

1. Definitions – Interpretation of Terms

1.1. In these General Business Terms (hereinafter these “Terms”) the following terms shall, unless the context requires otherwise, have the following meanings and may be used in the singular or plural as appropriate:

- I. “Account” shall mean a transaction account of the Client at Mashreq Bank;
- II. “Account Statement” shall mean a periodic statement of the transactions credited or debited to an Account;
- III. “Account Summary” shall mean a statement of the Client’s securities portfolio, open positions, margin requirements, cash deposit etc. at a specific point in time;
- IV. “Agent” shall mean an individual person or legal entity undertaking a transaction on behalf of another individual person or legal entity but in his/its own name;
- V. “API” shall mean Application Programming Interface for the use of alternative trading interfaces or platforms;
- VI. “Authorised Person” shall mean a person authorised by the Client to give instructions to Mashreq Bank;
- VII. “Business Day” shall mean any day on which banks are open for business in the UAE;
- VIII. “Client” shall mean the individual person, legal entity or firm being a customer of Mashreq Bank;
- IX. “Client Classification” shall mean Mashreq Bank’s overall product or transaction specific classification of Clients;
- X. “Commercial Use” shall mean any use of the Trading Platform by Clients which are legal entities or firms;
- XI. “Commissions, Charges & Margin Schedule” shall mean the schedule of commissions, charges, margin, interest and other rates which at any time may be applicable to the Services as determined by Mashreq Bank on a current basis. The Commissions, Charges & Margin Schedule is available on Mashreq’s Trader website and may be supplied to the Client on demand;
- XII. “Contract” shall mean any contract, whether oral or written, for the purchase or sale of any currency, FX Spot, FX Forward, equities/securities/shares or any other transaction relating thereto, as agreed by Mashreq Bank, entered into by Mashreq Bank with the Client;
- XIII. “Counterparties” shall mean banks and/or brokers through whom Mashreq Bank may cover its Contracts with Clients or with whom Mashreq Bank otherwise deals in relation to Clients’ transactions;
- XIV. “Durable Medium” means any instrument which enables the Client to store information in a way accessible for future reference for a period of time adequate to the purposes of the information and which allows the unchanged reproduction of the information stored;
- XV. “Events of Default” shall have the meaning given to this term in Clause 18;
- XVI. “FIFO” is an abbreviation of “First in - First Out” and refers to the fact that in case one or more Contracts with the same characteristics shall be closed, Mashreq Bank will as a point of departure close the older Contract first;
- XVII. “Inside Information” shall mean non-published information which is likely to have a noticeable effect on the pricing of a Contract if it were made public;
- XVIII. “Introducing Broker” shall mean a financial institution or advisor which is remunerated by Mashreq Bank and/or Clients for referral of Clients to Mashreq Bank and/or for provision of advice to such Clients and/or execution of such Clients’ transactions towards Mashreq Bank;
- XIX. “Margin Trade” shall mean a Contract opened and maintained based on a margin deposit as opposed to a Contract based on a purchase price;
- XX. “Market Maker” shall mean a professional participant in the financial markets who continuously offers purchase and sale prices for a financial instrument in order to buy and sell respectively in the event of interested Clients. Being a Market Maker, Mashreq Bank is, in relation to a transaction, the Client’s immediate counterpart;
- XXI. “Market Rules” shall mean the rules, regulations, customs and practices from time to time of any market involved in, or otherwise relevant to, the conclusion, execution, terms or settlement of a transaction or Contract;
- XXII. “Mashreq Bank” shall mean Mashreqbank psc, Al Ghurair City, TCM, P.O.Box 1250, Deira, Dubai, UAE.
- XXIII. “Mashreq Bank Group” shall mean all entities, including head office, branches, subsidiaries,

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representative offices and any other entities, as stated at Mashreq Bank's website www.mashreqbank.com; www.mashreqneo.com

- XXIV. "Net Free Equity" is a basis of calculation of interest which is calculated in accordance with the definition specified in Mashreq Bank's Commissions, Charges & Margin Schedule;
- XXV. "OTC" shall mean any Contract concerning a commodity, security, currency or other financial instrument or property, including any instrument which is not traded on a regulated stock or commodity exchange but "over the counter" by Mashreq Bank whether as a Market Maker as described in Clause 13 or otherwise;
- XXVI. "Private Use" shall mean any use of the Trading Platform by Clients that are physical persons; xxvii "Principal" shall mean the individual person or the legal entity which is a party to a transaction;
- XXVII. "Security" shall mean any securities or other assets deposited with Mashreq Bank by the Client; xxix "Services" shall mean the services to be provided by Mashreq Bank subject to these Terms;
- XXVIII. "Settlement/Trade Confirmation" shall mean a notification from Mashreq Bank to the Client confirming the Client's entry into a Contract;
- XXIX. "Terms" shall mean these General Business Terms governing the Client relationship between the Client and Mashreq Bank;
- XXX. "Trading Platform" shall mean any online trading platform made available by Mashreq Bank under these Terms; and
- XXXI. "UAE" shall mean the United Arab Emirates,

- 1.2. **If there is any conflict between these Terms and relevant Market Rules, the Market Rules shall prevail.**
- 1.3. **Headings and notes in these Terms are for reference only and shall not affect the contents and interpretation of these Terms.**
- 1.4. **In these Terms, references to any law, regulation or enactment shall include references to any statutory modification or re-enactment thereof or to any rule or order made under such law, regulation or enactment.**

2. Risk Acknowledgement

- 2.1. **The Client acknowledges, recognizes and understands that trading and investments in leveraged as well as non-leveraged contracts is:**
 - I. Highly speculative
 - II. May involve an extreme degree of risk; and
 - III. Appropriate only for persons who, if they trade on margin, can assume risk of loss in excess of their margin deposit.
- 2.2. **The Client acknowledges, understands and agrees that:**
 - I. because of the low margin normally required in Margin Trades, price changes in the underlying asset may result in significant losses, which losses may substantially exceed the Client's investment and margin deposit;
 - II. when the Client directs Mashreq Bank to enter into any transaction, any profit or loss arising as a result of a fluctuation in the value of the asset or the underlying asset will be entirely for the Client's account and risk;
 - III. the Client has read and fully understands these Terms and has sought, as it deems appropriate, independent legal, financial and investment advice;
 - IV. the Client is willing and able, financially and otherwise, to assume the risk of trading in speculative investments;
 - V. the Client shall not hold Mashreq Bank responsible for losses incurred as a consequence of (i) Mashreq Bank carrying the Client's account, (ii) Mashreq Bank following its recommendations or suggestions or those of its employees, associates or representatives or (iii) or in connection with any acquisition, holding, disposal or redemption of any investment or any other transaction made or omitted to be made by the Client on the basis of any information provided by Mashreq Bank pursuant to these Terms, unless, in each case, Mashreq Bank has exercised gross negligence in connection therewith;

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- VI. Mashreq Bank is not obliged to assess the suitability of any investments held for the Client or any transactions entered into by the Client or any other services provided to the Client under these Terms;
- VII. Unless it is otherwise specifically agreed, Mashreq Bank shall not conduct any continuous monitoring of the transactions already entered into by the Client, neither individually nor manually. Hence, Mashreq Bank cannot be held responsible for the transactions developing differently from the manner in which the Client might have expected them to develop, whether to the advantage or the disadvantage of the Client;
- VIII. Guarantees of profit or freedom from loss are impossible in investment trading; and
- IX. The Client has received no such guarantees or similar representations from Mashreq Bank, from an Introducing Broker or representatives hereof or any other entity with whom the Client is conducting a Mashreq Bank account.
- X. The Client should not base expectations of future returns in respect of any transaction or Contract on any past returns obtained by the Client or any other person.

3. Services and execution

- 3.1. **Subject to the Client fulfilling its obligations under these Terms, Mashreq Bank may enter into transactions with the Client in the following investments and instruments:**
 - I. Currencies and precious metals;
 - II. Spot and forward bullion, currencies, and OTC derivatives;
 - III. Equities/equity instruments (which may include (but not be limited to) immediate trades, market orders, average price transactions, and trades in foreign securities via a foreign broker); and
 - IV. Such other investments as Mashreq Bank may from time to time agree.
- 3.2. **The Services provided by Mashreq Bank may also involve margin transactions. Mashreq Bank is entitled to decline any order if available Margin is less than the Margin requirement necessary to place an order or maintain an open position.**
- 3.3. **Orders may be placed as market orders to buy or sell as soon as possible at the price obtainable in the market, or on selected products as limit and stop orders to trade when the price reaches a pre-defined level. Under exceptional market conditions Mashreq Bank reserves the right, without liability, not to execute any order by the Client.**
- 3.4. **When the Client places a market order with Mashreq Bank, the Client is giving Mashreq Bank an instruction to buy or sell at the market price which is available at the time of execution. When the Client places a limit order with Mashreq Bank, the Client is giving Mashreq Bank an instruction to buy or sell at a specified price.**
- 3.5. **When the Client places a stop order with Mashreq Bank, the Client is giving Mashreq Bank an instruction to close an open position once a specified price is reached.**
- 3.6. **Limit orders to buy and stop orders to sell must be placed below the current market price, and limit orders to sell and stop orders to buy must be placed above the current market price. If the bid price for sell orders or ask price for buy orders is reached, the order will be filled as soon as possible at the price obtainable in the market. Limit and stop orders are not guaranteed executable at the specified price or amount, unless explicitly stated by Mashreq Bank for the specific order.**
- 3.7. **In relation to any transaction or Contract, Mashreq Bank will effect such transaction or Contract as Principal unless it is specifically agreed that Mashreq Bank shall act as Agent for the Client.**
- 3.8. **The Client shall, unless otherwise agreed in writing, relative to Mashreq Bank enter into Contracts as Principal. If the Client acts as Agent, regardless of whether the Client identifies the Principal to Mashreq Bank, Mashreq Bank shall not be obliged to accept the said Principal as a client, and consequently Mashreq Bank shall be entitled to consider the Client as Principal in relation to the Contract.**
- 3.9. **In the event Mashreq Bank provides advice, information or recommendations to the Client, Mashreq Bank shall not be responsible for the profitability of such advice, information or recommendation, and the Client acknowledges, understands and agrees that:**
 - I. all transactions in exchange-traded investments and many Contracts will be effected subject to, and in

