

**SUPPLEMENTAL AGREEMENT**

**(外資一般帳戶保管契約新增期貨交易之增補條款)**

This Supplemental Custody Agreement ("Supplement") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2006 by and between :

[ \_\_\_\_\_ ], **Taipei Branch**, duly licensed to conduct banking business in the Republic of China ("R.O.C.") with its principal place of business located at [ \_\_\_\_\_ ], Taipei, Taiwan, R.O.C. (the "Bank"); and

[ \_\_\_\_\_ ], a company incorporated in [ \_\_\_\_\_ ] (the "Customer") which has been approved as foreign institutional investor ("FINI") under the R.O.C. Regulations Governing Securities Investment by Overseas Chinese and Foreign Investors and related laws, rulings and directives (collectively, as amended and supplemented from time to time, the "Investment Regulations").

**WITNESSETH**

WHEREAS, the Bank and the Customer are parties to a custody agreement dated as of \_\_\_\_\_ (the "Custody Agreement"), with respect to the services described therein to be provided by the Bank to the Customer regarding certain investments made, or to be made, by the Customer as (a FINI) under the Investment Regulations;

WHEREAS, pursuant to the Guidelines for Overseas Chinese and Foreign Investors Conducting Futures Trading and related laws, ruling and directives (collectively, as amended and supplemented from time to time, the "Futures Regulations"), the Customer may conduct futures trading on the Taiwan Futures Exchange ("TAIFEX"); and

WHEREAS, the Bank and the Customer wish to supplement and amend the Custody Agreement as provided hereinbelow to facilitate the Bank providing additional services related to

futures trading to be conducted by the Customer under the Futures Regulations.

NOW, THEREFORE, the parties thereto agree as follows:

1. Definitions: All defined terms used herein, unless otherwise expressly defined herein, shall be used as defined in the Custody Agreement.
2. Regulatory Agent: The Customer has appointed the Bank to act as the Regulatory Agent of the Customer under the Investment Regulations. The Customer acknowledges that the Futures Regulations require the Regulatory Agent to act for the Customer in (a) opening futures trading accounts with the futures commission merchants ("FCMs"), (b) signing documents and agreements relating to opening futures trading accounts with FCMs, (c) opening foreign currency deposit account for futures trading ("FX Account") - (二) 指定代理人申請開設期貨交易外匯存款專戶事宜 & (三) 匯入資金之運用, (d) applying for foreign exchange conversion, including, without limitation, conversion of the foreign currency funds withdrawn from the FX Account into NT dollars for the purposes permitted by the Futures Regulations - (四) 辦理期貨交易外匯存款專戶資金結售為新臺幣之用途及範圍 and conversion of the NT dollar funds withdrawn from the Customer's NT dollar cash account with the Bank for securities investment into the foreign currency designated in the Futures Regulations ("Designated Foreign Currency") (currently US dollars) for futures trading, (e) exercising the rights relating to the futures trading, (f) instructing the relevant FCM(s) to convert the portion of the Customer's aggregate accumulated NT dollar gains (as calculated in accordance with the formula specified in the Futures Regulations) ("Accumulated NTD Gains") into the Designated Foreign Currency (currently US dollars), if the Accumulated NTD Gains exceeds the limit set out in the Futures Regulations ("NTD Allowance") - (五) 控管累計新臺幣已實現盈餘之用途及結購為美元之規定, (g) tax payment (but not acting as a tax guarantor) (the "Futures Agent Functions").

The Customer shall be solely responsible for the selection and appointment of FCMs and other agents of the Customer and shall timely notify the Bank of any such appointment. The Bank shall only execute brokerage agreements and other documents relating to Customer's futures trading for and on behalf of the Customer in accordance with Instructions and shall not be

responsible for any FCMs' duties, actions, omissions or solvency. The Bank will only take actions in connection with expiration or cancellation of futures and/or option contracts entered into by the Customer in accordance with Instructions.

