



時富資產管理有限公司
CASH Asset Management Limited

**DISCRETIONARY ACCOUNT
ASSET MANAGEMENT AGREEMENT**

TERMS & CONDITIONS

1. Definitions

1.1 In this Agreement, unless the context requires otherwise:

“Account”	the account opened and maintained by the Client with the Company, particulars of which are specified in the Account Form which shall be managed and supervised by the Company on a discretionary basis
“Account Form”	the account opening form which contains the particulars and other necessary information of the Client and the Account
“Agreement”	the agreement made between the Company and the Client comprising the Account Form and the Terms and Conditions contained herein as the same may from time to time be varied, supplemented and / or amended in writing
“Company”	CASH Asset Management Limited (CE Number: ALF042), a limited company incorporated in Hong Kong with current principal place of business in Hong Kong and is licensed to conduct Type 9 regulated activity under the SFO
“CCL”	Celestial Commodities Limited (CE Number: AAF557), a limited company incorporated in Hong Kong with current principal place of business in Hong Kong and is licensed to conduct Type 2 regulated activity under the SFO
“Client”	the party whose particulars are specified in the Account Form
“CSL”	Celestial Securities Limited (CE Number: AAF532), a limited company incorporated in Hong Kong with current principal place of business in Hong Kong and is licensed to conduct Type 1 and Type 3 regulated activities under the SFO
“Effective Date”	the date on which the Company approves the opening of the Account by the Client
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment Assets”	(i) all cash and investments of the portfolio initially assigned to the Company by the Client, plus (ii) all investments, reinvestments and proceeds of the sale thereof, including, without limitation to, all dividends and interest on investments, and all appreciations thereof and additions thereto less depreciations thereof and withdrawals therefrom
“Parties”	the Client and the Company and “Party” means either of them
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

1.2 Words importing the singular herein include the plural and vice-versa and words importing a gender include every gender and reference to persons include individuals, firms, companies and corporations.

1.3 Unless otherwise stated, references to Clauses, Sub-clauses, Appendix and Schedule shall be construed as references to the clauses, sub-clauses, appendix and schedule of this Agreement. The headings and table of contents in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement.

2. Authorization to the Company

2.1 Subject to Clause 4, the Company shall have full and sole discretionary authority to manage the Account from the Effective Date. The Company shall supervise and direct the investment of the Account through its own employees or employees of one or more of its affiliates that are qualified to act as an investment adviser under the applicable laws and regulations provided that (i) all persons, when providing services hereunder, are functioning as part of an organized group of persons, and (ii) such organized group of persons is managed at all times by authorized officers of the Company. The Company is hereby duly authorized, without prior approval of or notice to Client, to:

- (a) make and implement all investment decisions;
- (b) subscribe for, buy, sell (including selling short), exchange, convert and otherwise trade in any stocks, bonds and other financial instruments on cash or margin basis or to borrow or lend securities through any broker and to give authority and / or direction to such broker in the management of the Account on a discretionary basis;
- (c) select, appoint or employ agent, sub-agents, nominees, brokers, dealers, custodians and sub-custodians, depositories, advisors, bankers, attorneys, managers, intermediaries, underwriters and any of its affiliates or associates (collectively the "Agents") as the Company may in its sole and absolute discretion deem fit and delegate to any such Agents the Company's obligations to the Client and exercise of the Company's rights, powers and authorities under this Agreement and any other further or other mandates, instructions, authorities, arrangements or agreements entered into, whether pursuant to this Agreement or otherwise, between the Company and the Client from time to time;
- (d) to furnish to the Agents evidence of the Company's authority to act as investment adviser including the Client's name, when the Company deems appropriate and to open, establish and maintain accounts at, and to place orders for the execution of such transactions with or through, any of the Agents; and
- (e) make and execute any and all such documents and to take any action which the Company deems necessary, appropriate or desirable to carry out its duties hereunder in connection with the management of the Account.

2.2 In this Agreement, "**Investment**" means (i) stocks, shares, units in unit trust and other equity securities, (ii) bonds, notes and other debt securities, (iii) spot and forward contracts, options, warrants, futures, contracts for differences, swaps, exchanges and derivatives (whether or not linked or related in any way to the foregoing or to any moneys, index or other asset, property or item) and (iv) other investment of any kind whatsoever, in each case whether listed or unlisted, traded or not traded on any exchange or market, privately placed or publicly offered and whether or not constituted, evidenced or represented by a certificate or other document (bearer, negotiable or otherwise) or by an entry in the books of an issuer, a clearing house, a depository, a custodian or any other person, together with rights against any issuer, clearing house, depository, custody or other person in respect of any of the foregoing and other rights, benefits and proceeds in relation to any of the foregoing.