- accordance with, Market Rules;
- II. Market Rules usually contain far-reaching powers in an emergency or otherwise undesirable situation;
 - III. if any exchange or clearing house takes any action which affects a transaction or Contract, directly or indirectly, then Mashreq Bank is entitled to take any action relevant to the situation and reasonable to the parties in the interests of the Client and/or Mashreq Bank;
 - IV. Mashreq Bank shall not be liable for any loss as further stipulated in Clause 20, which shall, for the avoidance of doubt, include any suffered by the Client as a result of the acts or omissions of any exchange or clearing house or any action reasonably taken by Mashreq Bank as a result of such acts or omissions, unless Mashreq Bank has exercised gross negligence in connection therewith;
 - V. where any transaction is effected by Mashreq Bank as Agent for the Client, delivery or payment (as appropriate) by the other party to the transaction shall be at the Client's entire risk;
 - VI. Mashreq Bank's obligation to deliver investments to the Client or to account to the Client or any other person on the Client's behalf for the proceeds of sale of investments shall be conditional upon receipt by Mashreq Bank of deliverable documents or sale proceeds (as appropriate) from the other party or parties to the transaction;
 - VII. Mashreq Bank may, in whole or in part, on a permanent or temporary basis, withdraw any account facility provided by Mashreq Bank to the Client. Situations where Mashreq Bank may take such action include situations where:
 - 3.9.VII.1. Mashreq Bank considers that the Client may be in possession of Inside Information;
 - 3.9.VII.2. Mashreq Bank considers that there are abnormal trading conditions; or
 - 3.9.VII.3. Mashreq Bank is unable to calculate prices in the relevant Contract due to the unavailability of the relevant market information.
 - VIII. Mashreq Bank shall inform the Client of the withdrawal and the reasons for it, where possible, before the withdrawal and if this is not possible, then immediately thereafter, unless giving such information would result in a breach of duty of confidentiality or any internal policy, legal or regulatory restriction.
- 3.10. Notwithstanding any other provision of these Terms, in providing its Services, Mashreq Bank shall be entitled to take any action considered necessary and reasonable to ensure compliance with the Market Rules and all other applicable laws and regulations.

4. Dealings Between Mashreq bank and the client

- 4.1. The Client may provide Mashreq Bank with oral or written instructions (which shall include instructions provided via recorded lines or by e-mail (emails to be used for confirming funds transfers only) as described below). Mashreq Bank shall acknowledge reception of the instructions, orally or in writing, as appropriate.
- 4.2. The Client shall inform Mashreq Bank in writing of the persons to whom the Client has granted a Power of Attorney to instruct Mashreq Bank on behalf of the Client. For practical reasons, Mashreq Bank can only undertake to register one Power of Attorney for the Client. If the Client at any time wishes to revoke such a Power of Attorney, to change the extent of the Power of Attorney or to grant Power of Attorney to a different person, such action shall be promptly notified to Mashreq Bank in writing. The Client acknowledges and agrees that Mashreq Bank is entitled to receive instructions from any person authorised or deemed to be authorised by the Client to act as attorney.
- 4.3. In addition to these Terms, the following terms apply to Contracts executed on the internet:
 - i. Mashreq Bank shall not be responsible or liable for any loss, expense, cost, claim or liability ("Liability") suffered or incurred by the Client due to failure of the system, transmission failure or delays or similar technical errors, unless Mashreq Bank has exercised gross negligence in connection therewith;
 - ii. Mashreq Bank may offer real-time tradable prices to the Client. Due to delayed transmission between the Client and Mashreq Bank, the price offered by Mashreq Bank may have changed before an order from the Client is received by Mashreq Bank. If automatic order execution is offered to the Client, Mashreq Bank shall be entitled to change the price on which the Client's order is executed to the market value at the time at which the order from the Client was received;
 - iii. The Trading Platform may be available in several versions, which may be differentiated in various aspects

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- including, but not limited to the level of security applied, products and services available etc. Mashreq Bank shall not be responsible or liable to the Client for any Liability suffered or incurred by the Client due to the Client using a version different from Mashreq Bank's standard version with all available updates installed;
- iv The Client shall be responsible for all orders and for the accuracy of all information, sent via the internet using the Client's name, password or any other personal identification means implemented to identify the Client;
 - v The Client is obliged to keep passwords secret and ensure that third parties do not obtain access to the Client's trading facilities;
 - vi If the Trading Platform is used for Commercial Use the Client is liable to Mashreq Bank for Contracts executed by use of the Client's password even if such use might be wrongful;
 - vii Regardless of the fact that the Trading Platform might confirm that a Contract is executed immediately when the Client transmits instructions via the Trading Platform, it is the Settlement/Trade Confirmation forwarded by Mashreq Bank or made available to the Client on the Trading Platform which solely constitutes Mashreq Bank's confirmation of execution.
- 4.4. Any instruction sent via the Trading Platform or by e-mail by the Client shall only be deemed to have been received and shall only then constitute a valid instruction and/or binding Contract between Mashreq Bank and the Client when such instruction has been recorded as executed by Mashreq Bank and confirmed by Mashreq Bank to the Client through the Settlement/Trade Confirmation and/ or Account Statement. The mere transmission of an instruction by the Client shall not constitute a binding Contract between Mashreq Bank and the Client.
- 4.5. The Client shall promptly provide any instructions to Mashreq Bank, as Mashreq Bank may require. If the Client does not provide such instructions promptly or Mashreq Bank is unable to reach the Client for a period in excess of 48 hours, Mashreq Bank may, at its sole discretion, take such steps at the Client's cost, as Mashreq Bank considers necessary or desirable for its own protection or for the protection of the Client.
- 4.6. Mashreq Bank may (but shall not in any circumstances be obliged to) require confirmation (in such form as Mashreq Bank may reasonably request) if it receives an instruction to close an Account or to remit money due to the Client or in any other circumstances in which Mashreq Bank believes that that such confirmation is necessary or desirable for the purpose of any Contract or the Services.
- 4.7. The Client understands, acknowledges and agrees that it is accountable to Mashreq Bank for all Liabilities which Mashreq Bank may suffer as a result of instructions received from a person who has explicit or tacit power of attorney to give Mashreq Bank instructions on behalf of the Client.
- 4.8. Mashreq Bank may refuse to act upon any instruction from any person authorised or deemed to be authorised by the Client if Mashreq Bank believes, in its sole discretion, that any action taken as a result of such instruction would be (i) in breach of any law or regulation, including but not limited to legislation on money laundering and insider trading, (ii) not in accordance with standard market practices or (iii) reasonably likely to have a material adverse effect on the business of Mashreq Bank or the investments of the Client.
- 4.9. Mashreq Bank shall act according to instructions as soon as practically possible and shall, as far as trading instructions are concerned, act consistent with these Terms. However if, after instructions are received, Mashreq Bank believes that it is not reasonably practicable to act upon such instructions within a reasonable time, Mashreq Bank may defer from acting upon those instructions until it is, in Mashreq Bank's reasonable opinion, practicable to do so and shall notify the Client, as soon as possible, that Mashreq Bank made such deferral.
- 4.10. It is possible that errors may occur in the prices of transactions quoted by Mashreq Bank. In such circumstances, without prejudice to any rights it may have under UAE law or regulation, Mashreq Bank shall not be bound by any Contract which purports to have been made (whether or not confirmed by Mashreq Bank) at a price which:
- I. Mashreq Bank is able to substantiate to the Client was manifestly incorrect at the time of the transaction; or
 - II. Was, or ought to have reasonably been known by the Client to be incorrect at the time of the transaction, in which case Mashreq Bank reserves the right to either (i) cancel the trade in full or (ii) correct the erroneous price at which the trade was executed so that the price is either the price at which Mashreq Bank hedged the trade or the historic correct market price.
- 4.11. Trading strategies aimed at exploiting errors in prices and/or concluding trades at off-market prices

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(commonly known as “sniping”) are not accepted by Mashreq Bank. Provided that Mashreq Bank can document that, at the time of the conclusion of the trade, there were errors in prices, commissions or in the Trading Platform, and provided that Mashreq Bank can provide credible confirmation that the Client, based on its trading strategy or behaviour, deliberately and/or systematically exploited or attempted to exploit such an error, Mashreq Bank is entitled to take one or more of the following countermeasures:

- I. adjust the price spreads available to the Client;
 - II. restrict the Client’s access to streaming instantly tradable quotes, including providing manual quotations only;
 - III. retrieve from the Client’s account any historic trading profits that Mashreq Bank can document have been gained through such abuse of liquidity at any time during the client relationship; and/or
 - IV. terminate the client relationship immediately by giving written notice.
- 4.12. By accepting these Terms, the Client authorises Mashreq Bank to register and keep register of the IP addresses from which the Client logs into the Trading Platforms in order to prevent sniping prices. These IP-addresses may be transferred to Mashreq Bank Group companies in countries where data protection laws may not provide an equivalent level of protection to the laws of the UAE.
- 4.13. If the Client is more than one person (for example, joint accountholders):
- I. the liabilities of each such person shall be direct, joint and several;
 - II. Mashreq Bank may act upon instructions received from either person who is, or appears to Mashreq Bank to be, such a person, whether or not such person is an Authorised Person
 - III. any notice or other communication provided by Mashreq Bank to one such person shall be deemed to have been provided to all such persons; and
 - IV. the rights of Mashreq Bank under Clause 18 shall apply if an event described in Clause 18 shall be deemed to have occurred in respect of any one of such persons.
- 4.14. The Client agrees that Mashreq Bank may record all telephone conversations, internet conversations (chat), and meetings between the Client and Mashreq Bank and use such recordings or transcripts from such recordings as evidence to be submitted to any party (including, but not limited to, any regulatory authority and/or court of law) to whom Mashreq Bank at its sole discretion believes it to be desirable or necessary to disclose such information in any dispute or anticipated dispute between Mashreq Bank and the Client. Technical reasons may prevent Mashreq Bank from recording a conversation and recordings or transcripts made by Mashreq Bank will be destroyed in accordance with Mashreq Bank’s normal practice. Consequently, the Client should not rely on such recordings being available.
- 4.15. When the Client instructs Mashreq Bank to enter into a position opposite to one or more of the Client’s open positions, Mashreq Bank will close out the opposite position in accordance with the FIFO principles, unless the position has related orders or otherwise agreed.
- 4.16. The Client acknowledges that Mashreq Bank has the right to, but not the obligation to close directly opposite positions. This applies not only when the positions are held on the same account, but also when they are held on separate accounts.
- 4.17. If the Client operates several Accounts (or sub- accounts) and opposite positions are opened on different Accounts (or sub-accounts), Mashreq Bank shall not close out such positions. The Client acknowledges, understands and agrees that, unless closed manually, all such positions may be rolled over on a continuous basis and thereby consequently all incur a cost for such roll-over.

