



### **Securities – Margin Call Policy**

- Emperor Securities Limited (“the Company”) reserves the right to revise Client’s credit limit according to Client’s portfolio holdings, trading records and any other factors.
- If the Client account exceeds the following ratios or conditions, the Client must take the necessary actions (for example, deposit sufficient fund into the account) so that the debit balance will not exceed the margin value and the credit limit.

#### **Margin ratio > 100% OR debit balance > credit limit (the “Margin Call Condition”)**

- If the account of the Client exceeds the above ratios or conditions, the Company will issue margin call to the Client. If the deficit in the account is in foreign currency and the Client fails to settle the deficit in a specific time period, the Company will, without further notice to the Client, initiate the exchange of currency from HKD to that foreign currency in Client’s account according to the prevailing foreign exchange rate determined by the Company from time to time to settle the foreign currency deficit. Under such circumstances, there may have HKD deficit in Client’s account and the relevant deficit and interest should be fully borne by the Client. If the Client fails to settle the deficit before the specified time, the Company may exercise its discretionary right to force liquidate the securities held in the Client’s account to settle the amount.
- If the Margin Call Condition occurred, the Client must meet the margin call at least 15 minutes before the market close on the same day. If the Client does not take the necessary actions to meet the margin call before the abovementioned deadline, the Company may exercise its discretionary right to sell the securities held in the account.
- During adverse conditions, such as under a volatile and unstable markets situation during the margin call period, the Company may take immediate action, in its absolute discretion, to sell the securities held in the Client’s account in whole or in part at any price to protect Client’s interest and settle the debit balance without prior notice to Client. In such event, any loss, and/or deficiency resulting therefrom shall be fully borne by the Client who shall settle such accounts upon demand together with interest and commission thereon.
- **The Company reserves the right to change the margin level and deadline as it deemed necessary. The Company might in certain circumstances be unable to immediately inform the Client of any margin requirement changes in time. Client shall take primary responsibility to ensure sufficient margins are maintained at all time.**

### **Stock Option - Margin Call Policy**

- If the account’s cash balance is lower than the deposit requirement required by the exchange and clearing houses, the Client shall deposit additional margin into the account to restore the cash balance to the required deposit requirement for exchange and clearing houses.
- If the margin call is issued in the morning session, the Client shall meet the margin call before 15:30 on the same day.
- If the margin call is issued in the afternoon session, the Client shall meet the margin call before opening of morning session on the next trading day.
- Failure of the Client, for whatever reason, to deposit the full amount of additional margin by the abovementioned prescribed time or the cash balance to initial margin ratio be less than 50% at any time or the total equity of the Client’s account be less than 30% of the initial margin at any time (even the cash balance to initial margin ratio >100%) , would result in strict settlement of the Client’s position(s) in whole or in part at any market price in the Company’s absolute discretion without prior notice to Client.
- During adverse conditions, such as under a volatile and unstable markets situation during the margin call period, the Company may take immediate action, in its absolute discretion, to close the position in the Client’s account in whole or in part at any price to protect Client’s interest and settle the debit balance without prior notice to Client. In such event, any loss, and/or deficiency resulting therefrom shall be fully borne by the Client who shall settle such accounts upon demand together with interest and commission thereon.
- **The Company reserves the right to change the margin level and deadline as it deemed necessary. The Company might in certain circumstances be unable to immediately inform the Client of any margin requirement changes in time. Client shall take primary responsibility to ensure sufficient margins are maintained at all time.**

Acknowledge Receipt by:

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Client Name:  
A/C Number:  
Date: