordance with this Appendix;
 - (i) except as provided in the Agreement, the Client has not granted any person a lien, security interest, charge or similar right or claim against Overseas Securities and cash in the Account;
 - (j) the Overseas Securities held or maintained or to be held or maintained in the Account from time to time are freely transferrable and fully negotiable; and
 - (k) the Client is not domiciled in or resident in a country where there is any restriction on the Client's sale, purchase, holding or transfer of any Overseas Securities, and that the Client is not subject to, and is not acting on behalf of any person who is subject to, any restriction or prohibition against the sale, purchase, holding of, or dealing in any such Overseas Securities. If the Client or any person the Client acts on behalf of becomes subject to any restrictions (whether by reason of a change of the Client's domicile, residence or otherwise in any such country), the Client shall inform ICBCIS immediately.
- 8.2 The representations, warranties and undertakings in Clause 8.1 of this Appendix shall be deemed to be repeated immediately before each Transaction or dealing is carried out for or any service is provided to the Client or on the Client's behalf.
- 8.3 If the Client is aware that any of the representations, warranties and undertakings in Clause 8.1 of this Appendix will or may become incorrect, the Client must give prior notice to ICBCIS immediately upon the Client becoming aware of the same, and before such representations, warranties and undertakings become incorrect. The Client must also notify ICBCIS immediately if any of the said representations, warranties and undertakings has become incorrect. For the avoidance of doubt, any representation, warranty or undertaking made in this Appendix which is or becomes incorrect in any respect shall constitute an event of default under Clause 24.1 of the General Terms and Conditions.
- 8.4 Without limitation to any provisions in this Appendix and in the Agreement, upon ICBCIS receiving notice from the Client that any of the representations, warranties and undertakings in Clause 8.1 of this Appendix may become incorrect, or if any of the said representations, warranties and undertakings has become incorrect:
- (a) ICBCIS shall be entitled, in its sole discretion, to dispose of all Overseas Securities held by the Client, suspend the services provided under the Agreement, close the Account and/or charge the Client all fees, charges, costs and expenses incurred or to

be incurred by ICBCIS from time to time to ensure compliance by ICBCIS or its Agents with all Applicable Laws arising from or in connection with the above (including, without limitation, all fees, charges, costs and expenses incurred to make all the necessary filings with the relevant authorities); and

- (b) the Client shall immediately upon request by ICBCIS withdraw all the Overseas Securities or other securities from the Account, and do/or execute any act, deed, document which ICBCIS may require in connection therewith.

9. DISCLOSURE OF INFORMATION

- 9.1 The Client agrees that its data may be transferred to any place outside Hong Kong, whether for the processing, holding or use of such data outside Hong Kong.
- 9.2 The Client undertakes to provide such information as ICBCIS may request from time to time in order for ICBCIS and/or its brokers, custodians or Agents to provide the services under this Appendix and/or the Agreement, or for ICBCIS and/or such brokers, custodians or Agents to comply with the Applicable Laws or to respond to requests from any government, legal or regulatory authority or Exchange, Clearance System, or for ICBCIS and/or such brokers, custodians or Agents to comply with any obligations or to determine the extent to which the Client is subject to (or exempt from) withholding under FATCA. The Client will also comply in a timely manner with ICBCIS's requests for information, documents or other materials to the extent ICBCIS considers necessary to ensure compliance with its internal policies and procedures.
- 9.3 The Client authorizes ICBCIS to disclose any information that it has concerning the Client (including the Authorized Persons and the Beneficial Identity), the Account and any Overseas Securities, monies or other assets held in the Account: (a) to any broker, custodian, clearing agent or other person(s) (whether within or outside Hong Kong) appointed by ICBCIS in connection with the services provided pursuant to the provisions in this Appendix and/or the Agreement; (b) upon request, to any government, legal or regulatory authority or Exchange, Clearance System (whether within or outside Hong Kong); or (c) to such other persons (whether within or outside Hong Kong) in compliance with the Applicable Laws or FATCA.