5. Special note on the use of the Trading Platform

- 5.1. The technical requirements to which the Client’s IT equipment, operating system, Internet connection etc. shall conform are described on Mashreq’s Trader website.
- 5.2. The Client shall enter its user ID and password when logging on to the Trading Platform. The Client should memorise the password. Entering an incorrect password five times in a row will automatically terminate the connection and block the user ID. Mashreq Bank shall inform the Client of any termination/blocking and the associated reasons, where possible, before such termination/blocking or, if not possible, as soon as practicable thereafter, provided that Mashreq Bank shall not be obliged to do so if taking such action would expose Mashreq Bank to a breach of duty of confidentiality, of internal policy or of applicable laws or regulations. The Client is obligated to notify Mashreq Bank by telephone on + 971 4 424 4422 as soon as it is aware of any unauthorised use of the Trading Platform or if the Client

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suspects that the password has been misappropriated by a third party. Mashreq Bank shall be entitled, in its sole discretion, to block the Trading Platform following notification by the Client and to subsequently issue a new password to the Client.

- 5.3. The Client can block its Trading Platform at any time by contacting Mashreq Bank by telephone on the number stated in Clause 5.2. Blocking the Trading Platform prevents other persons from accessing it. Open orders and positions placed on the platform before the blocking will not be affected by the blocking unless the Client specifically requests so, and the Client is fully responsible for taking a decision about its positions.
- 5.4. The right to use the Trading Platform is personal and the Client shall not allow other persons to use its user ID and/or its password. If the Client wants to allow a third party to trade on the Client's Account, the Client shall issue a separate power of attorney to the relevant third party. The power of attorney shall be written on one of Mashreq Bank's power of attorney forms. The issue of the power of attorney shall be approved by Mashreq Bank. A personal user ID and password shall be provided to the holder of the power of attorney by Mashreq Bank at its sole discretion.
- 5.5. The Client can print reports on trading activities and its Account balances directly from the Trading Platform.
- 5.6. Where the Client has placed an order which he subsequently regrets, the Client may request that the order be cancelled at any time until the time of execution. The Client acknowledges and agrees that Mashreq Bank is under no obligation to cancel any order. A request for cancellation of an order can be made via the Trading Platform or by calling Mashreq Bank Sales Trading. Requests concerning cancellation of orders generated when the margin is exceeded can only be made to Mashreq Bank Sales Trading. An order shall not be considered to be cancelled until the Client has received a written confirmation from Mashreq Bank.
- 5.7. The Client is fully liable for all Liabilities incurred by Mashreq Bank resulting directly or indirectly from a third party's unauthorised use of the Trading Platform when the Client's user ID and password has been used in circumstances where the Client has rendered such use possible.
- 5.8. The Client shall not be liable for unlawful use of the Trading Platform occurring after the Client has informed Mashreq Bank, confirming its request for a password change and until Mashreq Bank confirms that the password has been changed.
- 5.9. Where the Trading Platform is used for Private Use, Mashreq Bank shall be liable for Liabilities resulting directly from non-executed or defective executed orders, unless non-executed or defective executed orders are due to acts or omissions for which the Client is responsible or liable. Mashreq Bank shall not be liable for any indirect or consequential losses.
- 5.10. Mashreq Bank shall not be responsible or liable for any Liabilities resulting from any abnormal or unforeseeable circumstances or from any circumstances which are beyond the control of Mashreq Bank for whatsoever reason.
- 5.11. If the Trading Platform is used for Commercial Use, Mashreq Bank shall not be liable for any Liabilities resulting from:
 - I. operational failures preventing the use of the Trading Platform;
 - II. interruptions preventing the Client from accessing the Trading Platform; iii use of the Internet as a means of communication and transport; or
 - III. damage caused by matters relating to the Client's own computer systems.
- 5.12. Mashreq Bank shall not be responsible for Liabilities resulting from the Client's installation and use of the computer programmes used on the Trading Platform. Where the Trading Platform is used for Commercial Use, the Client shall be responsible for ensuring that the Trading Platform is adequately insured against direct and indirect Liabilities which may result from the installation and use of the computer programs in the Client's computer system. Furthermore, the Client shall be obliged to make backup copies of data which, should such data be lost, might result in Liabilities for the Client.

6. Client's Account at Mashreq Bank

- 6.1. Transfer of funds between 8am and 4pm (Dubai) on any Business Day (from Sunday to Thursday) will be reflected in the Client's Account within two hours. Any transfer of funds after 4pm (Dubai) will be reflected in the Client's Account on the next Business Day. It is mandatory for the Client to send an email notification to EquityDD@mashreq.com when the funds are remitted.
- 6.2. The Client acknowledges and agrees that Mashreq Bank is neither responsible nor liable for the timing of transfers

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of funds to Mashreq Bank, subject to the Business Day and cut-off times specified in the paragraphs above.

- 6.3. The Client is made aware, that special events as described in Clause 26 can cause the booking of funds to be delayed by up to three Business Days from the day on which Mashreq Bank receives the financial institution transfer.

7. Margins, Security, Payments and Delivery

7.1. The Client shall pay to Mashreq Bank promptly on demand:

- I. such sums of money by way of deposits, or as initial or variation margin as Mashreq Bank may require in its sole discretion.
 - II. In the case of a Contract effected by Mashreq Bank on an exchange, such margin shall be not less than the amount or percentage stipulated by the relevant exchange plus any additional margin that Mashreq Bank at its sole discretion may require;
 - III. such sums of money as may from time to time be due to Mashreq Bank under a Contract and such sums as may be required in or towards clearance of any debit balance on any Account;
 - IV. such sums of money as Mashreq Bank may from time to time require in its sole discretion as security for the Client's obligations to Mashreq Bank; and
 - V. any amount to maintain a positive cash- balance on any and all Account(s).
- 7.2. If the Client makes any payment which is subject to any price fluctuations, withholding or deduction, the Client shall pay to Mashreq Bank such additional amount to ensure that the amount actually received by Mashreq Bank will equal the full amount that Mashreq Bank would have received had no price fluctuations, withholding or deduction been made.
- 7.3. Payments into the Client's Account are deposited by Mashreq Bank on the condition that Mashreq Bank has already received such payments and confirmed by email to Mashreq. This shall apply irrespective of whether it has been explicitly stated in receipts or other notices of or requests for payment.
- 7.4. Mashreq Bank is, with the Client's specific consent, entitled to pass on any money or Security received from the Client in order to satisfy Mashreq Bank's obligations to any third party;
- 7.5. Mashreq Bank shall not be obliged to account to the Client for any income received by Mashreq Bank as a result of carrying out any of the activities described in this Clause.
- 7.6. If the Client fails to provide any margin, deposit or other sum due under these Terms in respect of any transaction, Mashreq Bank may close any open position without prior notice to the Client or consent from the Client and apply any proceeds thereof to payment of any amounts due to Mashreq Bank.
- 7.7. If the Client fails to make any payment as and when it falls due, the Client shall pay interest (from the due date and until payment takes place) on the outstanding amount at the rate stated in the Commissions, Charges & Margin Schedule.
- 7.8. The Client acknowledges, understands and agrees that Mashreq Bank shall have the right, in addition to any other rights it may have under these Terms, or under applicable laws and regulations, to limit the size of the Client's open positions (net or gross) and to refuse orders to establish new positions. Mashreq Bank will inform the Client as soon as possible regarding such refused orders and the reason for such refusals. Situations where Mashreq Bank may exercise such right include, but are not limited to, where:
- I. Mashreq Bank has reason to believe that the Client may be in possession of Inside Information; ii Mashreq Bank considers that there are abnormal trading conditions;
 - II. the value of the Client's Security (as determined by Mashreq Bank in accordance with Clause 8) falls below the minimum margin requirement as defined in Mashreq Bank's Commissions, Charges & Margin Schedule; or
 - III. the Client has a negative cash-balance on any Account.
- 7.9. In respect of equities, by payment/settlement is meant payment and delivery related to a securities trade. If not agreed otherwise the settlement date is the third exchange day after the trading day. The settlement day is also the interest-rate/value date. Specific

deadlines and rules from Mashreq Bank. The Client obtains beneficial ownership of the equities.

8. Margin Trades

- 8.1. **On the date of the opening of a Margin Trade between Mashreq Bank and the Client, Mashreq Bank may require the Client to have margin on the Account at least equivalent to Mashreq Bank's initial margin requirement.**
- 8.2. **Mashreq Bank's margin requirement shall apply throughout the term of the Margin Trade. It is the Client's responsibility to ensure that sufficient margin is continuously available on the Account at any time. If practicably possible Mashreq Bank shall notify the Client if the margin requirements are not met. If, at any time during the term of a Margin Trade, the margin available on the Account is not sufficient to cover Mashreq Bank's margin requirement, the Client is obliged to reduce the amount of open Margin Trades or transfer adequate funds to Mashreq Bank. Even if the Client takes steps to reduce the size of open Margin Trades or to transfer sufficient funds to Mashreq Bank, Mashreq Bank may close one, several or all of the Client's Margin Trades or part of a Margin Trade and/or liquidate the Client's Account at its sole discretion and without prior notification to, or without the prior consent of, the Client, without assuming any responsibility or liability towards the Client for such action.**
- 8.3. If Mashreq Bank closes one or more of the Client's Margin Trades pursuant to Clause 8.2, the Client shall expect, unless otherwise agreed and confirmed by Mashreq Bank, that all of the Client's open Margin Trades will be closed.
- 8.4. If the Client has opened more than one Account, Mashreq Bank is entitled, in its sole discretion, to transfer money from one Account to another, even if such transfer will necessitate the closing of Margin Trades or other trades on the Account from which the transfer takes place.
- 8.5. Mashreq Bank's general margin requirements for different types of Margin Trades are displayed on Mashreq Bank's web site. However, Mashreq Bank reserves the right to determine specific margin requirements for individual Margin Trades.
- 8.6. The Client acknowledges, understands and agrees that the margin requirements are subject to change without notice. When a Margin Trade has been opened, Mashreq Bank is not allowed to close the Margin Trade at its discretion but only at the Client's instruction or according to Mashreq Bank's rights under these Terms. However, Mashreq Bank will increase the margin requirements if Mashreq Bank considers that its risk on a Margin Trade has increased as compared to the risk on the date of the opening.

9. Accounts

- 9.1. Mashreq Bank will make available to the Client a Settlement/Trade Confirmation in respect of any transaction or Contract entered into by Mashreq Bank with or for the Client and in respect of any open position closed by Mashreq Bank for the Client. Settlement/Trade Confirmations will normally be available instantly following the execution of the transaction.
- 9.2. An Account Summary and Account Statement are available to the Client through the Trading Platform. The Account Summary will normally be updated periodically during Mashreq Bank's opening hours. The Account Statement will normally be updated every Business Day with information for the previous Business Day. By accepting these Terms, the Client agrees not to receive any Account Statements or Account Summaries in printed form from Mashreq Bank other than upon specific request and subsequent

agreement by Mashreq Bank.

