

NITA AND SECURITIES ACCOUNTS SERVICES AGREEMENT

THIS AGREEMENT is made as of the date stated hereinbelow,

AMONG:

- (1) **CUSTOMER;**
- (2) **BANK; and**
- (3) **BROKER,**

as the terms are hereinafter defined, and referred to individually as a "Party" and collectively as the "Parties".

WHEREAS:

- (A) the Customer is not a resident of Bangladesh ("NRB") and desires to avail of the services of the Bank and the Broker in Bangladesh to facilitate transactions in initial public offerings and listed securities in the name of the Customer in Bangladesh; and
- (B) the Customer and the Bank shall execute a separate Custodian Agreement between themselves
- (C) the Bank and the Broker are willing to consider providing such services in accordance with the terms hereinbelow stated.

NOW, THEREFORE, IT IS AGREED as follows:

1. Representations and Warranties

The Customer represents and warrants to the Bank and the Broker respectively and independently at all times for the Term of this Agreement that:

- (a) the Customer is a not a minor or a resident of Bangladesh under the laws and regulations applicable to this Agreement and the transactions contemplated herein, and shall immediately notify the Bank and Broker on becoming a resident of Bangladesh;
- (b) the Customer has all the requisite capacity and authority in conformity with all laws and regulations applicable to the Customer to enter into this Agreement and to retain the services of Bank and the Broker, respectively;
- (c) the Customer shall communicate and supply the Bank and the Broker separately and independently any and all information and documents required by the Bank and the Broker from time to time;
- (d) the Customer has separately and independently executed with the Bank a Custodian Agreement;
- (e) the Customer has obtained independent legal and other professional advice to enter into and perform this Agreement, or has willfully and voluntarily declined to obtain such advice, and has not in any manner relied on any communication of the Bank and/or Broker in any decision to enter into, perform or discharge this Agreement.

The Bank and the Broker respectively and independently represents and warrants to the Customer and to each other at all times for the Term of this Agreement that:

- (a) it is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation;

- (b) it has all the requisite capacity and authority in conformity with all laws and regulations applicable to it to enter into this Agreement and to provide the services described and contemplated by this Agreement; and
- (c) it maintains requisite licenses and experience in compliance with applicable laws and regulations to provide the services described and contemplated by this Agreement.

2. Customer Accounts

The Customer acknowledges, and is solely and independently responsible for:

- (a) opening separate and independent accounts with the Bank and the Broker, in the form and with information and documents, as separately and independently required by and to the satisfaction of the Bank and the Broker, respectively;
- (b) maintaining each and all of the accounts, information and documentation current and complete, as separately and independently required by and to the satisfaction of the Bank and the Broker, respectively, for the Term of this Agreement;
- (c) maintaining funds sufficient to execute securities transactions for the Customer, and for the payment of related charges, fees, costs, expenses, tax deductibles and other amounts, as required by the Bank and the Broker from time to time;
- (d) promptly reviewing all statements and reports of accounts and transactions provided by the Bank and the Broker, and shall promptly notify any claims of error accompanied by such documentation as may be necessary to substantiate any such claim, and any additional documentation which the Bank or the Broker require to determine and correct any such error; and
- (e) any issues regarding any aspect of securities transactions for and/or in the name of the Customer communicated, executed or otherwise with the utilisation of the services of the Bank and the Broker, respectively.

The Bank and the Broker will be and are independently responsible for:

- (a) obtaining, reviewing, verifying and maintaining, all information and documents of the Customer for the purposes of opening and maintaining accounts in the name of the Customer, as required under the licences and laws and regulations applicable to each of the Bank and the Broker, respectively;
- (b) compliance with the licences, laws and regulations applicable to each Party; and
- (c) errors in connection with the their respective responsibilities and obligations under this Agreement, the accounts and transactions contemplated hereby.

The Customer acknowledges and accepts the Broker independently:

- (a) reserves the right to withhold acceptance of, or to reject, for any reason, any account or any transaction for any account and to terminate any account;

- (b) shall be under no obligation to accept any account as to which any documentation required to be submitted or maintained is incomplete; prior to acceptance of any account, no action taken including but not limited to, executing or clearing a trade in any account, shall be deemed to be or shall constitute acceptance or continuation of such account.

Each of the Bank and the Broker will:

- (a) maintain records of the Customer, accounts and securities transactions, on a basis consistent with laws, regulations and generally accepted practices in the securities industry in Bangladesh, and will maintain copies of such records in for record retention;
- (b) be responsible for preparing and filing the reports required by governmental and regulatory agencies that have jurisdiction over each;
- (c) will each provide the other with such information, if any, which is in the control of one Party but is required by the other to prepare any such report as aforesaid, without the prior consent of the Customer.

2.1 Settlement of Trades:

The Settlement of Trades both buy and sell shall be settled in accordance with the rules and regulations of the Securities and Exchange Commission (SEC), Dhaka Stock Exchange (DSE) and Chittagong Stock Exchanges (CSE). All parties hereby agreed to comply with the rules, regulations, laws, directives and orders of the SEC, DSE and CSE and any other law that might have been imposed upon by any other Regulator or Government Offices/Agents with regard to the Settlement of Trades.

3. **Securities Transactions**

Schedule 1 attached herein describes the step by step process to open accounts, make applications for IPO offering and settle trades, including reference to and copies of all application and forms

The Customer:

- (a) shall issue instructions to the Bank under or in connection with accounts maintained with the Bank
- (b) shall issue orders for securities transactions to the Bank and simultaneously issue instructions for debit or credit of the Customer's accounts with the Bank in connection with such transactions; and
- (c) will or has appointed the Bank as its attorney by a separate power of attorney to act on behalf of and in the name of the Customer in connection securities transactions and CDBL related services of the Customer including opening, operating and closing as necessary accounts/security transactions.
- (d) shall provide email indemnity in the prescribed format as attached herein and referred to as **Schedule 2** in order to carry out transactions pursuant to email instructions.

