

Investment Services Terms & Conditions

1 Purpose and Basis of these terms

You need to read this document.

It sets out specific terms and conditions on which we agree to provide you with investment products (the Services). You must read it in conjunction with our Client Terms, *the tariff sheet*, the product brochure and any other documents forming our banking agreement included in your Welcome Pack. To the extent of any inconsistency between these terms and our Client Terms, these terms prevail. These terms do not apply to any existing current/cheque account, term deposit account or savings account products you have with us to the extent that they are subject to separate terms and conditions.

- 1.1 This document sets out the terms and conditions, on which we, Standard Chartered Bank Kenya Limited through Standard Chartered Investment Services Limited will provide you, with the services from time to time and reference in this Agreement to “we” “us” or “our” and to “you” or “your” shall be construed accordingly. These terms and conditions together with the Investment Services Action Form and other related agreements and notices (this “Agreement”) together constitute the terms of your agreement with us.
- 1.2 We are authorized by the Capital Markets Authority (the “CMA”) and regulated by the CMA in the conduct of investment services and fund management services under the Capital Markets Act (“the Act”).
- 1.3 Please complete and sign the Investment Services Action Form and return it to us. If you do not sign and return the Investment Services Action Form, we will not be able to provide you with Services

2 Definitions and construction

- 2.1 The following words and phrases shall have the following meanings:
 - 2.1.1 “Associate” means any of our associated, holding or subsidiary companies, including any subsidiary, holding or associate company of Standard Chartered Bank Kenya Limited.
 - 2.1.2 “Business day” means a day other than a weekend or public holiday in Kenya.
 - 2.1.3 “CMA” means the Capital Markets Authority;
 - 2.1.4 “CMA Rules” means the rules of the CMA.
- 2.2 Definitions set out in the Capital Markets Act shall apply to this Agreement unless otherwise varied or excluded.
- 2.3 References in this Agreement to statutes, the CMA Rules and any other rules, regulations or laws shall be to such statutes, CMA Rules, rules, regulations and laws as modified, amended, restated or replaced from time to time. References to clauses are to the clauses of this Agreement. Headings are included for convenience only and shall not affect the interpretation of this Agreement. This document, the Investment Services Action Form and any supplemental documentation are to be construed as one Agreement.

3 Description of Services

- 3.1 We will provide such services as may be agreed in writing which may consist of product recommendation fund management, or execution-only services as specified in the Investment Services Action Form, to the terms and and/or such other services as may be specifically agreed in writing between us (the “Services”).
- 3.2 The services will be subject to any limits or restrictions which you may specify in the Investment Services Action Form, to the terms of this Agreement, and any statutory, regulatory, legal or market requirements.
- 3.3 We may provide the services in relation to:

- 3.31 equity shares in Kenya or foreign companies;
- 3.3.2 Debentures, commercial paper, loan stock, bonds, certificates of deposit and other debt instruments including government and public Securities;
- 3.3.3 deposit accounts of whatsoever nature, whether in Kenya or otherwise;
- 3.3.4 unit trusts, mutual funds and similar collective investments schemes in Kenya or elsewhere;
- 3.3.5 warrants or other instruments creating entitlements to any such investments and investments similar to any of the foregoing;
- 3.3.6 non-readily realizable or illiquid investments (being investments in which the market is limited or could become so; these can be difficult to deal in and it can be difficult to assess what would be a proper market price for them) (together called “the Securities”)

PROVIDED THAT the type of Securities in respect of which we provide the Services may change from time to time (at our sole discretion).

- 3.4 We may make recommendations to you in relation to your instructions of your commitment to underwriting or similar obligations in connection with a new issue, rights issue, or similar transaction. You agree that any investments are to be held by us in our capacity as custodian and/or any appointees, nominees, trustees, agent, sub custodian, service provider or replacement therefore appointed by us all of which shall hereinafter be referred to as the “Custodian”.
- 3.5 The foregoing is subject to any limits or restrictions you may specify in writing to us. Save as specified in this clause and the Investment Services Action Form there are no other restrictions on the type of investments in relation to which we may provide our Services.
- 3.6 Unless you inform us to the contrary, we will assume that you would like us to be able to visit, telephone, e-mail or contact you when we consider it necessary or appropriate to discuss investments without having first been expressly invited by you to make such a contact.
- 3.7 We are authorized by you to do anything which we consider necessary or appropriate either to provide the Services (including but not limited to acting as your agent and delegating our authority as your agent to a Custodian) or to comply with any appropriate laws or regulations as may reasonably be appropriate. You agree to ratify and confirm everything lawfully done in the exercise of such discretion.
- 3.8 We will not be responsible for the provision of any tax or legal advice in relation to the Services.
- 3.9 We will treat you as our client and we have no obligation and accept no liability to any other person for whom you may be acting as an agent intermediary or fiduciary (whether or not the existence or identity of such person has been disclosed to us) and your obligations to us shall not be diminished in any way by reason of your so acting.
- 3.10 We will not be obliged to effect any transaction nor do anything else which we believe would breach any statute law or regulation.

