

**A&A SECURITIES INC.  
ONLINE SECURITIES TRADING AGREEMENT**

This confirms my/our application to open an Online Securities Trading Account (“Account”) with A & A Securities (“A&A”), a duly licensed broker of the Philippine Stock Exchange (“PSE”), with office address at Suite 1906 Security Bank Centre, 6776 Ayala Avenue, Makati City 1226. Accordingly I/we (“Client”) shall be governed and bound by the terms and conditions of A&A as follows:

**I. ROLES OF CLIENT & A&A**

Client appoints A&A as designated stockbroker to purchase and sell Philippine securities. Client shall directly place his own securities orders through A&A’s PSE Tradex Explore platform, subject to the rules and regulations of the PSE, the Securities and Exchange Commission, the Securities Clearing Corporation of the Philippines (“SCCP”), and other entities which exercise supervisory and regulatory authorities over the stockbrokerage industry.

Client shall use his own investment discretion and strategy in selecting which and how much stocks to buy or sell, and thus, shall assume full risk and responsibility for his personal trading decisions.

It is understood that A&A is only a securities broker, and does not provide legal, tax, or accounting advice regarding the suitability or profitability of any investment, including the fact that certain securities may grant rights subject to expiration if no positive action is taken by the client, the monitoring of events and occurrences like corporate reorganizations of the companies whose stocks Client purchased and similar factors which might affect their value, and other investor concerns.

**II. REQUIREMENTS FOR OPENING ACCOUNT**

- A. Submission of duly filled out required documents;
- B. Deposit of Maintenance Balance of P2,000 per registered online account referred to as the “Log-in Account”.
- C. Deposit of amount not less than the total value of intended purchase order of stocks inclusive of all charges.

**III. TRADING POLICIES & PROCEDURES**

- A. Upon approval of Client’s application by A&A, a private Identification Code (“IC”) and Trading Account Number (“TAN”) shall be assigned to the Client. This online account with an assigned IC shall be referred to as the “Log-in Account”.
- B. Client may open more than one joint trading account or sub-accounts bearing his/her name under the same Log-in Account.
- C. A Log-in Account shall maintain the required minimum balance of P2,000 which may not apply as payment for any unpaid amount arising from stock purchases and other charges.
- D. Account must have sufficient available funds PRIOR to placement of a purchase order exclusive of maintenance balance required of the Log-in Account.

- E. Security and privacy of IC shall be the sole responsibility of Client. Transactions in Client's Account are deemed to have been done through Client with his full knowledge and consent.**
- F. Account will be automatically deactivated for online trading in the absence of account activity over a period of one year or if the maintenance balance has been depleted to zero balance, whichever comes first.**
- G. Account opened jointly shall be specified as "AND" or "OR" but not "AND/OR".**
- H. The primary account holder designated in a joint account shall prevail over any conflicting instructions of other account holder/s directed to A&A.**
- I. Stock certificates submitted to A&A for lodging with PDTC may be traded/sold only after these certificates have been cleared by PDTC.**
- J. Short selling, or selling any security not existing in the Account at the time the selling order is placed is strictly prohibited. In a short selling transaction, A&A shall on its discretion repurchase for Client's account the oversold securities whenever Account is not properly secured.**
- K. Confirmation of transactions shall be transmitted within the day of execution via email to Client's designated address. A&A shall not be held liable for failure to transmit confirmations to Client due to failure of communication systems beyond the control of A&A. All communication sent by mail, email, telegraph, telephone, fax, or messenger shall constitute personal delivery to Client.**
- L. Purchase and Sales Confirmations are deemed accurate and final unless advice of discrepancy is received by A&A not later than 12noon of the immediate following trading day after confirmation was remitted to Client.**  
  
**Statements of Account are deemed accurate and final unless advice of discrepancy is received by A&A not later than 5 trading days after Statement of Account was remitted to Client.**
- M. Client's securities shall be lodged with the Philippine Depository and Trust Corporation ("PDTC") under the name of A&A in the absence of any written instruction to register them in registered name of Client.**

#### **IV. SETTLEMENT POLICIES**

- A. SCCP credits stockbrokers the proceeds of selling transactions on the 3<sup>rd</sup> trading day after sales transaction date; hence, sales proceeds are available for withdrawal or for trading only on the day funds are received from SCCP.**
- B. Fund remittance to A&A shall be done either by delivery of the funds to A&A's office address or by direct deposit to A&A's designated bank account.**