10. COMMUNICATION AND ACCESS; CORPORATE ACTIONS

- 10.1 Where ICBCIS forwards to the Client any notice, document or information prepared by other persons including issuers or Clearance System in respect of the Overseas Securities, ICBCIS shall not responsible for errors, inaccuracies or omissions in such notices or information.
- 10.2 The Client acknowledges that ICBCIS will not participate in or take any corporate action concerning Overseas Securities (including shareholder voting) if ICBCIS does not receive a timely instruction from the Client. Notwithstanding any other provisions in the Agreement, ICBCIS will be required to provide shareholder voting services and take such other corporate actions in respect of the Overseas Securities only as specified in a separate proxy letter agreement between ICBCIS and the Client, or such other agreement as required by ICBCIS from time to time.
- 10.3 The Client acknowledges that in some markets, ICBCIS or its Agent(s) may be required to vote all Overseas Securities held for a particular issue for all of its clients in the same way without regard to any Instruction.

11. TAXES AND OTHER PAYMENTS

- 11.1 The Client agrees that the Client is responsible for discharging the Client's own Tax reporting and filing obligations. In addition, the Client shall pay and reimburse ICBCIS for any and all Taxes, fees, charges, obligations and liabilities or payments payable or paid by ICBCIS in

connection with the Account, services provided herein or any Transactions relating to the Overseas Securities. The Client agrees that ICBCIS may debit the cash in the Account to pay any such fees, charges, obligations, liabilities and payments, and that such amount to be payable to ICBCIS shall be without deduction for Taxes.

- 11.2 The Client authorizes ICBCIS and its Agent(s) on the Client's behalf to debit, withhold and/or make payment of any Taxes payable in connection with the Account or any Transactions relating to the Overseas Securities. Without prejudice to the foregoing, ICBCIS will deduct or withhold for or on account of Taxes from any payment to the Client if required by any Applicable Laws including but not limited to (i) statute or regulation, (ii) legal, governmental or regulatory authority or (iii) agreement entered into by ICBCIS or its Agent and any governmental or regulatory authority or between two or more governmental or regulatory authorities. The Client acknowledges that ICBCIS may debit any amount available in any balance held for the Client and apply such cash in the Account in satisfaction of Taxes. If any Taxes become payable with respect to any prior credit to the Client by ICBCIS, the Client acknowledges that ICBCIS may debit any balance held for the Client in satisfaction of such prior Taxes. The Client shall remain liable for any deficiency and agrees that it shall pay upon notice from ICBCIS or any governmental or regulatory authority. If Taxes are paid by ICBCIS or any of its Agents or Affiliates, the Client agrees that it shall promptly reimburse ICBCIS for such payment to the extent not covered by withholding from any payment or debited from any balance held for the Client.
- 11.3 The Client shall provide ICBCIS with information and proof as to the Client's and/or the underlying beneficial owner's Tax status or residence or other information as ICBCIS reasonably requests in order for ICBCIS or its Agent to achieve compliance with the requirements of governmental or regulatory authorities. Information and proof may include executed certificates, representations and warranties, or other documentation ICBCIS deems necessary or proper to fulfil the requirements of applicable Tax authorities. The Client shall promptly notify ICBCIS in writing of any change that affects the Client's Tax status pursuant to any Applicable Laws or agreement entered into between two or more governmental or regulatory authorities.

12. THIRD PARTIES

- 12.1 The Client agrees that ICBCIS or its Agent may participate in or use (i) Clearance Systems and (ii) public utilities, external telecommunications facilities or other common carriers of electronic and other messages, external postal services and other facilities commonly recognized as market infrastructure in any jurisdiction. In providing services hereunder, ICBCIS or its Agent may interact with other third parties who are beyond their selection or control including issuers of Overseas Securities, transfer agents or registrars. The Client acknowledges that Clearance Systems and such other third parties are not ICBCIS's agents and ICBCIS has no responsibility for selecting, appointing or monitoring such third parties or the performance or credit risks of such third parties.

