

“Terms and Conditions”
(Precious Metals Account Terms and Conditions)

This Terms and Conditions (hereinafter referred to as this “Agreement”) set out the terms and conditions to which the Client is subject upon the Client opening an accounts with the Company for trading Metals.

1)

- a) The following words and phrases used in this Agreement have the following meanings:

"Access Codes" means the password and the user code used to access the Web Facility.

"Account(s)" means the account(s) opened by the Client with the Company for trading Metals

"Agreement" means the written agreement between the Client and the Company regarding the opening, maintenance and operation of the Account(s) as amended from time to time, including but not limited to the Account Opening Form, Appendix to Account Opening Form for Joint Account Holders (if applicable), Client Information Statement, Precious Metals Account Terms and Conditions, applicable Risk Disclosure Statement and Disclaimer and any authority given by the Client to the Company with respect to the Account(s).

"Associated company" means the ultimate holding company of the Company and each and every subsidiary of such holding company in any parts of the world.

"Client" wherever used shall in the case where the client (s) is/are individual(s) include the client (s) and his/their respective executors and administrators and in the case where the client is a sole proprietorship firm include the sole proprietor and his executors and administrators and his or their successors in the business and in the case of a partnership firm include the partners who are the partners of the firm at the time when the client's said account or accounts are being maintained and their respective executors and administrators and any other person or persons who shall at any time hereafter be or have been a partner of and in the firm and his or their

respective executors and administrators and the successors to such partnership business and where the clients is a corporation include such corporation and its successors.

"the Company" means such of the Company as the Client may from time to time open or maintain account(s) with, and its successors in title and assignees.

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.

"Initial Margin" means the minimum amount, as may from time to time be prescribed by the Company, required to be deposited by the Client with the Company at the time of or before each trading order is placed by the Client

"Maintenance Margin" means the minimum balance, as may from time to time be prescribed by the Company, which must be maintained for each contract by the Client subsequent to the deposit of the Initial Margin.

"Margin" means Initial Margin and (or Maintenance Margin).

"Metals" means precious and non-precious metal in such form as the Company and the Client on which may agree to effect a transaction.

"Service" means any service provided by the Company to the Client under this agreement, including but not limited to the use of the Web Facility.

"In writing" or "written" includes handwriting, printing, telegraph, telex, fax, the Web Facility, electronic mail and any other means capable of reproducing information in a visible form.

"the Web Facility" means the electronic trading facility of the Company to provide the Service, the information contained therein and the software comprised in them.

- b) The singular includes the plural and vice versa and words importing a gender include other genders.

- 2) The Client shall on demand pay the Company commissions on dealing in Metals for the Client's account at such rate as the Company may from time to time have notified the Client or otherwise prescribed by the Company as being the rate or rates applicable to the Client's account.

- 3)
 - a) An Initial Margin deposit shall be required of the Client prior to all trading orders with the Company. The Client shall deposit an Initial Margin with the Company as required by the Company from time to time for all trading transactions in order to secure the due and punctual performance of his contractual commitments. For as long as the Client's account shows an open position, the Client shall maintain the Maintenance Margin in the Client's account at all times. If the Maintenance Margin is impaired, the Initial Margin amount shall be restored by the Client by depositing an additional sum immediately failing which the Company will have an absolute discretion to effect such act or acts (including but not limited to closing out all or some of the contracts transacted with or undertaken on behalf of the Client) as it deems fit to protect its interest. In such circumstances where the Client holds open positions taken out at different times the Company shall have the right to choose which positions should be liquidated and in which order. Such act or acts will be binding upon the Client as if proper instructions to effect the same had been duly given to the Company by the Client. The Client irrevocably accepts that in carrying out such act or acts aforesaid, the Company owes no duty or obligation of whatever nature to the Client to minimize or eliminate his loss. The Client shall be liable for any debit balance in any Client's account resulting from losses and any costs and expenses (including but not limited to legal costs) incurred by the Company, on a full indemnity basis, related to liquidating transactions initiated by the Company and/or arising from the Clients' failure to provide cash, securities and/or other collateral as margin deposit.

 - b) If the Client holds any open position, the Client must be alert to any market fluctuation and ensure to keep sufficient Maintenance Margin. If there is insufficient Maintenance Margin, the Company shall try its best endeavours to notify (but without the responsibility to do so) the Client by mail, phone, facsimile, electronic message, the Web Facility or other effective communication methods to upkeep the Maintenance Margin. Whether or not the Client receives any notice from the Company, the Client must upkeep the

amount of Maintenance Margin.

