



美建投資有限公司
Upbest Investment Company Limited
統一保證金客戶合約
UNIFORM MARGIN CLIENT'S AGREEMENT

IMPORTANT INFORMATION

THERE ARE RISKS ASSOCIATED WITH MARGIN TRADING IN SECURITIES BUYING OR SELLING. YOU SHOULD READ THIS DOCUMENT CAREFULLY BEFORE YOU DECIDE TO ACCEPT THE MARGIN FINANCING ARRANGEMENT. If you are in any doubt about this document, you should consult your solicitor or other professional adviser.

中文版協議的說明字句為——

重要資料

以股票按貸財務(即俗稱「孖展」)方式買賣股票存在風險，在決定接受股票按貸即「孖展」財務安排之前，應小心閱讀本文件的內容。如對本協議有任何疑問，應諮詢律師或其他專業顧問的意見。

The company is registered as a
Securities Margin Financier under
CE No. ACR645

4/F Wah Kit Commercial Centre,
302 Des Voeux Road Central,
Hong Kong.



MEMORANDUM OF DEPOSIT AND LETTER OF SET-OFF AND AUTHORIZATION

To : UPBEST INVESTMENT COMPANY LIMITED.
HONG KONG

1. In consideration of your opening or continuing an account or accounts with you in my/our name or granting or continuing to grant advances or credit to me/us from time to time at your sole discretion, I/we, the undersigned

hereby irrevocably authorise you to mortgage, charge, pledge, transfer or create any security interest in favour of any party in or over all or any of my/our stocks, shares and any other securities which are now or which shall at any time hereafter be deposited with you by me/us, or shall come into your possession, custody or control for any purpose whatsoever and wheresoever (which shall include any securities additional or substituted foreign or local) and hereinafter referred to as "the said securities" (either separately or together with other securities belonging to me/us or to others) by way of security in respect of loans or advances of any amount made or to be made to you or for the discharge of obligations or liabilities of any kind and amount undertaken or to be undertaken by you and hereby irrevocably appoint you as my/our lawful attorney and representative to execute any document and do all things necessary for the above purpose. I/We agree that any of the said securities which are not subject to any security interest authorised to be created by you are hereby charged to you as a continuing security for the payment and satisfaction or demand of all monies and liabilities, absolute or contingent, which now are or at any time hereafter may be due owing or incurred from or by me/us to you or for which I/we may be or become liable to you on any account or in any manner whatever (whether alone or jointly with any other person and in whatever name, style or firm) together with interest to the date of repayment, commission charges, legal and other costs, charges and expenses for preparation and enforcement of this charge all as they appear in your books (such interest being computed both before and after any such demand according to your usual mode). The charge hereby created shall affect and the said securities shall include all dividends or interest paid or payable after the date hereof on any such securities and all stocks, shares (and the dividends or interest thereon), rights moneys or property accruing or offered at any time by way of redemption, bonus, preference option or otherwise to or in respect of the said securities hereby charged.

2. If I/we make default in paying further security or satisfying to you on demand any monies or liabilities hereby secured or fail to comply with or be in default of any of the terms herein contained or in the case of the filing of a petition in bankruptcy (in the case of an individual or a firm) or the filing of a winding-up petition (in the case of a company or other incorporated entity or body) by or against me/us or upon the application for or the appointment of a receiver or upon the attachment seizure or execution being made against any of my/our property or the commission of any act of bankruptcy by me/us or by my/our inability to pay my/our debts you may without notice sell or dispose of the said securities subject hereto or any part thereof either together or in parcels and either by dealings at any broker's board or by public or private sale or in such other manner for such consideration (whether payable or deliverable immediately or by instalments) as you may think fit without being in any way responsible for any loss occasioned thereby however arising and IT IS HEREBY FURTHER PROVIDED that you shall be entitled to sell or dispose of the said securities subject hereto or any part thereof at the current market price thereof to any of your associated company as defined in clause 30 hereof without being in any way responsible for any loss occasioned thereby however arising and without being accountable for any profit made by such associated company. In the event of any such sale if less than all of the said securities subjects hereto are to be sold or disposed of you may in your absolute discretion select which of the said securities subject hereto are to be sold or disposed of. In the event of any deficiency after the sale of the said securities subject hereto whatsoever and however arising I/ we agree to make good and pay on demand to you such deficiency.

3. Any notice or demand or other document required to be made or given or supplied under this memorandum shall be deemed to have been sufficiently made, given or supplied if sent by prepaid post letter to the address in Hong Kong last known to you of the person to whom or to whose legal representatives such notice or demand or other document is required to be made given or supplied, and shall be assumed to have reached the addressee in the course of post. In the case of the death of any person a party hereto or in the case of any person a party hereto being hereto being rendered incapable or disabled from managing or administering his property of affairs and until receipt by you of notice in writing of the grant of probate of the will or administration of the estate of the deceased or the appointment of a committee to manage his estate any notice or demand or other document by you sent by post as aforesaid addressee to the deceased or person under disability as aforesaid or his legal representatives at the address of the deceased or person under disability as aforesaid in Hong Kong last known to you shall for all purposes be deemed a sufficient notice or demand or compliance in the case of other documents by you to the deceased or person under disability as aforesaid and his legal representatives and shall be as effectual as if the deceased were still living or as if the person under disability as aforesaid were not under disability.

4. The interest on the amount owing or any part thereof shall be charged and paid at such rate or rates as may be stipulated or laid down by you at your sole discretion from time to time (as well after as before any judgement) and shall be calculated on daily balances with monthly interests. Any variation of the rate of interest shall be effected by the service of a notice in writing to me/us and such amended rate of interest shall be payable as from the date specified in the said notice.

5. The interest on any principal moneys and liabilities for the time being hereby secured including capitalised interest shall at the end of each month be capitalised and added for all purposes to the principal sum and liabilities then owing and shall thenceforth bear interest at the rate aforesaid and be secured and payable accordingly and all undertakings terms and condition contained in or implied by this memorandum and all powers and remedies conferred by law or by this memorandum and all rules of law or equity in relation to the principal sum liabilities and interest shall equally apply to such capitalised arrears of interest and to the interest on such arrears.

