



**Citiseconline.com, Inc.**  
2401-B East Tower, Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center, Pasig City, 1605 Philippines  
Customer Service Hotline (632) 6-333-777  
Fax No. (632) 6-363-512  
Email Address: helpdesk@citiseconline.com

## ONLINE SECURITIES TRADING AGREEMENT

This formalizes and confirms my/our application to open an Online Securities Trading Account ("OSTA") with CITISECONLINE.COM, INC. ("COL") in order to buy and/or sell stocks in the Philippine Stock Exchange ("PSE") via the internet and the electronic facility services of COL subject to the prevailing rules of the PSE, the regulations of the Securities and Exchange Commission ("SEC") and other government agencies, and I/we hereby agree to be bound by the following terms and conditions:

### 1. **ONLINE BROKERAGE SERVICE**

COL, an SEC licensed broker in securities providing clients with online brokerage services, shall act as my/our broker for the sale and/or purchase of securities listed in the PSE.

### 2. **COL AS ATTORNEY-IN-FACT**

For the purpose of selling, buying, or performing other acts stated herein, I/we hereby irrevocably appoint and constitute COL, its officers, employees, or successors-in-interest and/or assigns, as my/our true and lawful attorney-in-fact with full power and authority to execute my/our buy or sell orders, lend or borrow securities, execute bills of sale, receipts, assignments of all my/our rights, title and interests to the purchaser/s thereof, and to deliver or accept delivery of the corresponding stock certificates, and to do all other acts which COL may do or cause to be done in accordance with the powers herein conferred, all of which are hereby deemed ratified by me/us in all respects for this purpose. COL shall be entitled to rely on any instruments, notices and communications which COL believes to have originated from me/us and I/we shall be bound thereby.

### 3. **ONLINE SECURITIES TRADING ACCOUNT (OSTA)**

I/We shall open and maintain an online securities trading account ("OSTA") with COL which will enable me/us to personally execute my/our buying and selling of stocks listed in the PSE subject to the terms and conditions and limitations provided in this Agreement. I/We agree to place a minimum deposit of PHP25,000.00 for regular account or PHP5,000.00 for an EIP account.

### 4. **TRADING FEES**

In consideration of the foregoing, I/we hereby agree to pay COL the following:

- 4.1 Commission at the rate of 1/4 of 1% of the amount purchased or sold via the internet. For buy or sell orders executed through a broker over the phone, the commission rate shall be 1/2 of 1%. In no case, however, shall the commission be less than the amount of PHP20.00 per executed order. I/We acknowledge that the commission rate is set solely by COL and I/we agree that COL may change the commission structure at any time upon reasonable notice given;
- 4.2 Transfer or settlement fees;
- 4.3 Depository or custodianship fees;
- 4.4 Transaction fees;
- 4.5 Documentary stamps tax and stock transaction tax;
- 4.6 VAT on commission, and other levies and duties thereon.

### 5. **PAYMENTS AND WITHDRAWALS**

- 5.1 All payments to my/our OSTA shall be made by cash, checks, bank drafts or telegraphic transfers, which shall either be delivered to COL's office or deposited and credited to a designated bank account of COL, as the case may be. My/Our OSTA shall not be credited with any deposited funds until COL receives cleared funds in the amount stated in the deposit form, less bank charges, if any.
- 5.2 Any request for cash or stock withdrawals from my/our OSTA shall be made in writing and delivered personally or sent to COL's office by messenger or by telefax. A request sent by fax to deposit any cash credit on my/our OSTA with a particular bank of my/our choice indicating therein the name of the bank and account number shall be subject to COL's approval, provided, that I/we shall assume all the risk or loss that may result thereto.

### 6. **PURCHASE OF STOCKS**

- 6.1 To process orders to purchase stocks, my/our OSTA must have available funds equal to or greater than the purchase price of the stocks prior to the transaction date. Any order inadvertently accepted and/or executed without sufficient funds in the OSTA shall be subject to cancellation or liquidation at COL's discretion. I/We shall be responsible for all my/our orders, including those which exceed the available funds in the OSTA.
- 6.2 Upon execution of the purchase, my/our OSTA shall be debited the amount equivalent to the sum of the purchase price and the applicable commission, plus all other incidental expenses.