3. The Account

- 3.1 The Account shall be maintained as a separate account and designated for investment, management and supervision by the Company. The Account shall consist of the Investment Assets. Client shall (i) enter into a separate agreement with CCL, CSL or other brokers ("Brokers") respectively and (ii) pay for the services of the Brokers which shall (a) have custody of the assets of the Account and (b) be responsible for payment to or delivery by the Account of all cash and / or securities due to or from the Account in connection with transactions directed by the Company, as well as (c) the allocation of interest, dividends, distributions and other income attributed to the Investment Assets and any other applicable fee, expenses and charges payable to the Agents.
- 3.2 All transactions relating to the Account shall be conducted exclusively by or through the Company. The Company shall place orders directly with the Brokers for execution of transactions authorized by this Agreement with respect to the Account and all such transactions shall be carried out through the Brokers.
- 3.3 Client shall direct the Brokers appointed by the Company to accept settlement instructions issued by persons designated by the Company for the Account.

- 3.4 The Company shall instruct the Brokers to forward to the Company copies of all confirmations promptly after execution of transactions relating to the Account.
- 3.5 Client may add funds to the Account upon the approval of the Company and withdraw funds from the Account on a 15 days prior written notice.
- 3.6 The Company may decline to accept or act upon any instruction or other communication of the Client which it reasonably believes not to be in accordance with the provisions of this Agreement or if it reasonably considers that compliance with such instruction would be impracticable. The Company shall have no obligation to enquire or investigate the genuineness or authenticity of any instruction given by the Client or to clarify or confirm any such instruction, and the Client shall bear all risks arising directly or indirectly from any instructions.
- 3.7 Client undertakes to notify the Company of any change of the Client's information or particulars specified in the Account Form not later than 24 hours after such change has occurred.
- 3.8 The Company shall notify the Client in the event of any change of the Terms and Conditions of this Agreement.
- 3.9 Subject to applicable laws and regulations, including best execution and prompt and fair allocation requirements, the Company may aggregate the orders made on behalf of the Client with its own orders or with those of its other clients and may allocate bought or sold orders amongst its clients and itself in such a way as it thinks fit. Such aggregation and / or allocation may on some occasions operate to the Client's advantage and on other occasions to the Client's disadvantage.
- 3.10 Nothing in this Agreement shall limit or restrict the Company or any of its affiliates from buying, selling or trading in any securities or other financial instruments for its or their own account or accounts. The Client acknowledges that the Company, its affiliates and its other clients may at any time, acquire, increase, decrease or dispose of positions in investments which are at the same time being acquired or disposed of for the account of the Client. Neither the Company nor any of its affiliates shall be liable to account to the Client for any profit, commission or remuneration arising out of or in connection with such transactions.

4. Investment Objectives, Policies and Restrictions

- 4.1 Client shall inform the Company of its investment objectives, policies and restrictions before the Company can operate the Account in accordance with this Agreement. Client undertakes to notify the Company immediately in writing of any changes of such investment objectives, policies and restrictions and in particular restrictions prescribed under (i) applicable laws or regulations, (ii) rules, orders or judgments of any court, regulatory authority or other governmental body or (iii) any provision of any contract or instrument purporting to bind Client or the Company. Unless the Client notifies the Company of specific restrictions, the investment made on behalf of the Account shall be deemed not to be restricted under the current or future laws of any applicable jurisdiction. Any changes of the Account's investment objectives, policies or restrictions shall become effective upon the Company's written acceptance thereof.

5. Company Philosophy, Discipline, Process Disclosures

- 5.1 Risk, Reward and Portfolio Characteristics

The Client acknowledges that it has discussed with the Company and its representatives the investment philosophy, discipline and process that will be used in managing the Account. The Client understands that the risk / reward characteristics of companies will be the most important factor in deciding what investments are made in their portfolio. Additionally, risk and reward characteristics will also affect what percentage or position the Company will take in the Client's portfolio in a particular company.

5.2 Dollar Cost Averaging

The Client understands that the Company will use the investment strategy of dollar cost averaging in the Client's account. Therefore the Client is aware that the Company may buy or sell the same company in Client's portfolio over several trade orders creating an average buy and sell price for the position. As part of this process, subsequent trades may be at higher prices or lower prices than the original buy or sell order.

5.3 Time To Get Fully Invested

The Client is aware that in normal markets it may take between 6 to 9 months to get the Client's portfolio fully invested. Fully invested as defined by the Company is somewhere above 80% invested in equities. Additionally, the Client acknowledges that there are times due to fluctuating market conditions that this investment process can be shorter than average, meaning less than 3 months, or it could take significantly longer than average, meaning more than 12 months, to reach the Company's definition of fully invested.