- 9.3. Any notice or other communication to be provided by Mashreq Bank under these Terms, including Account Statements and Settlement/ Trade Confirmations, may be sent by Mashreq Bank at its option to the Client in electronic form by e-mail or by display on the Client's account summary on the Trading Platform. The Client is obliged to provide Mashreq Bank with an e-mail address for this purpose. An e-mail message is considered received by the Client when sent from Mashreq Bank. Mashreq Bank is not responsible for any delay, alteration, re-direction or any other modification which the message may undergo after transmission from Mashreq Bank. A message on the Client's account on the Trading Platform is considered received by the Client when Mashreq Bank has placed the message on the Trading Platform. It is the responsibility of the Client to ensure that the Client's software and hardware setup does not stand in the way of the Client receiving e-mails or obtaining access to the Trading Platform from Mashreq Bank.
- 9.4. The Client is obliged to verify the contents of each document, including documents sent in electronic form from Mashreq Bank. Such documents shall, in the absence of manifest error, be deemed to be conclusive, unless the Client notifies Mashreq Bank in writing to the contrary immediately after having received such document. In the event that the Client believes it has entered into a transaction or Contract which should have produced Settlement/Trade Confirmations or otherwise a posting on the Client's account, but the Client has not received such confirmation, the Client must inform Mashreq Bank immediately. In the absence of such information the transaction or Contract may, at Mashreq Bank's sole discretion, be deemed non-existent.

10. Commissions, Charges, and other costs

- 10.1. The Client shall be obliged to pay to Mashreq Bank the commissions and charges set out in the Commissions, Charges & Margin Schedule. The Commissions, Charges & Margin Schedule is available on Mashreq's Trader website and may be supplied to the Client on demand.
- 10.2. Mashreq Bank may vary such commissions and charges without notice and at its sole discretion when the change is to the Client's advantage, or the grounds for changes are due to external circumstances beyond Mashreq Bank's control. Such circumstances include, but are not limited to:
- i changes in the relationship with Mashreq Bank's Counterparties, which affect Mashreq Banks cost structures; and/or
 - ii changes in commissions and charges from exchanges, clearing houses, information providers or other third party providers that are passed on to the Client by Mashreq Bank.
- 10.3. Mashreq Bank may vary such commissions and charges, with one month's notice if:
- i market conditions, including competitive behaviour, require, in Mashreq Bank's sole discretion, changes to be made to Mashreq Bank conditions and/or general cost and pricing structure;
 - ii Mashreq Bank, for commercial reasons, wishes to change its general cost and pricing structure; and/or
 - iii significant particulars of the Client, based on which individual conditions were provided, have changed.
- 10.4. Furthermore, Mashreq Bank shall be entitled to demand that the following expenses are paid separately by the Client:

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- i all extraordinary disbursements resulting from the client relationship e.g. telephone, telefax, courier, and postal expenses in case the Client requests hardcopy Settlement/Trade Confirmations, Account Statements etc. which Mashreq Bank could have delivered in electronic form;
- ii any expenses of Mashreq Bank, caused by non-performance by the Client, including own and third party legal and administrative fees and expenses;
- iii any expenses of Mashreq Bank in connection with regulatory enquiries, including any fee determined by Mashreq Bank in relation to forwarding of transcripts and enclosures and for the preparation of copies;
- iv any expenses of Mashreq Bank in connection with auditors comments/reports if the same are requested by the Client; and
- v any other expenses which Mashreq Bank is reasonably entitled to claim in connection with these Terms.

10.5. The fees will be charged either as a fixed amount corresponding to payments effected or as a percentage or hourly rate corresponding to the service performed. The methods of calculation can be combined. Mashreq Bank reserves the right to introduce new fees at its sole discretion.

10.6. Mashreq Bank may share commissions and charges with its associates, Introducing Brokers or other third parties or receive remuneration from them in respect of Contracts entered into by Mashreq Bank. Details of any such remuneration or sharing arrangement will not be set out on the relevant Settlement/Trade Confirmations. Mashreq Bank (or any associate) may benefit from commission, mark-up, mark-down or any other remuneration where it acts for the Counterparty to a Contract.

10.7. Mashreq Bank will, upon reasonable request and to the extent possible, disclose to the Client the amount of commission, mark-up, mark-down or any other remuneration paid by Mashreq Bank to any Introducing Broker or other third party.

10.8. Unless specified otherwise in these Terms, all amounts due to Mashreq Bank (or Agents used by Mashreq Bank) under these Terms shall, at Mashreq Bank's option:

- i be deducted from any funds held by Mashreq Bank for the Client; or
- ii be paid by the Client in accordance with the provisions of the relevant Account, Settlement/Trade Confirmation or other advice.

10.9. In respect of any over the counter transactions, Mashreq Bank shall be entitled to quote prices at which it is prepared to trade with the Client. Save where Mashreq Bank exercises any rights it may have under these Terms to close a Contract, it is the Client's responsibility to decide whether or not it wishes to enter into a Contract at such prices.

10.10. Furthermore, the Client acknowledges, understands and agrees that the procedures described in Clause 11 and Clause 13 may result in additional indirect costs for the Client.

11. Interest and Currency conversions

11.1. Subject to Clause 11.2 below and save as otherwise agreed in writing, Mashreq Bank shall not be liable to:

- I. pay interest to the Client on any credit balance in any Account or on any other sum held by Mashreq Bank; or
- II. account to the Client for any interest received by Mashreq Bank on such sums or in- connection with any

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Contract.

- 11.2. The Client is entitled to interest on the basis of the Client's positive Net Free Equity in accordance with these Terms in Mashreq Bank's Commissions, Charges & Margin Schedule.
- 11.3. The Client is obliged to pay interest on the basis of the Client's negative Net Free Equity in accordance with these Terms in Mashreq Bank's Commissions, Charges & Margin Schedule.
- 11.4. Mashreq Bank may vary such interest rates and/or thresholds for interest calculation without notice and at its sole discretion when changes are, in Mashreq Bank's reasonable opinion, to the Client's advantage or if the reasons for variation are due to external circumstances beyond Mashreq Bank's control. Such circumstances include, but are not limited to:
- i changes in domestic or international monetary or credit policies that affect or are likely to affect Mashreq Bank's business;
 - ii other changes in the domestic or international markets, including the money and bond markets, that affect or are likely to affect Mashreq Bank's business;
 - iii changes in the relationship with Mashreq Bank's Counterparties which affect Mashreq Bank's cost structures.
- 11.5. Mashreq Bank may vary such interest rates where the Trading Platform is used for Commercial Use with one month's notice, and where the Trading Platform is used for Private Use with two months' notice if:
- i market conditions, including competitive behaviour, which, in Mashreq Bank's reasonable opinion, are likely to require a change to Mashreq Bank's business conditions;
 - ii Mashreq Bank wishes to change its general commission, fee and pricing structure for commercial reasons; and/or
 - iii changes to significant particulars of the Client, based on which individual conditions were provided, occurs.
- The Client is deemed to have accepted such changes if it does not, before the proposed date of their entry into force, notify Mashreq Bank that it does not accept them.
- 11.6. Mashreq Bank is entitled, but shall not in any circumstances be obliged, to convert:
- I. any realised gains, losses, option premiums, commissions, interest charges and brokerage fees which arise in a currency other than the Client's base currency (i.e. the currency in which the Client's Account is denominated) to the Client's base currency;
 - II. any cash currency deposit to another cash currency deposit for the purpose of purchasing an asset denominated in a currency other than the Client's base currency;
 - III. any monies held by Mashreq Bank for the Client into such other currency as Mashreq Bank considers necessary or desirable to cover the Client's obligations and liabilities in that currency.
- 11.7. Whenever Mashreq Bank conducts currency conversions, Mashreq Bank will do so at such reasonable rate of exchange as Mashreq Bank selects in its sole discretion, including adding a mark-up to the exchange rates. The prevailing mark-up is defined in the Commissions, Charges & Margin Schedule.

12. Netting Agreement

- 12.1. If on any date the same amounts are payable under these Terms by each party to the other in the same currency, then, each party's obligations to make payment of any such amount will be automatically satisfied by netting. If the amounts are not in the same currency, the amounts are converted by Mashreq Bank in accordance

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- with the principles referred to in Clause 11.
- 12.2. If the aggregate amount that is payable by one party exceeds the aggregate amount that is payable by the other party, then the party by whom the larger aggregate amount is payable shall pay the excess to the other party and the obligations to make payment of each party will be satisfied and discharged.
- 12.3. If the Client, at any time during the Client relationship, has a negative cash-balance in any Account, Mashreq Bank is entitled but not obligated to net between the Client's Accounts. The Client shall bear all the charges and any other costs associated with such netting in accordance with the Commissions, Charges & Margin Schedule.
- 12.4. If the Client relationship is terminated according to Clause 23, the claims that the parties have against each other shall be finally discharged by means of netting amounts due and payable between the parties at such time. The value of open Contracts shall be determined according to the principles set forth below and the final amount to be paid by one of the parties shall be the difference between the payment obligations of the parties.
- 12.5. Rates based on which the Contracts shall be closed shall be market rates applicable on the day on which Mashreq Bank decides, in its sole discretion, to close the Contracts.
- 12.6. Mashreq Bank may, at its sole discretion, determine the rates by obtaining an offer from a Market Maker in the asset in question or by applying rates from electronic financial information systems.
- 12.7. When determining the value of the Contracts to be netted, Mashreq Bank shall apply its usual spreads and include all costs and other charges.
- 12.8. The Client and Mashreq Bank agree that this netting arrangement shall be binding on their respective creditors and on the estate of the Client.

13. Market Making

- 13.1 The Client acknowledges, understands and agrees that in certain markets, including the foreign exchange markets, Mashreq Bank may act as a Market Maker.
- 13.2 Mashreq Bank will, upon the Client's written request, disclose to the Client whether Mashreq Bank may act as a Market Maker in relation to a certain instrument.
- 13.3 When acting as a Market Maker, Mashreq Bank will under normal market circumstances quote the Client bid and ask prices.
- 13.4 In order for Mashreq Bank to quote prices with the swiftness normally associated with speculative trading, Mashreq Bank may have to rely on available price or availability information that may later prove to be faulty due to specific market circumstances, for instance, but not limited to, lack of liquidity in or suspension of an asset or errors in feeds from information providers or quotes from Counterparties. If so, and if Mashreq Bank has acted in good faith when providing the price to the Client, Mashreq Bank may cancel the trade with the Client but shall do so within a reasonable time and shall provide the Client with a full explanation for the reason for such cancellation.
- 13.5 The Client understands and accepts that Mashreq Bank acts as a Market Maker and, therefore it may be necessary for Mashreq Bank to manage its available liquidity by separating its clients into different liquidity pools where the pricing and available liquidity in each group may be independent of the other pools/groups. Liquidity separations can become relevant for clients whom, for example: have price agreements deviating from standard use alternative trading tools (e.g. API), trade outside normal trading hours, trade in odd sizes, make frequent

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use of resting orders that can require manual attention, frequently transact in multiple products and/or asset classes, or have other similar features to their trading.

