
**NASDAQ DUBAI LIMITED
CSD TERMS AND CONDITIONS
FOR CUSTODIANS**

NASDAQ Dubai Limited Terms and Conditions for Custodian Account Holders

1. Binding Effect

These Terms and Conditions, together with the Business Rules, and each and every Account Opening Form executed by the Account Holder, (collectively the “**Account Documentation**”) sets out the basis on which the CSD will provide the CSD Services to the Account Holder.

2. Definitions and Interpretations

2.1 In these Terms and Conditions, unless the context otherwise requires or as otherwise defined in the Business Rules, the following words and expressions shall have the following meanings:

“**Account Holder**” means any person or entity opening a Securities Account, as a Custodian, with the CSD and executing these Terms and Conditions pursuant thereto;

“**Account Opening Form**” means each form which is described as such, which relates to the opening of a Securities Account and which is to be executed by a party who is or who wishes to be an Account Holder;

“**Admitted Securities**” means

- (i) any security admitted to the Official List of the Dubai Financial Services Authority (“**DFSA**”);
- (ii) any other security which NASDAQ Dubai has admitted to trading;

(iii) Investment Entitlements to the securities referred to in (i) and (ii) of this definition (as provided for in the Personal Property Law No. 9 of 2005);

“**Business Day**” means a day on which the CSD is open for business as set out in the Operating Procedures;

“**Business Rules**” means the Business Rules of NASDAQ Dubai as the same may be amended and /or supplemented from time to time;

“**Circular**” means a communication issued by NASDAQ Dubai pursuant to the Rules and labeled “**Circular**” and delivered by fax or by email to the address notified by such Members to the NASDAQ Dubai, or as posted on the NASDAQ Dubai website (www.nasdaqdubai.com);

“**Class**” means a particular class of Securities;

“**Corporate Event**” means any of the following: the distribution of a stock dividend, a bonus issue, a rights issue, a capital decrease, a capital increase, a redemption, the liquidation of an Issuer, a stock split, a consolidation, a merger, a take over, a tender offer, a spin off, a conversion, a change in name, or any other event which the CSD designates from time to time as a Corporate Event. Corporate Events not otherwise designated by the CSD (such as cash dividend payments and cash distributions)

may be handled by the Issuer and/or its designated agent;

“CSD” means the Central Securities Depository of NASDAQ Dubai;

“CSD Services” means the services provided to the Account Holder by NASDAQ Dubai under these Terms and Conditions and the Business Rules;

“Custodian” means a party as defined in the Business Rules that holds, manages, controls or takes custody of Securities by way of business for one or more of its Customers (or the underlying clients of the Customers) under a Segregated Account or an Omnibus Account;

“Customer” means persons or entities (of whatever nature) on whose behalf the Account Holder holds Securities;

“Deposited Securities” means those Securities from time to time deposited with the CSD by or on behalf of the Account Holder;

“Issuer” means an issuer of Securities;

“NASDAQ Dubai” means NASDAQ Dubai Limited;

“NASDAQ Dubai Systems” shall have the meaning set out in the Operating Procedures;

“Nominee” means NASDAQ Dubai Guardian Limited;

“Operating Procedures” means the procedures described as such and issued by the CSD as the same may be amended and/or supplemented from time to time;

“Record Date” means the date fixed by an Issuer for the purposes of determining entitlements to dividends or other distributions or other rights of holders of its Securities;

“Securities” means

- (i) Admitted Securities; and
- (ii) any other Securities from time to time designated by the CSD as eligible for deposit with the CSD;

“Securities Account” means a securities account opened and maintained by the Account Holder with the CSD which records the Deposited Securities held by the CSD for the Account Holder, who in turn is holding the Deposited Securities:

- (i) in the case of a segregated account (a **“Segregated Account”**) on behalf of a single Customer;
- (ii) in the case of an omnibus account (an **“Omnibus Account”**) on behalf of one or more Customers;

“Settlement Agent” means a Custodian who agrees with a Clearing Member through an undertaking with NASDAQ Dubai to act as a cash and security settlement agent on behalf of the Clearing Member for trades cleared by the Clearing Member for any client of the Custodian; and

“Transfer Agent” means the share registrar or any other agent of the Issuer which handles the registration of transfers of Securities on behalf of the Issuer.