13. LIABILITY AND INDEMNITY

- 13.1 The Client shall fully indemnify the Indemnified Persons against all claims, actions, liabilities (whether actual or contingent) and proceedings against any of the Indemnified Persons and bear any losses, costs, charges or expenses (including legal fees) which the Indemnified Persons may suffer or incur arising from or in connection with or resulting from any breach by the Client of any of the representations, warranties and undertakings in Clause 8.1 of this Appendix or the Client's failure to perform any of its obligations hereunder.

14. RISKS

- 14.1 The Client agrees that it shall bear all risks and expenses associated with investing in Overseas Securities or holding cash denominated in any currency. The Client acknowledges that ICBCIS will not be liable for country specific risks of loss or value or other restrictions resulting from country risk including the risk of investing and holding Overseas Securities and cash of or in a particular country or market such as, but not limited to, risks arising from (i) any act of war, terrorism, riot or civil commotion, (ii) investment, repatriation or exchange control restriction or nationalization, expropriation or other actions by any governmental authority, (iii) devaluation or revaluation of any currency, (iv) changes in Applicable Laws, and (v) a country's financial infrastructure and practices including market rules and conditions.
- 14.2 All currency exchange risks in respect of any Transactions, settlement actions or steps taken by ICBCIS hereunder shall be borne by the Client.

15. SURVIVING TERMS

- 15.1 The parties agree that the rights and obligations contained in Clauses 3.3, 3.4, 3.5, 3.6, 3.8, 4.4, 4.5, 4.6, 4.10, 6.3, 7, 11, and 13 of this Appendix shall survive the termination of the Agreement.

Annexure 1**SINGAPORE**

This Annexure applies in respect of securities trading services in Singapore Securities provided by ICBCIS to the Client, and is supplemental to Clauses 1 to 15 of the Appendix for Overseas Securities Trading.

In the event that there is any inconsistency between Clauses 1 to 15 of the Appendix for Overseas Securities Trading and this Annexure, the provisions in this Annexure shall prevail in respect of trading in Singapore Securities.

Unless otherwise defined in this Annexure, terms defined in the Appendix for Overseas Securities Trading shall have the same meaning when used in this Annexure.

1. DEFINITIONS

1.1 In this Annexure, the following terms shall have the following meanings:

"**CDP**" means Central Depository Pte Limited.

"**Eligible Securities**" means securities which are:

- (a) of good delivery and where applicable, accompanied by duly executed and properly stamped instruments of transfer in favour of the CDP or its nominee;
- (b) capable of being held on a fungible basis;
- (c) are not subject to any restrictions on foreign ownership, unless otherwise agreed to by the CDP; and
- (d) are not subject to any restrictions on transferability in a book-entry system, unless otherwise agreed to by the CDP.

"**Listed Securities**" means securities which are listed on the SGX-ST.

"**SGX**" means the Singapore Exchange, which includes SGX-ST.

"**SGX-ST**" means Singapore Exchange Securities Trading Limited.

"**Singapore person**" means a Singapore citizen, Singapore permanent resident, Singapore-incorporated company, any persons resident in Singapore (as defined under the Income Tax Act (Cap. 134) or any other person residing in Singapore or having its place of business in Singapore.

2. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

2.1 The Client provides the following warranties, representations and undertakings to ICBCIS which shall be supplemental to Clause 8.1 of the Appendix for Overseas Securities Trading:-

- (a) that the Client is not a Singapore person;
- (b) without prejudice to Clause 6.3 of the Appendix for Overseas Securities Trading, the Client is solely responsible for declaring its substantial shareholdings or similar or analogous requirements under and in accordance with all Applicable Laws, including the provisions of the Companies Act, Chapter 50 of Singapore and the Securities and Futures Act, Chapter 289 of Singapore and has complied with all such requirements and Applicable Laws. For the avoidance of doubt, this includes, but is not limited to, any disclosures required as a result of the Client being a director or related person of the issuer of Listed Securities;