#### **BANK DETAILS FOR DIRECT DEPOSIT:**

**Account Name: A&A SECURITIES, INC.  
Savings Account Number: 003-600-000-165  
BANCO DE ORO Ayala Triangle Branch  
Makati City 1226**

**FOREIGN REMITTANCE BANK DETAILS:**

**Account Name:** A&A SECURITIES, INC.  
**Account Number:** 0061-011050-201  
**SWIFT CODE:** SETCPHMM  
**Name of Bank:** Security Bank & Trust Corporation  
6776 Ayala Avenue, Makati City 1226  
**Telephone #:** (632) 888-7284

- C. To confirm payment, the photocopy of the validated bank deposit slip with written name of depositor/account name must be transmitted to A&A through email or fax.
- D. Check payments to A&A are subject to clearing by A&A depository bank prior to stock purchase by Client.
- E. Fund withdrawals from Account are paid in check by A&A issued to the registered name.
- F. Payments to Client shall be in check and remitted through direct deposit to Client's designated bank account. The photocopy of the validated bank deposit slip shall be emailed to Client.

**V. FEES AND CHARGES**

- A. Broker's commission equivalent to  $\frac{1}{4}$  of 1% (0.25%) of gross trade amount (shares x unit price) or P50 per transaction, whichever is higher;
- B. Value Added Tax (VAT) on commission fees;
- C. SCCPfees equivalent to .01% of VAT-inclusive gross traded amount
- D. Sales Tax: No. of shares x Price/share x.005 (applicable only for SELLING transactions)
- E. PSE Tradex monthly fees per active Log-In Account  
*Note: Total aggregated monthly fees over 4-month period with cut off dates April 30, August 31, and December 31 shall be refunded to Client if total commission fees on transactions in Log-In Account inclusive of subaccounts as of cut-off dates is at least equal or exceeds the aggregated PSE Tradex fees.*

**VI. OTHER TERMS & CONDITIONS**

- A. This Agreement shall be supplementary to whatever agreements have been executed with A&A and should be interpreted in harmony therewith. Declaration of invalidity or unenforceability of any provision herein or in such other agreement shall not affect the validity of the remaining provisions of this Agreement;
- B. A&A may upon notice modify the terms of this Agreement. Continued use of A&A's online trading services following receipt of notice of modification of terms without objection from Client shall be equivalent to acceptance thereof and shall be bound thereby;
- C. A&A has the right to suspend or discontinue the online services provided herein without prior notice for the following or analogous reasons including but not

limited to system maintenance, website upgrade, enhancement or modification or for other just causes as determined by A&A;

- D. Breach or default by Client shall entitle A&A to exercise possessory lien on Client's securities and other assets held with A&A, in addition to other rights and remedies available to a secured and preferred creditor;
- E. A&A is a government-regulated entity and as such, may disclose information pertaining to Client's Account when requested by the duly constituted authorities.
- F. The entire understanding and agreement with A&A shall not be assigned to a third party without prior written consent of A&A. Upon A&A's consent, the entire terms of this agreement shall be binding upon such heirs, executors, administrators, personal representatives and assignees of the Client.
- G. A&A, its officers, directors, and employees shall not be responsible for any damages arising from security breaches and unexecuted orders due to delay, trading halt or failure of the PSE Tradex System, poor transmission quality, system and website maintenance upgrade, computer software or hardware malfunction, electronic or mechanical failure, inter-connection problems with service provider, technical glitches and other causes beyond the control of A&A. In such unexpected cases mentioned above, Client shall contact A&A's personnel at the office during trading hours as an alternative means to place, modify or cancel their orders.

IN WITNESS WHEREOF, I/we have affixed my/our signature on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at \_\_\_\_\_ City, Philippines.

**CONFORME OF CLIENT:**

ACCOUNT NAME: \_\_\_\_\_

TRADING ACCOUNT NO. \_\_\_\_\_

Special instructions for accounts with more than one authorized signatory:

any one             any two             all/jointly

other instructions: \_\_\_\_\_

1. _____ Printed Name / Authorized Signatory	_____ Signatures (Pls sign twice)
2. _____ Printed Name / Authorized Signatory	_____ Signatures (Pls sign twice)
3. _____ Printed Name / Authorized Signatory	_____ Signatures (Pls sign twice)
4. _____ Printed Name / Authorized Signatory	_____ Signatures (Pls sign twice)
5. _____ Printed Name / Authorized Signatory	_____ Signatures (Pls sign twice)