4 Advice

- 4.1 You should advise us as soon as possible of your investment objectives any relevant restrictions and the degree of risk you are prepared to accept by completing the Client Investment Profile.
- 4.2 Where the Services involves the giving of advice or the provision of information we will use reasonable endeavors to ensure that such advice or information is accurate, but you acknowledge that advice and information provided by us may be based upon information obtained from third parties and/or which is incomplete and unverified. We shall not be liable for any costs, claims, liabilities, expenses or losses which you may suffer as a result of relying on any such advice or information unless we have been negligent or acted in bad faith.

- 4.3 Please note that we will not advise you about the merits of a particular transaction if we reasonably believe that, when you give the order for that transaction, you are not expecting such advice; the deal will then become an execution only transaction. This will always be the case with an execution only service.

5 Management Services

- 5.1 Valuations of your Portfolio will be provided at not more than six monthly intervals. Performance measurement will not be provided other than by special arrangement. The periodic statement shall include details of the contents and value of the Portfolio and the investments other assets comprised therein and such other information as may be agreed from time to time by us.
- 5.2 You undertake not to deal, except through us, with any of the investments and other assets comprised in the Portfolio or to authorize anyone else so to deal
- 5.3 You represent and warrant that the Portfolio is free from all liens, charges or other encumbrances and that no liens, charges or other encumbrances shall arise from your acts or omissions.

6 Instructions

- 6.1 We shall be entitled to act upon any oral or written instructions reasonably believed to be from you or from any person authorized to act on your behalf. Once given instructions may only be withdrawn or amended with our consent.
- 6.2 Instructions may be acknowledged either expressly or by our acting upon them
- 6.3 We may at our absolute discretion refuse to act in accordance with any instructions, without being under obligation to give any reasons thereof. If we decline an instruction we will take reasonable steps to notify you promptly of this but subject to this will not be liable for any failure to do so.
- 6.4 If you wish to authorize anyone else to give instructions on your behalf please notify us in writing and have that other person provide a specimen signature. Unless and until we are informed in writing that the authority has been withdrawn, any action taken by us in conforming to instructions given under such authority will be binding on you.

7 Dealing Instructions

- 7.1 You will be dealing with us on an execution-only basis in reliance solely on your own judgment. In this regard you should bear in mind that if we merely explain the terms of an investment or its performance characteristics this does not itself amount to advice on the merit of a transaction in the investment or on the legal or tax status or consequence.
- 7.2 You may give us oral or written instructions. You agree that accepting oral instructions shall at times be subject to our sole discretion that we may, at our sole discretion, refuse to act based on verbal instructions. You agree to indemnify us in respect of any cost, loss or expense incurred as a result of or in connection with any improper or fraudulent fund transfer instruction purported to have been received from you. In order to allow us to act upon such communications, as long as we act in compliance with this authorization or instruction, we shall be indemnified for and held free and harmless from and against any and all responsibility for, and any and all costs, losses or liabilities of any nature (direct or indirect) resulting from any act of omission (or delay) in response to instructions from us to transfer funds or purchase, sell or otherwise dispose of commodities or Securities, together with any or all attendant costs and expenses including our reasonable legal fees and expenses collectively referred to as losses. You also acknowledge that the security and control procedures provided by us are designed to verify the source of communication and not to detect errors in transmission and content including discrepancies between names and account numbers and that we, or any intermediary, may execute an instruction by reference to account number only, even if the name on the account is also provided. Nothing contained here in shall require us to violate any applicable laws, rules or regulations on the transfer of funds or data transmission. You also agree that as long as we act in accordance with your instructions, we shall have no further duty to verify the content of any instruction or communication or the identity of the sender, confirmer thereof, if any, and you expressly agree to be bound by any instruction and communications, whether or not authorized, sent in its name or accepted by us.

- 7.3 We shall be entitled to act upon your oral or written instructions or those of any other person we reasonably believe to be authorized to act on your behalf. We may acknowledge your instructions by such means as we consider appropriate whether orally, in writing, by actual performance or otherwise. We are under no obligation to accept any instructions that are from your officers, directors, managers, partners or shareholders who are not your authorized representatives according to our records.
- 7.4 You shall promptly (and within any time limit imposed by us) give instructions we may reasonably request from you in respect of any services provided hereunder. If you do not do so, we may in our sole discretion take any steps at your cost which we consider appropriate for our or for your protection. You shall be liable for all errors of transmission and for all consequences of electronic, mechanical and other transmission failures.
- 7.5 If we indicate to you that we consider an investment decision to be unsuitable but you still wish to execute a transaction based on that decision, we will only accept the instruction on an execution-only basis.
- 7.6 Subject to clauses 7.1 to 7.5 you may from time to time instruct to us to effect transactions for you provided that you have submitted necessary documentation, (if so required by us at our sole discretion) cleared funds or such other security (which we may require at our sole discretion) in the case of purchase of Securities, and also that the instructions are in accordance with this Agreement and in compliance with applicable law and any conditions of the issuers of the Securities.

8 Dealing

- 8.1 We may arrange for you to open and maintain an investment account (the "Account") for you to enable you to invest in the Securities from time to time.
- 8.2 We may execute your dealing instructions upon any market or exchange and through any clearing house selected by us, including executing a transaction which is not regulated by any stock exchange, unless specifically instructed by you to the contrary.
- 8.3 Assets and profits arising on settlement or liquidation will be credited to your Account and losses will be debited to your Account. Any debt balance arising as a result of settlement or liquidation will be payable by you forthwith whether or not demanded by us.
- 8.4 We shall be entitled to carry out all transactions in accordance with the constitution by laws, rules, regulations, customs or practices of the relevant market, exchange and/or clearing house and with applicable laws whether imposed on you or us. We may take all such steps as may be required or permitted by such laws, rules, regulations, customs and/or market practice. We will be entitled to take or not take any reasonable action we consider fair in order to ensure compliance with the same and all such actions so taken will be binding upon you.
- 8.5 We will not knowingly execute or agree to execute a transaction which would result in your having a short position. A short position arises when a person contracts to sell investments which he/she does not currently own, intending to buy them in the market at a lower price, before the investments are due to be derived to the purchaser.
- 8.6 In order to give effect to your dealing instructions, we may instruct an intermediate broker selected by us in our discretion which may be an Associate. We undertake to use reasonable care and skill in the appointment and supervision of any other intermediate broker and to make available to you and take such action on your behalf as you may reasonably request in relation to any rights we have against such intermediate broker subject to this we accept no liability for default of any intermediate broker or exchange clearing house marker or depository.
- 8.7 In executing transactions for you, we may in our absolute discretion deal with you as principal or agent.
- 8.8 We may at our discretion aggregate your orders with our own orders or those of other clients of ours or our Associates. We will allocate the proceeds of such orders among the participating accounts in a manner which we believe to be fair and equitable. If the combined order is not executed at the same price we may average net price. Details of average price will be furnished on request. Such allocation may take place within one business day of execution. In aggregating your orders in this way, we must reasonably believe this will be to your advantage, for instance to obtain better execution or reduced foreign exchange or other dealing costs by being part of a larger transaction. However, on occasion, aggregation and allocation may result in you obtaining a less favourable price.

- 8.9 Where we are unable to consider it to be undesirable or inappropriate to execute your order at once or in a single transaction we may execute it over such period as we deem appropriate and we may report to you an average price for a series of transactions so executed instead of the actual price of each transaction
- 8.10 We may undertake a programme trade or trades comprising a single transaction series of transactions on your behalf. In doing so we may act as principal or agent but will not be required to notify you in which of these capacities we are executing the transaction.
- 8.11 The purchase, sale, redemption and conversion of Securities may be subject to minimum transaction size or value, and may have to be consolidated with similar transactions of other clients, and may only be implemented by us if such minimum size or value transaction is achieved.
- 8.12 Transactions relating to Securities will in addition to the terms and conditions herein, be determined and governed by the terms and conditions of the issuer of the Securities including limitations relating to investment level, tenor, cost, procedure and frequency of purchase, sale, redemption, conversion and valuation, and you agree to read and otherwise familiarize yourself with and to be bound by the terms and conditions of the issuer of the Security.

9 Confirmations

- 9.1 We will send to you confirmation in respect of each transaction in accordance with applicable law or within a reasonable period. If we have instructed an intermediate broker on your behalf, the confirmation may be a copy of the confirmation sent to us by the intermediate broker. When dealing in collective investments on your behalf we are authorized to receive confirmation notes from the manager and we will issue our own confirmation to you. Confirmations posted, electronically transmitted or otherwise sent to you at your last known address in our records will be deemed to have been received by you when sent to the relevant address.
- 9.2 Any confirmations which we give in writing will be deemed correct, conclusive and binding on you if not objected to in writing within thirty business days of delivery to you of the confirmation or we notify you of an error therein within the same time period.