- c) The Company may from time to time amend the requirements of Initial Margin or the Maintenance Margin and, once amended, the Client's open position, both existing and future, must comply with the new requirements. The Client agrees to maintain such collateral and/or margin as the Company may from time to time in the discretion of the Company require. The Client also agrees to pay immediately on demand any amount owing with respect to any of the Client's accounts.
- 4) The Company shall have the right (i) whenever in the Company's sole discretion, the Company shall consider it necessary for the protection of the Company, because of margin requirements or otherwise, or, (ii) in the event that a petition in bankruptcy, or a petition for the appointment of a receiver, is filed by or against the Client or, (iii) when an attachment is levied against the account(s) of the Client with the Company, or, (iv) in the event of the death or judicial declaration of incompetence of the Client, to: (a) satisfy any obligation the Client may have to the Company (either directly or by way of guaranty or suretyship) out of any property belonging to the Client in the custody or control of the Company, (b) sell any or all positions long in the Client's account(s), (c) buy any or all positions which may be short in such account(s), and, (d) cancel any outstanding orders in order to close the account or accounts of the Client, all without demand for margin or additional margin, notice to the Client, the Client's heirs, executors, administrators, legatees, personal representatives or assigns, of sale or purchase or other notice or advertisement and whether or not the ownership interest shall be solely the Client's or jointly with others. Any sale of positions long in any account or purchase of positions short in any account may be made according to the judgment of the Company and at the discretion of the Company. It is understood that, in all cases, a prior demand or call, or prior notice of the time of sale or purchase shall not be considered a waiver of the right of the Company to sell or to buy without demand or notice as herein provided, that the Client shall at all times be liable for the payment of any debit balance owing in such account(s) with the Company upon demand, and that in all cases, the Client shall be liable for any deficiency remaining in such account(s) in the event the liquidation thereof in whole or in part by the Company or by the Client. Debit balance(s) in such account(s) shall be charged with interest thereon at the rate of 3% per calendar month and the Client shall promptly settle, upon demand, all liabilities outstanding to the Company, together with all costs of collection

(including reasonable legal fees).

- 5) Without prejudice and in addition to any general lien, right of set-off or similar right to which the Company may be entitled by law, all of the Client's interest in any funds, or other property held by the Company for any purpose or carried by the Company in any account for the Client (either individually or jointly with others) or which may be in the possession of the Company, or in the possession of any associated company, at any time and for any purpose, including safe-keeping, shall be subject to a general lien in favour of the Company. The Company shall also have the right to sell such property (and the Company is authorized to do all such things necessary in connection with such sale) and utilise the proceeds to offset and discharge all of the obligations of the Client to the Company or to any associated company, regardless of whether any other person is interested in or the Company has made advances in connection with such property, and irrespective of the number of accounts the Client may carry with the Company. The Company shall be entitled at any time without notice to combine and/or consolidate all or any of the Client's accounts with the Company and the associated companies of the Company. In respect of any payment by the Company to offset and discharge any obligation of the Client to any associated company, the Company shall not be concerned whether or not such obligations exist, provided demand has been made on the Company by such associated company. Without limiting or modifying the general provisions of this Agreement, the Company is hereby specifically authorized to transfer any sum or sums among the different accounts that the Client held, individually or jointly with others, with the Company and with any associated company or companies.
- 6)
 - a) The Company shall determine the prices for the purposes of marking to market the Client's open positions from time to time during the trading hours by reference to the current prices as quoted by a reputable financial information services organization.
 - b) Interest chargeable or payable on the Client's open position by the Company will be determined with reference to the prevailing market rates.
- 7) Reports, written confirmations, notices, and any other communications may be transmitted to the Client (who, in the case of a joint account without nominating a person therefor will be deemed for these purposes to be the Client whose

name first appears in the Schedule hereto) at the address, e-mail address or telephone or facsimile number or telex number given herein, or the Web Facility, or at such other address, e-mail address or telephone number as the Client hereafter shall notify the Company in writing or by such means accepted by the Company, and all communications so transmitted, whether by e-mail, mail, telegraph, telephone, messenger or otherwise, shall be deemed transmitted when e-mailed, telephoned or when deposited in the mail, or when received by a transmitting agent, whether actually received by the Client or not.