6. At all time I/we undertake to deposit sufficient securities with you and to your satisfaction and in the event that you in your absolute discretion deem that the said securities are insufficient or unsatisfactory to secure the payment of my/our indebtedness to your hereunder I/we undertake that upon demand on me/us by you forthwith pay to you such sum in cash or at your option to deliver to you such additional stocks, shares and securities as are acceptable to you as additional and/or substituted security to the said securities subject hereto or a any part thereof.
7. The proceeds of sale made under clause 2 hereof shall be applied firstly in payment of all costs, charges legal fees and expenses including stamp duty, commission and brokerage properly incurred by you in transferring and selling all or any of the said securities subject hereto or any part thereof or in perfecting title thereto ; secondly in payment of the interest for the time being accruing due; thirdly in and towards the payment of all money and liabilities due owing or incurred from or by me/us to you hereunder and the residue, if any, shall be paid to me/us or my/our order.
8. Any dividends interest or other payments which may be received or receivable by you in respect of any of the said securities subject hereto may be applied by you as though they were proceeds of sale hereunder notwithstanding that the power of sale may not have arisen and notwithstanding that subsequent to the signature of this memorandum you may have paid the said dividends interest or other payments to me/us.
9. I/we further irrevocably authorise you to do any and all proper and necessary acts to transfer, complete and vest the title of any of the said securities subject hereto to or in yourselves or your nominees or any purchaser thereof.
10. Without in any way limiting your power and authority under clause 9 hereof I/we undertake for myself/ourselves and my/our legal representatives from time to time to execute and sign all transfers powers of attorney and other documents that you may require for completing or perfecting your title to any securities subject hereto or for vesting or enabling you to vest, the same in yourselves or your nominees or in any purchaser.
11. You or your nominees may exercise at your discretion (in my/our name(s) or otherwise at any time whether before or after any demand for payment hereunder and without any further consent or authority on my/our part) in respect of any of the said securities any voting rights and all powers given to trustees by Section 11(4) and (5) of the Trustee ordinance Chapter 29 in respect of securities or properties subject to a trust and any powers rights which may be exercised by the person or persons in whose name or names the securities are registered under the terms thereof or otherwise.
12. I/We and my/our successors in title during the continuance of this security will pay all calls or other payments due in respect of any of the said securities subject hereto and in the event of default you may if you think fit make such payments on my/our behalf. Any sums so paid by you shall be repayable by me/us or my/our successors in title to you on demand and pending such repayment shall be a charge on the said securities subject hereto and such new stock shares or other securities shall be retained by you as additional security hereunder.
13. This security is in addition to and without prejudice to any collateral or other securities which you may now or hereafter hold from or on account of me/us nor shall such collateral or other security or any lien to which you may be otherwise entitled (including any security charge or lien prior to the date of this memorandum on the said securities) or the liability of any person or persons not parties hereto for all or any part of the monies and liabilities hereby be secured in any way prejudiced or affected by this security. You shall have full power at your discretion to deal with exchange release modify or abstain from perfecting or enforcing any such securities or other guarantees or rights which you may now or hereafter have from or against such person or persons or to give time for payment or any indulgence to any such other person or persons without discharging or in any way affecting my/our liabilities or the security created hereunder. All moneys received by you from me/us or any person or persons liable to pay the same may be applied by you to any account or item of account or any transactions to which the same may be applicable.
14. You shall have a lien on the said securities subject hereto or the proceeds of sale thereof (if sold) or all monies now or hereafter standing to my/our credit with you as security for or in part payment of any other debt or liability then incurred or likely to be incurred by me/us to you.
15. Without prejudice to the rights and obligations hereby created any dividends interest or other monies hereby charged which may be received by me/us shall held in trust for you and paid over to you on demand.
16. This is to be a continuing security notwithstanding an intermediate payment or settlement of account or satisfaction of the whole or any part of any sum or sums of money owing as aforesaid or otherwise and notwithstanding the closing of any my/our accounts with you and which are subsequently reopened or the subsequent opening of any account by me/us either alone or jointly with others and shall extend to cover all or any sum or sums of money which shall for time being constitute the balance due from me/us to you on any account or otherwise as herein mentioned.
17. The security hereby created shall not be affected by any failure by you to take any security or by any invalidity of any security taken or by an existing or future agreement by you as to the application of any advances made or to be made to me/us.
18. Any monies received hereunder may be placed and kept to the credit of a suspense account for so long as you think fit without any obligation in the meantime to apply the same or any part thereof in or towards discharge of any money or liabilities due or incurred by me/us to you. Notwithstanding any such payment, in the event of any proceedings in or analogous to bankruptcy winding-up liquidation composition or arrangement you may prove for and agree to accept any dividend or composition in respect of the whole or any part of such money and liabilities in the same manner as if this security had not been created.

19. You may assign, pledge, charge, mortgage or transfer this instrument, or any instruments evidencing all or any of the obligations or liabilities herein referred to, and may deliver the said securities subject hereto or any part thereof, to the assignee, pledge, charge, mortgagee or transferee, who shall thereupon become vested with all the powers and rights in respect thereto given to you hereunder or in the instruments transferred; and you shall thereafter be forever released and fully discharged from any liability or responsibility with respect thereto, but you shall retain all rights and powers hereby given with respect to any and all instruments rights or property not so transferred. No delay on your part, or any assignee, pledgee, chargee, mortgagee or transferee hereunder, in exercising any rights hereunder, shall operate as a waiver of your or their rights.

20. I/We declare that you shall not be answerable or responsible for the loss of or damage to or diminution in value of any of the said securities subject hereto however arising whilst the same are in your possession custody or control or that of your servants, agents, bankers or any assignee or transferee under this memorandum.

21. No change in your constitution nor of the signatories to this memorandum nor of the persons or firms or companies or other entity for whose liabilities the said securities may at any time stand as securities shall affect the validity of or discharge this instrument. If the undersigned is a firm and in the event of the dissolution of the firm this security shall apply to all the indebtedness and liabilities incurred by the firm or in the firm name until receipt by you of actual notice of dissolution. If however the dissolution is by reason only of the introduction of a partner or a further partner or partners into the firm this security shall continue and in addition to the debts and liabilities of the old firm shall apply to all monies and liabilities due or incurred from or by the new firm or firms thereby constituted as though there had been no change in the firm as previously constituted.

22. All your rights and powers hereunder shall remain in full force and effect notwithstanding any neglect, delay in the enforcement thereof or of any indulgence or forbearance given or continued to be given to me/us.

23. In the event any action or proceeding is commenced or claim or demand made by any person, firm, company or other entity against me/us in connection with any matter herein contained or the said securities subject hereto or any part or parts thereof or against you in connection with any matter herein contained or the said securities subject hereto or any part or parts thereof I/We agree to reimburse you for any loss, cost or expense including all legal accountancy or other professional fees which may be incurred by you in connection therewith. In the event any such action or proceeding is commenced or claim or demand is made you shall be entitled to take such reasonable steps as you may deem advisable including the withholding of payment or delivery to me/us of any part or all of any money or the said securities subject hereto and the cancellation or non-compliance with all orders or instructions which I/we may have given or may give regarding the said securities subject hereto or any part or parts thereof. Nothing herein contained shall be construed as an obligation on your part to take any steps in connection with any such action, proceeding, claim or demand.

24. I/We hereby agree that reports of the execution of orders and statements of accounts shall be conclusive if not objected to in writing by me/us in the case of the former within 24 hours after receipt and in case of the latter within 7 days of the date appearing on such statement of accounts.

25. I/We hereby agree that this memorandum cannot be modified or any of its provisions waived except in writing and signed by any two of your directors and without limiting the foregoing that, (a) no employee of yours irrespective of his apparent or ostensible or general power or authority shall have authority to modify this agreement or waive any of this provisions either orally or in writing; (b) no course of dealing between us nor any waiver in any one or more instances shall be deemed a waiver in any other instance.

26. I/We represent that :

(a) I am /we are over 18 years of age; and

(b) no person, firm, company or other entity except me/us has or will have any interest in my/our account or dealing with you or in any of the said securities subject hereto.

27. I/We agree to indemnify you, your agent or assignee or transferee against and hold you, your agent or assignee or transferee blameless from all expenses, liabilities, claims and demands arising out of the holding of the said securities subject hereto or anything lawfully done by you, your agent or assignee or transferee hereunder.

28. I/We consent to your mortgaging, charging, pledging or creating any security interest in or over any or all of the said securities subject hereto (either separately or together with other securities belonging to me/us or to others) by way of security for loans or advances of any amount made or to be made to you or for the discharge of obligations of any kind and amount undertaken or to be undertaken by you. I/We also consent to your lending of my/our securities to others for any purpose.

29. Notwithstanding anything herein contained to the contrary it is understood that if I/we shall pay to you the whole of the amount hereby secured and shall pay all interest for the same at the rate and in the manner aforesaid without any deduction and also all such sums of money as you may expend in respect of the securities hereunder than subject to Clause 15 hereof you shall at any time after such payment shall have been so made upon my/our request and at my/our cost discharge this memorandum (which shall nonetheless remain your property) and upon discharge you shall not be bound to return to me/us securities bearing numbers identical with those deposited with or transferred to you so long as the securities returned to me/us are of the same class, denomination and nominal amount and rank *pari passu* with those originally deposited with or transferred to you (subject always to any capital reorganisation which may have occurred in the meantime.)