5.4 Investment Time Horizon

The Client understands that while contractually the Client can cancel this Agreement at any time, the money that the Client is hiring the Company to manage has a long-term investment time horizon. The Client acknowledges that in order to receive the maximum benefit of common stocks the Client's investment time horizon should be a minimum of 3 to 5 years or more, unless otherwise stated and the money entrusted with the Company hereunder is not supposed to be cash for supporting the daily or recurrent expenditure of the Client in the initial 5 years and thus any cash withdrawal during such period is not recommended.

5.5 Cash Positions

The Client understands that the Company will typically have some cash or equivalent positions in the Client's portfolio at all times. The Client is aware that there may be times where there shall be as little as 0% cash or equivalents and as much as 100% cash or equivalents in its portfolio. At the beginning of the Account or under volatile market condition, the Client acknowledges that cash positions may exceed 80% for an extended period of time. The variance in portfolio cash positions is mainly related to the availability of appropriate investment opportunities. Patience, discipline, and execution have been the cornerstone to the Company's long-term success.

6. Fees and Charges

- 6.1 Client agrees to pay the Company the investment management-related fees as set out in Schedule A which may be amended from time to time by the Company upon prior notice, together with all expenses paid or incurred by the Company including without limitation to all applicable fees, charges and expenses payable to the Agents or Brokers. If the Agents or Brokers is the Company's group member, Client hereby authorizes the Company to demand such Agents or Brokers to pay all the aforementioned investment management-related fees, charges, expenses or any applicable taxes which may be payable as a result of the management of the Account from the account(s) opened with the Client and transfer the said investment management-related fees to the company if they have not been settled by the Client.

7. Rebates and Soft Dollar Arrangements

- 7.1 Subject to the applicable laws and regulations, the Company and its connected persons may receive from the Brokers or Agents and any other persons through whom the sale and purchase of investments for the Client are carried out (i) any cash or money rebates arising out of such investments and (ii) such goods and services and other soft dollar benefits which are of demonstrable benefit to the Client. These services may include, but without limitation to, research and analysis of the relative merits of individual shares of markets or the use of data and quotation services and other information facilities.

- 7.2 In all cases where cash or money rebates or goods and services and other soft dollar benefits are retained by the Company or any of its connected persons, the Company or such connected persons, as the case may be, shall ensure that (i) transaction execution is consistent with best execution standards, (ii) any brokerage borne by the Client does not exceed customary institutional full services brokerage rates for such transactions and (iii) disclosure of the rebate and their approximate value is made to the Client.

8. Reporting

- 8.1 The Company shall provide the Client with management reports in respect of the detailed security statement and performance review of the Account on a monthly basis.
- 8.2 Client shall receive monthly statements from the Brokers. Client agrees to promptly provide or instruct the Brokers to promptly provide, the Company with copies of monthly statements concerning the status of the Account.

9. Voting Rights

- 9.1 The Company or its agent may at any time exercise voting rights with respect to the Investment Assets at its / their discretion and without consent from the Client, but subject to any specific written voting instructions given by the Client as beneficial owner of such assets.

10. Valuation

- 10.1 The Company may use such standard third party pricing services as it deems appropriate in calculating the market value of the Investment Assets. In making such calculation, each security listed on any national securities exchange shall be valued at the last quoted sale price on the valuation date on the principal exchange on which such security is traded. Any other security or asset shall be valued in a manner determined in good faith by the Company to reflect its fair market value.

11. Joint and Several Liability

- 11.1 Where the Client comprises two or more individuals:
- (a) each such individual shall be jointly and severally liable for all their obligations under this Agreement;
 - (b) the Company may accept instructions from, give receipts to and for all purposes deal with any one of such individuals without notice to the other individual and the Company is not responsible for determining the purposes or propriety of an instruction the Company receives from such individual or for the allocation of payments or deliveries among such individuals. The Company may at its discretion require written instructions from all such individuals;
 - (c) any delivery of payments or securities to any one of such individuals shall be a valid and complete discharge of the Company's obligations to each individual regardless of whether such delivery is made before or after the death of any one or more of such individuals;
 - (d) any notice and communications sent to one such individual shall be deemed notice to all individuals holding the Account; and
 - (e) on the death of any of such individual (being survived by any other such individual), this Agreement shall not be terminated and the interest in the Account of the deceased shall thereupon vest in and ensure for the benefit of the survivor(s) provided that any liabilities incurred by the deceased shall also be enforceable by the Company against such deceased's estate. The surviving individual shall give the Company written notice immediately upon any of them becoming aware of such death.

