



**TERMS AND CONDITIONS  
OF  
APPLICATION CUM CONTRACT FOR OPENING  
SECURITIES TRADING ACCOUNT AND REGISTERING TO  
USE SECURITIES TRADING SERVICE**

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## CHAPTER I. GENERAL PROVISION

### Article 1. Scope of regulation

1. For clarity, agreements and contracts established by the Parties related to contents specified in this Terms and Conditions of the Application cum Contract for opening securities trading account and registering to use securities trading service (including, without limitations (i) *The Application cum Contract for opening securities trading account*; (ii) *Contract for opening Margin Sub-Account*; (iii) *Contract for opening derivatives trading account*; (iv) *Power of Attorney*; (v) *Registration form to use service, Application to stop using the service*; (vi) *the agreements, contracts related to contents specified in this Terms and Conditions*) are referred to as “**Agreement**”.

The Terms and Conditions of the Application cum Contract for opening securities trading account and registering to use securities trading service (**Terms and Conditions**) regulates relationships between Phu Hung Securities Corporation (**PHS**) and Customer during the period that Customer opens Securities Trading Account (**STA**), Derivatives Trading Account (**DTA**), Margin Sub-Account (**Sub-Account**), Derivatives Margin Account (**DMA**) at PHS and the use of securities trading services (**Service**) provided by PHS from time to time.

2. When Customer registers to open accounts and/or sub-accounts and/or uses the Service at PHS, Customer automatically agrees to comply with provisions of this Terms and Conditions. If any articles, clauses, points in this Terms and Conditions and/or in related agreements between PHS and Customer is invalid by laws or decisions of the Competent Authority, all the remaining articles, clauses, points remain in force. At the same time, the invalid hereinabove shall not be considered as a reason to exempt a Party's obligations with the other Party.

### Article 2. Obligation to provide information of Customer

1. Customer has obligation to provide fully, truthfully, accurately and promptly necessary information as required by PHS and laws when opening STA and registering to use Service at PHS.
2. If there are any changes in information, Customer is responsible for re-registering with PHS in writing as soon as changes arise, via PHS's website or according to the procedures and methods prescribed by PHS from time to time.
3. In case that Customer does not update changes of contact information, Notices that PHS sends to Customer according to the contact information registered by Customer in the latest update are considered valid.

### Article 3. FATCA

#### 1. Basic terms

FATCA (Foreign Account Tax Compliance Act) is Tax Compliance Act for overseas account holder - approved by the United States Government on March 18, 2010, in order to prevent US taxers from using accounts opened outside of the United States for tax evasion purposes.

As an organization complying with FATCA, PHS is obliged to review, collect information of individuals/ organizations maintaining an account at PHS (regardless of whether that individuals/legal entities have the United States identification) and report to the United States Internal Revenue Service (IRS) some Customer's account information that have the United States identification. Information collected will be used solely for meeting FATCA compliance requirements and will not be used for any other purpose.

In case Customer fails to provide fully required documents, PHS may classify Customer's account as opposing account in accordance with regulations of FATCA. If payments which are transferred to the STA of Customer are withholdable payments according to FATCA's regulations, PHS shall withhold 30% from such payment.

#### 2. Customer's obligations

- a. Depending on the specific case according to Customer's declaration, and/or at PHS's discretion, Customer is responsible for understanding and declaring the correct information for PHS according to Form W-9/W-8-BEN/W-8-BEN-E and validly sign, stamp (if any). During the time that Customer maintains STA at PHS, Customer commits to notify PHS as soon as there are any changes related to the declarations within 90 days from day of changes arise.
- b. Comply with FATCA's regulations from time to time, fully perform PHS's requirement in order to ensure FATCA compliance, and comply with other provisions and commitments specified in the Terms and Conditions regarding information provision under FATCA.
- c. Other obligations according to FATCA's regulation and related Vietnamese laws.

#### 3. Rights and obligations of PHS

- a. PHS has the right (but does not have obligation) to check the reliability of the information provided by Customer in relation to FATCA.
- b. PHS is allowed to report information, via any forms specified in Clause 2 Article 4 of this Terms and Conditions, including without limitation for transmission of electrical data, Customer's information to the United States Internal Revenue Service, any United States regulatory authority, any other regulatory authority that PHS is obliged to

provide information in accordance with regulations. Such information includes without limitation, detail information of Customer or relationship, such as name and address, trading information, account balance and Form W-9/W-8BEN/W-8BEN-E.

- c. PHS has right to suspend the trading, close Customer's STA if Customer violates the provision of information, intentionally provides false information or does not provide information related to FATCA affecting the FATCA compliance of PHS.
  - d. Other rights in accordance with regulations of FATCA and related Vietnamese laws.
4. PHS is not responsible for the following cases:
- a. Customer does not learn the information and changes related to FATCA.
  - b. Customer intentionally fails to provide or fails to timely provide information or provide false information for reviewing FATCA information of PHS.
  - c. Customer are subject to income deduction according to FATCA's regulations in cases that Customer disagrees with providing information.

#### **Article 4. Notice from PHS to Customer**

1. Notices from PHS to Customer (**Notice**): include without limitation (i) notice of trading result, account statement, (ii) notice of adjustment of Agreement's content, (iii) notice of updating content of the Risk Statement, (iv) notice related to status of Online trading service system, (v) notices, documents, figures, minutes, official dispatch relating to performance rights and obligations of Parties with respect to Agreements, (vi) notice to announce, provide the information related to the services of PHS from time to time.
2. Method of Notice delivery:
  - a. PHS shall notify Customer via one and/or more contact methods selected by PHS such as: (i) send in writing; or (ii) phone, SMS; or (iii) email, fax; or (iv) PHS's website, PHS's Trading Counter; or (v) Online trading system of PHS; or other methods that implemented by PHS from time to time.
  - b. For utility Notices that Customer registers additionally: Customer is sent Notice according to utilities registered by Customer in accordance with the utilities that PHS implements from time to time and approved by PHS
3. Methods of Notices delivery as stated at Point a, Point b of Article 4.2 are considered to be equal legal validity. In any cases, PHS will exempt from liability if the Notice has been sent to Customer but Customer does not receive the Notice due to any reasons, provided that PHS maintains sufficient evidence proving that the Notice was sent in accordance with regulation in this Article.
4. Notice is considered to have been transferred when:
  - a. If sending via post: when there is a confirmation stamp of the sending post office.
  - b. If sending via fax: when there is a confirmation from PHS fax, confirming that the transfer has been successful.
  - c. If sending via email: at the time when email has been sent successfully.
  - d. If noticing via phone or SMS: at the time when notice, recorded phone call or SMS has been recorded delivery.
  - e. If Notice via Trading Counter, website, Online trading system or other methods that PHS chooses from time to time: at the time when Notice has been posted.
5. For Notice that PHS must send to many/the entire Customer, PHS may send to Customer via the following methods:
  - a. Public announcement at Trading Counter and/or website of PHS; and/or
  - b. Other communication methods (as regulated at Point i, ii, iii, and v of Article 4.2.a) to:
    - i. Announce/remind Customer to read the Official Notice posted on website of PHS; and/or
    - ii. Provide the link of the Official Notice posted on website of PHS.
6. Effectiveness of Notice and appealing right of Customer:
  - a. Notice is valid and can be appealed when:
    - i. Content of Notice that is exported from official trading system of PHS; and
    - ii. Meeting the requirements of signature and seal:
      - Notice stated at Point (ii), (iii), and (iv) Article 4.1: shall fully contain competent person's signature and official seal of PHS.
      - Notice stated at Point (i), (v), and (vi) Article 4.1: does not need to contain competent person's signature and official seal of PHS.

For being clear, Notice shall be deemed to be exported/sent from the “official trading system” of PHS when being exported/sent from phone numbers, and/or emails, and/or specific addresses announced in writing (containing signature of competent person and official seal of PHS) by PHS in advance.

- b. Notice shall be ineffective and Customer shall be exempted from appealing right when such Notice does not qualify all requirements as stated at Point a herein.

## **Article 5. Authorization**

1. Authorization for third party
  - a. Customer has right to authorize third party (**Authorized Person**) to manage accounts/sub-accounts and/or conduct securities trading and trades relating to financial services in Customer’s accounts/sub-accounts. This authorization must comply with provisions of law and regulations of PHS from time to time.
  - b. Customer automatically admits that Customer has considered carefully before legally Authorized Person of Customer requires PHS to perform his/her trading in accounts/sub-accounts. Customer is ultimately responsible for trading executed according to Customer’s requests and/or Authorized Person’s requests.
  - c. In case of a dispute between Customer and Authorized Person of Customer, Customer commits and warrants not to request PHS to participate in the dispute resolution process in any cases. If PHS must participate at the request of the Competent Authority, Customer commits to bear the costs, damages that PHS must bear during the participation process.
2. Authorization for PHS
  - a. By own decision, Customer has the right to authorize PHS to perform works relating to accounts/sub-accounts that Customer opens at PHS by Power of Attorney. Customer commits to take full responsibility for result that PHS performs on behalf of Customer within scope of authorization, commits not to raise any complaints, claims about trading result that PHS performs on behalf of Customer within scope of authorization.
  - b. PHS receives authorization but shall only act according to instructions or intentions of Customer when such requests comply with laws and regulations of PHS.
  - c. PHS does not receive authorization of Customer in performing cash withdrawal, money transfer from Customer’s STA.
  - d. Within the scope of authorization, PHS has the right to assign employees to sign the Order Slip, dossiers, and necessary documents on behalf of Customer to perform the works. PHS is authorized to disclose information relating to Customer, securities and the Services to any other person designated by connection with the services provided.

## **Article 6. Service fees and payment**

1. At the time Customer registers to use Service by any methods (via normal method, by signing to confirm in Agreements, via Online trading system of PHS or via other registration methods based on provisions of PHS), Customer automatically accepts Service fees per schedule of fee prescribed by PHS. This Service fees may be changed from time to time and publicly announced by PHS prior to the official date of application. Customer commits that Customer is clearly informed about this when registering to use the Service.
2. Customer’s payment obligation:
  - a. Customer is obliged to pay money, securities according to result of order matching when securities trading order of Customer is executed by PHS.
  - b. Customer must pay taxes arising from securities trading according to provisions of laws, at the same time Customer is obliged to pay all fees, taxes and obligations arising from PHS’s implementation per Customer’s requests;
  - c. When using Services that PHS provides, Customer commits to use money, securities in Customer’s STA to ensure performance of all arising obligations. In case money, securities in STA are not enough to perform obligations, Customer commits to use all of his/her assets to ensure the performance.
3. PHS’s rights:
  - a. PHS has the rights to automatically extract money and/or securities and/or sell partial or entire securities in Customer’s STA in order to pay for Customer’s obligations and/or Customer’s liabilities to PHS when Customer uses Services that PHS provides.
  - b. In case PHS must pay tax on behalf of Customer as prescribed by laws, PHS has the right to withhold at source taxes that Customer must pay in order to pay on behalf of Customer.