In order to authorize the Bank to carry out the Futures Agent Functions, the Customer shall execute in favor of the Bank and deliver to Bank a power of attorney substantially in the form of SCHEDULE A attached hereto. All terms and conditions of the Custody Agreement applicable to the Regulatory Agent and the Agent Functions shall apply to and govern the Futures Agent Functions.

In its capacity as Regulatory Agent, the Bank shall, to the extent the assistance of the Regulatory Agent is legally required therefor, assist the Customer in obtaining all required R.O.C. governmental approvals necessary in connection with the Customer's futures trading on TAIEX.

3. Customer Acknowledgement and Agreement: With respect to the futures trading to be conducted by the Customer, the Customer hereby represents and warrants to and agrees with, the Bank as follows:

(i) The Customer shall fully comply with the Futures Regulations and the Investment Regulations. For the avoidance of doubt, the obligation to so comply is solely the Customer's, notwithstanding any advice the Bank may provide the Customer, for the Customer's convenience.

(ii) The Customer acknowledges that the Futures Regulations require the Bank, as the Customer's custodian bank, to act for the Customer to handle (a) payment of initial margin/margin calls of futures contracts, (b) payment of initial margins and margin calls on option's short positions and premiums on option's long positions, (c) reporting and (d) other related matters. - (七) 辦理有關期貨交易之結算交割及資料申報事宜 & (八) 提供委託紀錄之方式

(iii) The Customer acknowledges that under the Futures Regulations, for both NT dollar and foreign currency denominated futures products, margin and premium must be paid and deposited by the Customer in the Designated Foreign Currency (currently US dollars)

and margin must also be withdrawn by the Customer in the Designated Foreign Currency (currently US dollars). - **(一) 以美元辦理保證金收付及保證金追繳**

- (iv) It shall be the Customer's sole responsibility to assure that the Bank will receive sufficient cash and timely Instructions from the Customer for making premium or margin payments for the Customer. The Bank shall have no responsibility in the event that funds or Instructions are not timely received.

In the absence of contrary Instructions timely received by the Bank, the Bank is authorized by the Customer to make payment of margin calls as and when requested by FCMs. If the Customer issues contrary Instructions, it is the Customer's responsibility to make subsequent telephone calls to the Bank to notify the Bank such contrary Instructions have been transmitted, and to confirm that the Bank has received such contrary Instructions. The Bank shall be entitled, but not obligated, to act upon any contrary Instructions actually received but in respect of which no such subsequent telephone calls are made. In no event shall the Bank be responsible for the non-receipt of any contrary Instructions.-

**(六) 保證金追繳之處理方式**

- (v) The Customer acknowledges that the Bank may receive transaction reports provided by FCMs to the extent required by the Futures Regulations; provided, that such receipt shall not constitute a review or reconciliation or confirmation by the Bank of any such reports.
- (vi) The Customer acknowledges that the Bank is required to report to TAIEX, the Central Bank of China ("CBC") and/or other authorities the balance of the FX Account and the information relating to foreign exchange conversion of the Customer's funds and Customer's client equity in accordance with the Futures Regulations. The Bank will report the information relating to foreign exchange conversion of the Customer's funds and Customer's client equity (the "FX and Client Equity Information") based upon the information posted by the relevant FCM(s) on the designated website. The Bank shall not be liable for the consequences of any discrepancy or error or insufficiency in the FX and Client Equity Information reported by the Bank based upon

information posted by the relevant FCM(s) on the designated website. The Customer shall hold the Bank harmless from, and indemnify the Bank against, all costs, expenses, liabilities, claims, penalties, interest and damages arising from or in connection with any FX and Client Equity Information reported by the Banks based on the information posted by the relevant FCM(s) on the designated website. **-(九) 向外匯業務主管機關申報資金結匯情形、外匯存款餘額及客戶保證金專戶權益概況，並將資料提供予 TAIFEX 登錄**

