

Agreement on Opening of Trading Accounts

Article 1 (Applicability)

This Agreement shall apply to trading between a customer and the Hongkong and Shanghai Banking Corporation Limited, Seoul Branch (hereinafter referred to as the "Bank") on any of the following markets:

1. The Stock Market, the KOSDAQ Market and the KONEX Market established by the Korea Exchange (hereinafter referred to as "the KRX"); or
2. The electronic trading system (hereinafter referred to as "the quotation intermediation system") established by the Association for the intermediation of unlisted stock certificates.
3. KTB (Korea Treasury Bond) and MSB (Monetary Stabilization Bond) trading at Over-The-Counter market

Article 2 (Restriction on Discretionary Trading)

The Bank shall not trade financial investment products with the customer's assets unless otherwise it receives offers or orders for the trading of financial investment products by said customer or his/her agent.

Article 3 (Administration in the Case of Default on Settlement, etc.)

(1) When a customer fails to pay the purchase value or the sold securities by the settlement deadline, the Bank shall settle them on the next business day with cash or securities containing the same content. In the case of any deficit, the Bank may voluntarily cover the deficit with the purchased securities with incurred payables or sales value concerned, and with other cash or securities deposited for the customer by selling them at the required quantity, in such order. In this case, the quantity of the securities that can be sold voluntarily by the Bank shall be determined following the method specified in <Attachment>.

(2) In the case of disposing securities pursuant to Paragraph (1), the offer price shall be subject to one of the following Subparagraphs:

1. The Stock Market: the price that is used in determining the opening price on the Stock Market;

2. The KOSDAQ Market: the price that is used in determining the opening price on the KOSDAQ Market;

3. The KONEX Market: the price that is used in determining the opening price on the Stock Market;
or

4. The quotation intermediation system: the quotation (which should be no less than seventy (70) percent of the basis price of the current day) within thirty (30) minutes from the commencement of quotation intermediation.

(3) A customer shall, in cases where he/she incurs payables to the Bank due to failure in the payment of the purchase value, bear the arrearage for the period in arrears, which is calculated by applying the rate specified in <Attachment>. In the case the Bank intends to change its rate of arrearage, it shall keep the content of the change at its branch offices, or post it via its Internet website, the computer portal for online trading, and other electronic communications media similar thereto for confirmation on demand by the customer prior to the expected date of change.

(4) If the content of the change in the rate of arrearage in Paragraph (3) is unfavorable for the customer, the Bank shall notify the customer of such fact in ways, such as in writing, that were previously agreed with the customer. Provided, That this provision shall not apply to cases where the rate of arrearage prior to the change applies to the existing customer or the customer has explicitly expressed his/her intention that he/she will not receive such notices.

Article 4 (Notification of Trade, etc.)

(1) The Bank shall, when a trade of a financial investment product is executed, follow the methods specified in the following Subparagraphs when notifying its customer of the details of the transaction.

1. The Bank shall notify the customer of information on the trade type, issue and item, quantity, price, all expenses including commissions, and other details of trading immediately after a trade is executed.

2. The Bank shall notify the customer through one of the methods falling under any of the following (in the case of the transactions that are not managed or recorded on account books, limited to item 'a') that have been agreed on in advance between the Bank and the customer. Provided, That in cases when a customer does not want to be notified, the notification may be substituted by keeping the information at branch offices for customers to confirm on demand or posting on the Internet website to enable confirmation at any time.

a. Delivery of notification in writing

b. Telephone, telegram, and facsimile

- c. E-mail or other electronic communications methods similar thereto
- d. Delivery of a letter confirming the trading by using the Korea Securities Depository's computer network for customers who are settlement system participants of the Korea Securities Depository
- e. By internet or a mobile system that enables confirmation at any time
- f. Delivery of notifications by an investment trader or investment broker via text message or a similar method on a mobile system

(2) The Bank shall consult with the customer to determine the method of notification to keep and maintain a record of information on trading initiation before the customer begins engaging in trading.

Article 5 (Notification of Monthly Trading Record, etc.)