- 2.2 Headings are for convenience only and shall not affect the interpretation of these Terms and Conditions.
- 2.3 Words in the singular include the plural and vice versa.
- 2.4 Every reference to a Law or Regulation is a reference to a Law or Regulation of the DIFC as the same may be amended from time to time and includes a reference to that provision as extended or applied by or under any other provision unless the contrary intention applies.
- 2.5 A reference to a time in the Account Documentation or any Notice or Circular is a reference to a time in the DIFC.
- 2.6 Every document provided by the Account Holder or by the CSD shall be in English.
- 2.7 Any reference to these Terms and Conditions, or an Account Opening Form, is a reference to each of the documents as the same may be amended and/or supplemented from time to time.
- 3. CSD Structure**
- 3.1 All Deposited Securities shall be dealt with on a fungible basis, so that no Account Holder shall have the right to any specific Securities. An Account Holder shall instead be entitled (subject to the Account Documentation) to transfer or withdraw from the CSD an amount of Securities of the relevant Class which shall not exceed the number credited to the relevant Securities Account. All Deposited Securities shall be transferred within the CSD by way of book entry transfer.
- 3.2 Unless otherwise provided pursuant to Clause 20.1 below the CSD shall not have any beneficial interest in any Deposited Securities held in any Securities Account and the Deposited Securities are not assets or to be treated as assets of the CSD and shall at all times remain the beneficial property of the Account Holder's Customers.
- 3.3 The CSD is providing the CSD Services on the basis that notwithstanding that the Account Holder is a Custodian it is entering into the Account Documentation as principal and not as an agent. Unless otherwise agreed in writing by the CSD, the CSD shall deal solely with and shall solely act in accordance with the direction of the Account Holder in respect of the Deposited Securities in the Securities Account regardless of the fact that the Deposited Securities or any part of the Deposited Securities and any beneficial interest thereof may belong to the Customers or any other person (even when having notice of the same and whether held in a Segregated Account or an Omnibus Account by the Account Holder). The Account Holder shall be responsible for the payment of all fees and charges.
- 4. Securities Account**
- 4.1 Provided that the relevant Securities Account has been notified to the CSD, such Securities Account shall be credited with any Securities in accordance with the instructions of the Account Holder which are:
- (i) deposited by the Account Holder or on its behalf with the CSD;

- (ii) received by the CSD from an Issuer for the account of the Account Holder;
 - (iii) transferred from another securities account held within the CSD; or
 - (iv) transferred from another Securities Account of the Account Holder.
- 4.2 Provided that the relevant Securities Account has been notified to the CSD, such Securities Account shall be debited with any Deposited Securities in accordance with the instructions of the Account Holder which are:
- (i) withdrawn from the CSD by the Account Holder;
 - (ii) cancelled forfeited or redeemed by the Issuer;
 - (iii) transferred to another securities account held within the CSD; or
 - (iv) transferred to another Securities Account of the Account Holder.
- 4.3 If the Account Holder instructs the CSD to transfer an amount of Securities from a Securities Account which exceeds the available and freely transferable balance standing to the credit of such Securities Account then the CSD may refuse to execute the instructions or execute such instructions to the extent of the Deposited Securities standing to the credit of such Securities Account.
- 4.4 On every Business Day on which there is a credit or debit entry on the Securities Account, the CSD shall provide the Account Holder with a confirmation note showing the name and quantity of Deposited Securities credited to or debited from the Securities Account.
- 4.5 The CSD shall send the Account Holder a monthly statement showing the transactions effected in the Securities Accounts during the preceding month and the account balances in respect of the Deposited Securities as at the date of the statement.
- 4.6 The CSD shall be entitled to make adjustments to a Securities Account if any Securities are erroneously credited or debited to such Securities Account.
- 5. Instructions and other Communications**
- 5.1 All instructions and other communications to be provided by the Account Holder to the CSD shall be provided in accordance with the methods and the timeframes set out in the Operating Procedures and in accordance with the contact details specified therein.
- 5.2 Unless otherwise provided for in the Account Documentation, all confirmations, statements, and communications, including Notices and Circulars to be provided by the CSD shall be provided in accordance with the methods and timeframes set out in the Operating Procedures. The Account Holder shall ensure that it provides its contact details to the CSD and that it complies with the provisions and timeframes in the Account Documentation and the Operating Procedures for notifying a change in its contact details.