(vii) The Customer acknowledge that if the Customer's Accumulated NTD Gains exceeds the NTD Allowance, the Bank, as the Regulatory Agent, must instruct one or more of the relevant FCM(s) to convert the excess into the Designated Foreign Currency (currently US dollars) within five business days. The Bank shall notify the Customer immediately after the Bank becomes aware of such an excess and request the Customer to notify the Bank on or prior to the deadline set by the Bank which FCM(s) the Bank is to instruct to convert the excess into the Designated Foreign Currency. If the Bank does not receive Instruction from the Customer on or prior to the deadline, the Bank shall be entitled, at the Bank's sole discretion, to designate any one or more FCM to make the conversion. In no event shall the Bank be responsible for the non-receipt of the Instruction and designation of FCM(s) for conversion of the above excess.

(viii) The Customer shall provide the Bank with necessary information and documents for compliance with the Bank's reporting obligations under the Futures Regulations.

4. Headings : The headings and titles in this Supplement are provided only for convenience of reference and do not constitute a part of this Supplement.

5. Other Matters : All terms and conditions of the Custody Agreement applicable to the services rendered by the Bank where applicable, shall also apply to the Customer's investment in futures under the Futures Regulations and the Investment Regulations; provided, that, in the event of any conflict between the terms hereof and the Custody Agreement, the terms hereof shall prevail.

6. Governing Law: This Supplement shall be governed by the  
[ ] Law.

IN WITNESS WHEREOF, the parties have executed this Supplement as of the \_\_\_\_ day of \_\_\_\_\_, 2006.

THE BANK : Bank, Taipei Branch

\_\_\_\_\_  
Name :  
Title :

THE CUSTOMER :

\_\_\_\_\_  
Name :  
Title :

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that, in accordance with the Guidelines for Overseas Chinese and Foreign Investors Conducting Futures Trading and related laws, ruling and directives (collectively, as amended and supplemented from time to time, the "Futures Regulations"), we, \_\_\_\_\_, a \_\_\_\_\_ organized and existing under the laws of \_\_\_\_\_ with our principal place of business at \_\_\_\_\_, do hereby constitute and appoint \_\_\_\_\_ Bank, Taipei Branch (the "Bank") as our true and lawful agent with respect to the futures trading to be conducted by us (as agent is described in such context in the Futures Regulations) (hereinafter, "Regulatory Agent") with full power of substitution and revocation to do all acts and execute all documents necessary or appropriate to (a) opening futures trading accounts with the futures commission merchants ("FCMs"), (b) signing agreements and documents relating to opening futures trading accounts with FCMs, (c) opening foreign currency deposit account for futures trading ("FX Account"), (d) applying for foreign exchange conversion, including, without limitation, conversion of the foreign currency funds withdrawn from the FX Account into NT dollars for the purposes permitted by the Futures Regulations and converting the NT dollar funds withdrawn from the Customer's NT dollar cash account with the Bank for securities investment into the foreign currency designated in the Futures Regulations ("Designated Foreign Currency") for futures trading, (e) exercising the rights relating to the futures trading, (f) instructing the relevant FCM(s) to convert the portion of our aggregate accumulated NT dollar gains (as calculated in accordance with the formula specified in the Futures Regulations) ("Accumulated NTD Gains") into the Designated Foreign Currency, if the Accumulated NTD Gains exceeds the limit set out forth in the Futures Regulations, (g) tax payment (but not acting as a tax guarantor) and (h) do all other acts permitted to be carried out by a Regulatory Agent under the Futures Regulations on our behalf and in our name and stead in connection with any and all of our futures trading in the R.O.C. under and as contemplated by the Futures Regulations and all that may be connected therewith or reasonably incidental thereto.

This Power of Attorney is in addition to and does not revoke or replace any prior Power of Attorney issued to the Regulatory Agent which is on file with the R.O.C. authorities.

SCHEDULE A



IN WITNESS WHEREOF, this power of attorney has been duly issued as of this \_\_\_\_ day of \_\_\_\_\_, 2006.

By : \_\_\_\_\_

Name :

Title :

SCHEDULE A