## **Article 7. Force majeure event**

1. Force majeure event is an event or a circumstance occurring after Agreement takes effect that:
  - a. Occurring in an objective manner which is beyond the control of a Party (“**Affected Party**”) and preventing the Affected Party from performing obligation; and

- b. The Affected Party is not able to be foreseen, and cannot have reasonable preventive method before entering into Agreement; and
  - c. The Affected Party is not able to avoid or reasonably remedy although all possible necessary and admissible measures are taken; and
  - d. Not caused by the Affected Party.
2. The force majeure event includes, without limitation the following events, circumstances: war, riot, protest, strike or workplaces closures caused by other organization and individuals; natural disasters, fires and epidemics; change of legal policies, requirements, regulations and decisions promulgated by Competent Authority; due to malfunction of mechanical or electronic equipment or public infrastructure system, fault of third parties providing internet, telephone or telecommunications services, etc.
3. For clarity, the following events are not considered force majeure event:
- a. Financial shortage;
  - b. Securities market fluctuation.

## **Article 8. Compensation for damage**

1. Obligation to compensate for damage
- a. Each Party agrees that it must bear all losses arising from intentional fault, unintentional fault or any wrongdoing, fraud, any breach of Agreement or any breach of laws caused by that Party.
  - b. The Party at fault takes self-responsibility for its fault (if any) to third party, accordingly, the Party at fault is responsible for protecting and holding the other party harmless from complaint, denounce, litigation of third party. In case of dispute between the Party at fault and third party, which the non-defaulting Party is still forced to participate in litigations per provisions of laws, the handling of violation and compensation will be performed in accordance with provisions hereto.
  - c. The breaching Party shall be responsible to compensate the non-breaching Party for any actual loss or damage arising from the breach of its obligations under this Terms and Conditions corresponding to Agreement established by the Parties.
  - d. The obligation to compensate for damage is exempt in case of a force majeure event incurs that results in a Party is unable to perform, timely performs, or performs incompletely its obligations under the Agreement with other Party.
2. Principle of damage determination
- Parties are obliged to compensate other Party for actual damage incurred. Two Parties shall evaluate level of damage based on what happened in reality. In case two Parties cannot reach a unified level of damage, it shall be determined by laws.
3. Requirement of compensation for damage and support methods
- a. If either Party breaches any contents in Agreement and does not remedy violation within remedial period (in accordance with agreement of the Parties or regulations of the non-breaching Party), the non-breaching Party has the right to require the breaching Party to compensate for damage according to agreement of Parties (if any) or per provisions of laws.
  - b. Implementation methods:
    - The non-breaching Party sends a claim for damage to the breaching Party enclosed with reasonable evidences to determine the damage, loss or expenses that the non-breaching Party incurs due to the act of the breaching Party, and at the same time, the non-breaching Party clearly specifies the reasonable deadline for the breaching Party to fulfill these obligations.
    - The breaching Party is obliged to fulfill compensation for damage within deadline that the non-breaching Party specifies.

## **Article 9. Dispute resolution**

1. This Terms and Conditions and Agreement are governed by and complied with the laws of Vietnam.
2. PHS is exempt from liability in the following cases:
- Customer does not receive Notices from PHS and consequences due to the fact that Customer does not check information on media that the Parties agree in this Terms and Conditions and/or due to device error or any reasons that Customer cannot access to such information and/or because Customer does not re-registering contact information with PHS as specified in this Terms and Conditions.



- Damage arisen due to Customer not comply with instruction of PHS, unless Customer proves that such damage is due to negligence or intentional default of PHS or any individuals legally authorized by PHS.
  - Trading cannot be performed or any damages that are directly or indirectly caused by Customer's failure to comply with the contents of this Terms and Conditions.
  - PHS is not responsible for Customer's trading beyond the control of PHS, including without limitation: illegal trading; fraudulent, fake trading; trading under agreement between Customer and third party, etc.
  - Risks are recognized under the Risk Statement when Customer uses online trading Service.
  - Customer's complaints exceed specified time under this Terms and Conditions.
  - In case Customer's complaints are not related to failure of PHS, Customer shall bear expenses arising from the complaint handling in according to regulations of PHS and laws.
  - In case PHS performs forced selling: If Customer is object that is required to provide information in accordance with regulations, but Customer does not notify PHS in advance, leading to PHS does not disclose information and inform Customers to disclose information before performing forced sell order per provisions of laws.
  - Other exemption cases as prescribed under this Terms and Conditions and per provisions of laws.
3. If there is any dispute arising out of or in connection to this Terms and Conditions, Agreement, all related orders and transactions, the Parties shall try to negotiate. In case the dispute can not be resolved within 30 (thirty) days from the date the dispute arises, either Party may refer the dispute to the Vietnam International Arbitration Centre ("VIAC") at the Vietnam Chamber of Commerce and Industry for its settlement in accordance with VIAC's current Rules of Arbitration. The place of the arbitration proceeding shall be Ho Chi Minh City, Vietnam, the number of arbitrators shall be 03 (three) arbitrators, the language of the arbitration shall be Vietnamese.

#### **Article 10. Validity of the Terms and Conditions**

1. The Terms and Conditions is legally valid, binding Customer and PHS in performing Agreement.
2. This Terms and Conditions shall take effect from the date of the Agreement established by the Parties.
3. Depending on circumstances, the Terms and Conditions may be partial termination or entire termination.
  - a. Partial termination
    - When one/some Agreements terminate(s), regulations related to such Agreements in the Terms and Conditions shall be terminated. Such termination does not affect terms relating to other Agreements specified in the Terms and Conditions.
    - Agreement terminates when:
      - i. Customer cancels the registration for using Service according to procedure prescribed by PHS upon fulfilling all obligations towards PHS; or
      - ii. When PHS sends a written notice to Customer about Agreement termination; or
      - iii. Other cases in accordance with regulations of this Terms and Conditions, regulations of PHS from time to time and regulations of applicable laws.
  - b. Entire termination: occurs in the following cases:
    - i. Parties complete the procedures for closing STA; or
    - ii. When PHS sends a written notice to Customer on the termination of all Agreements; or
    - iii. Customer dies, loses civil legal capacity or is declared missing by Court (for individuals) or losing legal entity (for organizations) such as dissolution, bankruptcy as prescribed by Competent Authority that PHS is known; or
    - iv. In case PHS falls into the cases specified in Article 13.3 of this Terms and Conditions; or
    - v. Other cases in accordance with regulations in this Terms and Conditions, regulations of PHS from time to time and regulations of applicable laws.
  - c. In case the Terms and Conditions terminates entirely according to Point b (iii) Article 10.3:
    - Customer is an individual: the remaining assets of Customer in the accounts/sub-accounts of Customer are resolved according to provisions of PHS and by laws. PHS and Customer's legal heir are responsible to coordinate to perform these procedures.
    - Customer is an organization: the remaining assets of Customer in the accounts/ sub-accounts are resolved by laws.
4. Right to terminate Agreement of PHS:

- PHS has the right to unilaterally terminate Agreement by sending notice at least 7 (seven) days before expected date of termination; or
  - In case Customer breaches Agreement and/or perform illegal actions according to regulations of laws regarding securities and securities market (shown in decisions of Competent Authority or authentic information resource), according to PHS's decision, PHS has the right to serve notice of termination of Agreement. In this case, the time of terminating Agreement is decided by PHS and clearly shown in the Notice.
5. Any payment obligations of either Party to the other Party arising before partial termination/entire termination of Agreement shall not be affected by the termination of Agreement. Obligor or Obligor's legal heir must perform fully payment obligations to other Party even when Agreement expired.

## CHAPTER II. THE USE OF STA AND SECURITIES TRADING SERVICE

### Article 11. Definitions

1. **Securities** means assets including: (i) Stocks, bonds, fund certificates; (ii) Warrants, secured warrants, share options, depositary receipts; (iii) derivatives; (iv) other kinds of securities defined by law.
2. **Trading Counter** means trading counter at the headquarters, branches and trading offices of PHS.
3. **Linked Bank Account** means account that Customer opens at banks linked to PHS serving for securities trading at PHS.
4. **Foreign Indirect Investment account (FII Account)** means a payment account in Vietnam Dong opened by a foreign investor in a bank licensed for implementation of permitted receipt and expense trading relating to foreign indirect activities in Vietnam.
5. **Competent Authority** includes without limitation Government, Ministry of Finance, State Securities Commission (SSC), National Financial Supervisory Commission, Vietnam Securities Depository (VSD), Stock Exchanges, or other states agencies.

### Article 12. Opening STA and using Service

1. At a request of Customer, PHS shall open a STA under Customer's name at PHS.
2. Customer's commitment
  - a. Customer commits that Customer does not belong to the following subjects:
    - Person does not have full civil act capacity, is serving in prison sentence, or is banned by the Court from securities trading.
    - Be a citizen in a country where has any restrictions on buy/sell securities. If Customer resides in any such country, Customer shall notify immediately and perform PHS's request to buy/sell back any restricted securities as specified hereto.
    - Act bases on authorization of any person who is the subject of the ban on buying, selling any securities types.
    - Other subjects who are banned on securities trading by law.
  - b. Customer commits to comply with regulations of applicable laws, regulations of Competent Authority and PHS's regulations relating to STA, using Service and trading on STA opened at PHS.
3. At the request of Customer, PHS provides Services for Customer, including without limitation:
  - a. Open STA;
  - b. Handle cash, securities of Customer on STA;
  - c. Executing securities trading orders, amending/canceling trading orders per Customer's order;
  - d. Provide securities registration, depositary, balance and payment securities for Customer at VSD;
  - e. Other services relating to securities business of PHS in accordance with provisions of laws.
4. Customer voluntarily agrees to use any new utility Services of PHS if such Services do not increase the trading fees of Customer.

### Article 13. Suspension, termination of the use STA and Service

1. Suspension, termination of the use of STA and Service according to Customer's request:
  - a. At any time, Customer has the following rights:
    - Require PHS to close STA;
    - Unsubscribe from the use of Services provided by PHS (except the order matching Notice Service via email and/or SMS).



Such rights need to be performed according to provisions of this Terms and Conditions and PHS from time to time.

- b. PHS considers to unsubscribe from the use of Service/close STA based on the following factors:
  - Customer strictly performs the prescribed procedures; and
  - Customer completes all obligations related to STA.
- c. Unsubscribe from the use of Service of Customer does not exempt Customer from payment obligations of Customer to PHS that arises before the time of unsubscribe from the use of Service.

2. Suspension, termination of the use of STA and Service according to PHS's decisions:

Customer agrees that PHS has the right to suspend/terminate the use of Service on Customer's STA; close/suspend from use of STA or restrain/cancel Service which Customer registers to use in the following cases:

- a. Performance of Services according to Customer's request shall cause PHS to violate the provisions in this Terms and Conditions, PHS's provisions from time to time, provisions of Competent Authority and provisions of laws;
  - b. According to letter of request of relevant regulatory agencies and Stock Exchanges;
3. Handling of the STA when PHS is revoked the Certificate of depository member by VSD: complying with the order and procedures specified in the Regulation on depository members of VSD and other relevant regulations of the Competent Authority (if any).