6. Systems and Passwords

6.1 The Account Holder shall at all times comply with all technical requirements and security arrangements from time to time specified by the CSD for connection to and/or the use of NASDAQ Dubai Systems. In particular and without limitation where the CSD provides the Account Holder with a unique identifier and/or a password, the Account Holder:

- (i) undertakes to keep such unique identifier and password confidential;
- (ii) confirms that it is responsible for the security and proper use of the unique identifier and the password;
- (iii) without limitation to its obligations under this Clause 6, undertakes to promptly notify the CSD if the unique identifier and/or the password ceases to be confidential.

7. Deposited Securities

- 7.1 All Deposited Securities shall be registered in the name of the Nominee.
- 7.2 The CSD shall be entitled to delegate any of its duties, functions, authorities and discretions with prior written notice to the Account Holder, which may include by way of Circular or Notice. Any such delegation shall not derogate from the CSD's liability in respect of the proper performance of any matter so delegated.
- 7.3 The CSD shall comply with all laws, orders, regulations or official directives applicable to the Deposited

Securities and maintain the Deposited Securities in accordance therewith.

7.4 The CSD shall provide to the Account Holder a current list of all Issuers (and their securities) whose foreign ownership is restricted pursuant to Federal Implementation Regulation No. (28) of 2007 ("**Restricted Issuers**"). The CSD shall inform the Account Holder of any additions to the list of Restricted Issuers from time to time.

7.5 No later than one hour before the market opens (Dubai time) on each Business Day, the Account Holder shall provide to the CSD the previous Business Day's Report (the "**Report**"), a detailed reporting of the ownership of the Deposited Securities of Restricted Issuers. Such Report shall include: (i) the percentage of Deposited Securities held by the Account Holder on behalf of UAE National owners, and (ii) the percentage of such Deposited Securities held by the Account Holder on behalf of non-UAE National owners, in each case on a Restricted Issuer basis. In the event the Account Holder fails to recognise the nationality of the holder of the Securities, the Securities shall be deemed to be owned by non-UAE National owners. In the event the Account Holder, on a specific day, defaults in reporting the ownership ratio of the Deposited Securities one hour before opening of the NASDAQ Dubai market (Dubai time), the CSD will at its own discretion calculate the ownership ratio based on the previous day's report.

- 7.6 The Account Holder shall provide any information that the CSD may from time to time request, including, without limitation, country specific information with respect to each beneficial owner of the Deposited Securities of Restricted Issuers, within a reasonable period of time, which shall be agreed between the CSD and such Account Holder.
- 7.7 The CSD shall be entitled to make available the information contained in the Report:
- (a) to the relevant Issuer, its registrar and its agents;
 - (b) to the DFSA and the DIFC;
 - (c) to any other governmental or regulatory authority, body or person that has the responsibility for the supervision or regulation of any activity or other financial service or for law enforcement purposes;
 - (d) for the purpose of enabling it to institute, carry on or defend any proceedings including any court proceedings;
 - (e) for any purpose referred to in the Regulatory Law No. 1 of 2004 or Markets Law No. 1 of 2012 or any regulations or orders under such laws;
 - (f) to assist a government agency in relation to the investigation or prevention of white collar crime, money laundering, terrorist financing or any other criminal activity;
- (g) under compulsion of law; and
- (h) for the purpose of enabling the CSD to discharge its obligations hereunder.
- 7.8 (a) In the event the CSD is notified of any breach of, or other event of noncompliance with (such breach or event of noncompliance, a “**Breach**”), any law, order, regulation or official directive applicable to the Deposited Securities, the relevant Account Holder shall provide a written list of all settlements of transactions of such Deposited Securities, including, without limitation, the exact settlement times thereof, entered into anytime during the two (2) Business Days prior to and including the date on which such Breach occurred.
- (b) Upon identification by the CSD of the settled transaction which directly or indirectly caused the Breach, the CSD shall instruct the Account Holder in writing to notify the relevant client of the Account Holder (the “**Client**”) which caused the Breach that (i) the Breach has occurred and is continuing, (ii) the details of the Breach, and (iii) the obligation of the Client to promptly sell or otherwise transfer the Deposited Securities which are the subject of the Breach as required by applicable laws, orders, regulations or official directives (the “**Initial**

Notice”).