- (c) without prejudice to Clause 6.3 of the Appendix for Overseas Securities Trading, the Client is solely responsible for ascertaining, complying and ensuring continued compliance with any shareholding restrictions (including foreign ownership requirements and/or industry specific requirements) under all Applicable Laws and has complied with the same. This includes, but not limited to, making any filings, notifications, disclosures, obtaining any approvals or registrations with the appropriate regulatory bodies or to the issuer; and
 - (d) without prejudice to Clause 6.3 of the Appendix for Overseas Securities Trading, the Client understands and will be solely responsible for, complying and ensuring continued compliance with the Applicable Laws (including the requirements of SGX, any relevant market requirements and any other guidelines, whether or not they may have the force of law).
- 2.2 The representations, warranties and undertakings in Clause 2.1 of this Annexure shall be deemed to be repeated immediately before each Transaction or dealing is carried out for or any service is provided to the Client or on the Client's behalf.
- 2.3 If the Client is aware that any of the representations, warranties and undertakings in Clause 2.1 of this Annexure will or may become incorrect, the Client must give prior notice to ICBCIS immediately upon the Client becoming aware of the same, and before such representations, warranties and undertakings become incorrect. The Client must also notify ICBCIS immediately if any of the said representations, warranties and undertakings has become incorrect.

3. TRADING IN LISTED SECURITIES

- 3.1 The Client acknowledges that the CDP shall accept for deposit securities it designates to be Eligible Securities. The CDP has the discretion to refuse to accept any deposit of securities and may designate that any security is no longer an Eligible Security, upon giving reasons for such refusal or designation.
- 3.2 The Client acknowledges that the SGX and/or CDP may impose reporting requirements on ICBCIS or the relevant SGX trading or clearing member and/or depository agent (as the case may be) in respect of the Client's position levels or transactions and the Client hereby irrevocably agrees to make such reporting or disclosure of any information concerning the Client and/or its relevant positions to any government, legal or regulatory authority, or Exchange, Clearing House or depository (whether within or outside Hong Kong).
- 3.3 The Client acknowledges that the SGX may from time to time, impose position limits or trading limits which may affect the Client's ability to trade in the Listed Securities or ICBCIS' ability to trade on behalf of the Client. The Client agrees that ICBCIS will not be liable for any losses as a result of such limits.

Annexure 2**JAPAN**

This Annexure applies in respect of securities trading services in Japan Securities provided by ICBCIS to the Client, and is supplemental to Clauses 1 to 15 of the Appendix for Overseas Securities Trading.

In the event that there is any inconsistency between Clauses 1 to 15 of the Appendix for Overseas Securities Trading and this Annexure, the provisions in this Annexure shall prevail in respect of trading in Japan Securities.

Unless otherwise defined in this Annexure, terms defined in the Appendix for Overseas Securities Trading shall have the same meaning when used in this Annexure.

1. DEFINITIONS

1.1 In this Annexure, the following terms shall have the following meanings:

"**Consumption Tax Act**" means Consumption Tax Act of Japan (Act no. 108 of 1988).

"**FEA**" means Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949).

"**FIEA**" means Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948).

"**Foreign investors**" mean (i) individuals not resident in Japan, (ii) corporations which are organized under the laws of foreign countries or whose principal offices are located outside Japan, and (iii) corporations of which (a) 50% or more of the shares are held directly or indirectly by (i) or (ii) above, (b) a majority of officers consists of non-residents of Japan or (c) a majority of officers having the power of representation consists of non-residents of Japan.

"**Insider Information**" means (i) undisclosed insider information defined as "material facts pertaining to business or other matters" in Article 166, Paragraph 2 of the FIEA and (ii) facts concerning launch of a tender offer and suspension of tender offer prescribed in Article 167, Paragraph 2 of the FIEA.

"**Non-residents of Japan**" mean individuals who are not resident in Japan and corporations whose principal offices are located outside Japan.

2. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

2.1 The Client provides the following warranties, representations and undertakings to ICBCIS which shall be supplemental to Clause 8.1 of the Appendix for Overseas Securities Trading:-

- (a) the Client is a Non-resident of Japan;
- (b) the Transactions of the Client in Overseas Securities traded in Japan are not subject to Japanese Consumption Tax under the Consumption Tax Act;
- (c) the Client shall not be eligible for Japanese Consumption Tax Refund/Credit in accordance with the Consumption Tax Act in respect of any fees payable by the Client relating to the Transactions in Overseas Securities traded in Japan;
- (d) the Client does not possess any Insider Information in respect of securities traded in Japan in Transaction;
- (e) Transaction does not trigger a tender offer under the FIEA (if applicable);

- (f) where the Client is a Foreign investor, (i) the Client does not, as a result of any Transaction(s), directly or indirectly hold, aggregated with existing holdings, 10% or more of the issued shares listed on any Japanese stock exchange which requires pre-notification to the Minister of Finance and any other competent ministers in accordance with Article 27, Paragraph 1 of the FEA or (ii) the Client has already duly submitted such notification and 30 days have passed since the date of the notification; and
- (g) the Client shall be responsible for all filings, notifications, reports or other requirements in relation to Transaction including but not limited to the substantial shareholding reports and their amendment reports in accordance with Article 27-23 or 27-25 of the FIEA or after-the-fact filings to the Minister of Finance and any other competent ministers in accordance with Article 55-5 of the FEA..

Annexure 3**U.S.**

This Annexure applies in respect of securities trading services in U.S. Securities provided by ICBCIS to the Client, and is supplemental to Clauses 1 to 15 of the Appendix for Overseas Securities Trading.

In the event that there is any inconsistency between Clauses 1 to 15 of the Appendix for Overseas Securities Trading and this Annexure, the provisions in this Annexure shall prevail in respect of trading in U.S. Securities.

Unless otherwise defined in this Annexure, terms defined in the Appendix for Overseas Securities Trading shall have the same meaning when used in this Annexure.

1. DEFINITIONS

1.1 In this Annexure, the following terms shall have the following meanings:

"U.S. Person" means (a) a citizen or resident of the United States; (b) a corporation, partnership or other entity created or organised in or under the laws of the United States or any political subdivision thereof; (c) an entity created or organised in or under the laws of any other jurisdiction if treated as a domestic corporation pursuant to the United States federal income tax laws; (d) any estate or trust that is subject to the United States federal income taxation regardless of the source of its income; (e) any corporation, partnership, trust, estate or other entity in which one or more individuals or entities described in (a), (b), (c) or (d) acting singly or as a group has or have a controlling beneficial interest whether directly or indirectly and, in the case of a corporation or partnership, which is formed principally for the purpose of investing in securities not registered under the United States federal securities laws; (f) a trust if a court within the United States is able to exercise primary supervision over its administration and one or more United States Persons have the authority to control all the substantial decisions of such trust; (g) a trust in existence on 20 August 1996 and treated as a domestic trust (as defined in the relevant treasury regulations in the United States) prior to such date and that has elected to continue to be treated as a domestic trust; (h) any corporation, partnership or other entity, regardless of citizenship, domiciles, situs or residence, if under the federal income tax laws of the United States ten percent (10%) or more of the ownership of any mutual fund would be attributed through such entity to any U.S. Person (i) any person fitting the definition of U.S. Person under Regulation S¹, promulgated under the Securities Act of 1933 or (j) any person causing ICBCIS to use U.S. interstate commerce in the process of effecting securities transactions.

2. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

2.1 The Client provides the following warranties, representations and undertakings to ICBCIS which shall be supplemental to Clause 8.1 of the Appendix for Overseas Securities Trading:-

- (a) unless otherwise specifically declared by the Client, the Client is not a U.S. Person and the Client is not acting for, or on behalf of a U.S. Person;

¹ This includes any (1) trust of which any trustee is a U.S. Person (2) agency or branch of a foreign entity located in the U.S. (3) non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person (4) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized or incorporated, or (if an individual) resident in the U.S.; and (5) any partnership, corporation or other entity (other than a trust) if (i) organized or incorporated under the laws of any non-U.S. jurisdiction and formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act of 1933.