Securities Company is revoked the Certificate of depository member in the following cases:

- a. Be revoked License for establishment and operation;
- b. Division, separation, merger, consolidation, conversion, dissolution, bankruptcy;
- c. The securities brokerage operation is withdrawn or the Certificate of registration of depository operations is revoked;
- d. Other cases per provisions of VSD and laws.

**Article 14. Placing securities trading order, following up the money balance**

1. Rights and obligations of Customer

- a. Have right to place securities trading order by law. Customer is only permitted to cancel/modify placed order or a partial of placed order if (i) such order/partial of order has not been matched; and (ii) requests of modification/cancellation is sent in trading hours; and (iii) such order modification/cancellation must comply with provisions of laws and Stock Exchanges;
- b. When Customer agrees to open STA and use Service at PHS, Customer understands and accepts that software system of PHS automatically calculates data relating to money, securities, and debts of Customer owed PHS, etc., on the Customer's STA;
- c. Admit that any selling or buying decisions are based on own evaluation, information obtained by Customer, not based on any advices or other information that PHS provides.
- d. Understand clearly and commits to fully, accurately comply with provisions of PHS on types of securities purchase and sale orders, and at the same time accepts trading results performed through such trading forms as specified in this Terms and Conditions;
- e. When the order-placing person provides all of the identity verification information prescribed by PHS, meaning the order-placing person is the owner of accounts/sub-accounts. PHS has no obligation to verify that whether order-placing person is actually the owner of accounts/sub-accounts;
- f. Responsible for regularly following up trading orders, notice of trading results that PHS sends, following up the money and securities balance and other money Customer owes PHS, etc., and reconcile trading orders, trading results with PHS and feedback promptly any errors (if any) to PHS within 24 hours from the time trading are performed or from the time Customer receives trading results from PHS. Exceed such time, PHS is released from liability for all arising matters;
- g. Responsible for information disclosure by law. In case there are any changes in provisions of laws regarding information disclosure, Customer is responsible for complying with such amended and supplemented provisions.

2. Rights and obligations of PHS

- a. Perform securities trading based on order-placing request of Customer. Ensure that trading order of Customer is transferred to the centralized trading system provided when the order information given by Customer to PHS is valid;
- b. In case the securities recorded on the STA of Customer are formed through illegal trading beyond PHS's control, PHS is not responsible for the sale trading of these securities.

- c. Any order amends, cancels or modifies the request that Customer has notified PHS needs a reasonable time to be performed. PHS is not responsible to Customer for any loss or expenses incurred/arose by Customer if the original order has been completed or PHS does not have enough time or is unable to act as required to cancel or amend or modify the original order;
- d. For online trading that PHS, in its control, detects signs of suspicious, unusual or invalid in accordance with PHS's provisions, the Stock Exchanges' regulations, provisions of laws, PHS may refuse to perform or must verify, check before performance. In cases of beyond the control of PHS, PHS has the right to refuse performing trading;
- e. Send trading results to Customer at the end of each trading day. Methods of Notice: SMS and/or email or other methods agreed by the Parties from time to time.
- f. Do not disclose the contents of Customer's trading orders or other confidential information obtained when performing trading for Customer, unless due to technical problems of PHS, according to the request of inspection, examination or according to regulations of laws.

## **Article 15. Money/securities management in STA**

### **1. Rights and obligations of Customer**

- a. Customer has the right to become legal owner of entire money, securities on Customer's STA opened at PHS according to regulations of PHS from time to time and regulations of laws. Customer is entitled to earn the interest per PHS's regulations announced from time to time;
- b. For beneficiary bank account information, Customer may provide at the time of signing Contract or update after the time of signing Contract;
- c. Deposit sufficiently and promptly cash and securities so that PHS could implement trading according to Customer's requests. Comply with and strictly perform the guidelines and regulations of PHS relating to the use of STA and securities trading, cancel/modify securities trading order;
- d. Customer has the right to withdraw and/or transfer entire or partial money/securities from Customer's STA according to regulations regarding transferring money/securities. However, Customer must ensure sufficient assets to fulfill the obligations to PHS and obligations to third party (if any);
- e. Any request of withdrawing and/or transferring money/securities from Customer's STA must comply with order and procedures specified by PHS from time to time, regulations about the time, fees, and responsibilities and risks of two parties, and other related regulations for withdraw and/or transfer money/securities;
- f. In case transferring money for securities trading by foreign currency: shall perform in accordance with provisions of laws;
- g. Other rights and obligations specified by PHS from time to time and law.

### **2. Rights and obligations of PHS**

- a. Deposit Customer's securities in the Securities Depository Account of Customer under the name of PHS at the VSD;
- b. Record money from selling securities of Customer in Customer's STA or transferring this money to Linked Bank Account or FII Account of Customer;
- c. Customer agrees to authorize, irrevocably in any case for PHS to actively extract, transfer, and deduct the amount on the STA to recover the advance amount, fees and other financial obligations of Customer;
- d. To be recorded money/securities reduction on the Customer's STA to make payment according to Customer's securities purchase/sale order;
- e. PHS has the right to use the balance of Customer's STA to make payment fees, taxes for Customer's securities purchase/sale order;
- f. Block on Customer's STA the money amount/securities amount that the two parties have dispute and deduct any money/liability/expense that KH must pay to PHS according to the decision of the Court or Competent Authority;
- g. Every month, PHS shall provide statement for Customer according to method which the Parties agree from time to time;
- h. At all times, at the request of Customer, PHS shall provide information about balance, the amount of arisen money (if any) and securities for Customer. Depending on the cases, Customer must pay expense according to regulations of PHS;
- i. Other rights and obligations specified by PHS from time to time and in accordance with provisions of laws.

## **CHAPTER III. FORMS OF IMPLEMENTATION SECURITIES TRADING**

## Article 16. Definitions

1. **Electronic means** includes (i) internet (email as Customer's latest updated information, software, application with communication function established via telephone number, email address which Customer registers to PHS at the latest update) (ii) telephone number, email, fax, SMS (iii) software, application of PHS.
2. **Online Securities Trading Service (OST Service)** means Services provided by PHS to Customer via electronic means so that Customer performs securities trading (including securities and derivatives).
3. **The Risk Statement** means a statement of risks related to the use of Services and is updated on PHS's website.
4. **System** means a software system established by PHS for Customer to trade including, without limitation software programs, utilities, applications; and installed, instructed to use for Customer at PHS's domain name is [www.phs.vn](http://www.phs.vn).
5. **Username** means the sequence of characters provided by the System when Customer registers to use OST Services.
6. **Registering Password** means a series of codes provided by PHS when Customer registers to use the OST Service in order to access Online Trading System, Customer is responsible for changing Registering Password regularly and continuously to secure Customer's information.
7. **Online Trading Password** means a series of codes randomly generated by the System, provided by PHS when Customer registers to use OST Service. Customer can change Trading Registering Password; Customer is responsible for filling out this series when placing orders into the Online Trading System to enhance security to the trading.
8. **Trading Password via telephone** means a series of codes that Customer establishes when Customer registers to use securities trading services via telephone. Customer can change Trading Registering Password via telephone through a written authentication form.
9. **Order Slip** means PHS's valid form document recording order place information that Customer/Authorized Person provides for PHS in order to PHS's staff performs trading order of Customer.
10. **Electronic Order Slip** means Online Order Slip recording data about a trading order and use Online Utilities (if any) which Customer or Authorized Person (if any) has placed via the System at a specific time when only Customer or Authorized Person of Customer are able to access System via a Username and Registering Password. Electronic Order Slip is a proof of Customer's trading order confirmation.
11. **OTP (One Time Password)** means one time Password, including a series of codes and numbers randomly created which is sent to Customer for additional confirmation when performing online trading.

## Article 17. Forms of implementation securities trading

Securities trading and derivatives trading can be performed via the following methods:

### 1. *Direct trading at Trading Counter*

When Customer places securities order, Customer/Authorized Person writes fully information on Order Slip and submits it at PHS's Trading Counter.

PHS shall verify the information provided in the Order Slip and sign for confirmation.

In this Terms and Conditions, "Order Slip" that has full of signature according to regulations of PHS is understood as the valid document confirming the securities trade order, the order to modify/cancel the securities trading order of Customer; and accepted by PHS.

### 2. *Online trading*

#### a. *Trading via telephone (T-Stock)*

When Customer needs to place order, Customer must use the phone number registered with PHS to make direct calls to PHS's receiving order phone number (phone number that PHS used for receiving order via phone and is officially notified to Customer).

Customer must use Trading Registering Password via telephone to ensure safety for the use of order placing via telephone service.

When Customer places order via telephone, Customer must provide information according to regulations of PHS in order to verify STA/DTA; in case all information is accurate and valid, Customer's order shall be sent to trading system of Stock Exchange.

Customer allows PHS to record and keep the content of phone calls ordered by Customer. The audio file (file) provided by PHS is considered as legal evidence in the event of any dispute arising from the above trading order.

#### b. *Trading via Internet (E-Stock)*

Customer must register email address to receive Online Trading Registering Password.

Customer must comply with the regulations regarding trading via Internet service provided by PHS. Any trading orders of Customer via Internet are considered as valid as directly placed orders at headquarters or Trading Counters of PHS.

#### **Article 18. Online trading service**

1. Services applied online trading form at PHS are specified on PHS's website from time to time.
2. When Customer registers to use Service by signing or registering on the Online Trading System of PHS, Customer automatically acknowledges and agrees to activate all of OST Services provided by PHS from time to time (except the cases which requires Customer to sign in the contract/separate registration form to protect the interests of Customer).
3. Besides the OST Services specified this Terms and Conditions, whenever PHS offers new OST Services, PHS shall have specific guidelines posted on PHS's website. Customer shall be deemed to have understood the instructions carefully and take full responsibility for the risks arise relating to the voluntary register to use the Services, trading utilities provided by PHS. At the same time, Customer unconditionally accepts the terms and conditions that PHS announces when registering to use the Service.
4. PHS provides OST Service continuously and consistently with regulations of SSC and the Stock Exchanges.

#### **Article 19. Account Security and Confidentiality**

1. Account Security
  - a. Customer acknowledges and agrees that securities trading (securities and derivatives) through methods provided by PHS is to create favorable conditions for Customer. These trading methods may occur mistake or Customer may be impersonated to perform trading. Therefore, Customer needs to keep the following information strictly confidential:
    - Username, Login Registering Password;
    - Trading Registering Password, OTP;
    - Trading Order, order of request to support trading, and other orders.
  - b. In case Customer discovers that an unauthorized person uses Login Registering Password, Trading Registering Password of Customer, or other confidential information is out of Customer's control, Customer must inform immediately to PHS in order to take appropriate and prompt action.
  - c. PHS is responsible for repairing the breakdown, confidentiality and storage of Customer's information. In case Customer forgets or loses Username/Login Registering Password, PHS is obliged to restore to Customer.
2. Confidentiality

Each party undertakes to keep confidential all information obtained from Agreement and will not disclose it to any other third party, unless otherwise agreed in writing by the other party, unless otherwise required disclosing information according to provisions of laws or the competent State agency.

#### **Article 20. Rights and obligations of each Party related to provision and use of Online Trading Service**

1. Rights and obligations of Customer
  - a. Customer read, understood and complies with online trading guidance announced by PHS from time to time;
  - b. Customer agrees that any access/trading to/on the Customer's accounts/sub-accounts using the Username with correct Login Registering Password and Trading Registering Password or other identification factors provided by PHS to Customer shall be considered as Customer's accesses;
  - c. Customer commits and ensures:
    - + Shall not use loopholes and errors from the online trading to get profits;
    - + When unintentionally gain profits because of errors of System, Customer shall immediately notify and reimburse to PHS.

Any acts do not comply with commitment hereinabove lead to the loss for PHS and/or the third parties, Customer is obliged to compensate damages according to this Terms and Conditions and takes responsibility under the laws.
2. Rights and obligations of PHS
  - a. PHS does not have any commitments, guarantees or priority transfer, successful implementation the online trading of any Customer when using OST Service and/or performing online trading;
  - b. Guide and support Customer to use OST Service, announce new utilities and service fees corresponding to Customer;
  - c. Quickly and promptly repair the problem as soon as Customer requires;
  - d. Store Electronic Order Slip, the electronic documents relating to trading of Customer and ensure that evidences hereof can access and use for reference if necessary;

- e. In the event of a breakdown of Internet, or System errors, leading to the OST Service cannot be done, PHS shall inform Customer as soon as possible on the website in order that Customer promptly carries out securities trading through other trading methods of PHS;
- f. Notify in advance to Customer in the event of suspension, change, modification, maintenance of the System, or for the cessation of OST Service in part or entire as required by the Competent Authority, or depend on the condition of PHS.

#### **Article 21. The Risk Statement**

1. The Parties understand that provision and use of OST Service may arise risks as recorded at the Risk Statement and even including risks beyond the foreseen of securities laws and not be recorded in the Risk Statement.
2. The recorded risks in the Risk Statement are risks having been identified by the time of this Risk Statement was announced, and those risks are not all of the risks that Customer can meet during online trading period. This Risk Statement shall be updated by PHS when new risks are identified and shall be notified to Customer according to Article 4 of this Terms and Conditions, at the same time shall be posted on PHS's website.
3. At the time when Parties establish Agreement relating to provision and use of OST Service, PHS has notified Customer that Risk Statement is publicly posted on PHS's website. Customer read, understood and agreed entire contents specified in Risk Statement.

### **CHAPTER IV. SECURITIES TRADING SERVICES AT PHS**

#### **A. ODD LOT SECURITIES TRADING SERVICE**

##### **Article 22. Definitions**

1. **Odd lot securities** means the number of securities that Customer holds from 1 to 99 units of securities for securities listed on the HNX and from 1 to 9 units of securities for securities listed on the HOSE or according to regulations of Stock Exchanges from time to time.
2. **Odd lot securities trading (OLST)** means the Customer buys/sells odd lot securities with the reasonable price in accordance with the laws and regulations of PHS.
3. **Online Odd lot securities trading** means Customer conducts OLST through online trading method of PHS.

##### **Article 23. Conditions and methods of implementation**

1. Conditions of implementation;
  - a. OLST Service is provided from specific time to time by decisions and announcements of PHS.
  - b. OLST Service is provided by PHS through trading method at Trading Counter or OST Service.
  - c. Customer using online OLST Service must meet provisions about OST Service according to provisions of PHS from time to time. In case Online Trading Service is terminated, expired or invalid for any reason, this online OLST Service is automatically terminated.
2. Method of implementation:
  - a. OLST belongs to Hanoi Stock Exchange: comply with provisions about OLST of Hanoi Stock Exchange.
  - b. OLST belongs to Ho Chi Minh Stock Exchange: comply with provisions about OLST of Ho Chi Minh Stock Exchange and PHS from time to time.

#### **B. PAYMENT IN ADVANCE SERVICE**

##### **Article 24. Definitions**

1. **Payment In Advance (PIA)** means Service that PHS provides for Customer, whereby PHS uses its financial resources to support Customer to receive money from the stock sale when the orders of Customer are matched, earlier than the Payment Date of the stock sale. At the same time, Customer undertakes to transfer to PHS the right to receive the money from the stock sale that Customer shall actually receive on the Payment Date of the stock sale.
2. **Automatic PIA** means an additional utility Service of PHS that provides Customers in order to increase their securities purchasing power based on the value of waiting selling stock amount. The value of the waiting selling stock amount (after deducting fees and taxes) shall be automatically added to the purchasing power of Customer, accordingly, Customer can use this purchasing power to perform further purchasing stock orders, without having to act PIA as usual.
3. **Selling stock amount** means the amount of money Customer receives from stock sale according to selling stock orders of Customer and has been confirmed by PHS as a successful matching trading.
4. **Settlement date of the selling stock amount** means the date selling stock amount is paid on Customer's account in accordance with regulations of Stock Exchange, VSD and PHS from time to time.



5. **PIA Amount** means the amount of money PHS transfer into Customer's STA based on request of Customer's PIA.
6. **Maximum PIA amount** means selling stock amount which has not yet cleared of Customer after deducting trading fees, PIA fee and other taxes and fees by law (if any).
7. **PIA fee** means the amount of fee Customer must pay for using PIA.

#### **Article 25. Conditions and methods of implementation**

1. Conditions of implementation:
  - a. In order to use common PIA, Customer needs to perform according to order and procedure as specified by PHS from time to time.
  - b. Conditions for using Automatic PIA:
    - Customer who opens STA at PHS can register to use Automatic PIA through the following methods: (i) ticking the box "Automatic Payment In Advance Service" in Part III.1.3 of the Application cum Contract for opening securities trading account; or (ii) fill in Register for using service (follow the form of PHS); or (iii) register on online trading channel of PHS; or (iv) through the methods prescribed by PHS from time to time;
    - Customer's Account has waiting selling stock amount.
2. Methods of implementation, Payment of PIA fees:
  - a. Based on the results for order matching to selling stock orders which has not yet cleared of Customer, PHS shall calculate the Maximum PIA amount and PIA fee on Customer's STA. In all circumstances, PIA amount is not exceeded maximum PIA.
  - b. At the Payment Date of selling stock amount:
    - Customer agrees to unconditionally transfer to PHS the right to receive Customer's selling stock amount in order to return to PHS fully PIA amount, other charges and financial obligations which Customer is obliged to pay from the selling stock amount.
    - PHS has the right to deduct the amount of money from the Customer's STA to recover PIA amount, other charges and financial obligations of Customer related to the use of this Service.
  - c. If the result of order matching is canceled according to VSD's notice for any reason, Customer will be obliged to refund PHS the PIA amount that PHS has advanced together with fees and charges incurred up to the date of refund in accordance with PHS regulations. PHS has the right to automatically deduct money from Customer's STA to recover the PIA amount, fees and other financial obligations of Customer related to the use of this Service.

#### **C. DIVIDEND ADVANCE**

##### **Article 26. Definitions**

1. **Dividend Advance** means Service that PHS provides for Customer, whereby PHS uses its financial resources to support Customer to receive a portion of dividend amount Customer shall receive on the Dividend Payment Date. The amount of money Customer shall receive on the Dividend Payment Date and all other assets in the Customer's account shall be collateral for this support.
2. **Dividend Advance Amount** means the amount of money PHS shall transfer to Customer's STA based on request to use Customer's Dividend Advance.
3. **Payment Date of Dividend** means the date the dividend shall be transferred into Customer's STA.
4. **Dividend Advance Fee** means the fee that Customer must pay to PHS each time Customer uses Dividend Advance.

##### **Article 27. Conditions and methods of implementation**

1. Conditions of implementation:
  - In order to use Dividend Advance, Customer needs to perform according to order and procedure as specified by PHS from time to time.
  - Customer must have Customer's name in the list of receiving cash dividend from VSD and the dividend must be paid through PHS as depository member.
2. Specific provisions
  - Dividend Advance ratio: based on provisions of PHS from time to time;
  - Dividend Advance Fee: means fee calculated per day but not lower than the minimum fee for one advance as prescribed by PHS from time to time;
  - Number of advances/01 code: According to PHS's regulations from time to time. If the issuer pays the dividend in each payment installment, Customer is only entitled to the maximum advance for that installment;



- Term of advance: According to PHS's regulations from time to time. In case the issuer extends the dividend payment time beyond the advance period prescribed by PHS, Customer must refund the advance amount to PHS;
3. Methods of implementation:
- Based on the Customer's request and after considering conditions as stipulated, PHS shall transfer the Dividend Advance Amount to the Customer's STA.
  - At the Payment Date of Dividend: Customer agrees that PHS is authorized entire rights to actively extract, transfer, deduct this amount to recover the Dividend Advance Amount, other fees and financial obligations of Customer in connection with the use of this Service.
  - The actual received amount after the advance of Customer: is the amount Customer receives after deducting Dividend Advance Fees.
4. Customer has the right to request a prepayment of the Dividend Advance Amount. In this case, Customer shall not be returned paid fees.
5. In case that issuer delays the payment or cancel the payment for any reason, PHS has the right to dispose other assets in the STA to recover the Dividend Advance Amount.