CLIENT ASSETS

10 Custody

- 10.1 Where we provide you with a custody service, we shall appoint a Custodian to perform custody services and the following provisions will apply to those of your investments so held by us.
- 10.2 All investments purchased through us will be registered (except for bearer stocks) in the name of our nominee or the name of another custodian appointed by us unless otherwise indicated we will account to you for all dividends, interest payments and other rights accruing to you. Bearer or other ono-registered investments may not always be held by us directly but may be held by one or more third parties (including clearing systems, custodians and overseas agents) directly or indirectly, and may be for its or their account.
- 10.3 You should note that nominee account holders will not receive certain entitlements, such as annual reports and accounts, nor attend annual (or other) meetings and vote at such meetings.
- 10.4 Overseas investments may be registered or recorded in the name of a custodian or in our name (subject to your prior written consent) in one or more jurisdictions outside Kenya where we determine that, due to legal requirements or the nature of market practice in the jurisdictions concerned, it is in your best interests or it is not feasible to do otherwise. As a consequence of this your investments will not be segregated from investments belonging to us or our other clients and therefore your protection may be less should a default occur on the part of the person in whose name the investments are registered or recorded. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those which apply in Kenya.
- 10.5 We are responsible for the acts of our nominee to the same extent as for our own acts. We accept no liability for the default of any nominees, custodians or third parties.
- 10.6 Should you instruct us in writing that investments purchased through us be registered in the name of some other person

whom you specify, the consequences of registration carried out in accordance with your instructions are entirely at your risk.

- 10.7 Investments registered or recorded in the name of a nominee will be pooled with those of one or more of our other clients. Accordingly your individual entitlements may not be identifiable by separate certificates, physical documents or entries on the register or equivalent electronic records. In the event of an irreconcilable shortfall following any default or failure by the custodian responsible for pooled investments, you may not receive your full entitlement and may share in that shortfall pro-rata to your original share of the assets in the pool. When corporate events (such as partial redemptions) affect some but not all of the investments held in a pooled account we will allocate the investments so affected to particular customers in such fair and equitable manner as we consider appropriate (which may without limitation involve pro rata allocation or an impartial lottery).
- 10.8 We will provide you with information relating to your investments held by us by sending periodic statements no less often than every 6 months. Assets will be valued in accordance with general market practice or, subject to our prior agreement, in accordance with your instructions.
- 10.9 We will collect any dividends, interest, payments or other entitlements to which you may be entitled and of which we are notified and will remit to you such dividends or interest as soon as possible after deduction of any taxes and duties payable or credit them to your account.
- 10.10 Provided it is practical and expedient, we will endeavour to obtain your instructions for exercising or dealing with any of the following matters in relation to your investments of which we receive notice.
- 10.10.1 conversion or subscription rights;
- 10.10.2 takeovers or other offers or capital reorganizations
- 10.10.3 voting rights
- 10.11 The consequences of a failure on your part to provide instructions to us by any required time once notification of such an event has been sent to you are your sole responsibility. If we are unable to obtain your instructions we will be under no obligations to take any action but may, in good faith and at our discretion and without any liability thereof, use our judgment and act as we think fit in relation to any rights and/or privileges attaching to any investments held on your behalf
- 10.12 Where we appoint a custodian for holding your investment it may be another company in the group of companies to which we belong.

11 Client Money

- 11.1 Should any of your money be received or held on your behalf by us it will be treated as client money.
- 11.2 We may hold client money at a bank which is not an approved bank if:
- 11.2.1 The client moneys relate to the settlement of a transaction or the distribution of income subject to the law or market practice of a jurisdiction outside Kenya.
- 11.2.2 Because of the law or practice of that jurisdiction it is not possible to hold client money in a client bank account with an approved bank; and
- 11.2.3 We hold the money with such bank no longer than is reasonably necessary to effect the transaction or a series of transactions.
- 11.3 Your money may be passed to a settlement agent, intermediate broker or other person such as an exchange or clearing house. You acknowledge that we may pass client money to such a person outside Kenya in which case the legal and regulatory regime applying to such person(s) will be different to that of Kenya and in the event of a failure of that person your money may be treated in a different manner from that which would apply if it were held at an account in Kenya.
- 11.4 You consent to our releasing any client money balances of yours for such use as we in our discretion determine provided there has been no movement on such balances for at least 5 years (notwithstanding any payments or receipts of charges interest or similar items) and we will therefore not be obliged to treat such money as client money.