- 6.3 I/We hereby agree that all securities which I/we purchased shall be lodged by COL with the Philippine Depository and Trust Corporation and, in the absence of my/our contrary written instructions, securities I/we purchased shall be registered in COL's name as street certificates.
7. **NO SHORT SALE OF SECURITIES**  
Short sale of securities is not allowed and I/we hereby agree not to place any short sale orders. Any short sale inadvertently accepted and/or executed by the online system without the corresponding stock position in my/our OSTA shall be subject to cancellation or liquidation at COL's discretion. I/We shall be responsible for all my/our orders, including those which exceed the available stock positions in the OSTA.
8. **ONLINE TRANSACTIONS**  
8.1 All orders for the purchase or sale of stocks using COL online services and my/our OSTA shall be deemed authorized by me/us and executed with the understanding that an actual purchase or sale is intended and that it is my/our obligation prior to any purchase or sale to verify from the OSTA the stock position and available funds.  
8.2 I/We hereby agree that while online orders are usually routed to the stock exchange within seconds from the placing of the orders, certain orders, at COL's sole discretion, may be subjected to manual review and entry, which may possibly cause delay in the processing of my/our orders. It is likewise understood that I/we shall receive the price at which the order is executed in the stock exchange which may be different from the price at which the stock is trading at the time of the order and when it is entered into COL's online system.
9. **WARRANTIES**  
9.1 I/We represent and warrant that: (i) I/we shall use COL's service only in accordance with the terms and conditions of this Agreement; (ii) I/we shall be the only authorized user of the service under this Agreement; and, (iii) I/we shall be solely responsible under any and all circumstances for the use and confidentiality of my/our User ID and trading password.  
9.2 I/We agree to enter my/our online orders using my/our own internet software and agree that all orders entered via the internet are my/our sole responsibility and that such orders executed through COL are unsolicited. I/We agree to protect my/our User ID and trading password and maintain the security of whatever system I/we use to connect to the internet. I/We acknowledge that COL has done everything reasonable to provide secure transactions over the internet and shall not be responsible for any security failure of the internet.  
9.3 I/We acknowledge that COL offers various ways of accessing my/our OSTA, including telephone and online services. I/We undertake to exert reasonable efforts in using these alternate methods to communicate with COL in the event that I/we experience problems in communicating with COL.
10. **ASSUMPTION OF RISKS**  
10.1 I/We agree to fully accept the risk for all of the online orders I/we enter and the trading decisions attendant thereto. I/We acknowledge that entering an order with COL, whether online or otherwise, does not guarantee execution of the order, and agree therefore that COL shall not be responsible for any order that is not executed.  
10.2 I/We shall make my/our own investment judgments and decisions without reliance on COL and shall assume full and exclusive responsibility for all transactions in or for my/our OSTA. I/We agree that COL shall have no liability in connection with any of my/our transaction in and for my/our OSTA and investment decisions.
11. **NO INVESTMENT ADVICE**  
I/We hereby acknowledge that COL will not provide me/us with legal, tax or accounting advice or advice regarding the suitability or profitability of a security or investment. I/We likewise acknowledge that COL's employees are not authorized to give any such advice and that I/we will not solicit or rely upon any such advice from COL or any of its employees.
12. **LIMITATION OF LIABILITY**  
12.1 I/We hereby acknowledge that COL, its affiliates, directors, officers, employees, and agents shall not be liable for losses resulting from a cause over which COL or its affiliates or partners do not have direct control including, but not limited to, the failure of electronic or mechanical equipment or communication lines, telephone or other interconnection problems including the inability to connect with my/our internet service provider. I/We agree that COL shall not be responsible for any problems, technical or otherwise, that might prevent me/us from entering orders or prevent COL from executing orders.  
12.2 COL, its affiliates, directors, officers, employees, and agents shall not be responsible to me/us for any loss, damages, or litigation costs resulting from any error of fact or judgment, or from action taken or inaction or omission or default by COL, its affiliates, directors, officers, employees, and agents, or from any consequences whatsoever, save and except where such loss, damage or cost is suffered as a direct result of its gross negligence or willful misconduct.  
12.3 I/We agree that I/we shall not hold COL, its affiliates, directors, officers, employees, and agents liable whatsoever for losses or damages resulting from any failure of electronic or mechanical equipment, software or systems malfunction, errors or delays and any and all technical problems that may arise in the course of providing the online brokerage services. Furthermore, I/we hereby agree that COL may discontinue the online services provided herein without prior notice to me/us.
13. **DELIVERY OF CERTIFICATES**  
Without abrogating any of COL's rights under any other provision of this Agreement and subject to any indebtedness I/we may have with COL, COL shall, upon appropriate demand, deliver to me/us the fully paid certificates of stock unless such delivery is prevented by circumstances beyond the control of COL.

**14. CONFIRMATIONS AND ACCOUNT STATEMENTS**

On February 1, 2007, the Securities and Exchange Commission granted Citiseconline.com, Inc. exemptive relief from SRC Rule 30.2-2 and SRC Rule 52.1-8. Accordingly, COL shall furnish me/us with account statements and confirmations of all executed purchase and sale transactions on the day these are made by means of electronic mail sent to the email address appearing in COL's records. These shall be binding upon me/us if no written objection is made no later than 12 noon of the next business day. I/We acknowledge that COL has the right to determine the validity of my/our objection to any such confirmation of transaction or account statement.

**15. STOCK QUOTES AND RESEARCH INFORMATION**

I/We acknowledge that: (i) stock quotes, news and research information which include technical charts and financial data on listed securities displayed by COL are provided for informational purposes and for personal use only, and (ii) that these data are obtained from sources believed to be reliable and that COL does not guarantee the accuracy of these quotes and information. I/We agree that COL shall not be responsible for any loss or damage of whatever nature in connection with any trade made in reliance upon such quotes or information.