## D. MARGIN TRADING

### Article 28. Definitions

1. **Statute guiding for margin trading** means statutes, regulations that are issued by Competent Authority guides about margin trading.
2. **Marginable Stocks** at PHS means those on the list of securities permitted for margin trading of the Stock Exchanges and PHS. PHS announces this list from time to time on PHS's website and Trading Counters. Only Marginable Stocks can be counted as Collateral.
3. **Margin Sub-Account (Sub-Account)** means sub-account of Customer opening at PHS based on Contract for opening margin sub-account (**Margin Contract**) to perform margin trading.
4. **Collateral** of Customer in Sub-Account include cash, maximum PIA amount, value of the Marginable Stocks calculated according to the price of Collateral minus the Margin Outstanding on the Sub-Account.
5. **Margin Outstanding** of Customer on Sub-Account means the total of Customer's debt that Customer owes PHS.
6. **Loan price/Collateral price** means the minimum value between the reference price at the beginning of the trading date and the maximum loan/collateral price of a Marginable Stock as regulated by PHS from time to time.
7. **Loan ratio/collateral ratio (Rv/Rts)** means the ratio applied to a Marginable Stock as regulated by PHS from time to time. Price and loan ratio/Collateral ratio are announced on PHS's website.
8. **Total converted assets (TA)** means the total value of converted Marginable Stocks according to the loan price/Collateral price and the Ratio of loan/Collateral on Sub-Account.
9. **Convertible Margin Outstanding (D)** means Margin Outstanding after deducting Cash and maximum payment in advance amount on the Sub-Account.
10. **Date** means the date in the Vietnamese calendar (including business days and non-business days: Saturday, Sunday, holidays, Tet holidays, etc.)
11. **Minimum margin amount** means the minimum deposit amount that Customer must deposit when opening a Sub-Account in accordance with regulations of the SSC/Stock Exchange/ PHS. PHS may require Customer to maintain real assets with at least this amount to use margin trading service.
12. **The initial margin ratio** means the ratio between the net assets (before the execution of trading) against the value of the trading contract (expected performance) calculated according to the reference price at the beginning of the trading date.
13. **The Safe Margin Ratio (Rat)** means the ratio is stipulated by PHS from time to time.
14. **The Maintenance Margin Ratio** is the minimum ratio between the net assets and total assets on a margin trading account.
15. **Actual Margin Ratio (Rtt)** mean the ratio between the total of convertible assets (**TA**) and the convertible Margin Outstanding (**D**) of Sub-Account; this ratio shall change as stipulated by PHS from time to time.
16. **Cash** includes available amount of money of Customer on the STA of PHS and available money which is blocked from Linked Bank Account (if any).
17. **Purchasing power:** means the maximum amount that Customer is allowed to buy securities during the day, calculated per following formula:

$$\text{Purchasing power} = \text{Min}(\text{remaining loan limit}, \frac{TA - D}{1 - \frac{1}{\text{Safe margin ratio}} * \text{loan ratio} * \frac{\text{loan price}}{\text{orders price}(1 + \text{fee})}});$$

The above phrases may be amended, supplemented in accordance with margin guidance issued by Competent Authority; Customer automatically accepts the amendment, supplement (if any) without additionally signing or signing new Margin Contract.

## Article 29. Margin trading

### 1. For opening Sub-Account, Customer commits:

- Customer is not the subjects in securities companies: owner, major shareholders, capital contributors, member of Board of Directors/ Board of Members, Board of Controllers, General Director (Director), Deputy General Director (Deputy Director), chief accountant, other titles are appointed by Board of Directors/ Board of Members/Owner of securities company and persons related to above subjects;
- Customer is not legal entity in the status of dissolution, bankruptcy according to current law;
- Customer is not subject that breaches the contract for opening margin trading account according to provisions of other securities companies.
- When opening Sub-Account, Customer understands and agrees that Automatic PIA is applied compulsory for Customer's Sub-Account.

### 2. In order to margin trading on Sub-Account, Customer first need to pay cash or Marginable Stocks to meet the initial margin ratio as regulated by PHS.

### 3. PHS lends to Customer according to ratio specified by PHS from time to time, with a value calculated on the total value of securities purchased on the Sub-Account minus a number of Cash. Borrowing purpose: buy margin securities.

### 4. When Customer wants to place a margin order, Customer must use a margin order slip, or place order via Internet, telephone or other means to indicate that it is a margin trading. Margin order is an inseparable appendix of the Margin Contract.

### 5. The term loan: maximum of ninety (90) days or another period as stipulated by PHS and in accordance with current law. PHS can continue to extend the term loan based on Customer's confirmation. At the same time, Customer also agrees to pay PHS a renewal fee (if any) according to PHS's provisions at the time of renewal.

### 6. Loan interest rate (I) is calculated according to calendar date regulated by PHS from time to time. This interest rate is publicly listed on PHS's website from time to time or as agreed by the Parties. Margin loan interest is calculated from the time PHS disburses the margin trading payment to Customer until the Customer completes (pays off) the loan or according to PHS's provision from time to time.

Loan interest rate is expressed by % per year (annual interest rate), a year means three hundred and sixty days.

The period of time used to convert the Loan interest rate by % per month, % per week, % per hour into interest rate by % per day, convert the Loan interest rate by % per day into interest rate by % per year and vice versa is calculated as follows:

- A year means three hundred and sixty days;
- A month means thirty days;
- A week means seven days;
- A day means twenty-four hours.

### 7. Margin loan limit:

#### a. The value of the margin loan limit is the maximum Margin Outstanding that PHS lends to Customer on the Customer's Sub-Account based on the Margin Trading Application Form agreed between Customer and PHS. Margin trading Application Form is an integral part of the Margin Contract.

#### b. During the effective term of the margin loan limit, the parties agree that:

- (i) Customer may be disbursed many times but the Margin Outstanding at any time shall not exceed the value of the margin loan limit specified in the Margin Trading Application Form.
- (ii) In case the Margin Outstanding on the Customer's Sub-Account exceeds margin loan limit as the initial agreement, Customer must pay the difference immediately or Customer must require PHS to increase the margin loan limit in order to match current Margin Outstanding status. After receiving Customer's request, if PHS agrees with Customer's request, two parties shall re-sign the Margin Trading Application Form.
- (iii) PHS has the right to change the margin loan limit of Customer at any time. PHS only needs to notify Customer after having changed according to the methods prescribed in Article 4 of this Terms and Conditions.

8. Dispute resolution: Any arising dispute (if any) will be resolved according to the general method specified in Article 9 of this Terms and Conditions.
9. Method of liquidating the Margin Contract: The Margin Contract terminates when STA terminates according to the provisions of Article 13 of this Terms and Conditions. In addition, when Customer has paid all financial obligations and other obligations to PHS and a third party (if any), Customer is entitled to terminate the Margin Contract according to methods prescribed by PHS from time to time. When the Margin Contract terminates, Customer or the legal heir or successor of Customer must be responsible for fulfilling all obligations of Customer to PHS.

### Article 30. Payment of Margin Outstanding

1. The term of payment of Margin Outstanding is determined immediately after one of the following cases occurs:
  - a. Loan expiration.
  - b. Customer requests to settle the loan.
  - c. Customer unilaterally terminates the Margin Contract as stated in Point d, Article 35.1 of this Terms and Conditions.
  - d. PHS performs its rights in accordance with Article 31, Article 32, Article 34 and Article 35 in this Terms and Conditions.
2. Margin Outstanding includes:
  - a. The total loan amount of PHS.
  - b. The arising interest includes:
    - Due interest: is the value calculated as % of the loan of PHS during the actual loan term, calculated as follows:  
***Due interest = I x (multiply) [loan] x (multiply) [actual number of days]***  
PHS's loan interest rate that Customer agrees that PHS shall adjust from time to time and publicly listed at PHS or as agreed by the Parties.
    - Overdue interest: in case that Customer fails to settle the delayed payment timely, overdue interest rate is calculated equal to 150% of the due interest rate or other rate as regulated by PHS, calculated as below:  
***Overdue interest = Overdue interest rate x (multiply) [loan] x (multiply) [the number of overdue days calculated from the expiry date of payment due date until PHS fully receives the delayed loan payment]***  
The number of overdue days is calculated from the expiry date of the payment due date until PHS fully receives delayed loan payment.
  - c. Other fees
    - Securities PIA fee is regulated by PHS.
    - Trading fee, brokerage fees: are regulated by PHS.
    - Other fees are regulated by PHS.

### Article 31. Payment method

1. Customer pays Margin Outstanding to PHS through the following methods:
  - a. Customer pays in cash or transfer to the Sub-Account and request payment of Margin Outstanding.
  - b. In case when the loan is due and/or overdue:
    - (i) Based on Margin Contract, Customer authorizes PHS to automatically deduct Margin Outstanding directly on the Sub-Account or request the bank where Customer opens deposit account or opens securities depository account to make payment of Margin Outstanding.
    - (ii) Customer authorizes PHS to automatically PIA that has successfully matched the remaining securities selling order to make payment of Margin Outstanding.
  - c. In case the payment date falls into Saturday, Sunday, public holiday or any day that PHS does not work, the next working day shall be the payment date and the arising interest shall still be calculated until the date Customer actually paid.
2. The recovery of Margin Outstanding is performed as the following orders: overdue debt, overdue interest, overdue fee, due debt, due interest, due fee, principal, due interest or another sequence decided by PHS.
3. When Customer's Margin Outstanding is due or overdue, system automatically PIA waiting payment to recover the loan.

### Article 32. Margin requirement

1. Customer commits to always follow the status of Sub-Account and ensure to maintain on Sub-Account with the Actual Margin Ratio is not lower than the Safe Margin Ratio and the Maintenance Margin Ratio. The Safe Margin Ratio and the Maintenance Margin Ratio are regulated by PHS from time to time, in accordance with relevant provisions of laws. The requirements for margin ratio is published by PHS on the website from time to time. The Maintenance Margin Ratio and the Safe Margin Ratio can be changed as required by PHS and Customer undertakes to accept unconditionally fulfill PHS's request related to meeting the Maintenance Margin Ratio and Safe Margin Ratio.
2. In case Customer's Actual Margin Ratio falls below the Safe Margin Ratio or another rate as regulated by PHS, PHS shall issue additional margin request to registered email address. Customer is obliged to supplement fully the Collateral by cash or Marginable Stocks within the time required by PHS. The supplementation of collateral is done in the following forms: (i) cash addition; (ii) supplementing the securities in the marginable stock list.
3. PHS is not responsible if PHS has submitted additional margin request and Customer still does not receive notice of additional margin requirement for any reason.

Customer acknowledges PHS has the right to transfer securities, is allowed to trade margin between normal sub-account and Sub-Account in case PHS changes the collateral portfolio, or when securities are not margin trading permission or other cases as stipulated by PHS.

4. PHS may send additional margin request to Customer through the methods specified in Article 4 of this Terms and Conditions.
5. Since the request for additional margin is made, Customer must implement the addition of Collateral to ensure the Safe Margin Ratio, the specific level shall be decided and notified by PHS according to the appropriate additional margin with the following formula:

Additional margin call by cash ( $CI_{call}$ ):

$$CI_{call} = \text{Max}(\text{Due Debt} \frac{\text{and}}{\text{or}} \text{Overdue Debt}; \sum \text{total buy} + OD - CI_{Bal} - UTTB - \frac{\sum_i Q_i * R_{Ai} * P_i}{R_{at}})$$

**Explanation in formulation:**

- $Q_i$  = includes all securities in list of trading: trading, buying (buying order + incoming stocks) and processing sell order.
  - $R_{Ai}$  = ratio of collateral in marginable stock list according to regulation of PHS which is announced on website and at head office, branches, trading offices from time to time.
  - $P_i$  = the loan price which is declared as the reference price or the maximum loan price as regulated by PHS.
  - $\sum \text{total buy}$  = the total of buying order (includes matched orders and processing orders) within a day.
  - $OD$  = the total disbursed marginable debt (includes principal, interest and all fees associated with per provisions from time to time).
  - $CI_{Bal}$  = includes available money of Customer in the account at PHS and available block money from personal account at Bank (if any).
  - $UTTB$  = incoming selling cash which can be advanced.
6. In case Customer does not supplement or only supplement a part of collateral, depending on the value of the remaining supplemented assets are less than or greater than the Total converted assets on Sub-Account at that time, PHS has the right to force sell a part or all of securities on the Sub-Account at any time at any price to meet the additional margin requirement.