30. Notwithstanding anything herein contained to be the contrary without prejudice and in-addition to any general lien, right of set-off or any similar right to which you may be entitled by law or under this Memorandum you may at any time without notice to me/us combine or consolidate all or any of my/our accounts with and liabilities to you and/or your associated companies and set-off or transfer any sum or sums in whatever currency standing to the credit of any one or more of such accounts in or towards satisfaction of any of my/our liabilities to you and/or your associated companies on any other account with you and/or your associated companies or in any other respect whatsoever irrespective of whether such liabilities be incurred by me/us or by me/us as principal or as surety of

some other person, corporate body or firm and irrespective of whether such liabilities be actual or contingent, primary or collateral and several or joint. This right of set-off is a continuing security and is to be in addition and without prejudice to any securities you may now or hereafter hold. For the purpose of this Memorandum of Deposit and Letter of Set-Off and Authorisation an associated company shall mean and include Upbest Securities Company Limited, and other company in which you or any of the aforesaid companies beneficially owns 50% of the equity share capital or over.

31. I/We, hereby declare that Messrs. Upbest Securities Company Limited, its servants and agents [hereinafter referred to as the Authorised Representative(s)] are hereby authorised by me/us to do on my/our behalf and in my/our name(s) the following acts and things:-

- (a) to withdraw from my/our account(s) maintained with you such sums of money in payment of the purchase price(s) for the securities purchased or purportedly to be purchased for me/us in my/our name(s) by the Authorised Representative(s) as evidenced by the bought note(s) issued in my/our name(s) by the Authorised Representative(s) and at the same time deposit into my/our account(s) maintained with you the securities so purchased or so purportedly purchased for me/us by the Authorised Representative(s) with such sums of money as withdrawn from my/our account(s) and
- (b) to withdraw from my/our account(s) such securities sold or purportedly to be sold for me/us in my/our name(s) by the Authorised Representative(s) as evidenced by the sold note(s) issued in my/our name(s) by the Authorised Representative(s) and at the same time deposit into my/our account(s) the sums of money representing the net proceeds of sale of the securities so withdrawn and so sold or so purportedly sold for me/us by the Authorised Representative(s) and
- (c) to ask for and receive from you all information relating to the state of my/our account(s) with you including but not limited to statements and statements of account(s) and all other notices and documents relating to my/our account(s) with you.

And I/we hereby further declare that the authority herein contained shall remain in full force and effect until such time as you receive written notice of revocation from me/us together with written confirmation from the Authorised Representative(s) that they have no objection to the revocation thereof by me/us.

32. Should I/We fail to pay in a purchase transaction or deliver securities in a sale transaction by the due settlement date, I hereby authorised the Authorised Representative(s) (a) to transfer or sell any purchased securities, or (b) to borrow and/or purchase sold securities, as the case may be.

I/We will be responsible for all your loss and expenses on full indemnity basis relating to my failure to pay and/or deliver securities by the due settlement date.

33. In the event that I/we purchase or sell any securities through Upbest Securities Company Limited or any associated company, I/we hereby request and authorise you to do any acts or things and to execute any documents as may be necessary or desirable and to receive and follow any instruction from Upbest Securities Company Limited for the settlement of the said transactions through my/our account or accounts at your company.

I/We agree that you have full discretion to reject or accept my/our request to settle the said transaction(s) through your company and have the absolute discretion to refer the said transaction(s) back to Upbest Securities Company Limited for settlement or for further action if you decide to reject my/our request to settle the said transaction(s) through your company.

34. I/We further agree that in the event that you have made a mistake or an error in my/our favour (whether such mistake or error is made by your staff or computer through their negligence or otherwise) in calculating the amount due to you or in respect of the securities returned, then such discharge and return shall have no effect and this memorandum shall remain in full force and effect.

35. I/We further agree that you may at your discretion alter, amend, delete or substitute any of the terms herein or add new terms to this memorandum by you sending to me/us a notice in writing setting out such alteration, amendment, deletion, substitution or addition (as the case may be) which shall be deemed incorporated herein unless objected to in writing by me/us within 7 days from the date of such notice and upon receipt by you of such written objection you shall be entitled at your discretion to exercise the powers under Clause 2 hereof and to determine this memorandum without any notice or reference to me.

36. In the event of the death of the undersigned or in the event of the undersigned being rendered incapable or disabled from managing and administering his property or affairs then; (a) all open or standing orders or instructions shall be cancelled but you shall not be responsible for any action taken on such orders or instructions prior to the actual receipt by you of written notice of death or incapacity or disability of the undersigned; (b) you may in your absolute discretion, exercise the powers under Clause 2 hereof and determine this memorandum without awaiting the appointment of a legal representative for the estate of the undersigned and without demand upon or notice to any such personal representative.

37. In this memorandum where the singular is used, it shall be taken to included the plural where applicable, and whenever the plural shall be applicable the death of one or more of the partners involved shall not affect or impair this memorandum as regards transactions thereafter had with the survivor or survivors and for the purpose of this memorandum "legal representative" shall include executors, administrators and a committee appointed under the Mental Health Ordinance Chapter 136 or any statutory modification or re-enactment thereof for the time being in force.

38. Where the undersigned shall consist of more than one person the obligation of the undersigned shall be joint and several and "person" shall include corporation. In case of individual person this person shall be binding on the estate and the legal personal representatives of each and every one of the undersigned.

39. Upbest Investment may retain any interest, if any, earned on Client's Money

For and on behalf of
開明投資有限公司
UBA INVESTMENTS LIMITED

Witnessed by : 

Signature : 
Authorized Signature(s)

Name CHOY YE KING


Name UBA INVESTMENTS LIMITED

I/D No. H343123(3)

I/D No. BR NO. 30630314-000-01-02-0

Acknowledged and
Approved by :

For and on behalf of
UBA INVESTMENT COMPANY LIMITED


Authorized Signatory

DATE: 15 NOV 2002



美建投資有限公司
Upbest Investment Company Limited
統一保證金客戶合約
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中文版協議的說明字句為——

重要資料

以股票按貨對簿(即俗稱「孖展」)方式買賣股票存在風險，在決定接受股票按貨即「孖展」財務安排之前，應小心閱讀本文件的內容，如對本協議有任何疑問，應諮詢律師或其他專業顧問的意見。

The company is registered as a
Securities Margin Financier under
CE No. ACR645

2/F Wah Kit Commercial Centre,
302 Des Voeux Road Central,
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MEMORANDUM OF DEPOSIT AND LETTER OF SET-OFF AND AUTHORIZATION

To: **UPBEST INVESTMENT COMPANY LIMITED.**
HONG KONG

1. In consideration of your opening or continuing an account or accounts with you in my/our name or granting or continuing to grant advances or credit to me/us from time to time at your sole discretion, I/we, the undersigned

hereby irrevocably authorise you to mortgage, charge, pledge, transfer or create any security interest in favour of any party in or over all or any of my/our stocks, shares and any other securities which are now or which shall at any time hereafter be deposited with you by me/us, or shall come into your possession, custody or control for any purpose whatsoever and wheresoever (which shall include any securities additional or substituted foreign or local) and hereinafter referred to as "the said securities" (either separately or together with other securities belonging to me/us or to others) by way of security in respect of loans or advances of any amount made or to be made to you or for the discharge of obligations or liabilities of any kind and amount undertaken or to be undertaken by you and hereby irrevocably appoint you as my/our lawful attorney and representative to execute any document and do all things necessary for the above purpose. I/We agree that any of the said securities which are not subject to any security interest authorised to be created by you are hereby charged to you as a continuing security for the payment and satisfaction or demand of all monies and liabilities, absolute or contingent, which now are or at any time hereafter may be due owing or incurred from or by me/us to you or for which I/we may be or become liable to you on any account or in any manner whatever (whether alone or jointly with any other person and in whatever name, style or firm) together with interest to the date of repayment, commission charges, legal and other costs, charges and expenses for preparation and enforcement of this charge all as they appear in your books (such interest being computed both before and after any such demand according to your usual mode). The charge hereby created shall affect and the said securities shall include all dividends or interest paid or payable after the date hereof on any such securities and all stocks, shares (and the dividends or interest thereon), rights monies or property accruing or offered at any time by way of redemption, bonus, preference option or otherwise to or in respect of the said securities hereby charged.