- 8) In the event that the Client directs the Company to enter into any contract on an exchange or other markets on which such transactions are effected in a foreign currency: (a) any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be entirely for the account and risk of the Client; (b) all initial and subsequent deposits for margin purposes shall be made in such currency in such amounts as the Company may, in the sole discretion of the Company, require; and (c) when such a contract is liquidated the Company shall debit or credit the account of the Client in the currency in which such account is denominated at a rate of exchange (where the relevant contract is denominated in currency other than that of the account) determined by the Company in the sole discretion of the Company on the basis of the then prevailing money market rates of exchange between such currencies.
- 9) The Company may by resolutions of directors amend any of the terms of this Agreement by sending a notice in writing to the Client setting out such amendment which shall be deemed incorporated 7 days from the date of posting such notice to the Client unless the Client repays all money and discharges all liabilities to the Company within 7 days from the date of posting such notice.
- 10) This Agreement and its enforcement shall be governed by the Laws of Hong Kong and its provisions shall be continuous; shall cover individually and collectively all accounts which the Client may open or re-open with the Company, and shall ensure to the benefit of, and bind the Company, the Company's successors and assigns, whether by merger, consolidation or otherwise, as well as the heirs, executors, administrators, legatees, successors, personal representatives and assigns of the Client and the Client hereby submits to the exclusive jurisdiction of the courts of Hong Kong.
- 11) The Company will not be responsible for delays in the transmission of orders due

to a breakdown or failure of transmission of communication facilities, or to any other cause or causes beyond the reasonable control or anticipation of the Company.

12) The Company is hereby authorized to deposit any cash balances in any account(s) of the Client with any such financial institution as the Company shall think fit (including with any associated company), provided that the terms of such deposit are no less beneficial than would have been offered by such institution to an unconnected person, and the Company (and any such associated company) shall be entitled to retain any benefit resulting from such deposit.

13)

- a) The Company and its directors, partners or employees may trade on its/their own account.
- b) The Client acknowledges that the Company may take the opposite position to the Client's order, whether on the Company 's own account or on behalf of other Clients.
- c) The Client authorizes the Company to apply any monies which the Client may pay to the Company, in particular, that the Company may apply such monies in or towards meeting the Company's obligations to any party insofar as such obligations arise in connection with or incidental to the business transacted on the Client's behalf.
- d) The Client declares that:
 - i) The contents of this Agreement have been fully explained to the Client in a language the Client understands and that the Client agrees with this Agreement in forms, language and substance.
 - ii) The Client is trading on his own account.
 - iii) The information contained in the Client Information Statement is true 5 and complete.
 - iv) The Client shall notify the Company of any material changes in the information supplied in the Client Information Statement within the same business day if the Client became aware of the material changes during business hours of the Company or the next business day if the Client become aware of the material changes during non-business hours of the Company.

14)

- a) The Company may act on any verbal or written communication which is expressed to come from the Client or his authorized representative and which is honestly believed by the Company to do so, even if in the case of a telephone communication it is not followed by written confirmation. The Company is hereby authorized by the Client to tape record telephone conversations between the Company and the Client for data verification purpose. However, any facsimile communication must bear a signature or signatures which, in the opinion of the Company correspond to that of the Client or his authorized representative as shown in the Client's current mandate. In case of electronic trading, the order must bear the Client's code assigned by the Company.
- b) The Client shall bear all risks arising from any verbal or written communication with the Company, which is discharged from any responsibility in respect thereof.
- c) The Client agrees to keep the Company and its employees indemnified against any loss whatsoever which it may suffer as the result of acting on any verbal or written communication which the Company or its employees believes to have been given by on behalf of the Client and agrees to perform and ratify any contract entered into or action taken by the Company, as the result of such communications.
- d) However, the Company reserves the right at any time, at its absolute discretion, to refuse to carry out any instruction given verbally or in writing, even if the employee who received such instruction on behalf of the Company may have stated its acceptance thereof.

15) The Client hereby authorizes the Company to transfer any funds standing to the Client's credit on any account(s) with the Company to another account(s) with the Company, or as they shall from time to time direct, so long as the Client shall continue to have an account with the Company for which purpose the Company from time to time consider necessary or desirable.

16)

- a) The Agreement may be terminated at any time by written notice given by either party to this Agreement provided that the Client do not have any amount due to the Company or any Associated company. Such notice shall not affect any transaction entered into by the Company on behalf of the Client prior to the Company's receipt of such written notice and shall be without prejudice to any of the rights of the Company or the Client prior to such receipt.
- b) Upon the issue of the notice pursuant to (a) above, the Company may terminate the Client's account and liquidate any positions in the Client's account at market rates and subject to the full payment of all monies owed by the Client to the Company.

