

Agreement to Open a Trading Account

This Agreement is made on this day ----- of -----

By and between

First: The Al Wasata Securities Company, duly licensed by the Capital Market Authority, License No.: **(PC (MA/WSC/6)** dated **2016**, whose physical presence is **Gaza, Al Remal, Bank of Palestine Building 9th Floor**, represented for the purpose of this Agreement by **Mr. Sadeq R. Ferwana**

In his capacity as **General Manager**

Referred to hereinafter as (“the Broker”) or the “First Party”:

Second:

Mr./Messrs/the Company/------(according to the account opening form) and whose identification details appear in this Agreement and referred to hereinafter in this Agreement as “Investor” or “Second Party”.

Preamble

Whereas, the First Party is a company licensed to carry out financial intermediary services, and whereas the Investor (Second Party) wishes to trade in securities through the First Party and to receive the benefit of the value added services offered by the First Party;

Whereas, both parties have the legal capacity to enter into this Agreement, they have agreed to the following:

Article One “Introduction”

1. The Preamble, the personal identification and related information mentioned in the attached forms and the Annexes to this Agreement shall be part and parcel thereof.
2. The terms of the Rules and Instructions applied by the Palestine Exchange (PEX) and all other related parties shall constitute part of this Agreement.
3. This Agreement contains the contractual parties and the bases of carrying out the operations of buying and selling securities and fixing them in the PEX records electronically or in any other means required by the trading system adopted by the PEX
4. This Agreement regulates the settlement of the values of sell and buy transactions that are executed in accordance with PEX regulations.
5. In the event that any terms of this Agreement contravene the provisions of the laws and regulations prevailing in Palestine, then the provisions of these laws and regulations shall supersede this Agreement, and the provisions of the Regulations and Instructions shall take priority over the terms of this Agreement.
6. The application to open a trading account shall be deemed part and parcel of this Agreement.

Article Two “Terms for Dealing in Securities”

The First Party (Broker) and the Second Party (Investor) have agreed that the broker shall deal with buying and selling securities on behalf of the Second Party according to the following bases and provisions:

1. This Agreement grants the First Party the right to sell and buy securities on behalf of the Second Parties based on verbal (telephone) and/or written authorities (facsimile, telex, email) services offered pursuant to the Regulations applicable at the PEX. The Second Party is deemed to have approved the verbal authorization on the basis recorded telephone authorizations.
2. The conditions stipulated in the written authorizations shall be binding on the Second Party and all information presented therein shall be deemed correct and known to the Second Party.
3. The Second Party, pursuant to this Agreement, shall be deemed to have authorized the First Party to carry out the clearing between the rights of the broker (first party) and its own obligations without any further written authorization. The Second Party shall waive its right to challenge the validity of the authorization and/or to revoke it without the consent of the First Party.
4. The Second Party undertakes to pay for and abide by all the obligations arising from the execution by the First Party of the verbal or written instructions issued by the Second Party in irrevocable consent and authorization; and in the event of delay, the First Party has the right to impose an interest not exceeding (9%) from its due date until full payment.
5. The First Part is obligated to pay all amounts due to the Second Party resulting from the sale of the latter’s securities through a check issued to the Second Party (payee only) or through a wire transfer.
6. The First Party shall bear all legal and financial liabilities in the case of carrying out actions or behaviors in the Second Party’s account that are not in conformity with the authorizations granted to it according to this Agreement. It also undertakes to carry out the required adjustments on the account in the case of uncovering such actions or behaviors.
7. The First Party shall not bear any financial or legal responsibility resulting from the change or decrease in the prices of securities for any reason whatsoever.
8. Both Parties undertake to abide by the laws, regulations, and instructions applicable at the PEX.
9. In the event that there is a conflict between the Arabic and English texts, the Arabic text shall prevail.

