

## TERMS AND CONDITIONS

This Agreement confirms the terms and conditions that shall govern the relations between \_\_\_\_\_, CLIENT, and Meridian Securities Inc., BROKER, to acts as Securities Broker for and in behalf of the CLIENT at the Philippine Stock Exchange.

CLIENT hereby acknowledges that all orders for purchase or sale of publicly listed securities shall be subject to the prevailing rules of the Philippine Stock Exchange, Inc. ("PSE") or any other exchange of which BROKER may be a member, and to the rules and regulations of the Securities and Exchange Commission ("SEC") the laws of the Republic of the Philippines, and to the following contractual terms and conditions:

1. CLIENT may issue orders for the purchase and sale of securities by any of the following means:
  1. verbally (whether in person, through the telephone or other similar means),
  2. in writing (fax, telex or other similar means)
  3. or through an authorized representative.
2. CLIENT hereby waives any objection to BROKER's full reliance and immediate action, in good faith, with such orders. BROKER shall not be held liable for any losses or damages as a consequence of acting upon such orders and instructions. CLIENT undertakes to indemnify BROKER against all losses and damages incurred or sustained by him by relying upon such orders and instructions.
3. BROKER shall exert its best efforts to comply with all orders and instructions, but cannot warrant that any such orders and instructions can be fully executed.
4. All verbal confirmation of transactions made by BROKER to CLIENT shall not be binding as to its actual execution, or as to any details of such transactions until the due issuance of CLIENT's transaction confirmation notice.
5. All orders for the purchase of securities shall be settled by CLIENT, in cash, within three (3) trading days from the date of execution. Any upward or downward fluctuation in market price of the securities purchased shall be for CLIENT's account and risk until actually sold or disposed of. BROKER is hereby expressly authorized, at its sole discretion, to sell securities as may be necessary to cover the unpaid order or balance thereof, without prejudice to CLIENT's liability for any deficiency remaining after sell-out.
6. BROKER may from time to time, and at its own discretion, require full or partial payment for securities purchases before executing such orders. In case of orders to sell securities, BROKER may require advanced delivery of securities or certificates duly endorsed before execution of such orders.
7. CLIENT shall not hold BROKER liable for any delay or failure in the execution of orders due to failure of communication, or trading computer facilities or for any other technical causes beyond BROKER's control.
8. In the event of CLIENT's death, incapacity or unexplained absence, or whenever at the discretion of BROKER it is deemed necessary and prudent, CLIENT hereby expressly authorizes and empowers BROKER to sell any or all securities in any of CLIENT's account/s (whether carried individually or jointly with others), to cover any and all account liabilities, interest charges, government fees, and any other charges that may be due and outstanding to BROKER.
9. CLIENT may pledge securities and other property as collateral for the payment of any liability to BROKER. CLIENT hereby guarantees the same shall be free from any and all liens and encumbrances, and are pledged to secure any liability which may now or hereafter exist in favor of BROKER.
10. CLIENT warrants that in the event that such liens, unknown to Broker, should prevent subsequent negotiation of the said collateral securities, Broker may, at its sole discretion, buy back the securities and collect from CLIENT whatever amount may be due by reason of such buy back; to buy any or all securities to cover any short positions in such account/s; to transfer monies or securities from any one of CLIENT's accounts to any other, and to close any and all outstanding obligations.
11. CLIENT authorizes BROKER, at its sole discretion and at any time to sell all or part of such collateral securities and property without prior notice to CLIENT, whenever in BROKER's judgment CLIENT's liabilities are not adequately secured. CLIENT shall at all times be liable for the payment of any indebtedness on unpaid balances owed to any account/s, together with interest, including any other acts or charges herein provided.
12. CLIENT's unpaid accounts shall commence to bear interest from the time they become due and shall be charged at the prevailing interest rate, compounded monthly, and applied to the average daily debt balance owing. The monthly balance shall be charged, in addition to the interest, a penalty charge of 2% per month. In the event of a lawsuit to enforce collection, CLIENT expressly agrees to pay attorney's fee of at least twenty-five (25%) percent of the amount involved plus damages and charges.

13. All communications, whether by telephone, mail, telegram, or facsimile sent to CLIENT at the address and contact numbers specified in this Client Information Sheet or at such address as may hereafter be specified in writing, shall constitute personal delivery to CLIENT whether or not actually received.

14. Should CLIENT fail to notify BROKER in writing of any change of address, all communications shall be directed to the last known address appearing in BROKER's records. It is expressly agreed that the contents of all such communications sent to CLIENT shall be conclusive as to their correctness and acceptance in the absence of any written objection thereto received by BROKER within twenty-four hours from the time the communication was sent.

15. CLIENT hereby recognizes the volatility of the securities market and acknowledges the inherent risk of investing in publicly listed stocks, and hereby expressly declares it as its investment preference, holding BROKER and/or its associates free and harmless against any and all costs, losses, damages, fines, penalties and taxes that it may incur arising out of or in connection with any of its functions as Broker.

16. Out-of-Town CLIENTS shall be required to open a bank account at a Bank specified by BROKER to which all cash proceeds for the CLIENT shall be remitted. All securities purchased shall be registered under Meridian Securities, Inc. unless otherwise instructed by CLIENT.

17. CLIENT may terminate any of its accounts by giving 30 days advance written notice. BROKER, in its prudent discretion, may terminate CLIENT's account/s at any time, effective upon simple notice to CLIENT. Such termination shall not affect any prior rights or obligations between the parties.

18. In the event of litigation, or any controversy arising out of this Agreement, BROKER's records shall be the final and conclusive evidence of CLIENT's obligation. Should there be two or more account holders of this Agreement, CLIENT's liability shall be joint and several, and BROKER may accept orders and instructions from any of the account holders. Upon receipt of any conflicting or inconsistent order, or an unauthorized or illegal instruction, or notice of any court order or process related thereto, BROKER may unilaterally suspend or terminate CLIENT's account in the exercise of its prudent discretion.

19. BROKER is duty-bound to exercise the same degree of care and protection over customer's securities and other properties in its custody, as gives its own property; however, BROKER shall not be liable for any loss or damage caused directly or indirectly by war, invasion, civil war, civil unrest or any disruption in business operations caused by order of any civil authority, or by natural disasters and acts of God.

20. Should any provision of this Agreement be held unenforceable, for any reason, such determination shall not affect the validity of the remaining provisions of this Agreement.

I/we confirm that I/ we have read this Agreement and that the contents of this Agreement have been fully explained to me/us in the language, which I/we understand, and that I/we accept this Agreement. We have signed this document in the City of Pasig, Philippines this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

IN WITNESS WHEREOF

\_\_\_\_\_  
Signature of Principal Applicant

\_\_\_\_\_  
Signature of Joint Applicant

With my marital consent:

\_\_\_\_\_

\_\_\_\_\_  
Signature of Joint Applicant's Spouse