- (b) the Client is not a director, 10% beneficial shareholder or policy-making officer or otherwise an affiliate of any company publicly traded in the United States;
- (c) the Client is not at the time the Account is opened and will not at any time during the continuance of the Account, hold in such Account or effect Transactions through such Account, securities of any company with securities traded in the U.S. in which he is:
 - (i) a direct or indirect owner or beneficial owner (which would include the power to vote shares pursuant to trust or other instrument) of 10% or more than 10% of any class of voting securities of the company;
 - (ii) in a direct or indirect management or other decision-making position in the company;
 - (iii) closely-related to (spouse, parent, sibling, in-law), financially dependent on, or the primary financial support for, any person who owns, directly or indirectly outright or through beneficial ownership, 10% or more than 10% of any class of voting securities of such company and holds a direct or indirect management or other decision-making position in such company; or
 - (iv) a member of a formal or informal group that acting together will control 10% or more than 10% of any class of voting securities of such company;
- (d) the Client is not an employee of or affiliated with any U.S. securities exchange or member firm of any Exchange, the Financial Industry Regulatory Authority or any securities firm, bank, trust company or insurance company;
- (e) the Client understands that ICBCIS does not provide Tax or legal advice, nor does it provide advice with regard to corporate actions and the Client may not rely on any information that ICBCIS may provide in connection therewith;
- (f) should the Client issue instructions to purchase a stock or other financial instrument "over-the-counter" (each an "**OTC Traded Stock**") it acknowledges such OTC Traded Stocks are generally conducted directly with market makers or other counter parties and do not have the supervision of any Exchange. Client specifically acknowledges that OTC Traded Stocks can lead to significant risks including the risk that the counterparty will not perform its part as obligated by the transaction. Client acknowledges that offsetting such risk is not always possible and specifically attests and warrants that it will bear such risk alone. Client hereby warrants that it will not hold ICBCIS responsible for any such counterparty or other risk associated with OTC Traded Stocks;
- (g) should the Client issue instructions to purchase an OTC Traded Stock, it will comply with the requirements of the executing broker and supply any needed information to establish the Client's ability to purchase such OTC Traded Stock;
- (h) trading in Overseas Securities will be executed through one or more local brokers. Client acknowledges that brokers trading in the U.S. (each a "**U.S. Broker**") are subject to rules promulgated by various regulators including the state securities regulators in the 50 states, the U.S. Securities and Exchange Commission ("**SEC**"), the Financial Industry Regulatory Authority ("**FINRA**"). Client acknowledges that such obligations may require ICBCIS to provide the U.S. Brokers with information about the Client and the Account, including but not limited to, confidential information. Client warrants that it will not hold ICBCIS liable for any effect of

providing such information to any U.S. Broker, any state securities regulator, the SEC or FINRA;

- (i) Client understands that ICBCIS will seek to effect orders at Client's Instruction. ICBCIS or a U.S. Broker may act as an agent or principal (not at risk) for both buyer and seller of American Depository Receipts ("ADRs") and/or ordinary shares, and may charge a commission or other fees to both parties. The foreign exchange rate selected, financing fee and the conversion fee set by the U.S. Broker may not be the best or most favourable rates or fees available to the Client, or the rates or fees charged to the U.S. Broker or ICBCIS. Client acknowledges that the U.S. Broker and/or ICBCIS may earn revenue on some or all of these fees including the spreads on securities transactions traded on a net basis. Costs associated with Instructions and ADR conversions can also include local market and other fees. For ADR conversions the actions or inaction of any entity facilitating the interchange of ADRs and the underlying ordinary shares and the U.S. Broker executing on the local market are those of such entity and not ICBCIS. ICBCIS has no liability for such actions or inactions;
- (j) when the Client issues Instructions involving an ADR it specifically also authorizes ICBCIS to facilitate to swapping of such ADR with ordinary shares. Client understands this is a final instruction and cannot be reversed; and
- (k) it is the Client's sole responsibility to determine if an ADR conversion, if conducted during a corporate action could result in a participating bank, U.S. Broker or ICBCIS closing its books to conversion or otherwise resulting in a claimable event, and ICBCIS will not advise or assist the Client in this determination or be liable for its outcome in any way. The Client agrees ICBCIS is not liable, and that it shall promptly pay directly or reimburse ICBCIS for (i) any claims which may arise before, during or after, any corporate action relating to the ordinary shares regardless of reason or validity of such claims.