When force selling, PHS has the right to sell any securities, any quantity on the Sub-Account regardless of the value of securities placed by the Customer but not matched on the market.

PHS shall send the result of the force selling to Customer via the methods specified in Article 4 of this Terms and Conditions.

7. Margin requirement shall expire when Customer performs to supplement the required assets as stated in the additional margin request, or PHS unilaterally announced cancellation of margin requirement to Customer.
8. To protect the interests of Customer and PHS, or when PHS has grounds to believe that market conditions are unstable, unfavorable, or unusual, which lead to Customer's inability to accept risks or losses, PHS has the right to sell securities prior to the expiration of the time for additional margin requirements.

**Article 33. Security measures**

1. In case Collateral is not enough to pay all Customer's obligation, Customer commits to using all Customer's legal properties assets as collateral for the Margin Outstanding at PHS.
2. In case the total market value of Marginable Stocks in the Sub-Account of Customer after the force selling is not enough to cover the Margin Outstanding, Customer must make payment for the remaining Margin Outstanding in accordance

with PHS's provisions. In case Customer fails to perform or fails to adequately perform obligations, Customer undertakes to use all securities in the STA and other assets of Customer to perform the missing obligations. Other assets of the Customer include, without limitation to money and securities in the STA, money in other Customer's bank accounts (if any) or registered assets owned by Customer. Accordingly, PHS has the right to place an order directly or transfer the above securities to the Sub-Account and execute the force selling order.

3. The order of request to perform security measures to recover Margin Outstanding is decided by PHS.
4. PHS has the right to handle any collateral to recover Margin Outstanding in case Customer's obligations are secured by many assets.

#### **Article 34. Cases for accelerated payment of PHS**

1. Customer violates the Statute guiding for margin trading and other related regulations of SSC, other management authorities and PHS;
2. Customer violates Margin Contract, appendices of Margin Contract or any agreements, commitments to PHS;
3. Customer provides false information, including information provided before being lent;
4. Customer is an individual who dies, is criminally filed charges/ prosecuted/ tried, has lost his/her civil act capacity or has limited capacity for civil acts;
5. Customer is an organization that is dissolved, suspended, total division, partial division, acquired, changed form or changed owner, etc.; the legal representative, executive is criminally filed charges, prosecuted, tried;
6. Customer does not guarantee The Safe Margin Ratio in accordance with PHS's provisions;
7. Loan security, according to PHS's judgment, leads to PHS's violation of regulations of SSC and regulations of laws;
8. At the request or in order to comply with decision of a Competent Authority or any other legislative documents;
9. PHS is not allowed to conduct margin trading in accordance with current laws or decision of a Competent Authority;
10. Other cases according to the provisions of laws or Margin Contract.

PHS has the right of recourse, to early recover debts in case Customer violates the commitments or other cases specified in the Margin Contract and/or other contracts/agreements (if any). In case any reason prevents PHS from immediately recovering, PHS has the right to transfer all debts to overdue debts and apply other measures in accordance with the provisions of laws and Margin Contract to recover hereinabove debts.

#### **Article 35. Rights and obligations of Customer**

1. Customer's rights:
  - a. Require PHS to properly perform his/her rights and obligations according to Margin Contract and Appendices of Margin Contract (if any);
  - b. Be owner of the amounts of money and securities in Sub-Account with full related rights;
  - c. Have the right to withdraw money on the Sub-Account after paying all debts with PHS or when Sub-Account meets all the withdrawal conditions specified by PHS from time to time;
  - d. Unilaterally terminate the Margin Contract with PHS after completing all obligations to PHS and the termination of Margin Contract must be made in writing;
  - e. Other rights as specified for by law.
2. Customer's obligations:
  - a. Deposit a minimum amount as prescribed by PHS (if any);
  - b. Pay trading fees, arising fees (if any) and comply with PHS's other provisions to Customers in securities trading in the Customer's Sub-Account;
  - c. Agree that PHS has the right to recover Margin Outstanding from Customer's Sub-Account as soon as Customer sells partial or entire securities on the Sub-Account;
  - d. Commit to ensure the Safe Margin Ratio at any time during the term loan, the Actual Margin Ratio is not lower than the Safe Margin Ratio as regulated by PHS. Make additional margin as soon as the Margin Ratio falls lower than the Safe Margin Ratio as regulated by PHS. The addition of this asset must be done in the time limit and as prescribed by PHS from time to time;
  - e. Selling partial or entire the securities in Customer's STA to fulfill obligations to PHS in case after forced selling all securities in the Sub-Account, there is still not enough to offset Margin Outstanding;



- f. Customer has obligations to regularly compare Margin Outstanding disbursed and respond to PHS no later than 5 p.m on the same day of disbursement. Outstanding debt disbursed during the day includes all value of purchased securities after subtracting all available money of Customer in the STA and Sub-Account.

In case within the time limit specified at this Point, Customer does not respond to the disbursement result of PHS and the outstanding balance which Customer owes PHS, this means that Customer has fully accepted the above contents and commit not to making any complaints or disputes. This acceptance is considered as "confirmation of disbursement balance" between Customer and PHS.

- g. Customer undertakes that during the implementation of Margin Contract shall not close the STA, transfer securities in the form of giving, donation, inheritance, capital contribution, or transfer money from the STA to any other accounts in any form or use securities in the STA to buy, sell in the form of security or pledge trading according to the provisions of law without receiving the consent of PHS;
- h. Notify PHS by written notice in advance in the event that Customer intends to leave Vietnam for a total period of 180 (one hundred and eighty) days or longer within twelve (12) months, or in the event that Customer already resides outside Vietnam for a total of one hundred and eighty (180) days or longer within twelve (12) months;
- i. Announce information in accordance with the provisions of laws for trading performed by Customer or PHS in accordance with the provisions of Margin Contract (if Customer is subject that must announce information). Customer is obliged to disclose information about ownership of shares, holding management positions and relationship with managers in other public companies to PHS;
- j. Customer has confirmed that PHS has clearly explained the risks arising from margin trading on Sub-Account;
- k. Other obligations as provided for by law.

### **Article 36. Rights and obligations of PHS**

#### **1. PHS's rights:**

- a. Require Customer to properly perform his/her rights and obligations according to Margin Contract and Appendices (if any);
- b. Receive back full Margin Outstanding;
- c. Take control of trading with entire Collateral according to provisions of PHS from time to time;
- d. PHS has the right to sell partial or entire securities in Sub-Account at any time at any price to recover enough the Margin Outstanding and other obligations (if any) without authorization of Customer when occurring one of the following cases:
  - (i) Actual Margin Ratio of Customer reduces to ratio lower than The Safe Margin Ratio;
  - (ii) At the end of the prescribed period, Customer still fails to sufficiently performs committed obligations to PHS.
- e. As its decision at any time, PHS has the right to notify Customer about the amendment of limitations, cancellation or termination of margin loan level, mortgage securities portfolio, collateral, minimum margin amount, initial margin ratio, safe margin ratio, payment term of Margin Outstanding, interest and related fees and requirements for immediate payment of obligations committed by Customer. In addition, PHS may refuse a loan at any time even when the credit limit is not exceeded. When disposing of collateral, PHS has the right to round the minimum trading volume according to the regulations on rounding lots of the Stock Exchanges.
- f. Unilaterally terminate Margin Contract with Customer after completing all obligations to Customer and the termination of Margin Contract must be made in writing.

#### **2. PHS's obligations:**

- a. Lend Customers money to perform margin trading on the basis of an agreement in Margin Contract between the Customer and PHS;
- b. Agree that Customer is the owner of the money and securities on Sub-Account;
- c. Coordinate and support Customer in implementing related rights and obligations;
- d. Through the Notice methods specified in Article 4 of this Terms and Conditions, PHS promptly informs Customer to fulfill obligations when Customer's margin ratio falls below Safe Margin Ratio or another rate as regulated by PHS;
- e. To perform the obligation to manage Sub-Account of Customer and other obligations in accordance with the Statute guiding for margin trading and relevant regulations of laws;
- f. PHS is responsible for informing Customer within 02 (two) working days after receiving the decision not to trade margin or from the effective date of legal regulations on PHS's ineligibility to supply margin trading services;



- g. PHS is responsible for settling all loans with Customer within 10 (ten) days from receiving of the decision not to trade margin or from the effective date of the legal regulations on PHS's ineligibility to supply margin trading services;
- h. Comply with the regulations and statute of SSC and the relevant regulations of the law on performing margin trading.

### Article 37. General commitment

1. Customer acknowledges that due to market conditions with strong fluctuations in securities prices, instructions related to securities trading at any particular price and time are not implemented by PHS, PHS shall not be responsible for Notice to Customer immediately if order given by Customer is not executed or partially executed. PHS does not take any responsibilities if Customer's order is not executed or partially executed due to market conditions or other reasons out of control.

Customer automatically acknowledges that securities price may and always fluctuate, and that any securities may increase or decrease price, and in some cases securities become worthless. Customer acknowledges that there is always a potential risk that loss may appear more than profit when trading securities.

2. PHS shall not be responsible for investigating, participating in, or making any assertions regarding Customer's authorization to PHS received to attend meetings and vote.
3. PHS has the right to suspend or terminate the service in whole or in part under the margin trading Service at any time without giving any notice and reasons.
4. PHS does not guarantee profits for Customers as well as does not take any responsibility for any taxes or obligations payable to Sub-Account or other securities, loss or value decrease of securities.
5. Customer undertakes to understand and agree not to have any complaints or disputes against PHS about the principles, methods, procedures for disbursement and receipt of debts specified in this Chapter D.
6. Customer confirmed that PHS has clearly explained the risks arising when performing margin trading on Sub-Account.

## E. DERIVATIVES TRADING

### Article 38. Definitions

1. **Derivatives** means securities that is regulated in current securities laws, including Futures Contracts; Options; Forward Contract and other Derivatives in accordance with Vietnamese law and guidance of the Ministry of Finance.
2. **Underlying assets** means securities and other assets that the derivative price is based.
3. **Futures Contract** includes Securities Index Futures Contract and Government Bond Futures Contract and/or other types of Futures Contract according to regulations about Derivatives.

**Securities Index Futures Contract** means Futures Contract based on underlying assets is securities index.

**Government Bond Futures Contract** means Futures Contract based on underlying assets is Government Bond or hypothetical bond that has some basic features of a Government Bond.

4. **Derivatives Trading Account (DTA)** means the account that Customer opens at PHS to trade Derivatives of Customer.
5. **Derivatives Margin Account (DMA)** means the account that PHS opens for Customer in order to manage margin assets and perform the payment obligation for the position on Customer's DTA.
6. **Contract Performance** means the purchase or sale of underlying assets by parties in Futures Contract or payment of the difference between the Settlement Price at the end of the day and the Settlement Price, the final Settlement Price according to the content of this Terms and Conditions and in accordance with the statute of the Securities Depository Center.
7. **Settlement Price** means the price for Futures Contract trading order matching among investors through the trading system of the Stock Exchange.
8. **End-of-day Settlement Price (DSP)** means the price determined at the last trading date to calculate the daily fee of delay in performing the daily loss obligation of positions.
9. **Final settlement price (FSP)** means the price determined on the last trading date to determine the payment obligation when performing the Derivatives Contract.
10. **Position of one Derivatives at a time** means the trading status and amount of valid Derivatives held by the Customer at that time. Customer buys or sells Derivatives, called opening a long position or opening a short position of such Derivatives.
11. **Open Position of one Derivatives** indicates that the Customer is holding Derivatives that is still valid, has not been liquidated or settled.