17) The Client authorizes the Company to disclose any information within the Company's possession concerning the Client or the Client's accounts:

- a) to any Associated company or any person which provides services to the Company;
- b) to any assignee, transferee or successor which this Agreement is novated;
- c) to the extent that such disclosure is required by any laws or regulations or required by any governmental or regulatory body.

18) The Client acknowledges that the risk of loss in leveraged trading can be substantial and the Client may sustain a loss that exceeds the Initial Margin. 6 Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit losses to the intended amount, since market conditions may make it impossible to execute such orders. The Client may be called upon at short notice to deposit additional margin. If the required funds are not provided within the prescribed time, the Client's position may be liquidated at a loss and the Client will remain liable for any resulting deficit in the Client's account. The Client should therefore consider carefully whether such trading is suitable in light of the Client's financial status and investment goals.

19) The Client agrees that he shall be the only authorized user of the Web Facility. The Client shall be wholly and solely responsible for the confidentiality, security and use of the Access Codes.

- 20) The Client acknowledges and agrees that he shall be wholly and solely responsible for all instructions entered through the Web Facility using the Access Codes (whether authorized by him or not, and whether or not the instructions were entered by the Company or any of its officers or employees at the Client's express request). Neither the Company nor any of its officers, employees or agents shall incur any liability for the handling, mishandling or loss of any instruction. The Client shall indemnify the Company upon demand against any loss, damage, costs, disbursements and liabilities that the Company may incur or suffer as result of any instructions entered through the Web Facility.
- 21) The Client further acknowledges and agrees that, as a condition of using the Web Facility to give instructions, the Client shall immediately notify the Company if:
- a) an instruction has been placed through the Web Facility and he has not received an accurate written acknowledgement;
 - b) he has received a written acknowledgement of a transaction which he did not instruct or any similar conflict;
 - c) he becomes aware of any unauthorized use of his Access Codes; or
 - d) he has difficulties with regard to the use of the Web Facility.
- 22) The Client agrees to pay any fees that the Company may charge him for the Web Facility.
- 23) The Client expressly agrees that the Company may communicate with or give notice to the Client through the Web Facility and that any such notice or communication shall be deemed to have been received by the Client at the time of transmission by the Company. Without limiting the generality of the foregoing, the Client hereby consents to the Company making the Client's account information and trade confirmations, including without limitation, contract notes and statements of account, available on the Web Facility in lieu of having such information delivered to the Client via mail or email.
- 24) The Client acknowledges and agrees that the Company may treat the Client's electronic communications to the same extent the Company may treat other information about him or relating to his account as provided elsewhere in this

Agreement.

- 25) The Client understands and accepts that the Company may at any time in its sole and absolute discretion and without prior notice to the Client, suspend, prohibit, restrict or terminate the Client's access to the Web Facility. The closing of the Client's account by the Company will not affect the rights and/or obligations of either party incurred prior to the date the account is closed.
- 26) The Company may refuse to accept and/or carry out any instruction, without being obligated to give any reasons for such refusal, including but not limited to the following:
- a) The instruction does not comply with the limitations and requirements specified by the Company and notified to the Client from time to time;
 - b) The price quoted to the Client shall have expired or has been withdrawn;
 - c) The terms of the instruction cannot be determined with certainty by the Company; and/or
 - d) There is lack of sufficient funds in the Client's account to settle the transaction.
- 27) The Company shall not be deemed to have received the Client's instruction unless and until the Client is in receipt of the Company's acknowledgement.
- 28) The Client agrees to review every instruction before entering it into the Web Facility as it may not be possible to cancel his instruction once given. The Client may request in writing to cancel or amend his instruction but the Company is not obligated to accept any such request. The Client acknowledges that an instruction may be cancelled or amended only before execution.
- 29) Where an instruction is received through the Web Facility from the Client,
- a) the Company shall execute such instruction at the price quoted in the Web Facility at the exact point in time that such instruction is received by the Company; or
 - b) where the Client has specified a price, the Company shall execute such instruction immediately once the price quoted in the Web Facility has

reached or passed the specified price, and the execution price will be the price quoted in the Web Facility at that exact point in time, which may not be identical to or may be worse than the specified price.

