



Member of the Iraq Stock Exchange

EST. 1995

RS BROKERAGE ACCOUNT OPENING AGREEMENT

Individual Trading Account

Karrada – Nadiem Jameel Bld., 2nd Floor, Apt. 19
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Baghdad – Iraq
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RS BROKERAGE ACCOUNT OPENING AGREEMENT - Individual Trading Account

This agreement was signed on

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 between:

First Party: Rabee Securities, a securities brokerage house authorized in selling and purchasing financial instruments on the Iraq Stock Exchange (ISX) under license no. 5905 issued by the Iraqi Companies Registration Department, represented by the CEO and referred to here as the “First Party”.

Second Party:

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The Second Party is referred to in this contract as the “Investor” or the “Second Party”.

This agreement developed according to the ISX instructions which issued by the Iraqi Securities Commission (ISC), both parties agree to the following:

1. All forms and appendixes attached to this agreement are considered an integral part of this agreement and they supplement each other.
2. The “First Party” will open trading account for the “Second Party” for the purpose of trading listed securities on the ISX, and any other instruments that might list later, according to the trading regulations of the ISX.
3. The “Second Party” will be responsible for funding the trading account to the limit of its desired investment on the ISX, as (T+0) mechanism adopted by ISX. The Second Party may after the initial funding increase the amounts as they wish to invest further on the ISX.
4. The “First Party” will be fair and just in executing all clients’ trades. The code of ethics will be applied to all trades.
5. All information pertaining to the “Second Party” will be confidential and will not be revealed unless required by law. The “Second Party” acknowledges that all documents could be used in case of dispute between the parties.
6. The “First Party” will charge a brokerage commission of (%) of the trading value. This commission will be deducted directly from any trades related to “Second Party”, and recorded in the statements and reports issued by the “First Party”. The brokerage commission may change upon both parties approval, any change will be in separate appendix to this agreement. Any other extra charges, commission, and fees will approved by both parties and will be in a separate appendix to this agreement.
7. The first party will charge the second party one basis point at the end of each month on the portfolio of stocks held with RS in lieu of custody services. (Maximum charge would be \$1000 per month, and minimum would be \$10 per month for accounts holding less than \$100k. (These charges will be dropped once third party custody services are available in Iraq.
8. The “First Party” will provide execution reports to the “Second Party” following each trading session. Reports included the trades details and will be delivered to the “Second Party’s” email and should be acknowledged within 48 hours otherwise they are deemed correct. The “Second Party” is responsible for notifying the “First Party” of any changes in email addresses.
9. All objections to any trade are to be sent in writing via email.
10. The “First Party” does not accept money from the “Second Party” in cash. Funds should be transferred through international banks using the transfer instructions provided by the “First Party”. The “First Party” is to be notified by email of any transfer into its account.

11. No money is remitted to the customer in cash from the “First Party”. All remittances will be by cheque to local clients and through bank transfers to foreign clients. Transfers will be made to the client’s bank account and not to any other bank account. The “Second Party” can keep the cash balance accrued from wiring transfer or selling securities as credit in the trading account to be used for future investment.
12. The “First Party” will execute all orders according to the “Second Party’s” instructions of the order form. The “Second Party” acknowledges responsibility for all its instructions.
13. The “Second Party” acknowledges the inherit risk of investing in equity markets. The “First Party” does not take responsibility for any losses incurred by the “Second Party” through its investing activities on the ISX. The “First Party” is committed to exert utmost care in executing all trading orders.
14. The “First Party” should be notified if the “Second Party” or any of its affiliated persons are board members on any ISX listed company, according to the insider discloser instructions of the ISX. The “Second Party” is also to notify the “First Party “if it is holding 10% or more of a particular share capital of a listed company on the ISX, this according to the discloser instructions of the ISX.
15. The Second Party acknowledges that he/she is the ultimate beneficiary of the account, and that all the funds were acquired through legal and lawful activities. The money laundry law (39) of 2015 of the Central Bank of Iraq and related instructions of the ISC and ISX will be considered.
16. The “First Party” will notify the “Second Party” of any changes in laws and instructions of the ISX. The “Second Party” will be responsible for implementing all these changes.
17. The “Second Party” agrees to abide by all the laws and instructions of the ISX.
18. The “Second Party” can’t trade by the same stock through other brokerage house in the same session, according to the trading instructions of the ISX.
19. The “First Party” will only dispose of “Second Party” shares with the written consent of the Second Party.
20. All transaction disputes between the two parties will be settled in accordance with the laws and procedures of the ISX. Entering into this contract both parties are consenting to arbitration by the ISX.
21. According to this agreement the “Second Party” authorized the “First Party” to receive the cash dividends of the listed companies in the ISX, and submit the required documents for these procedures. Also, “First Party” to notify the “Second Party” about any corporate action procedures related to capital increase of the listed companies to be proceeding.
22. According to this agreement the “Second Party” authorized the “First Party” to deposit the physical share certificate of the listed companies in the Iraqi Depository Center.
23. Reporting: “First Party” is responsible to provide daily reporting on the portfolio activities of “Second Party”. “First Party” will not provide any additional forms of portfolio reporting.

First Party

Signature:

Name: Nausheruan Baban
Rabee Securities
Represented by its CEO or he who acts on his behalf

Second Party

Signature:

Name:

Appendix (A) – Client Details

Full Name:

Date of Birth:

Passport Number:

Driver License Number:

Full Address

Telephone Number:

Fax Number:

Mobile Number:

Email Address:

P.O. Box:

Note:

- All required documents have to be up to date certified by public notary.
- I acknowledge the correctness of the data mentioned in this form and bear their responsibility.

Client Signature (3 samples)

Appendix (B) – Authorized Person Details

Full Name:

Date of Birth:

Passport Number:

Driver License Number:

Full Address

Telephone Number:

Fax Number:

Mobile Number:

Email Address:

P.O. Box:

Limit of Authorization:

Authorization to Open or Close Account () Yes () No

Trade Authorization () Yes () No

Trade Settlement () Yes () No

Viewing Access () Yes () No

Trade Authorization () Yes () No

Authorization of Cash Wires or Security Transfers () Yes () No

Authorized Person Signature (3 samples)

Appendix (C) – Know Your Customer Form (KYC)

Full Name:

Date of Birth:

Mother Name:

Spouse Name:

Passport Number:

Passport Issue Date:

Passport Expiry Date:

Occupation:

Full Address:

Telephone Number:

Mobile Number:

Email Address:

P.O. Box:

Documents Required:

Passport Copy

Driver License

Resident Card

Which banks do you deal with?

In which country?

Existing facilities:

Bank (1)	
Bank (2)	
Bank (3)	
Bank (4)	
Sources of funds:	
Expecting Monthly Trading Value:	
Expecting Annual Trading Value:	

I, signed below, in full and conscious use of all my mental and legal faculties pledge that all the information above, and all submitted documents and evidence related to the source of funds are correct,. I also pledge to inform the brokerage company in writing in case of any change in the mentioned information. I confirm my knowledge of the of ISC money laundry instructions, which I have read and approved of. Hence, I will be held liable of any legal procedures.

Client Signature