**16. SATISFACTION OF INDEBTEDNESS**

I/We agree to satisfy, upon demand, any indebtedness, and to pay any debit balance remaining when my/our OSTA is closed, either partially or totally.

**17. LIENS**

COL shall have a continuing security interest in all securities and other property held by or through COL or its affiliates, as security for all my/our liabilities and performance of all my/our obligations to COL. COL may apply or transfer securities and other property interchangeably between accounts in which I/we may have an interest, at any time and without notice given. In the event of a breach or default under this Agreement, COL shall have all rights and remedies available to a secured creditor under any applicable law, in addition to its rights and remedies under this Agreement.

**18. DISCLOSURES TO ISSUERS, PSE AND SEC**

I/We and COL hereby undertake to strictly comply in a timely manner with all their respective disclosure obligations, whether in the form of sworn statements, notices or otherwise, as required under relevant laws, including, without limitation, Sections 18 and 19 of the Securities Regulation Code (SRC) or amendments thereto, and its Implementing Rules and Regulations.

**19. DISPUTES**

Any dispute arising from or in connection with this Agreement or its proper interpretation shall first be resolved amicably and in good faith by the parties. Should the parties fail to resolve any such dispute within two (2) months from the date of written notice of either party, the parties agree that the exclusive venue for any suit arising from this Agreement shall be the proper courts of Pasig City, Philippines.

**20. SUCCESSORS**

I/We hereby agree that this Agreement and all the terms thereof shall be binding upon my/our heirs, executors, administrators, personal representatives and assigns. This Agreement shall inure to the benefit of COL's present organization and any successor organization, irrespective of any change or changes at any time in the personnel thereof, for any cause whatsoever.

**21. APPLICABLE RULES AND REGULATIONS**

21.1 All transactions in my/our OSTA, as executed by COL or its agents, including its subsidiaries and affiliates, shall be subject to the constitution, rules, regulations, customs and usages of the PSE and its clearinghouse, if any.

21.2 My/Our transactions shall likewise be subject to the provisions of all applicable laws, including the SRC or any amendments thereto, and all pertinent rules and regulations imposed and administered by the SEC and the PSE, among others.

**22. ENTIRE AGREEMENT**

This Agreement contains the entire understanding and agreement between me/us and COL concerning the subject matter of this Agreement. I/We may not assign the rights and obligations hereunder without first obtaining the prior written consent of COL.

**23. SEVERABILITY**

If any provision of this Agreement is held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, that determination shall not affect the validity of the remaining provisions of this Agreement.

**24. WAIVER**

Except as specifically permitted in this Agreement, no provision of this Agreement can be, nor be deemed to be, waived, altered, modified or amended unless such is agreed to in writing and signed by both parties.

**25. GOVERNING LAW**

All matters pertaining to the interpretation and implementation of this Agreement and all disputes arising therefrom, shall be exclusively governed by and construed in accordance with Philippine law.

**26. CAPACITY TO CONTRACT**

By signing below, I/we hereby represent and warrant that I/we have the full legal capacity and authority to enter into and be bound by this Agreement.

**27. COSTS OF COLLECTION**

I/We authorize COL to charge my/our OSTA for any reasonable direct or indirect costs of collection, including but not limited to attorney's fees, court costs, interest and other related expenses.

**28. AMENDMENT**

I/We agree that COL may modify the terms of this Agreement at any time upon notice given to me/us. My/Our continued use of COL's services following receipt of notice will constitute my/our acceptance of the modification. Should I/we not accept any modification, I/we must notify COL in writing and COL may then terminate my/our OSTA. I/We, however, shall remain liable for all obligations and liabilities arising from the account up to and until the time of termination.

**29. FORTUITOUS EVENTS**

COL shall not be liable for losses caused directly or indirectly by government restrictions, exchange or market rulings, suspension or trading, war, strike or other conditions beyond its control such as fortuitous events.

**30. NOTICES**

30.1 All notices to COL shall be sent to COL Customer Service:  
2403-B East Tower, Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center, Pasig City, 1605 Philippines

30.2 All notices to me/us shall be sent to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

30.3 Notice or other communications including maintenance calls delivered or mailed to the address given above shall, until COL has received notice in writing of a different address, be deemed to have been personally delivered to me/us whether actually received or not.

IN WITNESS WHEREOF, I/we have hereunto set my/our hand this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_ in Pasig City, Philippines.



\_\_\_\_\_  
**Primary Applicant's Full Name and Signature**



\_\_\_\_\_  
**Secondary Applicant's Full Name and Signature**

ACKNOWLEDGED AND ACCEPTED BY  
CITISECONLINE.COM, INC.

\_\_\_\_\_  
**Name and Signature of Authorized Representative**