2. If I/we make default in paying further security or satisfying to you on demand any monies or liabilities hereby secured or fail to comply with or be in default of any of the terms herein contained or in the case of the filing of a petition in bankruptcy (in the case of an individual or a firm) or the filing of a winding-up petition (in the case of a company or other incorporated entity or body) by or against me/us or upon the application for or the appointment of a receiver or upon the attachment seizure or execution being made against any of my/our property or the commission of any act of bankruptcy by me/us or by my/our inability to pay my/our debts you may without notice sell or dispose of the said securities subject hereto or any part thereof either together or in parcels and either by dealings at any broker's board or by public or private sale or in such other manner for such consideration (whether payable or deliverable immediately or by instalments) as you may think fit without being in any way responsible for any loss occasioned thereby however arising and IT IS HEREBY FURTHER PROVIDED that you shall be entitled to sell or dispose of the said securities subject hereto or any part thereof at the current market price thereof to any of your associated company as defined in clause 30 hereof without being in any way responsible for any loss occasioned thereby however arising and without being accountable for any profit made by such associated company. In the event of any such sale if less than all of the said securities subjects hereto are to be sold or disposed of you may in your absolute discretion select which of the said securities subject hereto are to be sold or disposed of. In the event of any deficiency after the sale of the said securities subject hereto whatsoever and however arising I/we agree to make good and pay on demand to you such deficiency.

3. Any notice or demand or other document required to be made or given or supplied under this memorandum shall be deemed to have been sufficiently made, given or supplied if sent by prepaid post letter to the address in Hong Kong last known to you of the person to whom or to whose legal representatives such notice or demand or other document is required to be made given or supplied, and shall be assumed to have reached the addressee in the course of post. In the case of the death of any person a party hereto or in the case of any person a party hereto being rendered incapable or disabled from managing or administering his property or affairs and until receipt by you of notice in writing of the grant of probate of the will or administration of the estate of the deceased or the appointment of a committee to manage his estate any notice or demand or other document by you sent by post as aforesaid addressee to the deceased or person under disability as aforesaid or his legal representatives at the address of the deceased or person under disability as aforesaid in Hong Kong last known to you shall for all purposes be deemed a sufficient notice or demand or compliance in the case of other documents by you to the deceased or person under disability as aforesaid and his legal representatives and shall be as effectual as if the deceased were still living or as if the person under disability as aforesaid were not under disability.

4. The interest on the amount owing or any part thereof shall be charged and paid at such rate or rates as may be stipulated or laid down by you at your sole discretion from time to time (as well after as before any judgement) and shall be calculated on daily balances with monthly interests. Any variation of the rate of interest shall be effected by the service of a notice in writing to me/us and such amended rate of interest shall be payable as from the date specified in the said notice.

5. The interest on any principal moneys and liabilities for the time being hereby secured including capitalised interest shall at the end of each month be capitalised and added for all purposes to the principal sum and liabilities then owing and shall thenceforth bear interest at the rate aforesaid and be secured and payable accordingly and all undertakings terms and condition contained in or implied by this memorandum and all powers and remedies conferred by law or by this memorandum and all rules of law or equity in relation to the principal sum liabilities and interest shall equally apply to such capitalised arrears of interest and to the interest on such arrears.

6. At all time I/we undertake to deposit sufficient securities with you and to your satisfaction and in the event that you in your absolute discretion deem that the said securities are insufficient or unsatisfactory to secure the payment of my/our indebtedness to you hereunder I/we undertake that upon demand on me/us by you forthwith pay to you such sum in cash or at your option to deliver to you such additional stocks, shares and securities as are acceptable to you as additional and/or substituted security to the said securities subject hereto or a any part thereof.

7. The proceeds of sale made under clause 2 hereof shall be applied firstly in payment of all costs, charges legal fees and expenses including stamp duty, commission and brokerage properly incurred by you in transferring and selling all or any of the said securities subject hereto or any part thereof or in perfecting title thereto ; secondly in payment of the interest for the time being accruing due; thirdly in and towards the payment of all money and liabilities due owing or incurred from or by me/us to you hereunder and the residue, if any, shall be paid to me/us or my/our order.

8. Any dividends interest or other payments which may be received or receivable by you in respect of any of the said securities subject hereto may be applied by you as though they were proceeds of sale hereunder notwithstanding that the power of sale may not have arisen and notwithstanding that subsequent to the signature of this memorandum you may have paid the said dividends interest or other payments to me/us.

9. I/we further irrevocably authorise you to do any and all proper and necessary acts to transfer, complete and vest the title of any of the said securities subject hereto to or in yourselves or your nominees or any purchaser thereof.

10. Without in any way limiting your power and authority under clause 9 hereof I/we undertake for myself/ourselves and my/our legal representatives from time to time to execute and sign all transfers powers of attorney and other documents that you may require for completing or perfecting your title to any securities subject hereto or for vesting or enabling you to vest, the same in yourselves or your nominees or in any purchaser.

11. You or your nominees may exercise at your discretion (in my/our name(s) or otherwise at any time whether before or after any demand for payment hereunder and without any further consent or authority on my/our part) in respect of any of the said securities any voting rights and all powers given to trustees by Section 11(4) and (5) of the Trustee ordinance Chapter 29 in respect of securities or properties subject to a trust and any powers rights which may be exercised by the person or persons in whose name or names the securities are registered under the terms thereof or otherwise.

12. I/We and my/our successors in title during the continuance of this security will pay all calls or other payments due in respect of any of the said securities subject hereto and in the event of default you may if you think fit make such payments on my/our behalf. Any sums so paid by you shall be repayable by me/us or my/our successors in title to you on demand and pending such repayment shall be a charge on the said securities subject hereto and such new stock shares or other securities shall be retained by you as additional security hereunder.

13. This security is in addition to and without prejudice to any collateral or other securities which you may now or hereafter hold from or on account of me/us nor shall such collateral or other security or any lien to which you may be otherwise entitled (including any security charge or lien prior to the date of this memorandum on the said securities) or the liability of any person or persons not parties hereto for all or any part of the monies and liabilities hereby be secured in any way prejudiced or affected by this security. You shall have full power at your discretion to deal with exchange release modify or abstain from perfecting or enforcing any such securities or other guarantees or rights which you may now or hereafter have from or against such person or persons or to give time for payment or any indulgence to any such other person or persons without discharging or in any way affecting my/our liabilities or the security created hereunder. All moneys received by you from me/us or any person or persons liable to pay the same may be applied by you to any account or item of account or any transactions to which the same may be applicable.

14. You shall have a lien on the said securities subject hereto or the proceeds of sale thereof (if sold) or all monies now or hereafter standing to my/our credit with you as security for or in part payment of any other debt or liability then incurred or likely to be incurred by me/us to you.

15. Without prejudice to the rights and obligations hereby created any dividends interest or other monies hereby charged which may be received by me/us shall held in trust for you and paid over to you on demand.

16. This is to be a continuing security notwithstanding an intermediate payment or settlement of account or satisfaction of the whole or any part of any sum or sums of money owing as aforesaid or otherwise and notwithstanding the closing of any my/our accounts with you and which are subsequently reopened or the subsequent opening of any account by me/us either alone or jointly with others and shall extend to cover all or any sum or sums of money which shall for time being constitute the balance due from me/us to you on any account or otherwise as herein mentioned.

17. The security hereby created shall not be affected by any failure by you to take any security or by any invalidity of any security taken or by an existing or future agreement by you as to the application of any advances made or to be made to me/us.

18. Any monies received hereunder may be placed and kept to the credit of a suspense account for so long as you think fit without any obligation in the meantime to apply the same or any part thereof in or towards discharge of any money or liabilities due or incurred by me/us to you. Notwithstanding any such payment, in the event of any proceedings in or analogous to bankruptcy winding-up liquidation composition or arrangement you may prove for and agree to accept any dividend or composition in respect of the whole or any part of such money and liabilities in the same manner as if this security had not been created.

19. You may assign, pledge, charge, mortgage or transfer this instrument, or any instruments evidencing all or any of the obligations or liabilities herein referred to, and may deliver the said securities subject hereto or any part thereof, to the assignee, pledge, charge, mortgagee or transferee, who shall thereupon become vested with all the powers and rights in respect thereto given to you hereunder or in the instruments transferred, and you shall thereafter be forever released and fully discharged from any liability or responsibility with respect thereto, but you shall retain all rights and powers hereby given with respect to any and all instruments rights or property not so transferred. No delay on your part, or any assignee, pledge, charge, mortgagee or transferee hereunder, in exercising any rights hereunder, shall operate as a waiver of your or their rights.

20. I/We declare that you shall not be answerable or responsible for the loss of or damage to or diminution in value of any of the said securities subject hereto however arising whilst the same are in your possession custody or control or that of your servants, agents, bankers or any assignee or transferee under this memorandum.

21. No change in your constitution nor of the signatories to this memorandum nor of the persons or firms or companies or other entity for whose liabilities the said securities may at any time stand as securities shall affect the validity of or discharge this instrument. If the undersigned is a firm and in the event of the dissolution of the firm this security shall apply to all the indebtedness and liabilities incurred by the firm or in the firm name until receipt by you of actual notice of dissolution. If however the dissolution is by reason only of the introduction of a partner or a further partner or partners into the firm this security shall continue and in addition to the debts and liabilities of the old firm shall apply to all monies and liabilities due or incurred from or by the new firm or firms thereby constituted as though there had been no change in the firm as previously constituted.

22. All your rights and powers hereunder shall remain in full force and effect notwithstanding any neglect, delay in the enforcement thereof or of any indulgence or forbearance given or continued to be given to me/us.

23. In the event any action or proceeding is commenced or claim or demand made by any person, firm, company or other entity against me/us in connection with any matter herein contained or the said securities subject hereto or any part or parts thereof or against you in connection with any matter herein contained or the said securities subject hereto or any part or parts thereof I/We agree to reimburse you for any loss, cost or expense including all legal accountancy or other professional fees which may be incurred by you in connection therewith. In the event any such action or proceeding is commenced or claim or demand is made you shall be entitled to take such reasonable steps as you may deem advisable including the withholding of payment or delivery to me/us of any part or all of any money or the said securities subject hereto and the cancellation or non-compliance with all orders or instructions which I/we may have given or may give regarding the said securities subject hereto or any part or parts thereof. Nothing herein contained shall be construed as an obligation on your part to take any steps in connection with any such action, proceeding, claim or demand.

24. I/We hereby agree that reports of the execution of orders and statements of accounts shall be conclusive if not objected to in writing by me/us in the case of the former within 24 hours after receipt and in case of the latter within 7 days of the date appearing on such statement of accounts.

25. I/We hereby agree that this memorandum cannot be modified or any of its provisions waived except in writing and signed by any two of your directors and without limiting the foregoing that, (a) no employee of yours irrespective of his apparent or ostensible or general power or authority shall have authority to modify this agreement or waive any of this provisions either orally or in writing; (b) no course of dealing between us nor any waiver in any one or more instances shall be deemed a waiver in any other instance.

26. I/We represent that

(a) I am /we are over 18 years of age; and

(b) no person, firm, company or other entity except me/us has or will have any interest in my/our account or dealing with you or in any of the said securities subject hereto.

27. I/We agree to indemnify you, your agent or assignee or transferee against and hold you, your agent or assignee or transferee blameless from all expenses, liabilities, claims and demands arising out of the holding of the said securities subject hereto or anything lawfully done by you, your agent or assignee or transferee hereunder.

28. I/We consent to your mortgaging, charging, pledging or creating any security interest in or over any or all of the said securities subject hereto (either separately or together with other securities belonging to me/us or to others) by way of security for loans or advances of any amount made or to be made to you or for the discharge of obligations of any kind and amount undertaken or to be undertaken by you. I/We also consent to your lending of my/our securities to others for any purpose.

29. Notwithstanding anything herein contained to the contrary it is understood that if I/we shall pay to you the whole of the amount hereby secured and shall pay all interest for the same at the rate and in the manner aforesaid without any deduction and also all such sums of money as you may expend in respect of the securities hereunder than subject to Clause 15 hereof you shall at any time after such payment shall have been so made upon my/our request and at my/our cost discharge this memorandum (which shall nonetheless remain your property) and upon discharge you shall not be bound to return to me/us securities bearing numbers identical with those deposited with or transferred to you so long as the securities returned to me/us are of the same class, denomination and nominal amount and rank *pari passu* with those originally deposited with or transferred to you (subject always to any capital reorganisation which may have occurred in the meantime.)

30. Notwithstanding anything herein contained to be the contrary without prejudice and in addition to any general lien, right of set-off or any similar right to which you may be entitled by law or under this Memorandum you may at any time without notice to me/us combine or consolidate all or any of my/our accounts with and liabilities to you and/or your associated companies and set-off or transfer any sum or sums in whatever currency standing to the credit of any one or more of such accounts in or towards satisfaction of any of my/our liabilities to you and/or your associated companies on any other account with you and/or your associated companies or in any other respect whatsoever irrespective of whether such liabilities be incurred by me/us or by me/us as principal or as surety of

some other person, corporate body or firm and irrespective of whether such liabilities be actual or contingent, primary or collateral and several or joint. This right of set-off is a continuing security and is to be in addition and without prejudice to any securities you may now or hereafter hold. For the purpose of this Memorandum of Deposit and Letter of Set-Off and Authorisation an associated company shall mean and include Upbest Securities Company Limited, and other company in which you or any of the aforesaid companies beneficially owns 50% of the equity share capital or over.

31. I/We, hereby declare that Messrs. Upbest Securities Company Limited, its servants and agents [hereinafter referred to as the Authorised Representative(s)] are hereby authorised by me/us to do on my/our behalf and in my/our name(s) the following acts and things:-

- (a) to withdraw from my/our account(s) maintained with you such sums of money in payment of the purchase price(s) for the securities purchased or purportedly to be purchased for me/us in my/our name(s) by the Authorised Representative(s) as evidenced by the bought note(s) issued in my/our name(s) by the Authorised Representative(s) and at the same time deposit into my/our account(s) maintained with you the securities so purchased or so purportedly purchased for me/us by the Authorised Representative(s) with such sums of money as withdrawn from my/our account(s) and
- (b) to withdraw from my/our account(s) such securities sold or purportedly to be sold for me/us in my/our name(s) by the Authorised Representative(s) as evidenced by the sold note(s) issued in my/our name(s) by the Authorised Representative(s) and at the same time deposit into my/our account(s) the sums of money representing the net proceeds of sale of the securities so withdrawn and so sold or so purportedly sold for me/us by the Authorised Representative(s) and
- (c) to ask for and receive from you all information relating to the state of my/our account(s) with you including but not limited to statements and statements of account(s) and all other notices and documents relating to my/our account(s) with you.

And I/we hereby further declare that the authority herein contained shall remain in full force and effect until such time as you receive written notice of revocation from me/us together with written confirmation from the Authorised Representative(s) that they have no objection to the revocation thereof by me/us.

32. Should I/We fail to pay in a purchase transaction or deliver securities in a sale transaction by the due settlement date, I hereby authorised the Authorised Representative(s) (a) to transfer or sell any purchased securities, or (b) to borrow and/or purchase sold securities, as the case may be.

I/We will be responsible for all your loss and expenses on full indemnity basis relating to my failure to pay and/or deliver securities by the due settlement date.

33. In the event that I/we purchase or sell any securities through Upbest Securities Company Limited or any associated company, I/we hereby request and authorise you to do any acts or things and to execute any documents as may be necessary or desirable and to receive and follow any instruction from Upbest Securities Company Limited for the settlement of the said transactions through my/our account or accounts at your company.