- 30) An order attached to an open position remains in effect until the position is liquidated (in which case the order shall immediately be deemed to be cancelled by the Client) or the Client cancels the order.
- 31) The Client acknowledges and agrees that the Company is the owner of the Web Facility. The Client shall not attempt to tamper with, modify, disassemble, reverse engineer, damage, destroy or otherwise alter in any way or sub-license, and shall not attempt to gain unauthorized access to, the Web Facility or use the Web Facility in any way other than as Web Facility. The Client undertakes to notify the Company immediately if he becomes aware that any of the actions described above in this paragraph is being perpetrated by any other person.
- 32) The Client agrees that he shall not assign, transfer or sub-license all or any part of his rights under the provisions of this Agreement.
- 33) The Client shall allow the Company or any person authorized by the Company in writing to, upon receiving its written request, inspect promptly thereafter the premises and records of the Client for any lawful purpose in connection with the provisions of this Agreement including but not limited to the purpose of satisfying itself that the Client is not using the Web Facility contrary to any provision contained herein.
- 34) The Client acknowledges and agrees that the Web Facility is provided to him on an "as is" basis and that the use of the Web Facility is at his sole risk. The Client accepts that the Company does not make any warranty of any kind whatsoever relating to the Web Facility (including any information furnished through the Web Facility and whether prices contained therein are reflective of the markets generally), express or implied, including without limitation, non-infringement of third party rights or merchantability or fitness for any particular purpose or use.
- 35) The Client understands that the Company does not guarantee the timeliness, sequence, accuracy, continuity, promptness or completeness of the information in the Web Facility and no recommendation or endorsement from the Company shall be inferred from the information provided therein.

- 36) The Client agrees that the Company and any of its officers, employees, agents shall not be liable for any loss or have any responsibility:
- a) for damages of any kind, whether direct, indirect, special, consequential or incidental, resulting from access or use of, or inability to access or use of, the Service, including without limitation damage resulting from the act, omission, mistake, delay or interruption of the Web Facility, even if the Company, its officers, employees, agents have been advised of the possibility of such damages or losses; or
 - b) or damages resulting from a cause over which the Company, its officers, employees and agents do not have control, including but not limited to any government restriction, suspension of trading, failure of electronic or mechanical equipment or communication lines, telephone or other interconnection problems, incompatibility of computer hardware or software, failure or unavailability of access to the Web Facility, problems with other equipment or services relating to the Client's computer, power failure, problems with data transmission facilities, unauthorized access, theft, fire, war, strikes, civil disorder, acts or threatened acts of terrorism, natural disasters or labour disputes.
- 37) The Client agrees to defend, indemnify and hold the Company, its officers, employees and agents harmless from and against any and all claims, losses, liability, costs and expenses arising out of or in connection with the Client's use of the Service, including but not limited to his violation of this Agreement. This obligation will survive the termination of this Agreement.
- 38) The Client acknowledges and accepts that:
- a) access to the Service may be limited or unavailable during periods of peak demand, market volatility, systems upgrades or maintenance or for other reason;
 - b) due to unpredictable traffic congestion and other reasons, electronic transmission may not be a reliable medium of communication and that such unreliability is beyond the Company's control;
 - c) transactions conducted via electronic means may be subject to interruption, transmission blackout, delayed transmission due to Internet traffic or

incorrect data transmission due to the public nature of the Internet;

- d) instructions may not be executed or may be delayed so that they may be executed at prices different from those prevailing at the time the Client's instructions were given;
- e) communications and personal data may be accessed by unauthorized third parties;
- f) the Client's instructions may be executed without being subject to human review.

39) Charge Schedule: Please refer to the Company's website for latest information.

40) Contract Specifications and Margin Requirements: Please refer to the Company's website for latest information.

41) In the event of any conflict between any provisions of the English version and the Chinese version of this Agreement, the English version prevails.

APPENDIX 1

RISK DISCLOSURE STATEMENT AND DISCLAIMERS

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

- 1) **Risk of Margin Trading** The risk of loss in financing a transaction by deposit of collateral is significant. You may sustain losses in excess of your cash and any other assets deposited as collateral with the licensed or registered person. Market conditions may make it impossible to execute contingent orders, such as “stop-loss” or “stop-limit” orders. You may be called upon at short notice to make additional margin deposits or interest payments. If the required margin deposits and interest payments are not made within the prescribed time, your collateral may be liquidated without your consent. Moreover, you will remain liable for any resulting deficit in your account and interest charged on your account. You should therefore carefully consider whether such a financing arrangement is suitable in light of your own financial position and investment objectives.
- 2) **Commission and other charges** Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.
- 3) **Currency risks** The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdictions) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currencies.
- 4) **Electronic trading** Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risk associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.