- 13.6 Following execution of any position with a Client, Mashreq Bank may, at Mashreq Bank's sole discretion, subsequently offset each such client position with another client position, or a position with one of Mashreq Bank's Counterparties or retain a proprietary position in the market with the intention to obtain trading profits from such positions. Such decisions and actions may therefore result in Mashreq Bank offsetting client positions at prices different - sometimes significantly different - from prices quoted to clients, resulting in trading profits or losses for Mashreq Bank. This in turn can raise the possibility of the Client incurring what may be seen as an implied cost (i.e. the difference between the price at which the Client traded with Mashreq Bank and the price at which Mashreq Bank subsequently traded with Counterparties and/or other clients) due to any profits realised by Mashreq Bank as a result of the Market Making function. However the Market Making function may involve significant costs to Mashreq Bank if the market moves against Mashreq Bank as compared to the price at which Mashreq Bank traded with the Client.
- 13.7 The Client accepts that Mashreq Bank in such markets where Mashreq Bank acts as Market Maker, may hold positions that are contrary to positions of the Client, resulting in potential conflicts of interest between Mashreq Bank and the Client, as more specifically referred to in Clause 15.
- 13.8 In markets where Mashreq Bank acts as a Market Maker, the Client accepts that Mashreq Bank has no obligation to quote prices to clients at all times in any given market, nor to quote such prices to clients with a specific maximum spread.
- 13.9 In markets where Mashreq Bank acts as a Market Maker, Mashreq Bank may or may not charge commissions. However, irrespective of whether or not Mashreq Bank charges any commissions, the Client accepts that Mashreq Bank will seek to make additional profits out of its performance as a Market Maker and the size of any such profits may be considerable if and when compared with the Client's margin deposit.
- 13.10 The Client acknowledges, understands and agrees that the price quoted to the Client includes a spread when compared with the price to which Mashreq Bank may have covered or expected to be able to cover the Contract in a trade with another client or a Counterparty. Furthermore, the Client acknowledges, understands and agrees that such spread constitutes remuneration to Mashreq Bank and that such spread not necessarily can be calculated for all Contracts and that such spread will not be specified at the Settlement/Trade Confirmation or otherwise revealed to the Client.
- 13.11 Any commission costs, interest charges, costs associated to and included in the spreads quoted by Mashreq Bank as a Market Maker in certain markets and other fees and charges will consequently influence the Client's trading result and will have a negative effect on the Client's trading performance compared to a situation where such commission costs, interest charges, costs associated to and included in the spreads did not apply.
- 13.12 Whilst dealing spreads and commissions are normally considered to be moderate in relation to the value of the assets traded, such costs may be considerable when compared with the Client's margin deposit. As a consequence, the Client's margin deposit may be depleted by trading losses that the Client may incur and by the directly visible dealing costs such as commissions, interest charges and brokerage fees as well as non-visible costs for the Client caused by Mashreq Bank's performance as a Market Maker.

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- 13.13 If the Client is an active trader and is undertaking numerous transactions, the total impact of visible and non-visible costs may be significant. Consequently the Client may have to obtain significant profits in the markets in order to cover the costs associated with trading activities with Mashreq Bank. For very active Clients, such costs may, over time, exceed the value of the margin deposited. Normally, when trading margined derivatives, the lower the percentage of the applicable margin rate, the higher the proportion of the costs associated with executing a transaction.
- 13.14 The Client is specifically made aware that, in the area of market making in foreign exchange, significant implied costs can arise as a consequence of the profits made by Mashreq Bank performing in its capacity as a Market Maker.
- 13.15 Mashreq Bank's performance as a Market Maker may negatively affect the Client's Account with Mashreq Bank and the implied costs are neither directly visible nor directly quantifiable for the Client at any time.
- 13.16 Mashreq Bank is at no time obliged to disclose any details of its performance or income produced as a Market Maker or otherwise related to other commissions, charges and fees.

14. Market Making

- 14.1. The Client acknowledges, understands and agrees that in certain markets, including the foreign exchange markets, Mashreq Bank may act as a Market Maker.
- 14.2. Mashreq Bank will, upon the Client's written request, disclose to the Client whether Mashreq Bank may act as a Market Maker in relation to a certain instrument.
- 14.3. When acting as a Market Maker, Mashreq Bank will under normal market circumstances quote the Client bid and ask prices.
- 14.4. In order for Mashreq Bank to quote prices with the swiftness normally associated with speculative trading, Mashreq Bank may have to rely on available price or availability information that may later prove to be faulty due to specific market circumstances, for instance, but not limited to, lack of liquidity in or suspension of an asset or errors in feeds from information providers or quotes from Counterparties. If so, and if Mashreq Bank has acted in good faith when providing the price to the Client, Mashreq Bank may cancel the trade with the Client but shall do so within a reasonable time and shall provide the Client with a full explanation for the reason for such cancellation.
- 14.5. The Client understands and accepts that Mashreq Bank acts as a Market Maker and, therefore it may be necessary for Mashreq Bank to manage its available liquidity by separating its clients into different liquidity pools where the pricing and available liquidity in each group may be independent of the other pools/groups. Liquidity separations can become relevant for clients whom, for example: have price agreements deviating from standard use alternative trading tools (e.g. API), trade outside normal trading hours, trade in odd sizes, make frequent use of resting orders that can require manual attention, frequently transact in multiple products and/or asset classes, or have other similar features to their trading.
- 14.6. Following execution of any position with a Client, Mashreq Bank may, at Mashreq Bank's sole discretion, subsequently offset each such client position with another client position, or a position with one of Mashreq Bank's Counterparties or retain a proprietary position in the market with the intention to obtain trading profits from such positions. Such decisions and actions may therefore result in Mashreq Bank

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offsetting client positions at prices different - sometimes significantly different - from prices quoted to clients, resulting in trading profits or losses for Mashreq Bank. This in turn can raise the possibility of the Client incurring what may be seen as an implied cost (i.e. the difference between the price at which the Client traded with Mashreq Bank and the price at which Mashreq Bank subsequently traded with Counterparties and/or other clients) due to any profits realised by Mashreq Bank as a result of the Market Making function. However the Market Making function may involve significant costs to Mashreq Bank if the market moves against Mashreq Bank as compared to the price at which Mashreq Bank traded with the Client.

- 14.7. The Client accepts that Mashreq Bank in such markets where Mashreq Bank acts as Market Maker, may hold positions that are contrary to positions of the Client, resulting in potential conflicts of interest between Mashreq Bank and the Client, as more specifically referred to in Clause 15.
- 14.8. In markets where Mashreq Bank acts as a Market Maker, the Client accepts that Mashreq Bank has no obligation to quote prices to clients at all times in any given market, nor to quote such prices to clients with a specific maximum spread.
- 14.9. In markets where Mashreq Bank acts as a Market Maker, Mashreq Bank may or may not charge commissions. However, irrespective of whether or not Mashreq Bank charges any commissions, the Client accepts that Mashreq Bank will seek to make additional profits out of its performance as a Market Maker and the size of any such profits may be considerable if and when compared with the Client's margin deposit.
- 14.10. The Client acknowledges, understands and agrees that the price quoted to the Client includes a spread when compared with the price to which Mashreq Bank may have covered or expected to be able to cover the Contract in a trade with another client or a Counterparty. Furthermore, the Client acknowledges, understands and agrees that such spread constitutes remuneration to Mashreq Bank and that such spread not necessarily can be calculated for all Contracts and that such spread will not be specified at the Settlement/Trade Confirmation or otherwise revealed to the Client.
- 14.11. Any commission costs, interest charges, costs associated to and included in the spreads quoted by Mashreq Bank as a Market Maker in certain markets and other fees and charges will consequently influence the Client's trading result and will have a negative effect on the Client's trading performance compared to a situation where such commission costs, interest charges, costs associated to and included in the spreads did not apply.
- 14.12. Whilst dealing spreads and commissions are normally considered to be moderate in relation to the value of the assets traded, such costs may be considerable when compared with the Client's margin deposit. As a consequence, the Client's margin deposit may be depleted by trading losses that the Client may incur and by the directly visible dealing costs such as commissions, interest charges and brokerage fees as well as non-visible costs for the Client caused by Mashreq Bank's performance as a Market Maker.
- 14.13. If the Client is an active trader and is undertaking numerous transactions, the total impact of visible and non-visible costs may be significant. Consequently the Client may have to obtain significant profits in the markets in order to cover the costs associated with trading activities with Mashreq Bank. For very active Clients, such costs may, over time, exceed the value of the margin deposited. Normally, when trading margined derivatives, the lower the percentage of the applicable margin rate, the higher the

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proportion of the costs associated with executing a transaction.

- 14.14. The Client is specifically made aware that, in the area of market making in foreign exchange, significant implied costs can arise as a
- 14.15. Consequence of the profits made by Mashreq Bank performing in its capacity as a Market Maker.
- 14.16. Mashreq Bank's performance as a Market Maker may negatively affect the Client's Account with Mashreq Bank and the implied costs are neither directly visible nor directly quantifiable for the Client at any time.
- 14.17. Mashreq Bank is at no time obliged to disclose any details of its performance or income produced as a Market Maker or otherwise
- 14.18. related to other commissions, charges and fees.

15. Aggregation and Split

- 15.1. Mashreq Bank is entitled to aggregate the Client's orders with the bank's own orders, orders of any of the bank's associates and/ or persons connected with Mashreq Bank including employees and other clients. Furthermore, Mashreq Bank may split the Client's orders when executing these orders. The orders will only be aggregated or split if Mashreq Bank reasonably believes it to be in the best interests of the Client. On some occasions, aggregation and split of the Client's order may result in the Client obtaining a less favourable price than if the Client's orders had been executed respectively separately or mutually.