I/We agree that you have full discretion to reject or accept my/our request to settle the said transaction(s) through your company and have the absolute discretion to refer the said transaction(s) back to Upbest Securities Company Limited for settlement or for further action if you decide to reject my/our request to settle the said transaction(s) through your company.

34. I/We further agree that in the event that you have made a mistake or an error in my/our favour (whether such mistake or error is made by your staff or computer through their negligence or otherwise) in calculating the amount due to you or in respect of the securities returned, then such discharge and return shall have no effect and this memorandum shall remain in full force and effect.

35. I/We further agree that you may at your discretion alter, amend, delete or substitute any of the terms herein or add new terms to this memorandum by you sending to me/us a notice in writing setting out such alteration, amendment, deletion, substitution or addition (as the case may be) which shall be deemed incorporated herein unless objected to in writing by me/us within 7 days from the date of such notice and upon receipt by you of such written objection you shall be entitled at your discretion to exercise the powers under Clause 2 hereof and to determine this memorandum without any notice or reference to me.

36. In the event of the death of the undersigned or in the event of the undersigned being rendered incapable or disabled from managing and administering his property or affairs then: (a) all open or standing orders or instructions shall be cancelled but you shall not be responsible for any action taken on such orders or instructions prior to the actual receipt by you of written notice of death or incapacity or disability of the undersigned; (b) you may in your absolute discretion, exercise the powers under Clause 2 hereof and determine this memorandum without awaiting the appointment of a legal representative for the estate of the undersigned and without demand upon or notice to any such personal representative.

37. In this memorandum where the singular is used, it shall be taken to included the plural where applicable, and whenever the plural shall be applicable the death of one or more of the partners involved shall not affect or impair this memorandum as regards transactions thereafter had with the survivor or survivors and for the purpose of this memorandum "legal representative" shall include executors, administrators and a committee appointed under the Mental Health Ordinance Chapter 136 or any statutory modification or re-enactment thereof for the time being in force.

38. Where the undersigned shall consist of more than one person the obligation of the undersigned shall be joint and several and "person" shall include corporation. In case of individual person this person shall be binding on the estate and the legal personal representatives of each and every one of the undersigned.

39. Inbest Investment may retain our interest if any earned on Client's Money

Witnessed by :

Name LAU KIT MAN

ID No K746932(2)

Acknowledged and
Approved by :

For and on behalf of
美益投資有限公司
UPBEST INVESTMENT COMPANY LIMITED
Authorized Signature(s)
Authorised Signatory

DATE : 13-03-2003

For and on behalf of
UBA FINANCIAL TRADING LIMITED
開明財經研貿有限公司

Signature :

Authorized Signature(s)

Name UBA FINANCIAL TRADING LIMITED /

(LI KWOK CHEUNG, GEORGE, D279237(1))

ID No C.I. No. 76574



MS014

美建投資有限公司
Upbest Investment Company Limited
統一保證金客戶合約
UNIFORM MARGIN CLIENT'S AGREEMENT

IMPORTANT INFORMATION

THERE ARE RISKS ASSOCIATED WITH MARGIN TRADING SECURITIES BUYING OR SELLING. YOU SHOULD READ THE DOCUMENT CAREFULLY BEFORE YOU DECIDE TO ACCEPT THE MARGIN FINANCING ARRANGEMENT. If you are in any doubt about the document, you should consult your solicitor or other professional adviser.*

中文版協議的說明字列為——

*重要資料

以股票按貨財務(即俗稱「打展」)方式買賣股票存在風險，在決定接受股票按貨即「打展」財務安排之前，應小心閱讀本文件的內容。如對字樣讀有任何疑問，應諮詢律師或其他專業顧問的意見。*

MEMORANDUM OF DEPOSIT AND LETTER OF SET-OFF AND AUTHORIZATION

To : **UPBEST INVESTMENT COMPANY LIMITED.**
HONG KONG

1. In consideration of your opening or continuing an account or accounts with you in my/our name or granting or continuing to grant advances or credit to me/us from time to time at your sole discretion, I/we, the undersigned

hereby irrevocably authorise you to mortgage, charge, pledge, transfer or create any security interest in favour of any party in or over all or any of my/our stocks, shares and any other securities which are now or which shall at any time hereafter be deposited with you by me/us, or shall come into your possession, custody or control for any purpose whatsoever and wheresoever (which shall include any securities additional or substituted foreign or local) and hereinafter referred to as "the said securities" (either separately or together with other securities belonging to me/us or to others) by way of security in respect of loans or advances of any amount made or to be made to you or for the discharge of obligations or liabilities of any kind and amount undertaken or to be undertaken by you and hereby irrevocably appoint you as my/our lawful attorney and representative to execute any document and do all things necessary for the above purpose. I/We agree that any of the said securities which are not subject to any security interest authorised to be created by you are hereby charged to you as a continuing security for the payment and satisfaction or demand of all monies and liabilities, absolute or contingent, which now are or at any time hereafter may be due owing or incurred from or by me/us to you or for which I/we may be or become liable to you on any account or in any manner whatever (whether alone or jointly with any other person and in whatever name, style or firm) together with interest to the date of repayment, commission charges, legal and other costs, charges and expenses for preparation and enforcement of this charge all as they appear in your books (such interest being computed both before and after any such demand according to your usual mode). The charge hereby created shall affect and the said securities shall include all dividends or interest paid or payable after the date hereof on any such securities and all stocks, shares (and the dividends or interest thereon), rights moneys or property accruing or offered at any time by way of redemption, bonus, preference option or otherwise to or in respect of the said securities hereby charged.

2. If I/we make default in paying further security or satisfying to you on demand any monies or liabilities hereby secured or fail to comply with or be in default of any of the terms herein contained or in the case of the filing of a petition in bankruptcy (in the case of an individual or a firm) or the filing of a winding-up petition (in the case of a company or other incorporated entity or body) by or against me/us or upon the application for or the appointment of a receiver or upon the attachment seizure or execution being made against any of my/our property or the commission of any act of bankruptcy by me/us or by my/our inability to pay my/our debts you may without notice sell or dispose of the said securities subject hereto or any part thereof either together or in parcels and either by dealings at any broker's board or by public or private sale or in such other manner for such consideration (whether payable or deliverable immediately or by instalments) as you may think fit without being in any way responsible for any loss occasioned thereby however arising and IT IS HEREBY FURTHER PROVIDED that you shall be entitled to sell or dispose of the said securities subject hereto or any part thereof at the current market price thereof to any of your associated company as defined in clause 30 hereof without being in any way responsible for any loss occasioned thereby however arising and without being accountable for any profit made by such associated company. In the event of any such sale if less than all of the said securities subjects hereto are to be sold or disposed of you may in your absolute discretion select which of the said securities subject hereto are to be sold or disposed of. In the event of any deficiency after the sale of the said securities subject hereto whatsoever and however arising I/ we agree to make good and pay on demand to you such deficiency.

3. Any notice or demand or other document required to be made or given or supplied under this memorandum shall be deemed to have been sufficiently made, given or supplied if sent by prepaid post letter to the address in Hong Kong last known to you of the person to whom or to whose legal representatives such notice or demand or other document is required to be made given or supplied, and shall be assumed to have reached the addressee in the course of post. In the case of the death of any person a party hereto or in the case of any person a party hereto being hereto being rendered incapable or disabled from managing or administering his property of affairs and until receipt by you of notice in writing of the grant of probate of the will or administration of the estate of the deceased or the appointment of a committee to manage his estate any notice or demand or other document by you sent by post as aforesaid addressee to the deceased or person under disability as aforesaid or his legal representatives at the address of the deceased or person under disability as aforesaid in Hong Kong last known to you shall for all purposes be deemed a sufficient notice or demand or compliance in the case of other documents by you to the deceased or person under disability as aforesaid and his legal representatives and shall be as effectual as if the deceased were still living or as if the person under disability as aforesaid were not under disability.