12. Confidentiality

- 12.1 All information and advice furnished by either Party to the other in connection with the Account under this Agreement shall be treated as confidential and shall not be disclosed by one Party to third party (except to the Agents and Brokers by the Company) without prior written consent of the other Party except as required by applicable law, rules or regulations.

13. Termination

- 13.1 This Agreement may be terminated by either Party by giving a 30 days prior written notice to the other Party.
- 13.2 Upon receipt of the written notice as stated in Clause 13.1 from Client, the Company shall cease to make further investments for the Account and shall proceed with an orderly liquidation of the Account or with a transfer of the assets of the Account pursuant to the Client's instructions.

14. Notice

- 14.1 Any notice, consent, approval or other communication (collectively "communication") under this Agreement shall be made in writing but, unless otherwise stated, may be made by facsimile, email, letter or any other electronic means. The Company shall have the sole discretion to insist the communication to be given in a particular manner on a case by case basis. The Client shall also fully indemnify the Company on demand against all losses of the Company arising from the Company's reliance on such communications.
- 14.2 Each communication or document to be made or delivered to one party under this Agreement shall be sent to that party at the facsimile number and / or address as set out under its name in the Account Form or from time to time designated by that party to the other for the purpose of this Agreement.
- 14.3 Any communication or document shall be deemed to have been delivered (i) if delivered personally, when actually delivered to the relevant address; (ii) if sent by post, on the second (2nd) business day after the mailing thereof. Notices required under this Agreement may also be sent to the receiving party's facsimile number as notified by such party and the notices sent by facsimile transmission or email will be deemed to have been received when transmitted (provided that the transmission is confirmed by the transmission report).

15. Disclaimer and Risk Disclosure

- 15.1 Client understands and accepts that the Company does not in any way guarantee performance of the Account and that neither the Company nor any of its affiliates, officers, directors or employees shall be responsible for any loss sustained in the operation of the Account, however caused other than losses which are caused by, or are the result of, gross negligence or wilful default of the Company. The Company shall not be liable for any act or omission or for any error of fact or judgment in relation to any discretionary transaction or investment decision made by the Company except for its own gross negligence or wilful default.
- 15.2 The Company shall not be liable for any loss of opportunity to increase the value of the Investment Assets or to realize any greater amount on any sale, nor for any decline or depreciation in the value of any investment unless such loss of opportunity or decline or depreciation is the direct result of the gross negligence or wilful default of the Company.
- 15.3 The Company are not and do not hold itself out to be tax or financial planning experts and shall not be liable for any errors of law, fact or judgment in relation to any tax or financial planning advice given by the Company to Client, nor be responsible for its correctness, and the consequences of any taxation charge arising from the operation of the Account. In the event of any change in the tax position of Client which could affect the investment decisions, Client undertakes to inform the Company immediately and the Company shall not be liable for any consequences of Client's failure to do so.

- 15.4 The Company shall not be obliged to account to the Client if any of the Agents or Brokers with whom moneys or investments have been placed is prevented from making payment or delivery to the Client.
- 15.5 The Company shall not be responsible for any loss or damages incurred by reason of any act or omission of the Brokers or Agents appointed by the Company and the Client shall hold harmless the Company against any liability for loss occasioned by acts or omission of any such Brokers or Agents.

16. Power of Attorney

- 16.1 The Client undertakes with the Company to do and execute (and irrevocably authorizes the Company to do and execute on the Client's behalf) any act, deed, document or thing which the Company may require the Client to do in connection with the implementation, execution and enforcement of any of the terms and any rights conferred by this Agreement including without limitation to the execution by the Client of an irrevocable power of attorney appointing the Company as its lawful attorney to do and execute all such acts, deeds, documents or things on behalf of the Client as it considers necessary or desirable in connection with such implementation, execution and enforcement of this Agreement and the Client agrees to ratify or confirm all such acts, deeds, documents or things by the Company.

17. General

- 17.1 Save and except expressly amended, varied, supplemented or superceded herein, the Standard Terms, the Risk Disclosure Statements and Notes Relating to the Personal Data (Privacy) Ordinance of Hong Kong as set out respectively in Part II, Part IV and Part V of the Client Trading Master Document shall be applicable to the Account and any reference to this Agreement shall include the terms and conditions set out in the Client Trading Master Document unless they are inconsistent with the Terms and Conditions herein.
- 17.2 In the event of inconsistency between the English version and Chinese version of this Agreement, the English version shall prevail.

18. Governing Law

- 18.1 This Agreement shall be subject to and construed in accordance with the laws of Hong Kong. Both Parties agree to submit to the non-exclusive jurisdiction of the courts of Hong Kong.