The Bank shall notify the customers of the monthly trading records and monthly profit and loss, month-end balance in value and volume, etc. (hereinafter referred to as “monthly trading records and etc.”) by the twentieth (20th) day of the following month. The Bank shall notify its customers of the half-year-end balance both in value and volume by the twentieth (20th) day after the end of such semi-annual period for accounts that have no records of trading financial investment products, in the manner prescribed in [§5(1)2]. Provided, That cases that fall under any of the following Subparagraphs shall be deemed to have notified the customers of the monthly trading records and etc. or the half-year-end balance both in value and volume.

1. Having the content available at its branch offices for on-demand notification for the accounts, to which mail notification, covering monthly trading records etc. or the half-year-end balance in value and volume have been given but returned more than three (3) times;
2. Having the content on the half-year-balance in value and volume available at its branch offices for on-demand notification for accounts that have no record of trading for the semi-annual period, and whose appraised value of assets does not exceed the amount set by the Governor of the Financial Supervisory Service;
3. Trading through passbook for confirmation of trading records on demand by the customer.

Article 6 (Amendment of Agreement, etc.)

(1) The Bank shall, when intending to amend an agreement, keep the content of the change (including whether amended terms apply to existing customers, the comparison table of old and new terms, etc.) at its branch offices or post it via its Internet website, the computer portal for online trading, and other electronic communications media similar thereto thirty (30) days before the effective date of the

agreement for confirmation by the customer. Provided, That under an urgent and inevitable circumstance that it is difficult to provide information as prescribed in this Paragraph, such as in the case of amendment of the agreement due to institutional change following enactment or amendment of the regulations on business conduct of KRX or relevant laws and regulations including the Capital Markets Act, the Bank shall post the content of such amendment as set out in this Paragraph before the effective date of the agreement subject to the amendment.

(2) If the content of the amendment in Paragraph (1) is unfavorable or important to customers, the Bank shall individually notify them of such fact (including the comparison table of old and new terms) thirty (30) days before the effective date of the agreement subject to the amendment in ways, such as in writing, that were previously agreed with the customers. Provided, That this provision shall not apply to cases where the content of the agreement prior to the amendment applies to existing customers or a customer has explicitly expressed his/her intention that he/she will not receive such notices.

(3) The Bank shall, in cases where it gives the notice in Paragraph (2), deliver the following message: “A customer may cancel the agreement in cases where he/she does not assent to the amendment of the agreement, and shall be deemed to have assented to the agreement in cases where he/she does not express his/her intention to cancel the agreement from the date on which he/she received the notice until the effective date of the agreement subject to the amendment.”

(4) A customer shall be deemed to have assented to the amendment in cases where he/she does not express his/her intention to cancel the agreement from the date on which he/she received the notice in Paragraph (3) until the effective date of the agreement subject to the amendment.

(5) The Bank shall have the Agreement available for on demand confirmation by the customer or post the Agreement at its branch offices for delivery to customers upon request, and post it on its Internet website, on the computer portal for online trading, and on other electronic communications media similar thereto for confirmation and download (including screen-printing) by customers.

Article 7 (Notification of Changes in Described Content)

The customer shall, when there is any change in his/her address, phone number etc., the name and address of the agent (if he/she has an agent), the scope of proxy, or any other content described in the application for the opening of an account, immediately notify the Bank of the content thereof.

Article 8 (Release from Responsibility)

The Bank shall not be responsible for any loss incurred to the customers due to causes falling under any

of the following Subparagraphs, when there are no causes attributable thereto:

1. Postponement of or incompetence in the execution of a trade, the receipt and deposit of trading value, or the custody of securities as a result of a natural disaster, war or accident, or the case of force majeure corresponding thereto; or
2. Losses incurred due to a cause attributable to the customer.

Article 9 (Transfer and Creation of Pledge)

A customer may transfer assets including cash and financial investment products or provide them as a pledge (referring to the creditor's right to hold the security until the debtor repays the debt and to take precedence in getting repaid with respect to such security) with the Bank's assent.