4. The interest on the amount owing or any part thereof shall be charged and paid at such rate or rates as may be stipulated or laid down by you at your sole discretion from time to time (as well after as before any judgement) and shall be calculated on daily balances with monthly interests. Any variation of the rate of interest shall be effected by the service of a notice in writing to me/us and such amended rate of interest shall be payable as from the date specified in the said notice.

5. The interest on any principal moneys and liabilities for the time being hereby secured including capitalised interest shall at the end of each month be capitalised and added for all purposes to the principal sum and liabilities then owing and shall thenceforth bear interest at the rate aforesaid and be secured and payable accordingly and all undertakings terms and condition contained in or implied by this memorandum and all powers and remedies conferred by law or by this memorandum and all rules of law or equity in relation to the principal sum liabilities and interest shall equally apply to such capitalised arrears of interest and to the interest on such arrears.

6. At all time I/we undertake to deposit sufficient securities with you and to your satisfaction and in the event that you in your absolute discretion deem that the said securities are insufficient or unsatisfactory to secure the payment of my/our indebtedness to you hereunder I/we undertake that upon demand on me/us by you forthwith pay to you such sum in cash or at your option to deliver to you such additional stocks, shares and securities as are acceptable to you as additional and/or substituted security to the said securities subject hereto or a any part thereof.
7. The proceeds of sale made under clause 2 hereof shall be applied firstly in payment of all costs, charges legal fees and expenses including stamp duty, commission and brokerage properly incurred by you in transferring and selling all or any of the said securities subject hereto or any part thereof or in perfecting title thereto : secondly in payment of the interest for the time being accruing due; thirdly in and towards the payment of all money and liabilities due owing or incurred from or by me/us to you hereunder and the residue, if any, shall be paid to me/us or my/our order.
8. Any dividends interest or other payments which may be received or receivable by you in respect of any of the said securities subject hereto may be applied by you as though they were proceeds of sale hereunder notwithstanding that the power of sale may not have arisen and notwithstanding that subsequent to the signature of this memorandum you may have paid the said dividends interest or other payments to me/us.
9. I/we further irrevocably authorise you to do any and all proper and necessary acts to transfer, complete and vest the title of any of the said securities subject hereto to or in yourselves or your nominees or any purchaser thereof.
10. Without in any way limiting your power and authority under clause 9 hereof I/we undertake for myself/ourselves and my/our legal representatives from time to time to execute and sign all transfers powers of attorney and other documents that you may require for completing or perfecting your title to any securities subject hereto or for vesting or enabling you to vest, the same in yourselves or your nominees or in any purchaser.
11. You or your nominees may exercise at your discretion (in my/our name(s) or otherwise at any time whether before or after any demand for payment hereunder and without any further consent or authority on my/our part) in respect of any of the said securities any voting rights and all powers given to trustees by Section 11(4) and (5) of the Trustee ordinance Chapter 29 in respect of securities or properties subject to a trust and any powers rights which may be exercised by the person or persons in whose name or names the securities are registered under the terms thereof or otherwise.
12. I/We and my/our successors in title during the continuance of this security will pay all calls or other payments due in respect of any of the said securities subject hereto and in the event of default you may if you think fit make such payments on my/our behalf. Any sums so paid by you shall be repayable by me/us or my/our successors in title to you on demand and pending such repayment shall be a charge on the said securities subject hereto and such new stock shares or other securities shall be retained by you as additional security hereunder.
13. This security is in addition to and without prejudice to any collateral or other securities which you may now or hereafter hold from or on account of me/us nor shall such collateral or other security or any lien to which you may be otherwise entitled (including any security charge or lien prior to the date of this memorandum on the said securities) or the liability of any person or persons not parties hereto for all or any part of the monies and liabilities hereby be secured in any way prejudiced or affected by this security. You shall have full power at your discretion to deal with exchange release modify or abstain from perfecting or enforcing any such securities or other guarantees or rights which you may now or hereafter have from or against such person or persons or to give time for payment or any indulgence to any such other person or persons without discharging or in any way affecting my/our liabilities or the security created hereunder. All moneys received by you from me/us or any person or persons liable to pay the same may be applied by you to any account or item of account or any transactions to which the same may be applicable.
14. You shall have a lien on the said securities subject hereto or the proceeds of sale thereof (if sold) or all monies now or hereafter standing to my/our credit with you as security for or in part payment of any other debt or liability then incurred or likely to be incurred by me/us to you.
15. Without prejudice to the rights and obligations hereby created any dividends interest or other monies hereby charged which may be received by me/us shall held in trust for you and paid over to you on demand.
16. This is to be a continuing security notwithstanding an intermediate payment or settlement of account or satisfaction of the whole or any part of any sum or sums of money owing as aforesaid or otherwise and notwithstanding the closing of any my/our accounts with you and which are subsequently reopened or the subsequent opening of any account by me/us either alone or jointly with others and shall extend to cover all or any sum or sums of money which shall for time being constitute the balance due from me/us to you on any account or otherwise as herein mentioned.
17. The security hereby created shall not be affected by any failure by you to take any security or by any invalidity of any security taken or by an existing or future agreement by you as to the application of any advances made or to be made to me/us.
18. Any monies received hereunder may be placed and kept to the credit of a suspense account for so long as you think fit without any obligation in the meantime to apply the same or any part thereof in or towards discharge of any money or liabilities due or incurred by me/us to you. Notwithstanding any such payment, in the event of any proceedings in or analogous to bankruptcy winding-up liquidation composition or arrangement you may prove for and agree to accept any dividend or composition in respect of the whole or any part of such money and liabilities in the same manner as if this security had not been created.

19. You may assign, pledge, charge, mortgage or transfer this instrument, or any instruments evidencing all or any of the obligations or liabilities herein referred to, and may deliver the said securities subject hereto or any part thereof, to the assignee, pledge, charge, mortgagee or transferee, who shall thereupon become vested with all the powers and rights in respect thereto given to you hereunder or in the instruments transferred; and you shall thereafter be forever released and fully discharged from any liability or responsibility with respect thereto, but you shall retain all rights and powers hereby given with respect to any and all instruments rights or property not so transferred. No delay on your part, or any assignee, pledgee, chargee, mortgagee or transferee hereunder, in exercising any rights hereunder, shall operate as a waiver of your or their rights.

20. I/We declare that you shall not be answerable or responsible for the loss of or damage to or diminution in value of any of the said securities subject hereto however arising whilst the same are in your possession custody or control or that of your servants, agents, bankers or any assignee or transferee under this memorandum.

21. No change in your constitution nor of the signatories to this memorandum nor of the persons or firms or companies or other entity for whose liabilities the said securities may at any time stand as securities shall affect the validity of or discharge this instrument. If the undersigned is a firm and in the event of the dissolution of the firm this security shall apply to all the indebtedness and liabilities incurred by the firm or in the firm name until receipt by you of actual notice of dissolution. If however the dissolution is by reason only of the introduction of a partner or a further partner of partners into the firm this security shall continue and in addition to the debts and liabilities of the old firm shall apply to all monies and liabilities due or incurred from or by the new firm or firms thereby constituted as though there had been no change in the firm as previously constituted.

22. All your rights and powers hereunder shall remain in full force and effect notwithstanding any neglect, delay in the enforcement thereof or of any indulgence or forbearance given or continued to be given to me/us.

23. In the event any action or proceeding is commenced or claim or demand made by any person, firm, company or other entity against me/us in connection with any matter herein contained or the said securities subject hereto or any part or parts thereof or against you in connection with any matter herein contained or the said securities subject hereto or any part or parts thereof I/We agree to reimburse you for any loss, cost or expense including all legal accountancy or other professional fees which may be incurred by you in connection therewith. In the event any such action or proceeding is commenced or claim or demand is made you shall be entitled to take such reasonable steps as you may deem advisable including the withholding of payment or delivery to me/us of any part or all of any money or the said securities subject hereto and the cancellation or non-compliance with all orders or instructions which I/we may have given or may give regarding the said securities subject hereto or any part or parts thereof. Nothing herein contained shall be construed as an obligation on your part to take any steps in connection with any such action, proceeding, claim or demand.