SETTLEMENT AND POWERS OF DEFAULT

12 Settlement

- 12.1 You will take all action necessary to enable us to effect settlement and delivery of transactions as they fall due in accordance with the requirements of the relevant exchange market or clearing house including but not limited to making any appropriate payment and or delivering any Securities or other assets to us in good time for us to complete settlement and delivery. If any payment or delivery is not received or is incomplete or incorrect when received we will not complete the transaction or we may without notice liquidate the transaction or buy in the market in order to meet our or your performance obligations or take such other actions as we in our absolute discretion may consider appropriate.
- 12.2 If you have more than one account with us, we will have the right to set off the debit on one account against the credit on another. If the accounts are expressed in different currencies they shall be translated to currency of the debt at the prevailing rate of exchange.
- 12.3 Any crediting to your account of cash or investment is subject to reversal, if in accordance with local laws and practice, the delivery of investments or cash giving rise to the credit is reversed.

13 Default and realisation of clients assets

- 13.1 Any sums due to us in respect of commissions, costs, fees, expenses or otherwise pursuant to this agreement (plus any applicable VAT) may be withdrawn on prior notice to you from any portfolio or assets of yours held by us or under our control and we may have recourse against and sell realise or dispose any of such assets and apply the proceeds in or towards discharge of such sums. You hereby give us authority to direct any third party custodians holding such assets to make payment of all invoices and other requests for payment in respect thereof presented to it by us.
- 13.2 Without prejudice to clause 13.1 if we do not receive either cash or securities when due in respect of any transaction which we are to settle or execute with or for you, or you do not take all steps necessary to secure the due and prompt execution and settlement of any such transaction, or you fail to meet or believe in good faith that you are about to fail to meet any other liability to us or any third party we may on giving you 3 days prior notice thereof cancel, close out, terminate or reverse all or any contracts, buy in to settle or close any short position created by you, and sell, realise, charge, pledge or otherwise dispose of any investments, cash or any assets held for you or which we may be entitled to receive or control on your behalf at whatever price and in whatever manner we see it fit in our absolute discretion (without being responsible for any loss or diminution in price) and may enter into any other transaction or do or not do anything (including the application of client money held for you) which would or could have the effect of reducing or eliminating liability under any transaction, position or commitments undertaken by or for you.
- 13.3 We shall not be liable to you in respect of any loss arising nor in respect of any choice made by us in selecting the investments sold or disposed of. The proceeds of any sale or disposal of such assets (net of costs) will be applied in or towards discharge of your liabilities and we will account for you for any balance. In the event that such proceeds of sale are insufficient to cover the whole of your liabilities, you remain liable for the balance.

RISKS, MATERIAL INTERESTS AND DISCLOSURES

14 Risks associated with the services

- 14.1 All investment is subject to risk and the degree of risk is a matter of judgment and cannot be accurately pre-determined. We give no warranty as to the performance or profitability of your account with us or your investments or any part thereof.
- 14.2 It is important that you discuss your investment objectives and risk requirement with us, and for your own protection, you must inform us immediately if your circumstances or objectives change.

- 14.3 The value of investments and the income derived from them can fall as well as rise and is not guaranteed.
- 14.4 Performance of a Security is not an indication of future performance.
- 14.5 We do not offer any advice regarding investment in a Security and the investment decision and risk of investing is wholly yours.
- 14.6 This agreement does not constitute a solicitation or offer to invest in a Security and applications for investments in Securities may be made by submission of a completed application form and substance determined by us from time to time.
- 14.7 Notwithstanding the receipt by you from us of any information and/or materials relating to a Security, we will not be responsible for any loss or damage that you may incur as a consequence of investing in a Security.
- 14.8 Implementation of your valid instructions by us does not constitute endorsement of your investment decision.
- 14.9 We shall not be liable or responsible for any act, refusal or other failure to follow you instructions.
- 14.10 We shall not be responsible for any act of failure of an issuer of a Security.
- 14.11 Investment in certain Securities may in addition to currency, price and credit risk also carry sovereign risk.

15 Conflicts of interest and disclosures

- 15.1 In addition to any recommendation we give or transaction we execute or arrange with or for you, we or an Associate may have an interest, relationship, arrangement, or duty which is material or which give rise to a conflict of interest with your interest(s), its relation to the investment or transaction concerned or investments or assets underlying, derived from or otherwise directly or indirectly related to such investments (a "material interest"). We will take reasonable steps to ensure fair treatment for you in relation to such transactions and our account executives are required to comply with a policy of independence and to disregard any such interest when making recommendations to you.
- 15.2 A material interest may include but is not limited to:
 - 15.2.1 us or an Associate of ours dealing as principal for our or its own account by selling the investment concerned to you or buying it from you, or being a market maker or otherwise having a holding dealing position in the investment concerned or an associated investment;
 - 15.2.2 providing services similar to the services provided to you to other clients;
 - 15.2.3 any of our or an Associate's directors or employees being a director of, holding or dealing in investments of otherwise being interested in any company whose investments are held or dealt in on your behalf;
 - 15.2.4 being in receipt of instructions from another client to buy or sell the same investments;
 - 15.2.5 matching your transactions with that of another customer by acting on his behalf as well as yours where we are acting or seeking to act as agent for (and to receive and retain commission or other charges from) both parties;
 - 15.2.6 acting as a financial adviser or lending banker to the issuer of the investment concerned (or any of its Associates);
 - 15.2.7 being involved as financial advisor, broker, sponsor, underwriter or otherwise in a new issue, underwriting, rights issue, takeover or similar transaction concerning the investment, or the issuer of the investment or a related investment;