Article 10 (Limitation on Transactions)

(1) In the event that an account is used as an account for fraud under the Special Act on the Prevention of Loss Caused by Telecommunications-Based Financial Fraud and Refund for Loss, the Bank may limit financial transactions by the holder of such account, including on the opening of accounts and lowering the withdrawal and transfer limit of the relevant account, etc.

(2) In the event that financial transactions, including the opening of accounts, etc., are limited in accordance with Paragraph (1), the Bank shall notify such fact to the relevant account holder.

Article 11 (Cancellation of Non-Real Name Account)

(1) A customer shall open a trading account in his/her real name in conformity with the Act on Real Name Financial Transactions and Guarantee of Secrecy.

(2) As for an account that has violated Paragraph (1), the Bank may cancel the account and suspend the trading of such account without prior notification to the customer.

Article 12 (Notice of Warning on Day-Trading)

The Bank shall notify the customer of the risks intrinsic to day-trading (referring to transactions conducted for the purpose of gaining profits by taking advantage of intra-day price fluctuations in a way that the same issues are purchased and then sold, or sold and then purchased on the same day).

Article 13 (Compliance with Relevant Laws and Regulations, etc.)

The Bank and customers shall comply with the Financial Investment Business and Capital Markets Act,

the Enforcement Decree and the Enforcement Rule of the same Act, Regulations on Financial Investment Business and the Detailed Enforcement Regulations of the same Regulations, Korea Financial Investment Association's Regulations on Business Conduct and Korea Exchange's Regulations on Business Conduct, etc., (hereinafter referred to as "Relevant Laws and Regulations, etc.)

Article 14 (Dispute Mediation)

The customer shall, should a dispute arise with the Bank, request the settlement thereof to the Bank's grievance body, or apply to the Financial Supervisory Service, Korea Financial Investment Association, Korea Exchange, etc. for mediation.

Article 15 (Competent Court)

In the event that there is a need for a lawsuit between the Bank and its customers with respect to a dispute arising from transactions conducted in accordance with this Agreement, a lawsuit related to a contract for a financial product through door-to-door sales and non-face-to-face methods utilizing information and communications technologies such as wired, wireless, video communications, and computers shall be subject to the exclusive jurisdiction of the district court having jurisdiction over the address of the customer at the time of filing the lawsuit or, if there is no address, the district court having jurisdiction over the residence. Provided, That if the address or residence of the customer is not clear at the time of filing the lawsuit, or if the contract does not fall under those concluded through the aforementioned non-face-to-face methods, the competent court shall comply with the matters prescribed by the Civil Procedure Act.

Article 16 (Miscellaneous)

(1) Any matter not prescribed in this Agreement shall, unless otherwise agreed, comply with the provisions prescribed in the relevant laws and regulations, etc.; in the case that there are no provisions in relevant laws and regulations etc., it shall comply with commercial practices.

(2) The Agreement on Using Electronic Financial Transactions and the Electronic Financial Transaction Act shall have priority over any electronic financial transactions that may fall under the purview of this Agreement.

※ This Agreement is provided in accordance with the Act on the Protection of Financial Consumers and the internal control procedures of the Hongkong and Shanghai Banking Corporation Limited, Seoul Branch.

<Attachment>

1. The method “specified in <Attachment>” in Article 4 Paragraph (1) shall be as follows:

- The quantity subject to forced liquidation shall be determined based on 85% of the price (for securities classified as Grade S or A) or 80% of the price (for securities classified as Grade B or below), as of the disposal date of the securities scheduled for sale, taking into account the applicable trading unit.

Provided, however, that if any deficiency remains unresolved after the order is executed at the opening price, the outstanding shortfall may be recalculated based on the lower limit price and the liquidatable quantity, and a manual forced liquidation order may be placed for the corresponding amount.

2. The rate “specified in <Attachment>” in Article 4 Paragraph (3) shall be as follows:

1) Late Payment Charge on Outstanding Receivables: 11% per annum

2) Calculation of Default Interest

Default Interest = Outstanding Receivables × Default Interest Rate × Number of Elapsed Days ÷ 365

(Any amount less than one Korean won shall be disregarded; in the case of a leap year, 366 days shall apply.)