- (c) In the event the Client fails to promptly satisfy its obligations under (iii) above, the Account Holder hereby agrees that it shall provide the Client in writing with the information contained in the Initial Notice on each of the following two (2) Business Days (the “**Second Notice**” and “**Third Notice**”, respectively).
 - (d) In the event the Client fails to promptly satisfy its obligations following its receipt of the Second and Third Notice, the Account Holder hereby agrees that it shall provide in writing to the CSD the name and full contact information of the Client which directly or indirectly caused the Breach.
- 7.9 (a) For purposes of this Section 7, the term “**UAE National owners**” means a natural person who is a citizen of the United Arab Emirates, or a commercial entity that is organised in and existing within the United Arab Emirates.
- (b) For the purposes of this Section 7, the term “**non-UAE owners**” means a natural person who is a citizen of any country that is not the United Arab Emirates, or a commercial entity that is not organised in and existing within the United Arab Emirates.

8. Withdrawal

- 8.1 All instructions for the withdrawal of Deposited Securities shall be made directly to the CSD in accordance with the Operating Procedures.

9. Settlement Agent Undertaking

- 9.1 A Custodian may act as a Settlement Agent for a Clearing Member to conduct cash and security settlement payments on behalf of the Clearing Member for Settlement Transactions to be cleared and settled by the Clearing Member for any client of the Custodian.
- 9.2 All settlement payments made by the Settlement Agent on behalf of the Clearing Member will be viewed as being authorised by the Clearing Member.
- 9.3 The Settlement Agent will settle transactions on behalf of the Clearing Member for all Settlement Transactions (both buys and sells), unless the transaction is rejected by the Settlement Agent on or before the timelines specified in the Operating Procedures. Rejection of transactions must be made in accordance with NASDAQ Dubai Operating Procedures. The Clearing Member will be liable for settlement of all obligations for Settlement Transactions that are validly rejected by the Settlement Agent not later than the timeline specified in the Operating Procedures. NASDAQ Dubai reserves the right to determine whether a transaction has been validly rejected.
- 9.4 As set out in the Business Rules, NASDAQ Dubai will recognise the Clearing Member only, in its role as

- counterparty, with respect to any Settlement Transaction paid for and settled by the Settlement Agent on behalf of the Clearing Member. NASDAQ Dubai does not view actions of the Settlement Agent as a transfer of clearing obligations held by the Clearing Member under the Business Rules.
- 9.5 A Securities Transaction will be considered unconfirmed upon written notice by the Settlement Agent and received by NASDAQ Dubai not later than the timeline specified in the Operating Procedures. The written notice shall identify each transaction that is unconfirmed, and provide complete details of each unconfirmed transaction. NASDAQ Dubai reserves the right, based on its review of the transaction details whether the transaction should be deemed an unconfirmed transaction.
- 9.6 NASDAQ Dubai will implement and enforce its Operating Procedures with respect to unconfirmed transactions.
- 9.7 The Settlement Agent must provide collateral (through bank guarantees, cash or other approved asset, or any combination thereof) to NASDAQ Dubai which NASDAQ Dubai will utilise for:
- (i) the pre-validation of buy trades for Settlement Transactions; and
 - (ii) non-payment by the Settlement Agent for those Settlement Transactions it accepts.
- 9.8 Any failure to make cash or settlement payments by the Settlement Agent for any Settlement Transactions it accepts on behalf of the Clearing Member will be viewed as a Settlement Fail or Default by the Clearing Member under the Business Rules.
- 9.9 If the Custodian fails to make timely payment of a cash obligation in its role as a Settlement Agent, NASDAQ Dubai reserves the right to levy penalties on the Custodian, as per Notice.
- 9.10 The Clearing Member must immediately notify NASDAQ Dubai when its relationship with a Settlement Agent has been suspended or terminated by the Clearing Member.
- 10. Distributions and other Corporate Events**
- 10.1 The Account Holder's entitlement to a dividend payment, distribution, bonus, or rights issue shall be determined on the basis of the number of Deposited Securities standing to the credit of the relevant Securities Account as at the Record Date.
- 10.2 Whenever an Issuer makes an offer to the holders of its Securities to pay any cash distribution or dividend in respect of its Securities in the form of additional Securities and the holder of such Securities is required to make an election (a "**Dividend Election**"), the CSD shall be entitled to assume, that where an Account Holder is entitled to make an election, that the Account Holder has elected to be paid in the form of additional Securities, unless the CSD receives a precise instruction to the contrary from the Account Holder, within the

timeframe and in the manner specified in the Operating Procedures.