- 15.2.8 receiving payment or other benefits for giving business to a firm with or without which your order is placed or executed;
- 15.2.9 being (or being advisor to) the trustees, operator or manager of an investment fund, units in which we are buying or selling to or from you or on your behalf, or
- 15.2.10 providing or having provided venture capital and/or related advice to the company whose Securities are subject to the transaction.
- 15.3 We and/or our Associates shall be entitled to make recommendations to you or enter into a transaction for or with you or retain your investments or act as your agents or provide any other service notwithstanding any such material interest and shall not be under a duty to disclose to you any profit arising therefrom without further reference to you. However, in such cases as we or our Associate may in our absolute discretion decline to carry out a transaction for or with you or make a recommendation to you.
- 15.4 Neither we nor any Associate shall be liable to account to you or (save in respect of fees or commissions charged to you) to disclose to you any profit, or remuneration made or received (whether from any client or by reason of any material interest or otherwise) by us by reason of any Services provided or transaction executed with or for you.
- 15.5 Before publishing a research recommendation, we or our Associates may have acted upon it or made use of information on which it is based. Recommendations and comment in our research publications may be affected by subsequent changes in market conditions, particularly in share prices. Unless expressly acknowledged by us in writing, these publications are not personalised or tailored in any way to your individual circumstances. Any recommendations made will not necessarily be suitable for you and should be treated as a recommendation to you to engage in a particular strategy or course of action.
- 15.6 You understand and agree that your consent is not required for the release of the financial information pertaining to or arising from your accounts with us or the transactions, subject of these terms and conditions, to our subsidiaries, affiliates, branches in Kenya and outside, nor is your consent required for the release of the said information to our personnel, advisors and agents, who need such information to fulfill our duties and obligations towards the customer and to secure our interest and rights, nor is your consent required to release the said financial information at any proceedings brought by us against you and/or any third party in an action related to your account or your transactions with us and/or in any proceeding brought by any third party against us in respect to your Account and/or your transactions with us, nor is your consent required where a court or governmental entity demands such financial information pursuant to a valid subpoena or other order.
- 15.7 You hereby authorise us to release the said financial information in the case mentioned above without the need for us to notify you or seek your prior approval in any way whatsoever.
- 15.8 You further understand and agree that we may, if obliged by applicable law, have to disclose your details and information relating to your accounts with us to persons within and outside Kenya.

16 Fees and charges

- 16.1 You shall in addition to any fees, commissions and charges relating to the underlying Services, pay us such annual service fee for its services rendered to you pursuant to the agreement, in each case as we may from time to time advise you in advance.
- 16.2 You will be responsible for the payment of any commissions, transfer fees, registration fees, taxes, duties and other fiscal liabilities and all other liabilities and costs properly payable or incurred by us under this agreement.
- 16.3 You acknowledge that upfront fees, annual management fees, switching charges, redemption and other charges and taxes (if applicable) may be payable in relation to certain Securities/Services and you hereby agree to pay the same.
- 16.4 You acknowledge and agree that we may, at our sole discretion, in addition to service fee from you, receive a fee from the issuer of Securities.
- 16.5 You hereby authorize us to debit the Account for any fees, commission, charges, taxes or other amounts payable by you to us pursuant to the Agreement. You further authorize us to debit any account held in your name with us at any of our branches, subsidiaries and affiliates with such fees, commissions, charges, taxes or other amounts payable by you to us under the Agreement. In case the funds available in the Accounts are not sufficient to cover or settle the same, we may exercise the authorities granted to us pursuant to this Clause without prior notice to you.

LIABILITY, INDEMNITY AND CLIENT WARRANTIES

17 Liability and indemnity

- 17.1 We shall not be liable for any default of any counterparty, bank, custodian, sub-custodian or other entity which holds money, investments or other documents of title on your behalf or with or through whom transactions on your behalf are conducted.
- 17.2 We will not be liable for loss suffered by you in connection with the Services unless such loss directly arises from our negligence, willful default or fraud.
- 17.3 You undertake to keep us and our agents and employees fully and effectively indemnified against all costs, charges, liabilities and expenses whatsoever incurred by us and them pursuant to or in connection with Services unless due to our or their negligence, willful default or fraud.

18 Clients warranties

- 18.1 You warrant and undertake to comply with all laws, rules, regulations and disclosure requirements of any relevant jurisdiction, exchange, market or regulatory authority which applies in respect of us, you or your investments from time to time including but not limited to the Companies Act
- 18.2 You will promptly give (or procure to be given) to us information and assistance as we may reasonably require to enable us to assist or achieve compliance with any such obligations as relation to your account or the Services.
- 18.3 You represent that:
- 18.3.1 you are not a United States of America (US) citizen or a US corporation, partnership or agent or nominee of a US person or otherwise a "US Person" and will not transfer any Securities to any such person and/or entity; and
- 18.3.2 this Agreement is valid, binding and enforceable; and
- 18.3.3 the acceptance and performance of this Agreement is not in breach of any applicable law or any contract to which you are party; and

- 18.3.4 you have full capacity to contract have full power and authority to open, maintain and conduct transactions with regard to the account; and
- 18.3.5 if you are a legal entity, it has been duly formed or incorporated and is validly existing under the laws of its jurisdiction of formation of incorporation; and
- 18.3.6 the information provided in the Account Opening or other application form is true, accurate and not misleading; and
- 18.3.7 if you are a legal entity, you are purchasing the Securities for your Account and not the account of your officers, managers, directors, partners, shareholders or any third party.

DELEGATION AND ASSIGNMENT

19 Delegation and use of agents

Without prejudice to the powers in respect of terms of delegation specified in clauses 8.5 (intermediate brokers) and 10 (custodians) we may delegate any of our functions in respect of the Services to an Associate of ours and provide information about you and the Services to any such Associate on such terms as we may determine without your further consent but our liability to you for all matters so delegated shall not be affected thereby. We will act in good faith and with due diligence in our choice and use of such agents.

20 Assignment

The Agreement is personal to you and shall not be capable of assignment by you or of being transferred by you. We may [on giving one month notice to you], appoint any appropriate party (at our sole discretion) to provide the Services in our place and shall then transfer to such appointees all of our rights and obligations under this Agreement.

NOTICES, AMENDMENTS AND TERMINATION

21 Notices, instructions and other communications

21.1 Without prejudice to the provisions of clauses 6 and 7 above relating to the giving of dealing and similar instructions, any modification given to us under this Agreement shall be in writing and sent to the address stated above or such other address as may be notified by us to you and such notice to us shall take effect upon its actual receipt by us.

21.2 All written communications by us to you under this Agreement may be sent to the last postal address notified to us by you.

21.3

To protect both our clients and our staff, and to help resolve any disputes between you and us, you acknowledge that:

21.3.1 we will record all telephone conversations between us and clients of the Services; and

21.3.2 we will keep a record of all instructions given by clients via the Services; and

21.3.3 we may listen to telephone calls made in respect of the Service in order to assess and improve the quality of the Service

22 Amendments

We have the right to change the terms of this Agreement at any time by giving you notice either in writing, by placing prominent notices at our offices or branches or by sending you a message .

We will give you 30 days notice of any change before it takes effect, except when notice has to be shorter in order to protect the security of the Service or in other circumstances beyond our control. Once you have received notice of any change in the terms of this Agreement, we will treat your subsequent use of the Service as your acceptance of the change.

Any amendments proposed by you shall take effect when accepted by us in writing.

23 Termination

- 23.1 Either party may terminate this Agreement at any time by not less than 14 days written notice to the other to take effect on such date as may be specified in such notice.
- 23.2 Termination of this Agreement pursuant to clause 23.1 above shall be:
- 23.2.1 without prejudice to the completion of any transaction or transactions already initiated and any transactions or all transactions outstanding at the time of termination will be settled and delivery made;
- 23.2.2 without prejudice to and shall not affect any accrued rights, existing commitments or any contractual provision intended to survive termination; and
- 23.2.3 without penalty or any other additional payment save that you will pay:
- (a) our outstanding fees and charges [pro rated where appropriate to the date of termination];
 - (b) any expenses incurred by us in the provision of the Services or under this Agreement payable by you;
 - (c) any additional expenses incurred by us in terminating this Agreement; and
 - (d) any losses necessarily realised in settling or concluding outstanding obligations.

GENERAL

24 Confidentiality

- 24.1 We shall be under no duty to disclose to you in making any decisions or taking any action in connection with the provision of the Services to take into account any information or other matters which comes to our notice or the notice of any of our employees, directors, agents or Associates:
- 24.1.1 where this would or we reasonably believe that it would be a breach of any duty of fidelity or confidence to any other person; or
- 24.1.2 which comes to the notice of an employee, officer or agent of the investment manager, but does not come to the actual notice of the account executive or other individual providing you with the service in question.
- 24.2 The parties to this agreement will at all times keep confidential any information of a confidential nature acquired in connection with this Agreement or the Services, except for the information which they are bound to disclose under compulsion of law or by request of police, officers of any criminal investigation department, any regulatory or forensic or other governmental agencies or to their professional advisors or in our case in the proper performance of the Services.