24. I/We hereby agree that reports of the execution of orders and statements of accounts shall be conclusive if not objected to in writing by me/us in the case of the former within 24 hours after receipt and in case of the latter within 7 days of the date appearing on such statement of accounts.

25. I/We hereby agree that this memorandum cannot be modified or any of its provisions waived except in writing and signed by any two of your directors and without limiting the foregoing that, (a) no employee of yours irrespective of his apparent or ostensible or general power or authority shall have authority to modify this agreement or waive any of this provisions either orally or in writing; (b) no course of dealing between us nor any waiver in any one or more instances shall be deemed a waiver in any other instance.

26. I/We represent that :

(a) I am /we are over 18 years of age; and

(b) no person, firm, company or other entity except me/us has or will have any interest in my/our account or dealing with you or in any of the said securities subject hereto.

27. I/We agree to indemnify you, your agent or assignee or transferee against and hold you, your agent or assignee or transferee blameless from all expenses, liabilities, claims and demands arising out of the holding of the said securities subject hereto or anything lawfully done by you, your agent or assignee or transferee hereunder.

28. I/We consent to your mortgaging, charging, pledging or creating any security interest in or over any or all of the said securities subject hereto (either separately or together with other securities belonging to me/us or to others) by way of security for loans or advances of any amount made or to be made to you or for the discharge of obligations of any kind and amount undertaken or to be undertaken by you. I/We also consent to your lending of my/our securities to others for any purpose.

29. Notwithstanding anything herein contained to the contrary it is understood that if I/we shall pay to you the whole of the amount hereby secured and shall pay all interest for the same at the rate and in the manner aforesaid without any deduction and also all such sums of money as you may expend in respect of the securities hereunder than subject to Clause 15 hereof you shall at any time after such payment shall have been so made upon my/our request and at my/our cost discharge this memorandum (which shall nonetheless remain your property) and upon discharge you shall not be bound to return to me/us securities bearing numbers identical with those deposited with or transferred to you so long as the securities returned to me/us are of the same class, denomination and nominal amount and rank *pari passu* with those originally deposited with or transferred to you (subject always to any capital reorganisation which may have occurred in the meantime.)

30. Notwithstanding anything herein contained to be the contrary without prejudice and in addition to any general lien, right of set-off or any similar right to which you may be entitled by law or under this Memorandum you may at any time without notice to me/us combine or consolidate all or any of my/our accounts with and liabilities to you and/or your associated companies and set-off or transfer any sum or sums in whatever currency standing to the credit of any one or more of such accounts in or towards satisfaction of any of my/our liabilities to you and/or your associated companies on any other account with you and/or your associated companies or in any other respect whatsoever irrespective of whether such liabilities be incurred by me/us or by me/us as principal or as surety of

some other person, corporate body or firm and irrespective of whether such liabilities be actual or contingent, primary or collateral and several or joint. This right of set-off is a continuing security and is to be in addition and without prejudice to any securities you may now or hereafter hold. For the purpose of this Memorandum of Deposit and Letter of Set-Off and Authorisation an associated company shall mean and include Upbest Securities Company Limited, and other company in which you or any of the aforesaid companies beneficially owns 50% of the equity share capital or over.

31. I/We, hereby declare that Messrs. Upbest Securities Company Limited, its servants and agents [hereinafter referred to as the Authorised Representative(s)] are hereby authorised by me/us to do on my/our behalf and in my/our name(s) the following acts and things:-

- (a) to withdraw from my/our account(s) maintained with you such sums of money in payment of the purchase price(s) for the securities purchased or purportedly to be purchased for me/us in my/our name(s) by the Authorised Representative(s) as evidenced by the bought note(s) issued in my/our name(s) by the Authorised Representative(s) and at the same time deposit into my/our account(s) maintained with you the securities so purchased or so purportedly purchased for me/us by the Authorised Representative(s) with such sums of money as withdrawn from my/our account(s) and
- (b) to withdraw from my/our account(s) such securities sold or purportedly to be sold for me/us in my/our name(s) by the Authorised Representative(s) as evidenced by the sold note(s) issued in my/our name(s) by the Authorised Representative(s) and at the same time deposit into my/our account(s) the sums of money representing the net proceeds of sale of the securities so withdrawn and so sold or so purportedly sold for me/us by the Authorised Representative(s) and
- (c) to ask for and receive from you all information relating to the state of my/our account(s) with you including but not limited to statements and statements of account(s) and all other notices and documents relating to my/our account(s) with you.

And I/we hereby further declare that the authority herein contained shall remain in full force and effect until such time as you receive written notice of revocation from me/us together with written confirmation from the Authorised Representative(s) that they have no objection to the revocation thereof by me/us.

32. Should I/We fail to pay in a purchase transaction or deliver securities in a sale transaction by the due settlement date, I hereby authorised the Authorised Representative(s) (a) to transfer or sell any purchased securities, or (b) to borrow and/or purchase sold securities, as the case may be.

I/We will be responsible for all your loss and expenses on full indemnity basis relating to my failure to pay and/or deliver securities by the due settlement date.

33. In the event that I/we purchase or sell any securities through Upbest Securities Company Limited or any associated company, I/we hereby request and authorise you to do any acts or things and to execute any documents as may be necessary or desirable and to receive and follow any instruction from Upbest Securities Company Limited for the settlement of the said transactions through my/our account or accounts at your company.

I/We agree that you have full discretion to reject or accept my/our request to settle the said transaction(s) through your company and have the absolute discretion to refer the said transaction(s) back to Upbest Securities Company Limited for settlement or for further action if you decide to reject my/our request to settle the said transaction(s) through your company.

34. I/We further agree that in the event that you have made a mistake or an error in my/our favour (whether such mistake or error is made by your staff or computer through their negligence or otherwise) in calculating the amount due to you or in respect of the securities returned, then such discharge and return shall have no effect and this memorandum shall remain in full force and effect.

35. I/We further agree that you may at your discretion alter, amend, delete or substitute any of the terms herein or add new terms to this memorandum by you sending to me/us a notice in writing setting out such alteration, amendment, deletion, substitution or addition (as the case may be) which shall be deemed incorporated herein unless objected to in writing by me/us within 7 days from the date of such notice and upon receipt by you of such written objection you shall be entitled at your discretion to exercise the powers under Clause 2 hereof and to determine this memorandum without any notice or reference to me.

36. In the event of the death of the undersigned or in the event of the undersigned being rendered incapable or disabled from managing and administering his property or affairs then ; (a) all open or standing orders or instructions shall be cancelled but you shall not be responsible for any action taken on such orders or instructions prior to the actual receipt by you of written notice of death or incapacity or disability of the undersigned ; (b) you may in your absolute discretion, exercise the powers under Clause 2 hereof and determine this memorandum without awaiting the appointment of a legal representative for the estate of the undersigned and without demand upon or notice to any such personal representative.

37. In this memorandum where the singular is used, it shall be taken to included the plural where applicable, and whenever the plural shall be applicable the death of one or more of the partners involved shall not affect or impair this memorandum as regards transactions thereafter had with the survivor or survivors and for the purpose of this memorandum "legal representative" shall include executors, administrators and a committee appointed under the Mental Health Ordinance Chapter 136 or any statutory modification or re-enactment thereof for the time being in force.

38. Where the undersigned shall consist of more than one person the obligation of the undersigned shall be joint and several and "person" shall include corporation. In case of individual person this person shall be binding on the estate and the legal personal representatives of each and every one of the undersigned.

Witnessed by

Handwritten signature

Signature

Handwritten signature
Authorized Signature(s)

Name

HO LING YU

Name

Super Idea International Limited

I/D No.

K934188 (9)

I/D No.

D279237 (1)

Acknowledged and

Approved by :

For and on behalf of

美建投资有限公司

MEBEST INVESTMENT COMPANY LIMITED

Authorized Signature(s)

Authorised Signatory

DATE :

22 JUN 1999