10.3 Whenever the CSD receives from an Issuer any distribution in respect of Deposited Securities in the form of free securities whether by way of bonus issue or otherwise, it shall credit the Securities Account of the Account Holder with:

- (i) such number of the free securities as shall be stipulated by the Issuer, or failing such stipulation;
- (ii) such number of the free securities as is proportionate to the number of the Deposited Securities of the Issuer standing to the credit of the Securities Account at the Record Date.

10.4 Fractional entitlements to the free securities shall be disregarded. The Account Holder hereby authorises the CSD to sell such fractional entitlements on such terms as it thinks fit and to dispose of the net proceeds of that sale in such manner as it thinks fit.

10.5 The CSD shall deal with other Corporate Events in the manner and within the timeframes set out in the Operating Procedures.

11. Meetings of Shareholders

11.1 The CSD shall make all reasonable endeavors to notify the Account Holder of any shareholder meeting affecting or relating to the holders of Securities which are the same as the Deposited Securities.

11.2 The CSD shall dispatch those reports, circulars to shareholders, or other

notices or documents addressed to shareholders which are specified in the Operating Procedures.

11.3 Neither the Nominee nor the CSD shall be required to exercise any right to speak or vote at any meeting of shareholders. The CSD may but shall not be obliged to accept the written instructions of the Account Holder to vote or to appoint proxies to vote, at any meeting of shareholders in respect of Deposited Securities registered in the name of the Nominee or the CSD unless otherwise provided for in the Operating Procedures. The CSD may specify additional provisions which shall apply, where it accepts such written instructions.

12. Suspension, Blocking and / or Removal of Securities from the CSD

12.1 The CSD may suspend, block or remove a Security from the CSD where:

- (i) the CSD is notified that the Account Holder has not paid for the Securities in such Securities Account;
- (ii) required to do so by the Issuer for the exercise of or distribution of any voting rights or other entitlements accruing to the Securities in such Securities Account;
- (iii) in the reasonable opinion of the CSD circumstances have arisen in connection with the Security which could represent a threat to the security, integrity, or reputation of the CSD system;

- (iv) a liquidator, receiver, administrator, bankruptcy official or any analogous person or office holder is appointed in respect of the Issuer or any of its assets, or in the opinion of the CSD such an appointment is imminent or likely to occur;
 - (v) an Account Holder fails to pay any of the fees and charges specified in Clause 16 by the date, in the amount and in the manner notified to it by the CSD; or
 - (vi) any of the conditions under which the CSD permitted the Security to be transferred through the CSD are in the opinion of the CSD no longer satisfied.
- 12.2 No transfers or withdrawals of Securities by the Account Holder shall be permitted whilst they remain suspended or blocked in a Securities Account.
- 12.3 When the conditions triggering the suspension or blocking have ceased to apply, the affected Securities shall be transferred to the 'Free' balance of the Securities Account.
- 12.4 The CSD shall notify the Account Holder in accordance with the Operating Procedures for suspension, blocking or removal of Securities, and the consequences of such suspension, blocking or removal.
- 13. Account Suspension**
- 13.1 The CSD shall be entitled to suspend all or any of the Account Holder's Securities Accounts:
- (i) if any of the representations and warranties of the Account Holder provided under the Account Documentation are or have become incorrect in any material respect;
 - (ii) if the Account Holder fails to comply with any of its obligations under the Account Documentation which if capable of being remedied, is not remedied to the satisfaction of the CSD within five (5) Business Days of a notification by the CSD;
 - (iii) if the Account Holder fails to pay any of the fees and charges specified in Clause 16 by the date, in the amount and in the manner notified to it by the CSD;
 - (iv) a bankruptcy petition is presented; or a bankruptcy order is made; or if the Account Holder becomes insolvent or bankrupt as defined under any bankruptcy or insolvency law applicable to it; or a voluntary case is commenced by it (other than for the purposes of a solvent reconstruction or amalgamation); or an involuntary case or other procedure is commenced against it seeking or proposing liquidation, reorganisation, an arrangement or composition, or a freeze or moratorium, or other similar relief is sought with respect to it or its debts under any bankruptcy, insolvency, regulatory supervisory or similar law, or other proceedings are instituted against or by it seeking the appointment of an