12. **Net position of one Derivatives at a time** is determined by the difference between the opened long position and the opened short position of that Derivative at the same time.
13. **Position Limit of one Derivatives** is the maximum net position of such Derivatives or of such Derivatives and other Derivatives based on the same an underlying asset that Customer is entitled to hold at a time.
14. **Margin** means that Customer has to deposit an amount of money or marginable stocks to ensure the Customer's payment obligation for Derivatives trading.
15. **The value of margin assets** including the balance on the margin account and the value of the marginable stocks portfolio is determined according to the market price and the discount rate in accordance with the regulations of VSD.
16. **Initial margin value** means the minimum valid deposit value that Customer must submit to Sub-Account before performing Derivatives trading and opening positions. Initial margin value is in accordance with PHS's regulations from time to time and in accordance with law.
17. **The ensure deposit value of the performance of Government Bond Futures Contract** means the margin value that Customer must submit to the Sub-Account from after the last trading date of Futures Contract until the final payment date to secure the contract performance obligations.
18. **The required margin value** means the minimum margin value that the obligor must maintain and is calculated by VSD and/or PHS for the derivatives on a trading account.
19. **Margin securities discount rate** means the discount rate when determining the value of margin securities.
20. **Cash margin ratio** means the ratio between the cash margin assets and the total value of the assets to be deposited.
21. **The ratio of using margin asset** means the ratio between the total required margin value and the value of valid margin assets on the margin account.
22. **The ratio of using DTA** means the ratio between the total required margin value and the value of valid margin assets on the DTA.
23. **The rate of using maintained margin asset** means the minimum ratio between the required margin value and the valid assets value that Customer needs to maintain on the Sub- Margin.
24. **The rate of using maintained DTA** means the minimum ratio between the required margin value and with the value of valid assets that the customer needs to maintain on the DTA.
25. **Late Payment** means the total amount PHS has advanced to Customer to pay Customer's obligations, including without limitation the following obligations:
  - Payment of daily position losses, payment of compensation for the performance of Government Bond Futures Contract;
  - Pay fees, charges for late performance of obligations, and costs related to the implementation of Derivatives trading of Customer.
26. **Late Payment fee** means the interest arising from the Late Payment as prescribed in Article 40.2, regulated by PHS from time to time and in accordance with the provisions of law.
27. **Total Amount of Late Payment** includes Late Payment and Late Payment fee.

The above terminology related to Derivatives may be changed or supplemented according to the instructions on Derivatives trading issued by the Competent Authority, Customer shall automatically accept the change or supplement (if any) without having to sign additionally or sign a new Derivatives Contract.

### Article 39. Opening DTA

#### 1. Conditions of opening DTA

PHS opens DTA and provides Derivatives trading service for Customer who opened the STA at PHS only.

#### 2. Customer's commitment

##### a. Customer commits that Customer does not fall into the following subjects:

- i. Person under 18 years old;
- ii. Individuals who do not have full civil act capacity, are serving a prison sentence, or are banned by a court from doing business;
- iii. Be a Director/General Director, Deputy Director/Deputy General Director, department heads, and employees of other Derivatives trading members.
- iv. Other subjects banned from Derivatives trading in accordance with the law from time to time.

Hereinafter referred to as **"Subjects not allowed to trade derivative securities"**.

- b. Customer undertakes to comply with current laws, regulations of Competent Authorities and PHS's regulations relating to DTA, trading on DTA opened at PHS.
  - c. Customer commits that placing a Derivatives trading order complies with regulations of PHS, Stock Exchange, VSD and Competent Authority from time to time.
  - d. Customer commits that when registering to open DTA and perform Derivatives trading at PHS, Customer understood and accepted that PHS's software system will automatically calculate data related to deposits, securities, and margin assets, the amount of the forced selling, the amount to be added on Customer's DTA is correct. Customer actively monitors the above information and does not have any complaints with the data given from the system.
3. At the request of Customer, PHS provides Customer with Services, including without limitation:
- a. Open DTA:  
After Customer opens an STA at PHS, PHS agrees to open a DTA at PHS, at the same time, on behalf of the Customer, open a DMA at VSD in accordance with PHS's regulations from time to time, based on compliance with regulations on opening DTA of Competent Authority.
  - b. Place trading orders at the request of Customer and provide trading results/trading statements on the Customer's DTA;
  - c. Manage positions, margin assets and underlying assets to transfer, record late fees to fulfill daily position loss obligations and implement Derivatives Contract;
  - d. On behalf of Customer to perform deposit, clearing Derivatives with VSD;
  - e. Other Services related to Derivatives business of PHS in accordance with the law.

#### **Article 40. Fees and taxes**

In addition to complying with the provisions of "Service Fees and payment" in Article 6 of this Terms and Conditions, Customer is also responsible for complying with the following provisions:

1. Paying PHS amounts including fees, late fees for performance of obligations, expenses related to the implementation of Derivatives trading of Customer according to the schedule of fee regulated by PHS from time to time.
2. In case Customer fails to pay and/or insufficiently pay the obligations stated in Clause 1 on time, the outstanding obligations are considered as Late Payment of the Customer, accrued and charged with the Late Payment fee and penalty interest according to PHS regulations.
3. PHS has the right (but has no obligation) to automatically deduct or retain partial/entire of the amount on Customer's DTA to pay for Late Payment arising under the provisions of the Derivatives Contract.

#### **Article 41. Margin**

1. Margin assets:
  - a. Margin assets include (i) money; and/or (ii) securities permitted to be used as margin assets in accordance with PHS's regulations from time to time; and/or (iii) other types of assets as provided for by PHS and laws from time to time.
  - b. Customer commits that:
    - i. Margin assets belong to the legal and sole ownership of Customer and in accordance with the law, Customer has the right to use them for deposit to ensure Customer's obligations to PHS as prescribed in this Terms and Conditions;
    - ii. Margin assets are not in the form of giving, donation, inheritance, lending, capital contribution, or security trading in any form to secure any other obligation, including shares purchased in margin loan trading; not a property that is being blocked by a state management agency or organization in accordance with relevant provisions of laws or is not a property being lent under the provisions of laws; not be disputed or potentially disputed about ownership;
    - iii. Margin assets are transferable and have been deposited on securities trading account at VSD;
    - iv. Customer agrees that all margin assets, which are transferred to the DTA, are for margin trading.
  - c. Customer is entitled to withdraw the margin assets when the withdrawal of such margin assets meets the conditions specified in this Terms and Conditions and the regulations of Competent Authority.
2. Customer's margin
  - a. Before performing Derivatives trading, Customer must pay Initial Margin for the Derivatives positions that Customer plans to open. When Initial Margin is added, PHS is entitled to require Customer to deposit completely in cash or partly by cash and partly by securities; in this case, the margin rate in cash cannot be lower than the rate regulated by the VSD.

- b. Value of margin assets, Initial Margin Ratio, Maintenance Margin Ratio, Cash Margin Ratio, and Margin Securities Discount Rate shall be determined according to PHS's regulations from time to time in accordance with regulations of Competent Authority.

Customer agrees that PHS has the right to change/redetermine the values/ratios mentioned above at any time, provided that PHS notifies Customer via the methods specified in Article 4 of this Terms and Conditions.

- 3. By signing Derivatives Contract, Customer agrees to authorize PHS to manage and automatically transfer margin assets that Customer has deposited into the DTA to DMA at VSD or withdraw margin assets from DMA at VSD to DTA at any time according to PHS's decision in order to guarantee to perform the obligations of Customer. Specifically, PHS has the right to automatically withdraw margin assets from DMA at VSD to DTA (i) in case there is a possibility that Customer incurs fee of management margin asset but the balance in DTA is not sufficient for this fee; or (ii) in other cases PHS deems necessary for the interest of Customer.
- 4. In case PHS (i) is revoked its License for establishment and operation; or (ii) is suspended or temporary ceased of operations; or (iii) is total divided, partial divided, merged, consolidated, converted, dissolved, bankrupt, margin assets of the Customer will be handled in accordance with the law.

#### **Article 42. Maintenance deposit, position limit, implementation of Futures Contract**

- 1. Customer is responsible for actively monitoring stock price fluctuations on the market every day, actively adding margin assets, actively closing part or all of the position that Customer are holding to ensure the maintenance of margin, limit position, and performance of Futures Contract ("**Obligations**").

- a. Maintain margin

- i. During the Derivatives trading, Customer is obliged to ensure the margin obligations (including without limitation to the maintenance requirement, the margin for the implementation of Government Bond Futures Contract, etc.);
- ii. During the term of the contract, Customer commits to maintain the rate of using Margin Assets, the Rate of using the DTA according to PHS's regulations from time to time and in accordance with the regulations of the Competent Authority and provisions of law;
- iii. Customer commits to add the collateral when the value of collateral assets falls below the required maintenance margin value or the margin balance does not ensure the maintenance margin ratio in cash as required by PHS. Depending on market conditions, PHS has the right to request Customer to add additional margin in the session.

- b. Maintain Position Limit

- i. Customer must comply with regulations on Position Limit for each type of Derivatives in accordance with PHS's regulations from time to time and in accordance with laws. Before placing trading orders, during the holding time and when performing the contract, Customer commits to maintain on DTA a number of positions smaller than the position limit specified by PHS from time to time and in accordance with provisions of laws;
- ii. PHS has the right to actively set the position limit warning thresholds to monitor the Position Limit on Customer's DTA when deemed necessary, and at the same time PHS will notify and apply necessary measures when Customer violates Position Limit;
- iii. Position Limit is determined according to PHS's regulations from time to time in accordance with regulations of the Competent Authority. PHS has the right to change/redetermine the Position Limit at any time, provided that PHS notifies Customer via the methods specified in Article 4 of this Terms and Conditions.

- c. Execute Futures Contract

During the term of the contract, Customer commits to pay all obligations arising from the ownership of positions on the DTA as prescribed by PHS and in accordance with the provisions of laws.

In case Customer is insolvent for implementing government bonds (cannot prove solvency, is not enough to pay or not enough bonds to transfer), Customer is responsible for paying the compensation according to regulations of PHS and VSD from time to time.

- 2. In case Customer breaches the Obligations specified in Article 42.1, PHS shall send a notice to Customer in the manner specified in Article 4 of this Terms and Conditions. Customer is obliged to supplement margin assets/handle violations of Position Limit/make payment for Futures Contract within the time required by PHS according to the latest notice. Customer must perform Obligations in the following forms:

- a. Additional deposit/deposit in cash;
- b. Additional deposit/deposit by securities on the list regulated by PHS;
- c. Perform reciprocal trading to close positions that is opening. Additional deposit/deposit of other types of assets in accordance with PHS's regulations and laws from time to time;
- d. Other measures depend on each product and each type of obligations according to the provisions of laws.