16. Conflicts of Interest

- 16.1. The Client acknowledges and agrees that Mashreq Bank, its associates or other persons or companies connected with the Mashreq Bank Group may have an interest, relationship or arrangement that is material in relation to any transaction or Contract effected, or advice provided by Mashreq Bank, under these Terms. The following are examples of such material interests and conflicts of interest:
 - I. Mashreq Bank may deal with the Client as principal for its own account;
 - II. Mashreq Bank may deal with the Client as agent for both the Client and another person (whether or not connected or affiliated with Mashreq Bank);
 - III. Mashreq Bank may match any of the Client's orders with the order of any other person (whether or not affiliated or connected with Mashreq Bank) receiving, in some cases, a second commission from such other person;
 - IV. Mashreq Bank or any member of the Mashreq Bank Group may make a market in an instrument held, purchased or sold for the Client's Account; and
 - V. Mashreq Bank may execute transactions at a price which is different from the price at which the order was placed.
- 16.2. Mashreq Bank will take reasonable steps to identify and manage conflicts of interest between itself and its clients as well as conflicts of interest between clients that arise in the course of the provision of its Services.
- 16.3. By accepting these Terms, the Client acknowledges and agrees that Mashreq Bank may transact business without prior reference to any potential specific conflict of interest and is under no obligation to:

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- I. disclose to the Client where Mashreq Bank (or any member of the Mashreq Bank Group) has a material interest in a particular transaction with or for the Client; or
- II. account to the Client for any profit, commission or remuneration made or received from or by reason of any transactions or circumstances in which Mashreq Bank or any member of the Mashreq Bank Group has a material interest or where in particular circumstances a conflict of interest may exist.

17. Mashreq bank's counterparties

- 17.1. In order to give effect to the Client's instructions, Mashreq Bank may instruct a Counterparty selected at Mashreq Bank's discretion and Mashreq Bank shall do so where the transaction is to be subject to the rules of an exchange or market of which Mashreq Bank is not a member.
- 17.2. Mashreq Bank shall not be responsible for errors committed by such Counterparties, unless it is proven that Mashreq Bank has not acted with sufficient care when selecting the Counterparty.

18. Introducing brokers

- 18.1. The Client may have been referred to Mashreq Bank by an Introducing Broker. If so, Mashreq Bank shall not be responsible for any agreement made between the Client and the Client's Introducing Broker. The Client acknowledges that any such Introducing Broker will either be acting as an independent intermediary or an Agent for the Client and that no such Introducing Broker shall be authorized to make any representations concerning Mashreq Bank or Mashreq Bank's Services.
- 18.2. The Client acknowledges, understands and agrees that the Client's agreement with its Introducing Broker may result in additional costs as Mashreq Bank may pay fees or commission to such person.
- 18.3. The Client acknowledges, understands and agrees that the Client's agreement with its Introducing Broker may result in additional costs for the client because the Introducing Broker can deduct commissions and fees as well as price or interest/financing rate adjustments for any trade conducted on or allocated to the Clients account either by the Introducing Broker or the Client.
- 18.4. If the Introducing Broker undertakes any deductions from the Client's Trading Account according to any agreement between the Client and the Introducing Broker, Mashreq Bank has no responsibility or liability as to the existence or validity of such an agreement.
- 18.5. Mashreq Bank shall have no responsibility or liability to the Client in following the instructions given by the Introducing Broker. Mashreq Bank is under no obligation to supervise or otherwise know or review the payment instructions or any other acts, including but not limited to the trading, of the Introducing Broker.
- 18.6. The Client acknowledges, understands and agrees that frequent transactions may result in a sum total of commissions, fees, price or interest/financing rate adjustments for trades conducted that may be substantial and not necessarily be offset by the net profits, if any, achieved from the relevant trades. The responsibility for correctly assessing whether the size of the total commissions, fees, price or interest/financing rate adjustments for trades conducted paid from the Client's account makes trading commercially viable, is the combined responsibility of the Client and the Introducing Broker. Mashreq

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Bank only acts as the custodian and principal broker, and therefore is not responsible for the size of the commissions and fees as well as price or interest rate paid by the Client.

18.7. Any commissions, fees, price or interest/financing rate adjustments for trades conducted may be shared between the Introducing Broker, Mashreq Bank and third parties according to the Introducing Broker's written instructions and/or at Mashreq Bank's sole discretion

19. Default and default remedies

19.1. The provisions contained in this Clause 18 supplement any other rights that Mashreq Bank or any of its associates have according to these Terms and under applicable laws and regulations.

19.2. Mashreq Bank reserves the right to retain, or make deductions from, any amounts which Mashreq Bank owes to or is holding for the Client if any amounts are due from the Client to Mashreq Bank or Mashreq Bank's associates.

19.3. The Client authorises Mashreq Bank, at any time and without notice at Mashreq Bank's sole discretion, to sell, apply, set-off and/or charge in any manner any or all of the Client's property and/or the proceeds of any of the same of which Mashreq Bank or any of its associates or Agents has custody or control, in order to discharge any or all of the Client's obligations to Mashreq Bank or to Mashreq Bank's associates.

19.4. Each and any of the following events shall constitute an Event of Default in relation to all of a Client's Contracts, Margin Trades, securities and other business with Mashreq Bank (regardless of whether the Event of Default only relates to part of the business with Mashreq Bank):

- I. if the Client fails to make any payment when due or breaches any of its obligations or undertakings under these Terms or any Contract, including any Margin requirements;
- II. if the Client dies or becomes of unsound mind;
- III. if the Client is unable to pay its debts as they fall due, commences negotiations with any of its creditors with a view to the general re-adjustment or rescheduling of its indebtedness or makes a general assignment for the benefit or compromise with its creditors;
- IV. if the Client becomes bankrupt or a receiver is appointed for the whole or any part of its business assets or undertakings or an order of a competent court is made for the bankruptcy of the Client;
- V. if any material adverse change occurs to the legal status, business affairs, financial condition or prospects of the Client which, in the opinion of Mashreq Bank, would impair the ability of the Client to honour its obligations to Mashreq Bank and to comply with these Terms or any Contract;
- VI. if any of the representations or warranties given by the Client are, or become, untrue;
- VII. if, as a result of any change or interpretation of any applicable laws or regulations, Mashreq Bank is not permitted to continue with these Terms or any Contract (whether whole or in part) with the Client; or
- VIII. if Mashreq Bank reasonably considers it necessary for its own protection or the protection of its associates.

19.5. Upon the occurrence of an Event of Default, all of the obligations of Mashreq Bank under these Terms and any Contract shall immediately cease and Mashreq Bank shall, in its sole discretion, be entitled to:

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- I. sell or charge, to the extent permitted by law, any or all of the Client's collateral, assets and property which may from time to time be in the possession or control of Mashreq Bank or any of its associates or Agents or call on any guarantee. Sale of Security, assets and property shall, to the extent permitted by law, take place by means that Mashreq Bank in its sole discretion determines and at the price that Mashreq Bank in its sole discretion determines to be the best obtainable;
 - II. buy or sell any Security, investment or other property, to the extent permitted by law, where this is, or is in the reasonable opinion of Mashreq Bank, likely to be, necessary in order for Mashreq Bank to fulfil its obligations under any Contract and the Client shall reimburse Mashreq Bank for the full amount of the purchase price plus any associated costs and expenses (including legal costs and expenses);
 - III. deliver any Security, investment or property to any third party, or otherwise take any action, to the extent permitted by law, Mashreq Bank considers to be desirable in order to close any Contract;
 - IV. require the Client immediately to close and settle a Contract in such manner as Mashreq Bank may in its sole discretion request;
 - V. to enter into any foreign exchange transaction, at such market rates and times as Mashreq Bank may determine in its sole discretion, in order to meet obligations incurred under a Contract;
 - VI. re-invoice all or part of any assets standing to the debit or credit of any Account (including commuting Mashreq Bank's or the Client's obligation to deliver an asset into an obligation to pay an amount equal to the market value of the asset (determined by Mashreq Bank in its sole discretion) on the date re-invoicing takes place); and
 - VII. close-out all Contracts and net all the Client's and Mashreq Bank's obligations towards each other as of the date fixed by Mashreq Bank. The above remedies shall be without prejudice to any other rights available to Mashreq Bank under applicable law.
- 19.6. The Client authorises Mashreq Bank to take any or all of the steps described in this Clause without notice to the Client and acknowledges that Mashreq Bank shall not be responsible or liable for any consequences of it taking any such steps, unless Mashreq Bank has exercised gross negligence in connection herewith. The Client shall execute the documents and take the action as Mashreq Bank may request in order to protect the rights of Mashreq Bank and its associates under these Terms, any Contract or under any other agreement the Client may have entered into with Mashreq Bank's associates.
- 19.7. If Mashreq Bank exercises its rights to sell any Security or property of the Client under this Clause, it will effect such sale, to the extent permitted by law, without notice or liability to the Client, on behalf of the Client and apply the proceeds of sale in or towards discharge of any of the Client's obligations to Mashreq Bank or to Mashreq Bank's associates.
- 19.8. Without prejudice to Mashreq Bank's other rights under these Terms or under prevailing law, Mashreq Bank may, at any time and without notice, combine or consolidate any of the accounts maintained by the Client with Mashreq Bank or any of its associates and off-set any and all amounts owed to, or by, Mashreq Bank or any of its associates in such manner as Mashreq Bank in its sole discretion may determine.

20. Client warranties and representations

20.1. The Client warrants and represents that:

- I. it has the legal capacity to enter into these Terms, each Contract and each transaction contemplated thereby and the necessary capacity to exercise its rights and perform its obligations hereunder and thereunder
- II. it shall not change its residency or place of business without prior notice to Mashreq Bank;
- III. it has read these Terms and is aware of its rights, obligations and liabilities as described hereunder;
- IV. it is not aware of any thing or any matter that may in any way prevent or restrict it from entering into or fulfilling its obligations under these Terms, each Contract and each transaction contemplated thereby;
- V. its obligations under these Terms, each Contract and each transaction contemplated thereby constitute legal, valid and binding obligations and are enforceable in accordance their respective terms;
- VI. the execution, delivery and performance of these Terms, each Contract, each transaction contemplated thereby and any other agreement relating thereto do not and shall not violate any provision of any applicable laws or regulations applicable to the Client and shall be binding on the Client
- VII. it is not in default of any instrument or document to which it is party;
- VIII. it enjoys no immunity whatsoever from judicial proceedings, attachment of debts to its assets or execution of judgment under the laws of its incorporated jurisdiction or elsewhere;
- IX. investments or other assets supplied by the Client for any purpose shall, subject to these Terms, at all times be free from any charge, lien, pledge or encumbrance and shall be beneficially owned by the Client;
- X. no litigation or administrative claim or proceeding of any court or governmental authority is presently pending or, the best of
- XI. its knowledge, is threatened against the Client or any of its assets and the Client is not in default under any order, injunction, decree or any other regulation of any court or other governmental authority;
- XII. it is in compliance with all laws to which it is subject including, without limitation, all tax laws and regulations, exchange control requirements and registration requirements; and
- XIII. the information provided by the Client to Mashreq Bank is complete, accurate and not misleading in any material respect.

20.2. The above warranties and representations shall be deemed to be repeated each time the Client provides instructions to Mashreq Bank.

21. Indemnity and limitations of liability

21.1. The Client shall, on demand, keep Mashreq Bank, its associates, Agents, representatives and employees (the "Indemnified Parties") fully and severally indemnified against all Liabilities (which shall, for the avoidance of doubt, include all legal fees and expenses and present, future and contingent

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claims, costs, liabilities and expenses) made against or incurred by any of the Indemnified Parties in connection with the occurrence of an Event of Default and/or arising from or pertaining to in any way the Services provided under these Terms, unless such Liabilities are suffered or incurred as a result of Mashreq Bank's gross negligence.

21.2. This right to indemnification shall survive any termination of these Terms.

21.3. For the avoidance of doubt, Mashreq Bank shall not be liable for:

- I. any Liability (including consequential and other indirect losses), suffered or incurred by the Client as a result of or in connection with the provision of the Services unless and to the extent that such Liability is suffered or incurred as a result of Mashreq Bank's gross negligence;
- II. any Liability due to actions taken by Mashreq Bank according to its rights and obligations under these Terms, any Contract and any transaction contemplated thereunder; or
- III. any consequential or other indirect loss suffered or incurred by the Client whether arising from Mashreq Bank's gross negligence or otherwise.

21.4. The Client acknowledges, understands and agrees that any market recommendation and any information communicated by Mashreq Bank does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell a Contract and that such recommendation and information, although based upon information from sources believed by Mashreq Bank to be reliable, may be based solely on a broker's opinion and that such information may be incomplete and may be unverified and unverifiable. Mashreq Bank makes no representation, warranty or guarantee as to, and shall not be responsible or liable for, the accuracy or completeness of any information or trading recommendation furnished to the Client.

22. Confidentiality and mashreq bank's disclosure of information

22.1. Neither party shall disclose any information relating to the business, investments, finances or other matters of a confidential nature of the other party which it may, in the course of its duties under these Terms or any Contract, obtain possession, unless the other party provides prior written consent or if disclosure is required by any legal, governmental or regulatory body, agency or authority or any applicable laws or regulations.

22.2. By accepting these Terms, the Client authorises Mashreq Bank to disclose such information relating to the Client as may be required by any legal, governmental or regulatory body, agency or authority or any applicable laws or regulations, including any applicable Market Rules, without prior notice to the Client.

22.3. By accepting these Terms, the Client permits Mashreq Bank to transfer personal information about the Client submitted to or collected by Mashreq Bank with any legal entity within the Mashreq Bank Group. The Mashreq Bank Group may transfer such personal information for the purposes of complying with UAE laws and regulations, providing and performing investment advice, investment services, and other services which Mashreq Bank offers, conducting marketing, and managing the client relationship. Such personal information may be transferred to Mashreq Bank Group companies in countries where data protection laws may not provide an equivalent level of protection to the laws of the UAE. Furthermore, Mashreq Bank may share such personal information with a third party agency working on behalf of Mashreq Bank with the purpose of performing client analysis for the use of Mashreq Bank's sales and marketing and with any Introducing Broker working on behalf of Mashreq Bank for the purpose of

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completing the due diligence and approving of account applications.

22.4. The Client's personal information will be stored no longer than necessary to carry out the purposes listed in these Terms. The Client has the right to request correction, supplementation, deletion, or blocking of such personal information if inaccurate, incomplete, or irrelevant for the purposes of the processing or if processed in any other way that is unlawful. In certain circumstances, the Client may also have the right to object for legitimate reasons to the processing of such personal data in accordance with the procedures set forth in the applicable data protection regulations and to seek other legal remedies available in connection with the processing of such personal information.

23. Amendments

23.1. Mashreq Bank is entitled to amend these Terms in favour of the Client without notice. Changes which are, in Mashreq Bank's reasonable opinion, not in the Client's favour may take place at any time by giving a notice of minimum thirty days where Clients are using the Trading Platform for Commercial Use, and by giving a notice of two months where Clients are using the Trading Platform for Private Use. Mashreq Bank will provide the notice to the Client on a Durable Medium. The Client is deemed to have accepted such changes if it does not notify Mashreq Bank to the contrary prior to such amendments coming into force.

24. Termination

24.1. The Client relationship shall remain in force until terminated in accordance with this Clause 23.

24.2. Either party may terminate the Client relationship by giving one month's written notice to the other party. Mashreq Bank will provide notice to the Client on a Durable Medium. Termination shall not affect any accrued rights and obligations.

24.3. On termination, Mashreq Bank and the Client undertake to complete all Contracts that are already entered into or under execution and these Terms shall continue to bind both parties in relation to such transactions. Mashreq Bank is entitled to deduct all amounts due to it before transferring any credit balances on any Account to the Client and it is entitled to postpone such transfer until any and all Contracts between Mashreq Bank and the Client are closed. Furthermore, Mashreq Bank is entitled to require the Client to pay any charges incurred in transferring the Client's investments as a result of termination.

25. Disputes and complaints

25.1. In case the Client wishes to dispute an order execution or the price and valuation of a trade, the Client shall raise the dispute with the account executive or another employee of Mashreq Bank, who will explore the matter and revert to the Client in a timely manner.

25.2. In case the Client has raised a question or a problem with the account executive or another employee of Mashreq Bank without receiving a satisfactory answer in a timely manner, the Client must file a written complaint with the Equities Desk at Mashreq (EquityDD@Mashreqbank.com). The Equities Desk hereafter investigates and answers the complaint.

25.3. In the event the Client is not satisfied with the Complaints Department's response, the Client may file a

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complaint to Equities Desk, Mashreq, AGC PO box 1250, Dubai, U.A.E

25.4. Without prejudice to any of Mashreq Bank's other rights under these Terms, in case of a dispute or complaint between the Client and Mashreq Bank over a Margin / Equity Trade or an alleged Margin / Equity Trade or any instruction relating to a Margin/ Equity Trade, Mashreq Bank is entitled at its sole discretion and without notice to close any such Margin/Equity Trade or alleged Margin/Equity Trade if Mashreq Bank reasonably believes such action to be desirable for the purpose of limiting the maximum amount involved in the dispute. Mashreq Bank shall not be responsible to the Client in connection with any subsequent fluctuations in the level of the relevant Margin Trade. If Mashreq Bank closes a Margin/ Equity Trade under this Clause, such action shall be without prejudice to Mashreq Bank's right to contend that such Margin / Equity Trade had already been closed by Mashreq Bank or was never opened by the Client. Mashreq Bank shall take reasonable steps to inform the Client that Mashreq Bank has taken such action as soon as practicable after doing so. Where Mashreq Bank closes a Margin/Equity Trade or alleged Margin/Equity Trade in accordance with this Clause, the closure shall be without prejudice to the Client's rights to open a new Margin Trade, provided that such Margin/Equity Trade is opened in accordance with these Terms. When calculating margin or other funds required for such Margin/Equity Trade, Mashreq Bank is entitled to do so on the basis that Mashreq Bank's view of the disputed events or instructions is correct.

26. Governing law and choice of jurisdiction

- 26.1. These Terms, and any non-contractual obligations relating hereto, shall be governed by and construed in accordance with UAE law.
- 26.2. Each of the Client and Mashreq agrees to submit its disputes in connection with these Terms to the non-exclusive jurisdiction of the courts of Dubai.
- 26.3. Without prejudice to the foregoing, Mashreq Bank shall have the right to take any action against the Client or its assets in any court of a competent jurisdiction as determined by Mashreq.
- 26.4. The Client irrevocably waives (to the extent permitted by applicable law) any objection which, now or hereafter, may have to the laying of venue of any action or proceeding brought in the manner described above and any objection on the ground that any such action or proceeding in such venue has been brought in an inconvenient forum.
- 26.5. The Client irrevocably waives (to the extent permitted by applicable law) all immunity from jurisdiction, attachment and execution, whether on the basis of sovereign immunity or otherwise, to which it might otherwise be entitled in any legal action or proceeding.
- 26.6. This Clause 25 shall survive any termination of these Terms.

27. Miscellaneous

- 27.1. If at any time any provision of these Terms is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these Terms under the laws of that jurisdiction nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall be in any way affected.
- 27.2. Mashreq Bank shall not be liable to the Client for any failure, hindrance or delay in performing its

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obligations under these Terms where such failure, hindrance or delay arises directly or indirectly from circumstances beyond its reasonable (whether foreseeable or unforeseeable) control. Such force majeure events shall include, without limitation, any technical difficulties such as telecommunications failures or disruptions, non-availability of Mashreq Bank's website e.g. due to maintenance downtime, declared or imminent war, revolt, civil unrest, natural catastrophes, statutory provisions, measures taken by authorities, strikes, lock-outs, boycotts, or blockades, notwithstanding that Mashreq Bank is a party to the conflict and including cases where only part of Mashreq Bank's functions are affected by such events.

- 27.3. If the Client's combined exposure in one or more Margin Trades reaches a level which in case of an adverse market development may lead to a significant deficit not covered by the Client's deposits and/or margin with Mashreq Bank, the Bank may in its reasonable discretion (i) increase the margin requirements and/or (ii) reduce the Client's exposure by closing one or more or all of the Client's open positions.
- 27.4. Mashreq Bank is entitled, in its reasonable opinion, to determine that an emergency or an exceptional market condition has occurred. Such conditions shall include, but are not limited to, the suspension or closure of any market or the abandonment or failure of any system by reference to which Mashreq Bank obtains its quotes or the occurrence of an excessive movement in the level of any Margin Trade and/or underlying market or Mashreq Bank's reasonable anticipation of the occurrence of such a movement. In such cases, Mashreq Bank may, in its sole discretion, increase its margin requirements, reduce the Client's exposure, close any or all of the Client's open Margin Trades and/or suspend trading.
- 27.5. The Client may not assign, transfer or novate any its rights or obligations, or delegate any of its obligations, under these Terms or any Contract to a third party.
- 27.6. Mashreq Bank may assign, transfer or novate any its rights or obligations, or delegate any of its obligations, under these Terms and any Contract to any regulated financial institution, without obtaining the approval of the Client.
- 27.7. For various investments, instruments and groups of Clients, Mashreq Bank may provide additional business terms. The Client acknowledges, understands and agrees that:
- I. such business terms shall be considered to be supplemental to, and form part of, these Terms; and
 - II. the Client should not undertake any transaction unless the business terms applicable to such investment, instrument or group of Clients have been understood and accepted. Transactions undertaken by the Client notwithstanding the above, shall be deemed to have been undertaken as if this sub-clause had been complied with.
- 27.8. The rights and remedies contained in these Terms are cumulative and not exclusive of any rights or remedies provided by law.
- 27.9. No delay or omission on the part of Mashreq Bank in exercising any right, power or remedy provided by law or under these Terms, or partial or defective exercise thereof, shall:
- I. impair or prevent further or other exercise of such right, power or remedy; or
 - II. operate as a waiver of such right, power or remedy.
- 27.10. No waiver of pleading a default of a Clause in these Terms shall (unless expressly agreed in writing by the waiving party) be construed as a waiver of a future breach of the same Clause or as authorising a

continuation of the particular breach.

- 27.11. The Client hereby ratifies all transactions with Mashreq Bank effected prior to the Client's acceptance of these Terms and agrees that the rights and obligations of the Client in respect thereto shall be governed by these Terms.
- 27.12. These Terms are made available in both the English and Arabic languages. In the event of a discrepancy in interpretation between the English and Arabic texts of these Terms, the provisions of the English text apply, to the extent permitted by law.
- 27.13. The Client and Mashreq Bank shall communicate in English, unless otherwise agreed by Mashreq Bank from time to time.

28. Risk disclosure statement for trades in foreign exchange and derivatives

This brief statement, which constitutes an addition to these Terms, does not disclose all of the risks and other significant aspects of trading foreign exchange and derivatives. In consideration of the risks, you should enter into transactions with the mentioned products only if you understand the nature of the contracts and the contractual legal relationship into which you are entering and the extent of your exposure to risk. Transactions in foreign exchange and derivatives are not suitable for many members of the public. You should carefully consider whether transacting is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

- 28.1. Effect of "Leverage" or "Gearing": Transactions in foreign exchange and derivatives carry a high degree of risk. The amount of initial margin may be small relative to the value of the foreign exchange or derivatives contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with Mashreq Bank to maintain your position. If the market moves against your position and/or margin requirements are increased, you may be called upon to deposit additional funds on short notice to maintain your position. Failing to comply with a request for a deposit of additional funds, may result in closure of your position(s) by Mashreq Bank on your behalf and you will be liable for any resulting loss or deficit.
- 28.2. Risk-reducing Orders or Strategies: The placing of certain orders (e.g. "stop-loss" orders, where permitted under UAE law, or "stop-limit" orders), which are intended to limit losses to certain amounts, may not be adequate given that markets conditions make it impossible to execute such orders, e.g. due to illiquidity in the market.
- 28.3. Terms and Conditions of Contracts: You should ask the advisors with whom you deal about these Terms and conditions of the Contracts entered into and information on associated obligations.
- 28.4. Commission and Other Charges: Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit or loss.
- 28.5. Currency Risks: The profit or loss in transactions in foreign currency-denominated contracts in another currency than your account currency will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to the account currency.

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- 28.6. Trading Facilities: Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits may vary: you should ask the firm with which you deal for details in this respect.
- 28.7. Electronic Trading: Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risks associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions, is not executed at all and a lack of capability to keep you informed continuously about your positions and fulfilment of the margin requirements.

29. Further terms relating to Equity/Securities Trading

- 29.1. For the purposes of this section the following terms have the following meanings: (a) "Corporate Action" shall mean any corporate action that may affect the share price of a relevant company, which may include share issues, conversion, share splits, share issues, sell-offs and/or dividend. (b) "Dividend Reinvestment Rate" shall mean the rate defined by the issuer of Corporate Action at which dividends will be converted into shares. (c) "Ex-Date" shall mean the effective date of the Corporate Action, the date on which or the date after a security trades without its previously declared dividend or distribution. (d) "Instruction Deadline" shall mean the deadline given by Mashreq Bank to the Client for the Client to give its instructions regarding a Corporate Action. Instruction deadline can vary to a larger or less degree from deadlines stipulated in the prospectus or other material referring to market deadlines. (e) "Pay Date" shall mean the value date of the Corporate Action or the date on which a dividend or bond interest payment is made or scheduled to be made. (f) "Securities" shall mean shares, bonds, financial futures or other comparable units.
- 29.2. Rights Issues: A Rights Issue is when an existing stockholder is offered a number of new shares proportional to their holding at a specified price for subscription by a specified date. These new shares may be renounceable (tradable) or non-renounceable. If the Client is holding a stock where there is a Right Issue the Client will receive the rights and have the opportunity to subscribe for new stocks, ignore the rights or sell the rights, if possible. In order to prevent renounceable rights from becoming worthless when they expire Mashreq Bank will, if the Client by the Instruction Deadline has not instructed Mashreq Bank, sell the rights (if possible) on behalf of the Client before the expiry of the rights. The proceeds from a sale of rights will be deducted the standard commission of the account. If the rights are non-renounceable, they will if not exercised be worthless at expiry.
- 29.3. Cash Dividends: A Cash Dividend is the cash payment of a dividend to the shareholder per share held. Cash dividends are booked on Ex-Date reflecting the market price movement. However, the actual value of the payment will be settled on Pay Date. Cash Dividends are credited to the Client's account with any applicable standard withholding taxes deducted.
- 29.4. Dividend Option: A Dividend Option is per default the cash payment of a dividend to the shareholder per

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share held, however, the shareholder will be given the option to elect to receive securities proportional to the shares held. Client eligible for cash will receive payment on Ex-Date. Clients electing to receive stocks will receive these based on the Dividend Reinvestment Rate at Pay Date. Mashreq Bank does not support currency option dividend – a dividend payable in cash with the position holder's option to receive payment in a different currency.

29.5. Stock Dividends and Bonus Issues: In a Stock Dividend the shareholder is receiving additional shares to those already held in the same security. This means that additional stocks are allocated on Ex-Date for value on Pay Date. In a Bonus Issue shareholders will receive additional shares in proportion to the existing holding. Additional stocks are allocated on Ex-Date for value on Pay Date.

29.6. Stock Splits / Reverse Stock Splits / Spin Offs: A Stock Split is an increase in an issuer's number of issued shares proportional to a reduction in the par value of the existing shares. The holders will receive additional stocks, allocated on Ex-Date, but at a reduced price.

A Reverse Stock Split is a decrease in the number of issued shares proportional to an increase in the par value of the existing shares. The shareholders will see their stock position being reduced, on Ex-Date, but at an increased price. A Spin Off means that the shareholders will receive additional shares in a new share in proportion to the existing holding. Additional stocks are allocated on Ex-Date.

29.7. Tender Offers: A Tender Offer is the offering to shareholders to sell their shares at a price determined by the Tender Offer issuer.

29.8. Mergers & Mergers with Elections: A Merger is the situation where two entities merge into one. Under normal circumstances the shareholders of either entity will be entitled to either:

- I. Receive a cash compensation on Pay Date,
- II. Receive the Prevailing Stocks on Ex-Date, or
- III. A proportional combination of cash compensation and the Prevailing Stocks. If the Client is holding a stock where there is a Merger the Client will be in a position to elect between different options available for the specific Merger, if instruction is given to Mashreq Bank prior to the Instruction Deadline. In the absence of instruction from the Client the default option of the Merger will be applied.
- IV. Special Corporate Action Events Special and infrequent Corporate Actions that do not fall under the descriptions above may occur. Mashreq Bank will handle such Corporate Actions in the best interest of the Client to the extent that time and operational procedures will allow. Special local rules may apply to certain Corporate Actions. The terms for these can be obtained by contacting Mashreq Equities Desk.

29.9. Election for non-supported securities: The Client is made aware and acknowledges that in voluntary Corporate Action where the alternative to a cash settlement is the settlement in a Security that is not supported by Mashreq Bank, the Client will not have the option to choose but will be given the cash settlement.

29.10. Depositary Receipt Fees: It is standard practice for depositary receipts to charge an annual administration fee per share depending on the issuing depositary bank. The intent of the fee is to cover costs for the banks that take on the operational processes necessary to issue and trade the depositary receipt line. Typically, the fee is deducted when dividend payments are made, however, in case the

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depository receipts do not pay a dividend or did not include the custodial fee in their dividend events, the fee will be administered through fee-only events. The dividend fee is stipulated in the Deposit Agreement between the depository bank and the company based upon industry standards. The fee per depository receipt is not dependent on the total amount of dividend being paid but the amount of securities held.

29.11. Costs: Mashreq Bank may charge commission and fees related to Corporate Actions. The prevailing trading costs are available by contacting the Mashreq Equities Desk.

29.12. Taxes and Fees on Corporate Actions: Taxes and fees may also occur on Corporate Actions other than cash dividends such as fee on a stock dividend or tax on a merger. When such taxes and fees occur Mashreq Bank may debit the Client's account accordingly.

30. Risk Disclosure statement for Equity Trading

30.1. Transaction costs: Before entering into any relevant Contract you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. Your net returns from any relevant Contract would also be affected by the transaction costs (i.e. commission, fees and other charges) charged by Mashreq Bank or third parties and any relevant tax liabilities. These costs must be considered any risk assessment made by you. In some cases, managed Accounts may be subject to substantial charges for management and advisory fees. It may be necessary for those Accounts that are subject to these charges to make substantial trading profits to avoid depletion or exhaustion of their assets.

30.2. System Risks: When trading in electronic mode, satellite/leased line based communications, combination or technologies and computer systems are used to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem whereby not being able to establish access to the trading system, which may be beyond the control of and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, when there are outstanding open positions or unexecuted orders, these represent a risk because of the Client's obligations to settle all executed transactions. High volume trading in markets may cause delays in order execution and/or confirmation. During periods of volatility, there may be delays in order execution and/or confirmations. Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side or if trading is halted in a security due to any action on account of unusual trading activity or decision of regulators or exchanges.

30.3. Risk of News Announcements: Securities issuers/market participants/regulators/governments and other such concerned parties make press-release/news announcements that may impact the price of investments. These announcements may occur during trading hours, and may suddenly cause an unexpected positive or negative movement in the price of the security.

30.4. Acknowledgement: By entering into any relevant Contract, you confirm that you have received, read and fully understood these General Business Terms, the nature of the relevant Contract and the terms and conditions governing the transaction. You acknowledge and agree that in entering into any relevant Contract, you have made your own assessment of the transaction and relevant Contract and your own objectives, knowledge, experience, financing risk capacity and ability to monitor the transaction and

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relevant Contract, based on such independent financial, tax, legal or other advice as you consider appropriate. You further acknowledge and agree that you: (a) understand, are familiar with and are fully aware of the risks related to the transaction and relevant Contract; (b) are willing to take all such risks; and (c) are capable of bearing a full loss of the amounts invested as a result of or in connection with any transaction and relevant Contract entered into with Mashreq Bank. You accordingly agree that you are and shall at all times be fully responsible for any transaction and relevant Contract you choose to enter into. You also confirm that you are aware of and fully understand all applicable laws, regulations and directives to which you are subject and that you are entitled and/or authorised under or by such laws, regulations and/or directives to enter any transaction and relevant Contract you choose to enter into.