- insolvency officer of it or a substantial part of its assets;
- (v) if in the opinion of the CSD, circumstances have arisen which could represent a threat to the security, integrity or reputation of the CSD or NASDAQ Dubai Systems; or
 - (vi) pending clarification of any court order served on the CSD in relation to the Securities Account or the Deposited Securities where in the opinion of the CSD the duty of the CSD is ambiguous or unclear in the light of such court order.
- 13.2 No transfers or withdrawals by the Account Holder of Deposited Securities shall be permitted while its Securities Account(s) remain suspended.
- 13.3 Entitlements accruing to the Deposited Securities shall continue to be credited to the Securities Account and cash distributions accruing to the Deposited Securities shall continue to be paid into a separate cash suspense account in the name of the CSD.
- 14. Closing of Securities Accounts**
- 14.1 The CSD shall be entitled to close all or any Securities Account by providing the Account Holder with no less than thirty (30) calendar days written notice of termination.
- 14.2 The Account Holder shall be entitled to close all or any Securities Account by providing the CSD with no less than thirty (30) calendar days written notice of such closure.
- 14.3 Upon full settlement of the Account Holder's obligations to the CSD, or the effective date of closure (whichever is the later) the Account Holder shall have the option either to withdraw the Deposited Securities or to instruct the CSD to transfer them to a nominated authorised transferee.
- 14.4 The closure of a Securities Account shall be without prejudice to the accrued rights and obligation of the CSD and the Account Holder.
- 15. Different Types of Securities**
- 15.1 The Account Holder may exercise its rights in respect of Securities conferring the right to convert into or to subscribe for new Securities ("Warrants") in accordance with the Operating Procedures.
- 15.2 The CSD may from time to time set out in its Operating Procedures or issue Circulars specifying the basis on which the CSD will act as the CSD in respect of Deposited Securities with special features.
- 16. Fees and Charges**
- 16.1 The CSD shall set the level of fees and charges payable by the Account Holder in respect of each Account. The CSD shall notify the Account Holder of the level of such fees and charges and may vary the level and the method for calculating such fees and charges by providing the Account Holder with no less than fourteen (14) calendar days written notice of variation. The Account Holder hereby undertakes to pay such fees and charges on the date, in the amount and in the manner which is notified to it by the CSD.

- 16.2 The CSD may at its discretion waive payment of any fees or charges or part of those fees or charges.
- 16.3 The CSD may invoice or issue a debit note to the Account Holder for fees and charges which are payable under the terms and conditions of the Securities it holds in its Securities Account, in accordance with such terms and conditions. The amount of such fees and charges shall be calculated in accordance with the terms and conditions of the relevant Securities. The Account Holder hereby undertakes to pay such fees and charges by the date, in the amount and in the manner which is notified to it by the CSD.
- 16.4 Any amount to be paid by the Account Holder and not paid by its due date for payment of the same shall be treated as an unpaid amount and shall bear interest at the rate determined by the CSD to be the cost of funding such amount plus 3 per cent per annum. Interest shall accrue on a daily basis and shall compound and shall be payable as a separate debt.

17. Representations and Warranties of the Account Holder

- 17.1 The Account Holder hereby represents and warrants as at the date of the execution of the Account Documentation (which representations and warranties shall be deemed to be repeated on each occasion on which the Account Holder executes an Account Opening Form), as follows:
- (i) it has full power and authority to execute and deliver the Account Documentation and any other

documentation relating thereto, and to perform its obligations under the Account Documentation and any other documentation relating thereto, and has taken all necessary action to authorise such execution, delivery and performance;

- (ii) such execution, delivery and performance will not violate or conflict with any law applicable to it, any provision of its constitutional documents or any charge, trust deed, contract or other instrument or any contractual restriction applicable to, binding on or affecting it or any of its assets;
- (iii) all governmental, regulatory and other consents that are required to have been obtained by it in relation to the Account Documentation have been so obtained and are in full force and effect and all conditions of any such consents have been complied with;
- (iv) its obligations under the Account Documentation constitute it legal, valid and binding obligations, enforceable in accordance with their respective terms and in particular and without limitation the Account Holder expressly represents and warrants that:
- (a) it shall be liable to the CSD as principal under the Account Documentation, notwithstanding that it is acting on behalf of its Customers; and

- (b) it has full and unrestricted power to appoint the CSD and to enter into and to perform its obligations in accordance with the Account Documentation;
- (v) it is subject to and has and will comply with all applicable anti-money laundering laws and regulations that require it to identify its Customers; and
- (vi) the rights and obligations of the CSD and the Account Holder under the Account Documentation shall not be affected by any agreement or relationship between the Account Holder and any of its Customers or other persons.

18. Liability

- 18.1 The CSD shall be liable for any loss or damage arising as a direct consequence of a failure of the CSD to perform its obligations under these Terms and Conditions where such failure results directly from fraud, wilful default or negligence on the part of the CSD. The CSD shall not be liable for special, indirect, consequential or remote loss or damage, including but not limited to loss of profit and opportunity loss.
- 18.2 The CSD will not be liable for any action taken by it in relation to suspending or blocking Securities in accordance with: (i) valid instructions received; and/or (ii) in accordance with the Account Documentation; and/or (iii) the terms and conditions of Securities held in a Securities Account.
- 18.3 The CSD shall not be required to make any payment pursuant to Clause 18.1 unless the Account Holder has provided written details of the claim to the CSD no later than eighteen (18) calendar months following the date on which the Account Holder became or should have become aware of the specific act, fact circumstance or event which gave rise to the claim.
- 18.4 If the CSD has made a payment to the Account Holder pursuant to Clause 18.1 or otherwise and subsequent to the date of making such a payment, the Account Holder recovers an amount from a third party in respect of or otherwise referable to such claim, then the Account Holder shall apply the amount recovered (less the actual costs of recovery) firstly in satisfaction of any loss suffered by it which was not recoverable from the CSD and secondly shall forthwith repay to the CSD, the difference between the amount paid by the CSD and the amount recovered from the third party, provided that such amount shall not exceed the amount originally paid by the CSD.
- 18.5 The CSD is not obliged to execute an instruction of an Account Holder if it believes that to do so will or may contravene any applicable law or regulation or binding market practice.
- 18.6 Save as otherwise provided for at Clause 18.6, the CSD shall not have any responsibility for the genuineness, correctness or validity of any document or other material presented to or deposited with it pursuant to the CSD Services or the

signature(s) on that document or other material.

- 18.7 Where an Account Holder has provided an authorised signatory list to the CSD bearing specimen signatures, the CSD shall be entitled to rely upon any signed communication which reasonably seems to be in compliance with the authorised signatory list. Subject to the foregoing, the CSD shall not be responsible for ensuring the authenticity, validity or source of any communication which it transpires is unauthorised, erroneous or fraudulent. Where an Account Holder has executed a document titled “**Fax Indemnity Form**” and the communication is a “**Fax Instruction**” as defined therein, the provisions of the Fax Indemnity Form shall apply.

19. Indemnity

- 19.1 The Account Holder hereby undertakes to indemnify the CSD against all losses, costs, damages, expenses and liabilities whatsoever (“**Losses**”) incurred or suffered by the CSD where such Losses arose out of or in connection with:

- (i) any breach by the Account Holder of any law, regulation, order or contract which affects the CSD Service, the Deposited Securities or the Securities Account; or
- (ii) any breach by the Account Holder of its obligations under the Account Documentation, and/or the terms and conditions of the Securities held in the Securities Account, and/ or the Operating Procedures.

- 19.2 Without limitation to Clause 19.1 above, if any legal proceedings, arbitration or other proceedings are brought to impose any liability on the CSD for any alleged failure on the CSD’s part to prevent or require action by the Account Holder or any of its directors, officers, employees or agents, the Account Holder hereby undertakes to indemnify the CSD against:

- (i) all reasonable expenses and legal fees incurred by the CSD in connection with the proceedings;
- (ii) any payment made by the CSD in connection with the settlement of the proceedings; and
- (iii) any payment made by the CSD as a result of any order or awards made in the proceedings.

- 19.3 The Account Holder shall not be required to indemnify the CSD under this Clause 19 against Losses arising out of or in connection with:

- (i) fraud, wilful default or negligence of NASDAQ Dubai; or
- (ii) to the extent not permitted by applicable law.

20. General Rights of the CSD

- 20.1 In addition to each and every right which the CSD may have as a matter of law, and/or under the Account Documentation, and/or under the terms and conditions of the Securities held in a Securities Account, the CSD shall have a general right of retention and power of sale over all Deposited Securities held in the Securities Accounts. Generally,

the CSD shall be entitled to liquidate those Deposited Securities and apply the proceeds of sale towards satisfying any liability which the Account Holder has to the CSD whether in respect of fees and charges or otherwise.

- 20.2 In addition to each and every right which the CSD may have as a matter of law, and/or under the Account Documentation and/or under the terms and conditions of the Securities held in a Securities Account, the CSD may at any time and without notice set off any amount (whether presently payable or payable in the future or owing by the CSD to the Account Holder against any amount or whether presently payable or payable in the future or owing by the Account Holder to the CSD). The CSD shall notify the Account Holder of any set off effected under this Clause.

21. Force Majeure

- 21.1 The CSD shall not be liable for any act or omission or failure or suspension restriction or delay in the provision of the CSD Services and facilities or the performance in whole or in part of any of its obligations under the Account Documentation, if such act, omission, failure, suspension, restriction, or delay arises out of causes beyond its reasonable control. Such causes may include but shall not be limited to acts of God, war, terrorism, civil disturbances, riots, acts of a civil or military authority, embargoes, fires, floods, explosions, accidents, labour disputes, mechanical breakdowns, computer or systems failures or other failures

of equipment, failures of or defects in computer or systems software, unavailability of or restrictions on any online communications system or communications media or facilities, interruptions, (whether in whole or in part) of power supplies or other utility or service, any suspension, restriction, or closure of any market, any market emergency, failure, interruption, or suspension of any depository or custodian, bank or financial institution, any law, decree, regulation or order or directive of any government, competent authority or any court or tribunal, and any other causes beyond the CSD's reasonable control.

22. General

- 22.1 The illegality, invalidity or unenforceability in whole or in part of any of the provisions of the Account Documentation shall not affect the legality, validity or enforceability of the remaining part of the Account Documentation.
- 22.2 No indulgence or concession granted by the CSD, and no omission or delay in exercising any right power or privilege under the Account Documentation shall operate as a waiver thereof, nor shall any single or partial exercise of any such right power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- 22.3 Any advice, statement or report provided by the CSD shall in the absence of manifest error, be final and conclusive. Except as otherwise agreed by the CSD, the failure of the Account Holder to inform the CSD of

any error or omission in any advice, statement or report promptly (in any event within five (5) Business Days) shall constitute a waiver in favour of the CSD of the Account Holder's right to require rectification.

22.4 The CSD shall be entitled to amend these Terms and Conditions:

- (i) forthwith by written notice to the Account Holder, which may include by way of Circular or Notice, where the CSD determines that an amendment is required in order to comply with a regulatory requirement; or
- (ii) in all other circumstances by providing no less than thirty (30) calendar days written notice to the Account Holder, which may include by way of Circular or Notice.

22.5 Any notice or other communication required or permitted hereunder shall be deemed to have been duly given (i) five (5) Business Days following deposit in the mails if sent by registered or certified mail, postage prepaid, (ii) when sent by facsimile transmission, if receipt thereof is confirmed by successful transmission (as shown on the sender's records), and (iii) at the time of the initiation of the transmission by the sender (as shown on the sender's records), if sent by electronic messaging (e-mail), notwithstanding that the intended recipient retrieves the message at a later date, fails to retrieve such message, or fails to receive such notice on account of its failure to maintain the designated e-mail

address, its failure to designate a substitute e-mail address or for any other reason.

23. Governing Law and Jurisdiction

23.1 The Account Documentation shall be governed by and construed in accordance with the laws of the Dubai International Financial Centre, and both parties hereby irrevocably submit to the exclusive jurisdiction of the courts of the Dubai International Financial Centre.

23.2 The Account Holder hereby irrevocably waives any objection which it may have at any time to the laying of venue of any proceedings brought in any such court, and waives any claim that such proceedings have been brought in an inconvenient forum and further waives the right to object with respect to such proceedings, that such court does not have jurisdiction over it.

23.3 Notwithstanding Clause 23.2, the CSD shall be entitled to institute proceedings in any jurisdiction to enforce the obligations of the Account Holder which arise under or in connection with the Account Documentation.

23.4 The Account Holder hereby irrevocably appoints the service of process agent specified by it in the Account Opening Form to receive for it and on its behalf service of process in all proceedings. The Account Holder shall be entitled to change its service of process agent by providing no less than thirty (30) days written notice to the CSD specifying a substitute process agent that the CSD has confirmed as acceptable. The

Account Holder hereby irrevocably consents to service of process in this manner. Nothing in the Account Documentation will affect the right of the CSD to serve process in any other manner permitted by applicable law.