



# Brokerage Account Opening Application

Institutional Clients

CIF:

Name:

# Brokerage Account Opening Application

For Institutional Clients

## Account Opening Agreement

In dealing with SICO, the Client will be legally bound by this Agreement. This Agreement will supersede any prior agreement under which the Client might have been doing brokerage business with SICO in the past.

1. This Account Opening Agreement should be executed in duplicate. After both parties have signed the Agreement, "SICO BSC(c)" will retain one copy and return the other to the Client.
2. The following documents are required to open the account for the Client:
  - i. Commercial Registration or Certificate of Incorporation.\*
  - ii. Memorandum and Articles of Association (or equivalent legal document of incorporation).\*
  - iii. Approved List of Authorized Persons and Specimen Signatures of legal representatives.
  - iv. ID documents of Client's Authorized Signatories who will be signing this Agreement and operating the Account.\*
  - v. Latest Audited Financial Statement.
  - vi. Account Opening Application Form, duly completed, and each page signed by initials.
  - vii. In case the Client is a Fund, Fund Prospectus is required along with "i" to "vi" above for the fund Company/Promoter.
  - viii. It is mandatory for all Clients to complete and submit the FATCA analysis form, "Annexure 1" of this agreement.
  - ix. Account opening fees of BD 10.00.

Kindly note that additional information or documents may be requested based on the scrutiny of the above information and the enclosed agreements.

**The documents listed in Section 2 above are to be provided for each shareholder holding 20% or more of the issued capital of the Client, until more than 80% of the issued capital of the Client is accounted for. ID documents of all such shareholders must be attached along with this application form. If the Client is majority owned by an institution that is listed on any GCC or FATF recognized stock exchange, please provide proof of this.**

\*Where the originals have not been produced for verification by SICO officials, copies of (i, ii and iv above) must be attested by any one of the following from a GCC or FATF member state (self-attestation by the entity itself is not permitted):

- |                                  |   |
|----------------------------------|---|
| a. certified Lawyer              | d. a government ministry                  |
| b. government notary             | e. an official of an embassy or consulate |
| c. licensed Chartered Accountant | f. a licensed financial institution       |

**Please note that:** Submission of incomplete documentation could result in delaying processing and / or rejection of the application.

Initial:

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**1. Client Particulars**

Please read carefully and complete all of the enclosed documents and return them to your Account Officer

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**For SICO Use Only**

**Client's Account Details:**

Name \_\_\_\_\_

CIF No: \_\_\_\_\_

**To be filled by Client**

**Full Legal Name:**

**CR Number**

**Date of Incorporation:**

**Name of Regulator:**

**Name of External Auditor:**

**Website (if available):**

**Principal Place of Business:**

**Country of Incorporation:**

**Principal Place of Business:**

**List of all beneficial owners who hold more than 10% of the Client's capital** (Please attach additional sheet if the below space is insufficient)

**Name of beneficial owner:**

**Nationality:**

- |          |       |
|----------|-------|
| 1. _____ | _____ |
| 2. _____ | _____ |
| 3. _____ | _____ |
| 4. _____ | _____ |
| 5. _____ | _____ |

Initial:

**Politically Exposed Persons (PEPs)**

**Politically Exposed Persons (PEPs)**

'PEPs' means individuals who are, or have been, entrusted with prominent public functions in Bahrain or a foreign country, or persons who are or have been entrusted with a prominent function by an international organization, such as Heads of State or government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations or important political party officials.

**Holding a political position**

Is the entity owned or controlled by any person who currently is an official (or was in the past five years), or a first line relative, or a cadre higher than a Government Under-Secretary of State?

Yes  No

If 'Yes', please provide details and source of funds that would be used to finance the transactions of the Client through SICO:

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**Address**

**Physical Address:**  
(P.O. Box alone is not sufficient)

---

City Postal/Zip Code Country

Telephone Fax:

E-mail

**Address for Correspondence**  
(if different from above)

---

City Postal/Zip Code Country

Telephone Fax:

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**Instruction/ Client notification by:**

Telephone  Fax  E-mail

**External Settlement Agent or Custodian:**  
(if applicable)

Name

Address

**Clearing Agent's Account Number:**

**Constitution of the entity:**

Telephone

Fax

Single Person

DPMA

Individual Establishment

Fund Company

Partnership Company

Public Sector Entity (PSE)

Special Purpose Vehicle Entity (SPV/SPE)

With Limited Liability Company (W.L.L.)

Privately held company / Close corporation

Sovereign Wealth Fund (SWF)

Government Ministries (government department)

Shareholding Company (listed/publicly owned)

Other (Please specify):

**Nature of Activity:**

Banking and Brokerage

Other Financial Services

Fund / DPMA

Sovereign / Government Entity

Corporates (non-Financial Companies)

Trust / Non-Profit Organization

Other (Please specify):

**Ownership classification:**

Listed (Public Company)

Private Shareholders

General Partners

Family Business (non-PEP)

Family Business (PEP Owned Entity)

Single Owner (non-PEP)

Single Owner (PEP Owned Entity)

Sovereign / Government Owned

State-Owned Enterprise (SOE)

Controlled by promoter (for funds, DPMA etc.)

Subsidiary / Bank Affiliate / Member of a large Group

Other (Please specify):

Initial:

**Investment Objectives:**

- Regular Income     Short term profits
- Long term profit

**Listing Status:**

- Listed     Not Listed
- Subsidiary / Promoted by Listed Company

**Market Share in Industry based on company turnover to total industry turnover**

- Not Available     Less than 2%     2% to 10%
- 10% to 20%     20% to 30%     30% to 40%
- More than 40%

**Business vintage (years):**

- < 5     5-10     10-15
- 15-25     > 25

**Investments/ Assets dealt in:**

- Shares (equities)     Investment Funds     Debt Instruments (bonds/Sukuk)
- Other (Please specify):

**Markets dealt in:**

- GCC     Europe     MENA
- Asia     USA
- Other (Please specify):

**Expected annual turnover from client:**  
(Value of trades in BHD)

- < 5,000     5,000 - 25,000     25,000 - 50,000
- 50,000 - 75,000     75,000 - 100,000     > 100,000

**Number of years of experience with other brokers/investments:**

- < 1     1-3     3-5
- 5-10     10-15     > 15

**Investment objective:**

- Capital preservation     Income     Growth
- Speculation     Acquisition
- Other (Please specify):

**External Rating, if any:**

- Rated (Please specify rating and rating agency: \_\_\_\_\_)
- Not Rated

**Client's Risk appetite:**

- Extreme     High     Medium     Low

Initial:

**Officials authorised to trade with SICO on behalf of the Institution**

(Please attach sheet if more persons would trade)

**Official 1:**

Name \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail address: \_\_\_\_\_

Specimen Signature

**Official 2:**

Name \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail address: \_\_\_\_\_

Specimen Signature

**Official 3:**

Name \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail address: \_\_\_\_\_

Specimen Signature

Initial:



**Institution's Back Office/ Operations Department contact details**

(Please attach sheet if there are more persons)

**Contact Person 1:**

Name \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail address: \_\_\_\_\_

Specimen Signature

**Contact Person2:**

Name \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail address: \_\_\_\_\_

Specimen Signature

Initial:

**2. Authority**

- 2.1 I/we, the undersigned, do hereby declare that as the legal representative(s) of the Client, I am/we are authorized to establish one or more Account(s) with SICO for the purpose of buying, selling or otherwise transacting in shares on the Exchange;
- 2.2 I/we, the undersigned, am/are authorized, empowered and directed, in the name and on behalf of the Client, to execute and deliver to SICO any application forms, questionnaires, agreements and all other documents which SICO, in its discretion, may require in connection with the institution's request to open one or more Account(s) with SICO and any transaction involving such Account(s);
- 2.3 I/we further certify that each of the individuals, officials listed in the previous page as "authorized to trade with SICO on behalf of the Client" acting either  **Individually** or  **jointly** (tick ✓ what is applicable) be and hereby is authorized, in the name of the Client, to take all such actions as they may deem necessary or appropriate in connection with any transaction involving any Account of the Client with SICO, in accordance with the terms and conditions stipulated in this Agreement and all related documents;
- 2.4 I/we further certify that should any of the information regarding the legal representatives and authorized signatories of the Client change, the Client shall promptly provide SICO with such revised information in a complete manner. Similarly, should any of the documents requested by SICO in the first page of this Agreement be amended or revised, the Client shall promptly provide SICO with duly certified copies of such amendments or revisions.

**3. Definitions & Interpretations**

**Account:** The brokerage account of the Client opened with SICO and all related accounts and sub-accounts.

**Agreement:** means the Terms of Business under which SICO offers its services to the Client and which are set out in this document or which are included in any supplement to these terms which SICO may agree upon with the Client in writing and will remain in full force and effect for one year from the date hereof, to be automatically renewed unless one party gives the other party fifteen (15) days' notice prior to the expiration thereof, that such party does not wish to renew the Agreement.

**Applicable Market Rules:** mean the applicable Exchange Regulations (including those affecting Clearing, Settlement & Depository Units), Rules of the official Governmental Regulator of the Exchange, other laws in the jurisdiction where the Exchange is located, regulations and the best market practices, customs of the governmental and regulatory authorities in the jurisdiction where the Exchange is located.

**Authorized Persons:** Mean those persons specified in the list to be provided by the Client in writing, as authorized by the Client to give instructions to SICO.

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<b>Client:</b>	Refers to the individual(s) signing this Agreement, in the name(s) appearing on page 2 of this Agreement.
<b>Exchange:</b>	means each, any and all stock exchange(s) where SICO operates (e.g., the Bahrain Bourse and its counterparts in other countries); references in this Agreement to Exchange shall mean each, any and all Exchange(s) which are relevant to the Client and on which Securities of the Client are traded by SICO.
<b>Governmental Regulator:</b>	means the governmental agency or authority under whose jurisdiction the relevant Exchange falls (e.g., the Central Bank of Bahrain, the Capital Markets Authority, and their respective counterparts in each of the other countries).
<b>Securities:</b>	mean securities forming part of the capital of companies listed on the Exchange and may also include, if agreed between the parties, any other securities such as bonds.
<b>SICO:</b>	means "SICO BSC(c)", a Bahrain Shareholding Company (closed) established under Bahraini laws and regulated by the Central Bank of Bahrain (CBB).
<b>SICO's rate:</b>	means the interest rate to be charged by SICO on an outstanding amount due from the Client in accordance with SICO's tariff structure.
<b>SICO's services:</b>	mean general investment and brokerage services in Securities in the name of and for the Client, including the provision of any related services, information, recommendations and research.

In this Agreement unless otherwise requires, the words "trade" and "transaction" are synonymous and also the same for the words "instructions" and "orders".

#### 4. Appointment as broker

The Client hereby appoints SICO as its broker, whereby SICO shall, upon instructions duly received from the Authorized Person(s) of the Client, execute transactions in the relevant Exchange(s) for and on behalf of the Client. SICO shall comply with the present and future directives of the relevant Exchange(s) in regard to execution of transactions. Services provided hereby are non-discretionary and SICO will therefore not affect any transaction without an instruction from the Client, except as otherwise provided in this Agreement. SICO, in its sole discretion, may appoint sub-brokers to execute brokerage transactions in any Exchange other than the Bahrain Bourse.

#### 5. Our Service Terms and Conditions

5.1. This Agreement sets out the terms and conditions on which SICO will provide and execute non-discretionary brokerage services of securities and bonds listed on the relevant Exchange(s). SICO is regulated by the Central Bank of Bahrain, the Bahrain Bourse and, other Applicable Market Rules of the Kingdom of Bahrain.

Initial:

- 5.2. There are no generally applicable restrictions on the types of investments to which SICO's services extend. However, SICO may in its discretion and without giving reasons decline to accept any particular instructions or to advise the Client on a particular investment. In the event that SICO is not prepared to accept instruction for a particular investment SICO will notify the Client immediately and will confirm this as soon as possible thereafter in writing. If SICO accepts the Client's instructions, SICO will use its best reasonable endeavors to carry them out. However, SICO will not be liable for any loss or expense the Client incurs if SICO is unable to do so because there is a delay or change in market conditions before the transaction is affected. In addition, in certain instances, the relevant Exchange(s) may restrict, cancel or reverse a transaction. SICO will not be liable for any loss or expense the Client incurs in such instances.
- The Client will be liable to SICO even for transactions entered into by the Client on behalf of third parties, unless such third party has separately and directly entered into a contractual agreement with SICO. Furthermore, under the Applicable Market Rules of the Kingdom of Bahrain, the Client is obliged to inform SICO and SICO is obliged to obtain all information regarding such third party(s) from the Client. SICO shall not undertake any such transactions unless all relevant Client and/or third party information and documentation has been satisfactorily reviewed by it.
- 5.3. SICO will not be responsible for the Client's investment decisions. The Client agrees that it shall use its own professional judgment when making investment decisions. The Client further acknowledges that there are certain risks associated with trading and agrees to accept the risks associated with its investment decisions.
- 5.4. SICO may enter into transactions for Clients in non-readily realizable investments (OTC Securities – IPO's – Private Equities, Etc.). These are investments in which the market is limited or could become so. These investments can be difficult to trade and it can be difficult to evaluate the proper market price for them. The Client must notify SICO in writing if the Client does not wish to be informed in respect of such investments.
- 5.5. Where SICO is acting as the Client's nominee for a Security, the Client hereby authorizes SICO to represent that particular security at ordinary and extraordinary general meetings, without obligation on SICO to do so. Voting rights shall be exercised by SICO in the manner it deems best, unless the Client provides special instructions. The Client hereby absolves SICO from any liability for voting such shares at such meetings, as long as SICO acts in good faith. However, SICO shall in no event be liable for the consequences of its vote, whether direct or indirect.
- 5.6. The Client acknowledges that the Exchange may regulate transactions executed for or on behalf of "controlling shareholders". The Client undertakes to inform SICO in the event that the Client is or becomes a controlling shareholder, as defined in the Applicable Market Rules.

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## 6. Safe Custody

The Client hereby appoints SICO as Custodian of Securities held in the Account. Securities in this context refers to shares, debt instruments and other securities owned by the Client and maintained in dematerialized or physical form, or any certificates, receipts, evidencing or representing the Client's rights and interests therein. SICO, in its sole discretion may appoint sub-custodians to safe keep Securities acquired in the relevant Exchange(s).

## 7. Nominee

7.1. The Client hereby appoints SICO as Nominal Owner of Securities held in the Account for purposes of the relevant Exchange(s) (if applicable) and authorizes SICO to execute transactions in SICO's name (when applicable) on behalf of the Client. SICO in acting as Nominee shall register Securities purchased on behalf of the Client in SICO's name, however, all rights and liabilities shall remain for the account of the Client. By authorizing SICO as Nominee, the Client automatically authorizes SICO to be the Custodian for Securities registered in SICO's name.

It should be noted that in GCC markets, the nominal ownership of all Clients for any particular Security would be pooled together in SICO's name. The Client acknowledges that the risk of such pooling is that the counterparty might liquidate the entire position in any or all Securities held with such counterparty in order to recover amounts due from SICO or another Client. In such event, the Client will be entitled to the Client protection rules as set out in clause 25 below.

### 7.2. **Non-transferability of shares bought under the nominee agreement.**

Securities bought on the Exchange under the Nominee agreement for the Client cannot be transferred to any other account/ broker, since these Securities are registered in SICO's name and transfer to another name is not subsequently possible. Should the Client wish to terminate its relationship with SICO, Securities bought on the Exchange under this Agreement will have to be sold at market or at any other reasonable price the Client suggests. These transactions will be treated in the same manner as any other trades (i.e. confirmations, commissions, and settlement) and charges incurred in this respect will be for the account of the Client. Such restriction does not apply to Securities traded on the Bahrain Bourse or any other Exchange where the Securities would be registered in the Client's name.

### 7.3. **Additional Undertaking**

Where SICO is acting as Custodian or as Nominee for a Security, SICO shall receive cash dividends or interest income on behalf of the Client for that particular Security and deposit the same for the account of the Client, unless the Client instructs otherwise.

## 8. General Terms and Conditions

### 8.1 **Agency:**

SICO will, according to the Applicable Market Rules and for purposes of this Agreement, and in the absence of any agreement stating otherwise, continue to treat the Client as its client, even where the Client has disclosed its principal client to SICO.

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**8.2. Best Execution:**

SICO will provide the Client with the best price reasonably available to it in the market at the time the Client's trade is executed and will do so with utmost due diligence.

**8.3. Client's Own Judgment:**

When rendering service SICO expects the Client to rely on its own judgment. Any advice the Client may receive from SICO will be given in good faith, but SICO shall have no responsibility for any loss, liability or cost which the Client may incur relying on SICO's advice, including, without limitation, loss of capital or principal amounts invested by the Client.

**8.4. Research**

- i. Research reports may be sent to the Client from time to time for the purpose of the Client's information only, but such reports shall not constitute investment advice or an offer for the purchase or sale of investments.
- ii. SICO will provide research reports to Clients when they are available, but SICO is not under any obligation to do so.
- iii. SICO will exercise due diligence to ensure the research is true and not misleading at the time it is published. However, in conducting any research, SICO shall be relying on information produced by third party sources and therefore, SICO shall not make, nor be deemed to have made, any warranty about its accuracy or completeness. If the information changes after the Client receives the research report and SICO, for any reason, is unable to communicate the change to the Client, SICO will take no responsibility or liability for any investment decision made by the Client in reliance on such research.
- iv. With regards to SICO's research, please be advised that SICO does not act as the Client's professional advisors and that SICO does not provide confirmation or guarantees with respect to the consequences of acting upon the research provided, and the Client should use its own investigation, judgment and analysis especially on verbal recommendations.
- v. SICO's estimations, projections, forecasts and opinions in its research will be based on assumptions which SICO considers to be reasonable at the time SICO issues the research.

**8.5. Conflict of Interest**

SICO invests in Securities listed on the Exchange both for itself and its clients, and SICO also acts as market maker in relation to certain Securities listed on the Exchange. As a result, there could be instances where SICO is on the other side of the transactions executed for the Client, or where the Client is purchasing Securities for which SICO is acting as a market maker. In such circumstances, SICO will comply with the regulations of the CBB and the Bahrain Bourse and will always strive to execute such transactions on an arms' length basis in order to avoid any conflict of interest between itself and the Client.

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**8.6. Confidentiality**

SICO will treat all information received from the Client as confidential. However, SICO may disclose any information that concerns the Client if the disclosure is necessary to enable the services contemplated by this Agreement, or in the event that SICO is required to do so by the Applicable Market Rules.

**8.7. Modes of communication**

- i. Client's instructions may be verbal or in writing and both shall have the same effect.
- ii. SICO records Clients' telephone calls. These recordings will be SICO's sole property and may be used as evidence in the event of a dispute. Those Clients who do not give written instructions are urged to contact SICO personnel on landline phone numbers only and to desist from contacting them on their mobile phones. In case of dispute, the Client will be entitled to access these telephone records and SICO will provide all necessary assistance in retrieving such information. Please be informed that telephone recordings are retained for a period of 3 months or longer as deemed appropriate.
- iii. Any notice from SICO to the Client may be served by courier, mail, fax or email. Any correspondences addressed and sent to the Client's last known address will be deemed to have been received by the Client personally (a) in the event of courier service on the next full working day after delivery of the correspondence to the courier; (b) in the event of mail, three working days after postage; (c) in the event of fax, upon transmission; and (d) in the event of e-mail, upon transmission. Any discrepancy should be reported by the Client directly to the Client Relations Unit of SICO within five business days from the day it was deemed to be received or it shall be deemed conclusive.

**9. Instructions**

- 9.1 SICO will act on any instruction, whether oral or written, which SICO reasonably believes to be received from the Client's registered contact details. If SICO is in doubt about any instruction(s), SICO may ask the Client to confirm the instruction(s) in writing before SICO acts on it. SICO shall keep its own written record of all instructions received from the Client and in the event that the Client fails to confirm any instruction(s) in writing, SICO's own written record and/or recorded telephone calls shall be conclusive evidence of such instructions and shall be binding on the Client. The Client shall release SICO from any liability and hold SICO harmless from and against all actions, however arising in consequence of, or in any way related to SICO acting in good faith in accordance with the Client's facsimiles, telex, email or phone instructions, notwithstanding that such instructions, as above, may have been initiated or transmitted in error or fraudulently altered, misunderstood, or distorted in the lines of communication or transmission.

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- 9.2 All instructions to SICO should include the following information and may be confirmed by email/fax:
- Client's CIF number (which will be informed to the Client by SICO after opening Account)
  - Name and signature of person(s) giving the instructions
  - Whether it is a buy or sale order, transfer or withdrawal etc., as applicable,
  - Name, price and quantity of security(s).
  - Whether it is market or limit order.
  - Time and date and any other detail relating to the instruction.
  - The relevant Exchange on which the trade is to be executed.
- 9.3 SICO will accept the Client's orders by telephone, but it may require such orders to be subsequently confirmed in writing. SICO may, without being obliged to do so, request from the person giving the oral instructions specific information in order to establish the person's identity with greater certainty; the Client however agrees to indemnify SICO against all proceedings, loss, damages, claims, costs (including legal costs) or demands, if any unauthorized person should illegally or without proper authority, use the Client's name and the Account and its number, or if there is any error included in the instructions (unless such losses are the direct result of SICO's negligence, fraud or wilful default).
- 9.4 In all the above cases, the Client accepts in advance any transactions executed on the basis of instructions given by telephone, and acknowledges as justified all payments charged to the Account.
- 9.5 If SICO received a cancellation of an order from the Client prior to the market opening, the cancellation will take effect immediately. If cancellation or amendment is received after the Client order was placed on the Exchange during the market hours, SICO can cancel the order or amend it, but only to the extent it has not already been executed. Once a cancel order has been issued, the original order cannot be retrieved.

## 10. Execution

- 10.1. Under the Applicable Market Rules, all orders shall be treated equally for all clients. SICO is obliged to treat the Client's orders with utmost discretion.
- 10.2. In some cases, the Exchange or the Governmental Regulator may cancel transactions executed on the Exchange. SICO will immediately report such actions to the Client with no obligation to compensate the Client for any loss caused.
- 10.3. The Clients' orders may be executed partially or fully, starting from date of receipt of orders up to the receipt of cancellation

## 11. Deal Confirmations and Reporting

SICO shall use its best endeavors to confirm the deals it had concluded on behalf of the Client, by email or any other means of communication on the same day of the deal. Where, for reasons outside SICO's control, SICO is unable to confirm the deal on the same day of its conclusion, SICO shall provide the Client with such confirmation as soon as is reasonably practicable following the conclusion of the deal.

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**12. SICO's Commission Charges and Expenses**

- 12.1 As a consideration for performing its services hereunder, SICO shall be entitled to receive commissions and be reimbursed for expenses paid by SICO on behalf of the Client to execute transactions. Such fees and expenses will be in accordance with SICO's tariff structure, which may be amended from time to time without prior notice to clients and, will take effect when implemented. SICO's tariff structure shall be provided to the Client upon its request.
- 12.2 SICO shall have the right to debit the Client's Account or request for settlement from the Client for all such fees and expenses once due. In particular, for transactions on the Exchange, the Account will be subject to transaction-related fees and expenses applied which shall be in accordance with the norms and regulations of the Exchange and amendments thereof. Any such costs such as bank transfer charges and exchange rates will be determined at the discretion of SICO in accordance with the best rates obtained from time to time.
- 12.3 SICO shall charge the Client a Custody and Administration Fee in connection with Securities held in the Account at the rate of 0.15% per annum calculated on a daily basis and invoiced as per the market value of Securities in SICO's custody on a quarterly basis, or the minimum fee of BD20 per quarter, whichever is higher, except for Securities listed on the Kuwait Stock Exchange, held under SICO's custody in the Account, where SICO shall charge Custody and Administration Fee at the rate of 0.20% per annum calculated on a daily basis and invoiced as per the market value of Securities in SICO's custody on a quarterly basis, or the minimum fee of BD20 per quarter, whichever is higher. The Custody and Administration Fee is subject to periodical revisions without prior notice.
- 12.4 All costs and expenses, including without limitation out of pocket expenses, bank transfer charges and other third party charges, relating to or otherwise arising from the performance of the custody services shall be entirely borne by the Client without any further intimation from SICO.
- 12.5 The parties hereby acknowledge and agree that all payments under this Agreement are exclusive of any Value Added or other indirect taxes imposed upon such payment and that the Client shall bear the cost of, and be responsible for the payment of any and all tax imposed. In the event of any change in circumstances of any existing applicable laws, or introduction of new laws that could govern the remuneration of this Agreement, such amendments would be applied on top of the existing agreed upon commercial terms and borne by the Client.

**13. External Settlement Agent**

Where the Client appoints an external clearing agent or custodian as stated in Page 5 above, it is the Client's responsibility to ensure that the agent meets all settlement obligations on time as set out elsewhere in this Agreement. SICO will not be responsible for any default by such clearing agent and will construe the agent's default as though the Client is in default to determine the further course of action. Settlement will be made by the Client through its clearing agent from time to time notified to SICO and in such manner as the parties may from time to time agree either generally or in relation to particular execution venues, transactions,

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instruments or otherwise and in accordance with the timescales generally applicable to the relevant market. SICO shall provide to such clearing agent all the required details, and in accordance with such deadlines, as the clearing agent reasonably requires in order to effect timely settlement.

#### **14. Settlements, Transfers, Withdrawal & Custody**

- 14.1 The Client undertakes that, by entering into this Agreement with SICO, he shall pay on the relevant due dates, such amounts as are detailed in the Deal Confirmation, which shall include fees, commission and charges associated with the deal. To the extent that any exposure limits are set by SICO and/or the Exchange, the Client agrees that such exposure limits shall be binding on the Client and the Portfolio.
- 14.2 SICO accepts funds and settlements only in Bahraini Dinar and payable only in Bahrain, unless otherwise agreed at the time of opening this Account.
- 14.3 In case of settling transactions in currencies other than the Bahraini Dinar, SICO shall apply exchange rates in its customary manner on the basis of the best rates obtainable at the time using reasonable efforts and without recourse to the Client. Client shall be responsible for settling any deficiency or shortfall resulting from such currency exchange.
- 14.4 Where the Client has a credit cash balance in the Account, SICO shall settle the value of buy transactions, including all fees and expenses associated with such transaction, by debiting the Account on the due date, unless otherwise instructed by the Client.
- 14.5 The Client shall bear the responsibility for any deal or transaction properly performed by SICO upon the orders and instructions of the Client and should the Client default in settling the trade on the settlement date or any other default as specified herein or under the Applicable Market Rules, then the Client will be obliged to pay fines as may be imposed by the Exchange in addition to interest payable to SICO calculated at SICO's rate on the total amount outstanding from the value date until the date such amount is fully settled.
- 14.6 Furthermore, SICO may, at its discretion, require the Client to settle all outstanding amounts prior to accepting any further orders from the Client. Consequently, Clients are encouraged to maintain a sufficient credit balance to cover their transactions in their cash account with SICO.
- 14.7 In the case the Client instructs SICO not to debit the cash balance in the Account or the Client does not maintain a sufficient credit balance in the Account, the Client undertakes to deposit with SICO the value of the buy transactions, including all fees and expenses associated with such transaction on the due date, as detailed in the Deal Confirmation.
- 14.8 Sale of Securities cannot be made without the shares being deposited in the Client's Account for transactions executed on the Bahrain Bourse, or transferred into SICO's name for transactions executed on Exchanges other than the Bahrain Bourse. The Client acknowledges that SICO is obliged, before entering into any sell transactions on behalf of the Client, to ensure there is a sufficient Securities balance in the Client's Account.

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- 14.9 Sale proceeds will be credited directly to the Client's Account, unless the Client instructs in writing otherwise. In the latter case, the proceeds from a sale transaction, net of all fees and expenses, will be paid to the Client in the manner stated in the instructions, as long as the instructions are consistent with the terms and conditions of this Agreement.
- 14.10 In the case that the Client uses custodian banks as a counterpart for settlement, SICO must receive a written transcript informing SICO of the bank's name and the Client's account number.
- 14.11 Unless SICO expressly agrees on the contrary, all amounts of every kind payable by SICO to the Client or by the Client to SICO will be payable on delivery versus payment basis. The Bahrain Bourse's settlement will be conducted on T+2 and other Exchanges other than the Bahrain Bourse will be settled based on the relevant settlement cycle of the relevant Exchange(s). The due date will be notified to the Client in the deal confirmation sent to the Client. Should the dates for settlement change either on the Bahrain Bourse or any other Exchange(s), SICO shall so notify the Client.
- 14.12 If the Client's custodian does not settle within the time frame mentioned above, the Client will be liable for all interest and other reasonable charges.
- 14.13 If there are protracted delays by the Client or its custodian in settling all amounts due (including deal value, commission and all charges), the Client acknowledges that the SICO has the right to dispose of all or any Securities purchased for such Client, until such time as the Client's obligations to SICO have been fulfilled. Such disposal shall be made at the relevant Exchange without further notice to the Client, and the proceeds of the sale (net of commission, costs, fees and expenses) shall be used for the settlement of all the Client's obligations towards SICO. If the realized amount is insufficient to cover the full amount, the Client will be obliged to settle that amount immediately.
- 14.14 Any and all amounts credited to the Account(s) while any overdraft or other facilities is/are current shall first be applied by SICO to reduce any interest and charges payable, until the interest and charges are paid in full. Then any further amounts shall be applied to reduce the principal amount of any such overdraft or other facilities granted and utilized by the Client.
- 14.15 The Client hereby is notified that SICO is not obliged to transfer Securities or money from the Client's Account to an account in any third party's name, even where such third party is related to the Client, is another Client of SICO or, otherwise.
- 14.16 In case of settlements, SICO acts only as a collecting agent and assumes no responsibility for the delay or non-realization of any items deposited with SICO for collection i.e., it is the Client's responsibility to ensure that funds are cleared on the morning of the relevant due date. Proceeds of cheques or other instruments deposited are not available for withdrawal until collected/realized by SICO. SICO reserves the right to debit the Account that may have been exceptionally credited with an item that is subsequently reversed or unpaid on collection.

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- 14.17 SICO may refuse to accept for collection cheques drawn in favor of third parties or if the payee's name is not identical to the Client's name on SICO's record. SICO is not obliged to accept for credit into the Account(s) any cheque or draft drawn in favor of a third party crossed or denoted "A/C Payee" (or any words of similar effect). Any cancellation of any crossing or denotation as above shall be null and void.
- 14.18 Withdrawals from the Account can be made by the Client through a written order addressed to SICO to transfer to a bank account in favor of the Client and, can also use the Account to settle their stock market dealings through SICO in the Exchange.
- 14.19 **Pre-funded cash Account**  Yes  No  
If Yes, Initial Deposit = BHD \_\_\_\_\_ (Client to fill-in)
- i. This Account may be used for settling Securities and investments deals (for the Client's Account and at their own risk) through SICO in accordance with instructions given by the Client from time to time.
  - ii. Balances are subject to frequent fluctuation based on values of trade; deposits can be made at any time.
  - iii. In principle cash Accounts cannot be overdrawn, however in the event the Account should become overdrawn, the Client undertakes to provide on the first demand at SICO's choice, the debit balance including delay-interest and charges.
  - iv. This Account is subject to the terms and conditions of this Agreement and any other agreement to be signed by the Client.
  - v. Withdrawals: will be allowed within two business days' notice after receipt of written requests from the Client, unless approved by SICO to the contrary.

## 15. Liability and Indemnity

### 15.1. Risks

The Client acknowledges and accepts that equity stock markets and investments are subject to risks. Prices may go up or down owing to market or credit risk, whether attributable to the market in general or, any security in particular, issuers of Securities may become bankrupt, insolvent, under liquidation, or be placed under judicial custody, in addition to other risks. The Client is prepared and financially capable to bear the losses which may result therefrom. Past performance is not a guarantee of future results. SICO will not be liable for any loss incurred by the Client in connection with this Agreement or any other agreement or transaction SICO enters into on the Client's behalf, unless it arises from SICO's proven negligence, fraud or willful default.

- 15.2. Except as provided in Clause 15.1, SICO shall not be responsible for any loss, liability or cost the Client might incur whether as a result of the Client's reliance on or use of SICO's research or for any other reason.
- 15.3. In the case of trade cancellation by the Exchange or the Governmental Regulator or any delay on delivery by the central depository & clearing unit of the relevant Exchange(s), SICO shall not be liable for any loss, liability or cost that may result from such action, save to the extent such loss, liability or cost is caused by SICO's proven negligence, fraud or willful default.

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- 15.4 With respect to any delay from the Client in fulfilling any of the duties set in this Agreement, which causes direct loss, liability or cost to SICO, the Client will be obliged to indemnify SICO of the same amount in addition to any fines imposed by the relevant Exchange(s).
- 15.5. SICO shall not be responsible for notifying/delivering to the Client proxies, notices or other documents in regard to any rights of attendance, voting, subscription, conversion or other rights in respect of any Security in the Client's Account for which SICO is registered as the nominee owner, unless instructed otherwise. Where the Client shall be the registered owner of the Securities in the Account (such as Securities traded on the Bahrain Bourse) all proxies, notices or other documents in regard to any rights of attendance, voting, subscription, conversion or other rights in respect of any Security in the Client's Account shall be mailed directly to the Client. In the event that SICO receives any such documents, it shall forward them to the Client. SICO shall have no liability under this Agreement to attend or to vote the Client's Securities at any such meeting where the Client is registered as the owner of the Securities.
- 15.6. The Client confirms that all Securities held in the Account or those delivered by the Client to honor a sale transaction are not mortgaged or under lien and the said Securities are the property of the Client and the Client has the right to sell them. SICO shall not be responsible for verifying good title of the investments delivered to SICO in the Client's name. As long as the Securities are with SICO, the Client will not offer to sell them or otherwise dispose of or encumber them, to or in favor of any other party, without first informing SICO in writing.

#### **16. Set-Off and Consolidation Rights**

The Client agrees that SICO shall have a right of set-off (or similar right) over any of the Client's property rights and interests which may be in SICO's custody or control, which rights may be exercised by SICO at any time and from time to time without notice to the Client or any other person. SICO may therefore at any time sell any of the Securities and combine and consolidate all or any of the Accounts held in the Client's name irrespective of the type of account or the title an Account comes under and set-off against any amounts due and payable by SICO all or any moneys or assets which SICO may at any time hold to the Client's account. SICO may, at any time and from time to time, without notice, combine all or any of the Client's Account(s) and liabilities with it whether single or joint with any other of the Client's Account, or setoff all or any moneys standing to the credit of such Accounts including any deposits with SICO for brokerage or any other service (and whether matured or not), whether as principal or surety, actual or contingent, primary or collateral, singly or jointly with any other person, and SICO may affect any necessary currency conversions at SICO's own rate of exchange then prevailing. In all cases, even after SICO exercises such rights, the Client shall remain liable to SICO for any still outstanding amounts and promptly pay such amounts to SICO.

#### **17. Termination**

- 17.1 Either party is entitled to terminate this Agreement at any time by giving 15 days' written notice to the other.

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- 17.2 If the Client violates any material term of this Agreement, SICO has the right to immediately close the Account(s) and terminate this Agreement without prior notice.
- 17.3 SICO may at its own discretion close, freeze or suspend dealings in the Account without prior notice to the Client, and without any liability for any breach of any duty it may owe the Client, in the following circumstances: **(a)** upon the bankruptcy, insolvency or liquidation (or similar circumstance) occurring with respect to the Client, **(b)** upon any mortgage or attachment, **(c)** if required by the Exchange or the Governmental Regulator, **(d)** for money laundering combat purposes, or **(e)** for any other reason determined by any of SICO's regulators. The Client hereby undertakes to immediately furnish information to SICO in writing if any insolvency petition has been filed or any insolvency award, decree, or order is passed against the Client, or if any litigation, which may have a material bearing on the Client's capacity to fulfil its obligations under this Agreement, has been filed against the Client.
- 17.4. An Account that is not operated for a period of 12 consecutive months will be designated as a dormant/inoperative account in the interest of the Client as well as SICO. The Client can request that SICO activate a dormant/inoperative Account by providing a written request to SICO, along with all requisite identification documentation and the latest KYC documents.
- 17.5. The Account(s) shall not be suspended/closed by incapacity or bankruptcy (or any other analogous event or proceeding) unless and until SICO has received written notice of any such event together with such documentary evidence as SICO may require, or as stated in Clause 17.3, notification from the bankruptcy court or the liquidation administrator. SICO shall not be liable for any loss resulting from any such event. Further, SICO shall not be liable for any loss, damage or delay attributable in whole or in part to the action of any government agency, or any other event beyond SICO's control (including, without limitation, strikes, industrial action, equipment failure or interruption of power supplies) provided that SICO shall in each case endeavor to give notice generally to its Client(s) on any anticipated delays due to any of the above events by notice in its offices or, otherwise.
- 17.6. Termination will not affect any outstanding transactions or any rights or obligations, which may already have arisen between SICO and the Client. Transaction in progress at the date of termination will be completed by SICO as soon as practicable.
- 17.7. If termination occurs, SICO will as soon as reasonably possible, deliver to the Client any money or other property SICO is holding on the Client's behalf, after deducting all amounts due from the Client, in accordance with this Agreement.

**18. Power to Sell or Close out**

SICO is committed to buy and sell Securities in the name of its Clients. At any time after the termination of this Agreement, or after SICO has determined, having consulted the Client in a reasonable manner and timeframe, that the Client has not performed (or after SICO has reasonably determined that the Client may not be able or willing in the future to perform) any of its obligations to SICO or that there has been a material adverse change in the stock market or

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the economy, thus the Client authorizes SICO to undertake the following:

- a) Treat any investment transaction that is then outstanding as having been cancelled and terminated.
- b) Sell any of the Client's investments to realize sufficient funds to cover any outstanding amount; and/or
- c) Close out, replace or reverse any such transaction, enter into any other transaction, or refrain from taking other action at these times, and in such manner, as SICO considers necessary or appropriate to cover, reduce or eliminate SICO's loss or liability under or in respect of an contracts, positions or commitments.

#### **19. Insider Trading Regulation**

If the Client falls within the definition of an "insider" as defined by the Applicable Market Rules, then the Client shall **(i)** refrain from issuing instructions to SICO for transactions in securities to which their insider information relates; **(ii)** refrain from encouraging any other person from dealing in any securities to which that information relates; and **(iii)** refrain from disclosing such information to any other person (other than as required in the proper performance of their duties). If the Client comes into possession of inside information with respect to Securities for which it has issued instructions to SICO, the Client shall inform the Governmental Regulator and the Exchange (through SICO) at least 24 hours prior to the execution of any transaction related to such Securities. The Client acknowledges that there is a waiting period imposed by the Bahrain Bourse prior to the execution of such transaction, in order to give the public an opportunity to evaluate any such information after its release. Other Exchanges have their own insider trading regulations and it is the responsibility of the Client to abide by such regulations at all times.

#### **20. Force Majeure**

The parties will not be liable to one another for their failure to perform any obligation or discharge any duty owed under the Agreement if it results from any cause beyond their control, including but not limited to any breakdown or failure of transmission or communication or computer facilities, postal or other strikes or similar industrial actions and the failure of the Exchange or clearing house or any other circumstances beyond the control of the parties.

#### **21. Anti-Money Laundering and Combating Terrorist Financing**

The Client undertakes that it has its own procedures to comply with Laws governing Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT). According to the international standards, the Client undertakes that it shall know its Client, (if applicable), verify the source of funds and ultimate beneficiaries of such funds (if applicable) and stop any suspicious transactions. The Client hereby gives assurance that in opening any account with SICO and in executing any transaction with SICO, it will always comply with the international standards for AML and CFT as well as the related laws in force in Bahrain. Additionally, SICO is obliged under the AML & CFT Laws of Bahrain to carry out its own due diligence on all its Clients. Accordingly, while opening account for any new Client, SICO requires certain personal details and specific forms to be completed by the Client (and, if applicable, any third party on whose behalf the Client is acting) and, may require additional information or details as deemed appropriate. This Agreement will become effective only upon the satisfactory completion of the AML & CFT Client due diligence in accordance with the Applicable Market Rules. The Client shall regularly update any AML and CFT or know-your-customer information provided to SICO and shall comply and cooperate with SICO to ensure SICO's compliance with, all such AML and

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CFT and Applicable Market Rules. After termination of the relationship between SICO and the Client, SICO is required by the Applicable Market Rules to retain copies of all such information, as well as records of transactions, for a period of five (5) years.

## 22. General

This Agreement constitutes the entire agreement between the parties and supersedes any previous agreement or understanding with respect to the subject matter hereof and may not be varied except in writing between the parties. If any competent authority holds some part(s) of this Agreement to be invalid or unenforceable, the validity of the other provisions and conditions of the remainder of the Agreement shall not be affected.

## 23. Standard of Care/Liability

SICO shall perform its services hereunder in good faith and to the best of its abilities. In doing so, SICO shall apply the same degree of care it exercises in respect of transactions for its own account. SICO shall not assume any greater liability. SICO shall be released from any liability for loss or damage to the Client in the following cases:

- a) If SICO acted in good faith including taking actions upon instructions received from the Client.
- b) If SICO notified the Client of circumstances which require instructions from the Client and the Client failed to give such instructions to SICO but SICO was obliged to take appropriate actions to meet such circumstances.
- c) Natural disasters or circumstances which prevent SICO from meeting its obligations.

## 24. Client Protection Rules

The Client is hereby notified that SICO shall implement the following additional protections:

- i. Wherever applicable, SICO will hold all Client moneys in a pooled account with a commercial bank of repute. SICO reserves the right to choose such bank or banks in which it will deposit Client moneys. The Client acknowledges that these pooled accounts will be held in SICO's name. The Client confirms that the Client is aware of and comprehends the potential risks that may be applicable to such pooled accounts, and the Client waives any liability that SICO may have in this respect. SICO will also use the services of sub-custodians and brokers who may be within or outside the SICO group.
- ii. SICO shall always maintain fit and proper records to determine the identification of Client's assets and in the unforeseen and unlikely event of SICO's insolvency, winding-up or other similar event, the Client's assets will be subject to the Client asset distribution rules of the Applicable Market Rules.
- iii. Notwithstanding the fact that the Client assets will benefit from the protections conferred by the Client asset protection rules, the Client should note that they will still be taking an unsecured credit risk on SICO, its banks and/or certain other third parties (such as sub-custodians) with whom SICO places the Client Securities and assets that it holds; in the event of default by a third party, SICO's liability will be limited to compensating the Client for the net monetary value of financial instruments and other accounts payable (net of amounts receivable) as of that date and will not exceed that amount.
- iv. As explained in Clause 14, if there are protracted delays by the Client beyond the settlement date in remitting payments due to SICO, SICO may liquidate all or a

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portion of the Client's position to realize amounts due or hold the Client's assets as collateral until the Client remits all such dues. The Client agrees that delays and defaults will entail further interest on such overdue payments along with any penalty amounts that may be levied by the relevant Governmental Regulator or the Exchange.

- v. The Client acknowledges that market practices, insolvency and legal regimes applicable in the various jurisdictions in which the Exchange(s) is/are located may differ from each other and this will have an effect on the treatment of the Client's assets.
- vi. SICO may hold or intend to hold the Client money in a Client bank account with a designated bank or in a third party account with an eligible third party which may be within the SICO group or outside the SICO group;
- vii. If sub-accounts are opened for the Client, SICO has the right to off-set any claims or set offs which SICO may have in any or all of the Client's assets held on behalf of the Client in some or all of such sub-accounts, in satisfaction of a default by the Client or otherwise. SICO may also closeout or liquidate contracts or positions in respect of any of the Client assets, without the Client's prior instruction or consent, in satisfaction of its right of set-off herein described.

## 25. Assignment

This Agreement and the Clients' rights and obligations may not be assigned by the Client without the written permission of SICO, shall inure to the benefit of SICO's successors and assignees whether by merger, consolidation or otherwise, and shall be binding upon the Client's executors, administrators, successors and permitted assignees. SICO may assign this Agreement or any of its rights or obligations under this Agreement to a company affiliated with SICO or to any successor company (whether by merger, consolidation or otherwise). Any other assignment by SICO to any other person or entity shall be with the Client's consent.

## 26. Indemnity

The Client agrees to fully indemnify SICO against all costs and expenses (including legal fees) arising in any way in connection with the Account(s), this Agreement or, in enforcing this Agreement and in recovering any amounts due to SICO or incurred by SICO in any legal proceedings of whatever nature.

## 27. Waiver

No forbearance, neglect or waiver by SICO in the enforcement of any of the terms and conditions of this Agreement shall prejudice SICO's right thereafter to strictly enforce the same. No waiver by SICO shall be effective unless it is in writing.

## 28. Variations

SICO may amend this Agreement at any time by no less than 15 days written notice to the Client specifying the effective date of amendment. If the Client uses any of SICO's Services after the effective date of the amendment, SICO shall be deemed to have received notice of the amendment and to have decided to continue to use SICO's Services upon the revised terms and conditions. The Client further acknowledges that in the event of any changes being communicated to the Client, SICO is not obliged to obtain the Client's signature for receipt of such communication.

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**29. Statement of Account**

SICO will send monthly statements of Account starting the month-end following the opening date of the Account. Client should report any discrepancy to Client Relations of SICO within five business days from receipt thereof; otherwise it will be deemed that the Client has no objections to the contents. The Client acknowledges and agrees that all transaction confirmations, statements and notifications from SICO, will be sent to the E-mail address(es) provided in this agreement, and any change thereof will be requested by the Client in writing.

**30. Notices**

All notices shall be sent to SICO at its registered offices at 1st Floor, BMB Centre, Diplomatic Area, P.O. Box 1331, Manama, Kingdom of Bahrain. SICO may send notices to the Client at its last address supplied to SICO. Save as otherwise provided in this Agreement, any demand or communication made by SICO under this Agreement shall be in writing and sent to the address or contact number set forth in this Agreement (or such other address or contact number as the Client shall notify SICO from time to time). Delivery shall be deemed effective as described in Clause 8.7(iii).

**31. Reservation of Special Regulation**

Certain kinds of transactions which are outside the scope of this Agreement are subject to separate additional agreements and regulations issued by SICO, in particular transactions such as Margin Trading Lending, Discretionary Portfolio Management, Power of Attorney(s), etc., Moreover, documentary transactions are subject to the uniform customs and practices issued by the International Chamber of Commerce.

**32. Legal Holidays**

For all business relations with SICO, a "business day" means any day, except Fridays, Saturdays and official holidays as declared by the Central Bank of Bahrain, on which SICO is open for business.

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**33. Governing Law**

This Agreement is governed by and shall be construed in accordance with the laws of the Kingdom of Bahrain, as in force from time to time. Disputes arising out of this Agreement shall be subject to the jurisdiction of the Bahraini Courts or, at SICO's discretion, to arbitration. Such submission shall, however, not prejudice the right of SICO to bring proceedings against the Client in any other jurisdiction.

**34. Anti-Money Laundering Compliance Declaration**

I/We the undersigned, do hereby declare and undertake that the Client will always act only its own behalf and not on behalf of any other person - whether an individual or an entity - for all transactions executed on behalf of the Client through SICO; The Client is the sole beneficial owner of the funds provided for such transactions and such funds are derived from legitimate businesses. I/We further declare that, I am / we are aware that submission of incomplete or false declarations about beneficial ownership of funds is a violation of the International Regulations pursuant to Anti-money Laundering and Combating of Financing of Terrorism.”

Will the Customer place orders with SICO on behalf its customers who do not have a separate account with SICO?\*

Yes  No

Where 'yes' is ticked above, we further declare that our institution takes positive measures to affirmatively confirm our customer's identity, residence and legitimate sources of income of such customers in accordance with the international laws governing Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT). We hereby agree and undertake to promptly provide the identity and any other information or assistance about such customer(s) if that is demanded by SICO's regulators or required by Applicable Market Rules.

**Signatories**

--	--

Signature

Date

--	--

Signature

Date

**\*Signature(s) required whether 'Yes' or 'No' is ticked**

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### 35. Anti-Money Laundering Questionnaire

(For Financial Institutions only)

1. Is money laundering a criminal offence in the country where the institution is located? Has your country established laws designed to prevent money laundering and terrorist financing?  Yes  No

If 'No', has your institution designed policies to prevent money laundering and terrorist financing and is it in accordance with the Financial Action Task Force (FATF)'s recommendations?  Yes  No

2. Do the laws and regulations in your country prohibit your institution from:  
 a. Open/maintain anonymous or numbered accounts?  Yes  No  
 b. Conduct business with Shell banks (i.e. banks with no physical presence in any jurisdiction)?  Yes  No

3. Does your institution have written policies and internal procedures and controls reasonably designed to prevent and detect money laundering/terrorist financing activities?  Yes  No

4. Does your institution's AML policies and program have clearly defined roles, responsibilities and accountabilities as they relate to anti-money laundering compliance?  Yes  No

5. Does your institution have an Anti-Money Laundering Officer or equivalent responsible for coordinating/monitoring compliance with AML requirement? If 'Yes', please provide the details mentioned below:  Yes  No

Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Title: \_\_\_\_\_ Fax: \_\_\_\_\_  
 Address: \_\_\_\_\_ Email: \_\_\_\_\_

6. Does your institution's AML/CFT program include the following:

a. A requirement for periodic approval of your institution's AML/CFT policy by your institution's Board or senior committee?  Yes  No

b. Customer identification requirements at the inception of the relationship?  Yes  No  
 If 'Yes', are these requirements in line with the Financial Action Task Force (FATF) standards?  Yes  No

c. A risk-based assessment of your customer(s) and their transactions?  Yes  No  
 If yes, how often the customer risk assessment program is updated?

d. Policies and procedures for updating customer information periodically?  Yes  No

e. Enhanced Know Your Customer (KYC) routines in relation to the following:

i. Dealings with individuals, companies and institutions located in or dealing with high risk countries  Yes  No

ii. Politically Exposed Persons (PEPs)  Yes  No

iii. Non face to face business relationships  Yes  No

iv. Customers (other than those mentioned above) who are assessed to be high risk customers concerning the risk of money laundering and terrorist financing?  Yes  No

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- f. Established controls to reasonably identify the origin of funds to a customer's account?  Yes  No
- g. Permit transaction with non-established or walk in customers? If 'Yes', does your institution have customer identification requirements for such customers, please specify: \_\_\_\_\_  Yes  No
- h. Procedures to monitor large cash deposits and withdrawals?  Yes  No
- i. Providing complete information for all payments transactions, including sender and beneficiary names, addresses, account numbers and purpose?  Yes  No
- j. Established method for monitoring and reporting suspicious activities?  Yes  No
- k. Screening customer against the names appearing in relevant regulatory blacklists?  Yes  No
- l. Record retention requirements for documentation obtained regarding the customer? If 'Yes', how long are records retained? \_\_\_\_\_  Yes  No
- m. Policies prohibiting business with shell banks (i.e. banks with no physical presence in any jurisdiction)?  Yes  No
- n. Periodic Anti-Money Laundering Training Programs to all employees? If 'Yes', how frequently is the training conducted?  
 Quarterly  Bi-Annually  Annually  Others  Yes  No
- o. Retention of records pertaining to training sessions including attendance records and relevant training material used?  Yes  No
- p. Policy and procedures for independent audit or testing of the anti-money laundering compliance program? If Yes, how frequently are these audits/tests conducted? \_\_\_\_\_  Yes  No
- q. Policies to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in the countries of their origin?  Yes  No
- r. Policies prohibiting any third party to have direct access to your account with your Correspondent Banks?  Yes  No
- s. Policies protecting employees, if they report in good faith any suspicious activities/transactions? If you answered 'No' to any of the items above, please explain the policies and procedures implemented to mitigate the potential risks associated with it: \_\_\_\_\_  Yes  No
- 
7. Are you permitted by your local regulations to share relevant customer identification data with your correspondents should this be requested? If 'Yes', would you be willing to do so if required by us where a legitimate need has arisen?  Yes  No  
 Yes  No
- 
8. Do you gather sufficient information about the respondent institution to understand their business, reputation, quality of supervision and regulatory controls?  Yes  No
- 
9. Has your institution had any regulatory or criminal enforcement actions resulting from violations of anti-money laundering laws or regulations OR has your institution, been the subject of any investigation, indictment, conviction or civil enforcement action related to financing terrorists in the past five years? If 'Yes', please provide more details: \_\_\_\_\_  Yes  No
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**36. Acknowledgment**

The Client hereby acknowledges that, when introducing any other account to SICO, the Client is responsible for the integrity of such Client and the officials signing below have the proper authorization from such Client(s) to open the account and act on their behalf and that they will update SICO with any changes in such Client's information.

I /We, the undersigned, have read and fully understood all the contents of this entire Agreement and confirm our acceptance of the same by signing below and also further confirm that the institution, on whose behalf we are signing this Agreement, will be bound by all the terms and conditions in this Agreement:

**Person Authorized  
to open the account:**

Name \_\_\_\_\_

Signature

Date

**Person Authorized  
to open the account:**

Name \_\_\_\_\_

Signature

Date

**Institution's name  
and stamp**

Name \_\_\_\_\_

Stamp

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**For SICO use only**

**I have verified this agreement and following attachments:**

- Proof of listing on any GCC or FATF member stock exchange
- Commercial Registration or Certificate of Incorporation
- Memorandum and Articles of Association
- Approved Authorized Signatories List and Specimen Signatures
- ID documents of Client's officials who would deal with SICO
- Latest Audited Financial Statement
- Any other document (Pl. specify)

**Account Officer**

Name & initials \_\_\_\_\_

**Approved By**  
(Brokerage Department)

Name \_\_\_\_\_

Title \_\_\_\_\_

Signature

Date

**Approved By**  
(Senior Management)

Name \_\_\_\_\_

Title \_\_\_\_\_

Signature

Date

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**Risk Disclosure Statement**

In the light of the risks involved, the Client should undertake transactions only if the Client understands the nature of the contractual relationship into which the Client is entering and the extent of the Client's exposure to risk.

The Client must know and appreciate that investment and trading in securities, which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/limited investment and/or trading experience and low risk tolerance. The Client should therefore carefully consider whether such trading is suitable for the Client in the light of the Client's financial condition. In case The Client trades in securities on the Bahrain Bourse, or any other Exchange, and suffers adverse consequences or loss, the Client shall be solely responsible for the same and SICO shall not be responsible, in any manner whatsoever, for the same and it will not be open for the Client to take a plea that no adequate disclosure regarding the risks involved was made or that the Client was not explained the full risk involved by SICO.

The Client shall be solely responsible for the consequences and no contract can be rescinded on that account. The Client acknowledges and accepts that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a security being traded on any Exchange.

The Client hereby acknowledges and agrees to have received and understood this Risk Disclosure Statement.

Name \_\_\_\_\_

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Signature Date

Name \_\_\_\_\_

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Signature Date

Initial:
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**Annexure-1 Foreign Account Tax Compliance Act (FATCA)**

US Status analysis for Corporate Accounts

**Full Name of the Entity**

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**Account Number**

(for existing customers)

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**Please read the following instructions carefully before filling out this analysis sheet.**

The analysis of US Status of Individual Accounts is arranged in five sections. Please answer the questions with 'Yes' or 'No'. Continue to the next section every time your answer is 'No' until you reach the section to which your answer is 'Yes'. Then stop, sign the analysis and share the appropriate documents with your relationship manager.

**US Status evaluation criteria**

If applicable, submit:

<p><b>I Is the entity a subsidiary of a Financial Institution or controlled by a Financial Institution?</b> <i>Refer to Note 1 for details</i></p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><b>Form 8 BENE</b> with GIIN</p>
<p><b>II Is the entity Non-US?</b> <b>Does it satisfy all the statements below?</b></p> <ul style="list-style-type: none"> <li>• Incorporated outside USA</li> <li>• Has no US status indicators <i>(Refer to Note 2 for details)</i></li> <li>• All controlling persons of the entity (holding 10% or above) are Non-US persons (not US citizens or tax residents)</li> </ul>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>No additional documents required</p>
<p><b>III Is the entity a Non-Financial Foreign Entity (NFFE) exempt under FATCA?</b> Details of exemption available under FATCA can be obtained from your Relationship manager if required</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Exempt status certification in <b>Form W 8 BENE</b> for non US entities or <b>Form W-9</b> for US entities</p>
<p><b>IV Is the entity an active Non-Financial Foreign Entity (NFFE)?</b> If 50% or more of the income of the entity and 50% or more of its assets are used in generating active business income</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Active NFFE certification in <b>Form W 8 BENE</b></p>
<p><b>V Passive NFFE with one or more person owning 10% of the shares or ownership of the entity is a US citizen/ green card holder or tax resident Define Passive NFFE</b></p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><b>Form W 8 BENE</b> from the entity + <b>Form W-9</b> for each controlling person who is US citizen/US resident</p>
<p><b>VI Does the entity have any US Indicia?</b></p> <ul style="list-style-type: none"> <li>• US address</li> <li>• US telephone number</li> <li>• Power or Attorney or signature authority in favor of a person with US address</li> <li>• Standing Instructions to transfer money to an account with US address</li> <li>• "Hold" or "care of" US mail address as the only address</li> </ul>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><b>Form W 8 BENE</b></p>
<p><b>VII Is the entity a specified US Person?</b> Incorporated in USA and not exempt from FATCA</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><b>Form W-9</b></p>

**Note 1:**

Financial Institutions refer to banks, investment companies, custodial institutions and Life Insurance Companies offering cash value life insurance products.

**Note 2:**

US Status indicators (Indicia) include US address, US telephone number, Power or Attorney or signature authority in favor of a person with US address, Standing Instructions to transfer money to an account with US address and Hold mail address as the only address.

Initial:

**Declaration**

I/We hereby confirm the information provided above is true, accurate and complete.  
 Subject to applicable local laws, I/we hereby consent for SICO BSC(c) or any of its subsidiaries (collectively "the Bank") to share my information with domestic or overseas regulators or tax authorities where necessary to establish my tax liability in any jurisdiction. Where required by domestic or overseas regulators or tax authorities, I consent and agree that the Bank may withhold, and pay out, from my account(s) such amounts as may be required according to applicable laws, regulations, agreements with regulators or authorities and directives. I/We agree and undertake to notify the Bank within 30 calendar days if there is a change in any information affecting my/our FATCA status which I/we have provided to the Bank.

**Authorized Signatories**

Name	Signature	Date

Name	Signature	Date

Name	Signature	Date

**SICO Use Only**

Please circle the applicable status and corresponding action based on the results of the analysis above to confirm that appropriate documents have been collected.

I	Financial Institution	II	Non US Person	III	Exempt NFFE	IV	Active NFFE
	Form W 8 BENE with GIIN		No action		Proof of Exemption		Active certification
V	Passive NFFE (US Owned)	VI	Non US entity (With Indicia)	VII	Specified US person		
	Form W 9 from all US owners		Form W 8 BEN E		Form W-9		

**Relationship Manager**

Name	Signature	Date

For CRU Use Only (Remarks)

Initial:
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