25 Force Majeure

Whilst we will endeavour to comply with our obligations in a timely manner we will incur no liability whatsoever for any partial or non-performance of our obligations by reasons of any cause beyond our reasonable control including but not limited to any communications, systems or computer failure, market default, suspension, failure or closure, or the imposition or change (including a change of interpretation) of any law or governmental or regulatory requirement and we shall not be held liable for any loss you may incur as a result thereof.

26 Joint accounts

- 26.1 This clause 26 applies only where you consist of more than one person such as joint account holders, trustees or personal representatives
- 26.2 You shall be jointly and severally liable for the obligations of all and any of you under this Agreement or in any other dealings between you and us.

- 26.3 Unless and until we receive written notice signed by all of you withdrawing or varying the same so as to limit such authority so a specific named individual:
- 26.3.1 each joint holder will have authority on behalf of all the joint holders to deal with us as fully and completely as if it were the sole owner of the account without any notice to the other joint holders;
- 26.3.2 any of the joint holders may give us an effective and final discharge in respect of any of their obligations;
- 26.3.3 any notice or communication given to one joint holder shall be deemed to be given to all.
- 26.4 On the death of any of you, this Agreement will not terminate but remain binding on the other person(s) constituting our client and we may treat such survivor(s) as the only person's party to this Agreement with us.
- 26.5 Where you are trustees of a trust or personal representative of an estate, you undertake to give us notice forthwith of any change in trustees or personal representatives.
- 26.6 Where you are trustees of a trust, you undertake to supply us with copies of any documents now existing (or hereafter executed) limiting, extending or varying the powers of the trustees or amending the objectives of the trust and any other documents or information we may reasonably require in connection therewith.
- 26.7 Notwithstanding the foregoing we reserve the right at our sole discretion:
- 26.7.1 to require joint instructions from some or all of the joint holders before making any action under this Agreement; and
- 26.7.2 if we receive instructions from a joint holder which in our opinion conflicts or are inconsistent with other instructions, advise one or more joint holders of such conflict or inconsistency and/or take no action on any such instructions until we receive further instructions satisfactory to us.

27 Miscellaneous

- 27.1 Our appointment under this Agreement is given by you on behalf of your successors in title as well as yourself. Accordingly, if you being an individual should die and are not one of a number of joint holders as contemplated in clause 26 this Agreement will continue in effect until terminated by us or your personal representatives in accordance with clause 23 above. We may (but prior to any grant of representation are not bound to) act on the instructions of your personal representatives.
- 27.2 This Agreement supersedes any previous agreement between the parties relating to the subject matter of this agreement.
- 27.3 Each of the parties shall execute all the deeds or documents (including any power of attorney) and do all such other things that may be required from time to time for the purpose of giving effect to this Agreement and the transactions contemplated hereby.
- 27.4 Each of the parties acknowledges and agrees that in entering into this Agreement, and the documents referred to in it, it does not rely on and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) or any person (whether party to this Agreement or not) other than as expressly set out in this Agreement.
- 27.5 Nothing in this Agreement (or any of the arrangements contemplated thereby) shall be deemed to create a partnership between the parties.
- 27.6 Each of the parties shall pay the costs and expenses incurred by it in connection with negotiating and entering into this Agreement.
- 27.7 No failure to exercise or delay in exercising any right or remedy under this Agreement shall constitute a waiver thereof and no single or partial exercise of any right or remedy under this Agreement shall preclude or restrict any further exercise of such right or remedy. The rights and remedies contained in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.
- 27.8 If any term or provision in this Agreement shall in whole or in part be held to any extent to be illegal or unenforceable under any enactment or rule of law that term or provision or part shall to that extent be deemed not to perform part of this Agreement and that enforceability of the remainder of this Agreement shall not be affected thereby.

28 Governing Law

- 28.1 This Agreement shall be governed by and construed in accordance with Kenyan law.
- 28.2 If any dispute or difference shall arise whether during the continuance of this Agreement or upon or after its determination between the parties hereto touching or concerning this Agreement or as to any other matter in any way connected with or arising out of or in relation to the subject matter of this Agreement such dispute shall in accordance with and subject to the provisions of the Arbitration Act or any statutory modification or re-enactment thereof for the time being in force be referred at the request of either party to the arbitration and final decision of a sole arbitrator Who shall be an advocate of the High Court of Kenya of at least 10 years good standing and who shall be appointed by the parties, or failing agreement, by the Chairman for the time being of the Law Society of Kenya. Such arbitration shall take place in Nairobi.