3. MARGIN DISCLOSURE STATEMENT (Applicable to Margin Accounts)

- 3.1 When considering a margin loan, the Client should determine how the use of margin fits its own investment philosophy. It is important that the Client fully understands the risks, rules, and requirements involved in trading securities on margin.
- 3.2 The following paragraphs highlight some of the critical aspects of margin trading:

Margin trading increases the level of market risk. Margin trading increases the Client's buying power, allowing the Client to purchase a greater amount of securities with the Client's investing dollar. Therefore, the Client's exposure to market volatility increases—a declining market could result in even greater losses. *A decline in the value of the Client's securities that the Client purchases on margin may require the Client to provide additional funds to ICBCIS in order to avoid the forced sale of those securities or other securities in the Client's account.*

Downside is not limited to the collateral value in the Client's margin account. When the Client buys securities on margin, the Client is borrowing money from ICBCIS for part of the Client's transactions. Securities and other assets in the Client's account(s) are pledged as collateral to secure this loan. These margin transactions are riskier and involve the possibility of greater loss than transactions where the Client is not borrowing money. If the securities in the Client's account decline in value, so does the value of the collateral supporting the Client's loan. When the value of the collateral falls below the maintenance margin requirements, or ICBCIS' higher "house" requirements, ICBCIS can move to protect its position. In order to cover margin deficiencies, ICBCIS may issue a margin call to the Client—a request for

additional cash—or sell securities from the Client's account. If a sale does not cover the deficiency, the Client will be responsible for any shortfall.

ICBCIS may initiate the sale of any securities in the Client's account, without contacting the Client, to meet a margin call. ICBCIS may, but is not obligated to, attempt to involve the Client in the case of margin deficiency; however, market conditions may require ICBCIS to quickly sell any of the Client's securities without the Client's consent. Because the securities are collateral for the margin loan, ICBCIS has the right to decide which security to sell in order to protect its interests. Even if ICBCIS has contacted the Client and provided a specific date by which the Client can meet a margin call, ICBCIS can still take necessary steps to protect its financial interests, including immediately selling the securities without prior notice to the Client.

ICBCIS' "house" initial and maintenance margin requirements may exceed those established by the Federal Reserve Board and/or the FINRA.

ICBCIS may change its initial margin requirements at any time and without prior notice. ICBCIS may also impose anytime and without prior notice more stringent requirements on positions that in ICBCIS' sole discretion involve higher levels of risk; for example, higher limits may apply for thinly traded, speculative or volatile securities, or concentrated positions of securities.

ICBCIS may increase its "house" maintenance margin requirements at any time and is not required to provide the Client with advance written notice. Changes in ICBCIS' policy regarding "house" maintenance margin requirements often take effect immediately and may result in the issuance of a maintenance margin call. The Client's failure to satisfy the call may cause ICBCIS to liquidate or sell securities in the Client's account.

ICBCIS retains absolute discretion to determine whether, when and in what amounts ICBCIS will require additional collateral. For example, ICBCIS may require additional collateral if an account contains only one security or a large concentration of one or more securities; or low-priced, thinly traded or volatile securities; or if some of the Client's collateral is or becomes restricted or non-negotiable or non-marginable. ICBCIS may also consider market conditions, the Client's financial resources, or other factors deemed by ICBCIS to be relevant given the circumstances at the time.

The Client is not entitled to an extension of time on a margin call. While an extension of time to meet margin requirements may be available to the Client under certain conditions, the Client does not have a right to the extension.

Some accounts that carry a margin loan balance and hold dividend-paying securities may receive a "substitute income payment in lieu of a dividend" (PIL). This payment may be taxable as ordinary income. Taxable accounts that receive a PIL instead of a qualified dividend may also receive a supplemental credit from ICBCIS.