SIGN HERE

شركة عضو في بورصة فلسطين وتخضع لأحكام وقوانين هيئة سوق رأس المال الفلسطينية

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Article Three "Obligations of the First Party"

The First Party undertakes to provide financial services to the Second Party without contravening the regulations and instructions prevailing at the PEX, and undertakes the following as well:

1. Identify Second Party at the Clearing, Depository and Settlement system (CDS), through a specific reference number (account) whereby this number shall become the identification number for the Second Party referenced on all trading transactions executed on behalf of the Second Party.
2. Issue invoices for the sell and/or buy orders executed on behalf of the Second Party and inform the Second Party of the details of these transactions traded for its account within 24 hours' maximum from the date of execution.
3. Make best efforts to safeguard the secrecy of information and documents related to the Second Party in accordance with prevailing laws and regulations.
4. Avoid conflicts of interest in the execution of orders given by the Second Party.
5. Prepare an account statement for the Second party on continued basis pursuant to prevailing regulations whereby the statement shall show the transaction and balance of the account. In the event that transaction was a one-off or not on-going basis, the statement shall show the transaction through the sale or buy miscellaneous accounts.
6. The records and accounts of the First Party shall be deemed final and correct with respect to the account and transactions of the Second Party.
7. Any additional services performed by the First Party on behalf of the Second Party shall be subject to a separate agreement between them.

Article Four "Obligations of the Second Party"

1. Abides by its issued order or the order issued by its representative until the time validity of the order is expired or until it informs the First Party to cancel the order before its execution.
2. Shall duly complete the paperwork for sell and buy orders in accordance the verbal orders given by without delay.
3. To provide the First Party written sell and buy authorizations supplied by the First Party issued in accordance with the Trading Rules.
4. To inform the First Party in writing of any changes to the account opening information including the address and authorized signatures, and shall bear the responsibility for any omission thereof.
5. Shall pay the net value of securities purchased & sold on his behalf by the First Party including all agreed commissions and expenses, pursuant to the instructions of paying financial obligations issued by the Capital Market Authority (CMA).
6. Shall be obligated to pay all applicable fees and commissions and in force at the PEX and other fees adopted by the PEX for services rendered.
7. Attests that the documents and information provided by him to the First Party is correct, legal and legitimate and shall bear liability otherwise.
8. The Second Party or his duly authorized representative confirms that he is the true owner and only beneficiary of the account and that the sources of his money are legitimate and further undertakes to supply the First Party with any additional information that may be required to verify the source of his money that is invested in the securities in accordance with the prevailing Anti-Money Laundering Law.
9. The Second Party understands that this Agreement consists of several pages and his signature on any one page of it shall be deemed signature on all pages and undertakes to refrain from challenging the content of any page for the omission of his signature appearing on any single page.
10. Agrees to receive the account statements and sell and buy invoices and accredits them (the second copy). and the receipt thereof shall be deemed correct and final.
11. Acknowledges the PEX's right to write-off/cancel dormant Trading accounts, and to obtain Fees for re-activation. ((A Dormant account is the trading account with zero balance of shares and without any trading movements during a year of time.))

Article Five "Trading Commissions and Services Fee"

1. The First Party shall charge the Second Party fees for the services provided in executing the sell and buy orders of securities subject to the fee caps set by prevailing regulations and instructions, as amended.
2. The First Party may charge for additional services as shall be agreed between the two parties and the fees shall be commensurate with the nature of the additional services provided that the charges do not contravene any prevailing regulations and instructions, as amended.

Article Six "Dispute Settlement"

It is understood and agreed that arbitration shall be the only manner for the resolution of disputes arising during the implementation of this Agreement or for the interpretation of any of its provisions. The arbitration shall be presided over by one arbitrator selected by both parties and the place of arbitration shall also be agreed to between both parties. The language of arbitration shall be the Arabic language and the prevailing Palestinian Arbitration Law shall apply to this Agreement.

Article Seven "Copies of the Agreement"

This Agreement has been made in two originals and each party shall have one original thereof.

In witness whereof, the parties have signed this Agreement.

First Party (Member Firm/Broker)

Second Party (Investor/Authorized Party/Agent/Trustee)

Signature and Seal

Signature and Seal

SIGN HERE

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