#### Article 43. Violations and taking actions against violations

1. Event of Default: The Event of Default is considered arising when one/some of the following cases occur:
  - a. Customer breaches or PHS has grounds to believe that Customer breaches any terms in Securities Contract, Derivatives Contract without handling within the time limit as prescribed by this Terms and Conditions (if any);
  - b. There is any commitment or guarantee provided by Customer under the Derivatives Contract or in any other notice/document made/sent by Customer in relation to the Derivatives Contract that is false or incorrect;
  - c. A judgment/decision against Customer is issued by a domestic or foreign Competent Court;
  - d. Customer's assets are subject to enforcement in accordance with provisions of laws;
  - e. Customer dies, loses civil act capacity or is declared missing by the Court (for an individual) or has lost his legal entity (for an organization) such as dissolution, bankruptcy as prescribed by Competent Authority which PHS is known, or Customer falls into Subjects not allowed to trade derivative securities. Customer is insolvent. Customer is considered insolvent in the following cases:
    - i. Customer fails to fulfill its obligations as specified in Article 42.
    - ii. As soon as the utilization rate of collateral is equal to or higher than the ratio of using as regulated by PHS from time to time.
2. Taking actions against violation: When arising an Event of Default, PHS has the sole discretion to apply one/several/at the same time of the following remedial measures without the consent of Customer:
  - a. Suspend trading for Customer's DTA.
  - b. No trading is made to open a new position, except reciprocal trading to close a position.
  - c. Block, unblock, use, sell, close, transfer, deposit, withdraw the Customer's assets on the Customer's DTA, DMA (including without limitation to money, position, securities, other collateral) of Customer in order to (i) settle open positions on Customer's derivative accounts; and/or (ii) offset for losses arising from Customer's open position; and/or (iii) pay for Customer's obligations to PHS.
    - (i) In the case of selling margin securities, PHS has the right to decide and choose the type of assets, methods, processing time, price levels and related matters.
    - (ii) Based on the provisions of this Point, Customer agrees that PHS is entitled to take the initiative to close the position without Customer provides Order Slip/other documents proving the order.
    - (iii) In case all measures specified in this Point have been applied but still fail to fulfill the obligations stated in this Point, PHS is entitled to sell or recover any other assets of Customer on the STA.
  - d. Automatically submit margin assets from DTA to VSD or withdraw margin assets from VSD to DTA to ensure fulfillment of Customer's obligations. In case Customer falls into Subjects not allowed to trade derivative securities, in addition to other handling measures set forth in this Article, PHS has the right to immediately stop receiving trading orders from Customer except for reciprocal trading and close Customer's account right after completing the liquidation of Customer's positions.
  - e. In case Customer violates their payment obligation, violates the obligation to maintain the Ratio of using margin asset, the Ratio of using DTA, violates Position Limit, in addition to other handling measures set forth in this Article, PHS has the right to cancel all pending orders of Customer and at the same time re-order to bring the margin rate to a safe rate at PHS.
  - f. In case Customer is insolvent, in addition to other handling measures set forth in this Article, PHS has the right to close the position, forced position liquidation for the open positions of Customer; is entitled to use, sell, transfer margin assets of Customer to purchase or use as collateral for loans to fulfill payment obligations for Customer's open positions.
  - g. Other handling measures in accordance with provisions of laws.

For clarity, the handling measures referred to in this Article are applicable even in the event of a request from Competent Authority.
3. In case after applying all measures specified in Article 42.2 but still not enough to pay the Customer's obligations, the outstanding amount payable shall continue to be recorded as Late Payment amount of Customer and Customer is responsible for continuing to fulfill payment obligations to PHS.
4. Late Payment fee applying for the Late Payment above are regulated and notified by PHS from time to time.
5. In case Customer violates payment obligations, Customer shall be responsible to PHS, Competent Authority for outstanding obligation related to Customer's DTA. In case Customer violates payment obligations, Customer shall be responsible to PHS, Competent Authority for outstanding obligations related to Customer's DTA.

#### **Article 44. Rights and obligations of Customer**

1. Customer's right
  - a. Owning and exercising the rights of the owner for deposits/margin securities/opened positions and related legal rights and interests on DTA;
  - b. Receiving deposit interest on the balance of deposit for Derivatives trading at the interest rate announced by PHS from time to time; withdrawing position interest, maturity interest of opened position after paying all obligations to PHS;
  - c. Within the time prescribed by PHS, Customer is allowed to withdraw the margin assets on the DMA when the value of margin assets is greater than the value of required margin assets and the withdrawal of these margin assets still ensures the ability to perform payment of Customer to PHS;
  - d. To replace margin assets, but must ensure the regulations on margin and margin securities regulated by PHS from time to time;
  - e. Other rights regulated in this Terms and Conditions and provisions of laws.
2. Customer's obligation
  - a. Do not submit a request or Derivatives trading order in violation of Vietnamese laws, regulations and instructions of Competent Authority and/or PHS's regulations from time to time;
  - b. To fully and promptly pay all losses arising from opened positions and pay for the performance of the Futures Contract upon maturity;
  - c. Regularly check Derivatives trading, payment obligations on DTA. In case of any errors, Customer needs to respond to PHS within twenty-four (24) hours from the time the trading is made. Past the stated time limit, Customer is considered to accept the entire trading, accept the respective trading results, accept the payment obligations and undertake not to raise any complaints, disputes;
  - d. Actively monitor and update information related to Derivatives trading announced by PHS on PHS's website;
  - e. In case PHS has to make advance payment to act on behalf of Customer to fulfill payment obligations and financial obligations when Customer is insolvent, Customer is responsible for confirming unconditional Late Payment (do not need signature confirmation of Customer) and reimbursement to PHS.
  - f. In case PHS is required to sell margin securities, Customer is responsible for performing all obligations related to the sold securities such as paying taxes, fees, and expenses arising from trading as well as information disclosure obligations and other obligations in accordance with law.
  - g. Not to transfer part/all of Customer's rights and obligations under the Derivatives Contract to any other third party without the prior written consent of PHS.
  - h. Other obligations are prescribed in this Terms and Conditions and in accordance with the provisions of laws.

#### **Article 45. Rights and obligations of PHS**

1. PHS's rights
  - a. Refusing to perform request or Derivatives trading orders of Customer in the following cases:
    - If PHS finds that the request/trading order violates or has potential risk of violating the provisions of PHS and/or the regulations of VSD/Stock Exchanges and/or the provisions of law; or
    - Customer has not fully deposited in accordance with PHS's regulations and/or VSD's regulations (except for reciprocal trading); or
    - Orders exceeding the order limit as regulated by PHS and/or VSD/Stock Exchanges and or law; or
    - Orders that together with pending orders on the system of DTA of Customer shall exceed the limit of accumulated orders or orders leading to the Customer's position on the DTA exceeding the Position Limit according to regulations of VSD/Stock Exchanges (if any); or
    - Customer's DTA is insolvent or suspended from trading according to the regulations of the VSD/Stock Exchanges or Competent Authority; or
    - Other cases as prescribed by PHS and/or regulations of VSD/Stock Exchanges and/or law.
  - b. PHS is allowed to dispose of margin assets, positions that is opening on Customer's DTA in the cases specified in the Derivatives Contract and/or according to the regulations of the Competent Authority without opinions of Customer;
  - c. PHS is entitled to change the term of the deposit, margin addition level, method of deposit addition, term of deposit addition, list of securities accepted as collateral, payment term, fees for late performance of deposit obligations, fees for advances and / or other related fees from time to time without the consent of the Customer;



- d. In case PHS makes a false payment/lack of money on Customer's DTA or DMA, PHS may automatically deduct money from these accounts or any of the Customer's securities trading accounts opened at PHS to recover and/or require Customer to promptly and fully repay such wrongly increased amount; In case PHS makes a false payment/lack of money on Customer's DTA or DMA, PHS may automatically deduct money from these accounts or any of the Customer's securities trading accounts opened at PHS to recover and/or require Customer to promptly and fully repay such wrongly increased amount;
  - e. Transfer Customer's DTA to another securities company when PHS cannot provide Derivatives brokerage service;
  - f. When Customer dies, is declared dead, missing (for an individual) by the Court or Customer is not allowed to trade Derivatives, PHS has the right to immediately implement the processing of margin assets, close current positions on Customer's DTA without depending on a testament or commitment about the Customer's obligations to any other third party. The remaining assets of Customer on the DTA after payment obligations shall be handled according to the provisions of laws;
  - g. Other rights specified in this Terms and Conditions and in accordance with the provisions of laws.
2. PHS's obligations
- a. Execute Derivatives trading orders at the request of Customer (provided that the trading order satisfies conditions as prescribed by PHS and by laws);
  - b. Notify Customers of Derivatives trading results:
    - Within twenty-four (24) hours after the order has been executed, PHS shall confirm the trading result with Customer according to the instructions of SSC;
    - Within twenty-four (24) hours after the Customer's request and within three (03) days after the end of the month, PHS sends Customer a trading statement and reports on the trading status on DTA of Customer. The content of the report is guided by SSC.
    - Maintain a data recording system in the accounting of money, securities, open positions and payment obligations of Customer.
  - c. Other obligations are prescribed in this Terms and Conditions and by law.

#### **Article 46. Customer's commitments**

- 1. Customer commits that Customer has been advised and clearly explained by PHS regarding the risks arising when performing derivatives trading. Customer understands and accepts all risks related to derivatives trading, including but not limited to:
  - a. Risk in opening/closing positions, liquidating positions and liabilities payable in the event of a loss;
  - b. Risk related to not being able to cancel a trade order under objective market conditions;
  - c. Risk in case derivatives trading is prevented or restricted from opening new positions at the request of competent state agencies;
  - d. Risk in case PHS is insolvency, or is suspended, temporary ceased of operations, dissolved, or bankrupt; and
  - e. Other potential risks.
- 2. When placing a derivatives trading order, Customer implicitly admits that Customer considered carefully before asking PHS to perform the service for Customer.

#### **Article 47. Termination of Derivatives Contract**

- 1. Derivatives Contract is terminated according to the provisions of Article 13 of this Terms and Conditions. In addition, when Customer has paid payment obligations and other obligations to PHS and a third party (if any), Customer is entitled to terminate the Derivatives Contract by the methods specified by PHS from time to time.
- 2. PHS shall stop providing all services related to Derivatives trading on the intended date of terminating the Derivatives Contract, and PHS will proceed to handle the Customer's the Total Amount of Late Payment on the DTA according to the notice of terminating Derivatives Contract. The remaining assets of Customer on the Customer's DTA after PHS has finished handling the Customer's obligations as stipulated in the notice of termination of Derivatives Contract shall be transferred to the Customer's STA.