The Bank:

- (a) acting on behalf of the Customer, will instruct the Broker to carry out security related transactions, will receive, deliver and settle all funds and securities in connection with securities transactions for the Customer accounts in accordance with the Customer's instructions;
- (b) shall be responsible for verification of Customer's information, documentation and communications in connection with Customer's accounts with the Bank, and authentication of the Customer's orders for execution of securities transactions, and verification of the funds in the Customer's accounts with the Bank for execution of such orders;
- (c) shall be responsible for the safeguarding of all funds and securities, and custodial of securities delivered to and accepted by it, subject to verification and pursuant to the execution of a separate Custodian Agreement;
- (d) shall communicating directly with the Customer in connection with the accounts of the Customer maintained with each of the Bank and the Broker, respectively;
- (e) shall act on behalf of the Customer for making applications to subscribe to initial public offerings (IPO), securities of different companies, receive certificates against allotment letters, buy/sell securities from/ to the secondary market through the Broker and transfer such securities, held by Bank on behalf of the Customer and do any other act necessary for operation, management and administration of the accounts.
- (f) to ensure registration of the securities once acquired for the Customer as soon as it is received from the Broker.

The Broker:

- (a) upon receipt of instructions from the Customer through the Bank, shall be responsible for advising the Bank of its obligations to deliver funds or securities in connection with each security transaction;
- (b) shall be responsible for executing orders for securities transaction on behalf of Customer;
- (c) shall instruct the Customer through Bank for settlement of funds and/or securities in connection with orders for securities transactions of the Customer;
- (d) informing the Bank, who has customer's power of attorney and who is the custodian of the securities pursuant to the execution of a separate Custodian Agreement between Bank and Customer, if any orders for securities transactions require any additional steps for compliance with applicable laws and regulations;
- (e) not obligated to accept for execution or execute any orders of the Customer which are not communicated through the Bank or not satisfactorily verified by the Bank or in connection with which the Bank informs that there are insufficient funds for execution of the orders and related charges, fees, costs, expenses and other amounts.

4. Payments

The Customer accepts that it shall pay or reimburse the Bank and the Broker separately and independently such charges, fees, costs, expenses, indemnification and all other amounts in accordance with separate agreements entered with each.

The Customer authorises the Bank to pay by debit of the Customer's account with the Bank or otherwise, all fees, charges and costs of the Broker for the execution of orders for securities transactions of the Customer, on verification by the Bank of the Customer's instructions, without the prior consent of the Customer.

The Bank shall not be required to release, remit, pay or deliver to the Customer any funds and/or securities held by the Bank for or in the name of the Customer until any and all amounts owing by the Customer to the Bank and the Broker are paid and payment acknowledged, whether or not such payments are due for payment or are disputed.

5. Confidentiality

The terms of this Agreement shall remain confidential between the Parties hereto, except that the Bank and the Broker may disclose this Agreement and matters in connection thereto, and details of the account relationship, including credit balances and details of securities transactions, in accordance with the laws of Bangladesh to parties thereunder entitled to be provided with such information, or pursuant to a judicial order.

6. Indemnification

The Customer agrees to indemnify and hold harmless the Bank and the Broker, severally, from and against all claims, demands, proceedings, suits and actions and all liabilities, losses, expenses and costs (including any legal and accounting fees and expenses) relating to their defense of any failure, for any reason, fraudulent or otherwise, by the Customer (and, if applicable, the Customer's employees, independent agents or contractors), comply with any obligation under this Agreement or any other manner in connection with the Customer's securities transactions, except any act or failure to act which is the result of gross negligence or willful misconduct on the part of the Bank and/or the Broker. Without limiting the generality of the foregoing, such failure is explicitly intended by the Parties to include failure resulting from (i) suspension of trading or bankruptcy or insolvency of any company, securities of which are held in a Customer's accounts; (ii) failure by any Customer to maintain adequate margin; or (iii) breach of any obligation existing between the Bank and the Broker respective with the Customer, or any law, rule or regulation of the applicable to any transaction contemplated by this Agreement.

7. Remedies and Limitation of Liability

The enumeration herein of specific remedies shall not be exclusive of any other remedies. Any delay or failure by any party to this Agreement to exercise any right, power, remedy or privilege herein contained, or now or hereafter existing under any applicable statute or law, shall not be construed to be a waiver of such right, power, remedy or privilege, nor to limit the exercise of such right, power, remedy or privilege, or shall it preclude the further exercise thereof or the exercise of any other right, power, remedy or privilege.

In the general course of business, the Bank and the Broker shall each be responsible for correcting their own errors. In any action by the Customer against the Bank and/or the Broker for any claim arising out of the relationship created by this Agreement, each of the Bank and the Broker shall only be liable to the Customer in cases of gross negligence or willful misconduct, and in such cases the Bank and/or the Broker shall only be liable for the amount or actual monetary losses suffered by the Customer which is respectively directly attributable to the actions of such Party.

The Bank and/or the Broker shall not be liable to the Customer for consequential damages on account of any loss, cost, damage or expense which the Customer may suffer or incur related to transactions in connection with this Agreement or otherwise, including, but not limited to, any lost opportunity claims or regulatory actions.

8. Termination

Unless earlier terminated as provided herein, this Agreement shall remain in force from the date of signature by the Customer.

Notwithstanding the foregoing, the Bank or the Broker may terminate this Agreement at any time on fifteen (15) days notice to the other Parties in the event that:

- (a) the Customer fails to comply with the terms of this Agreement and upon notification by the Bank or the Broker fails to begin compliance within 10 days from said notification;
- (b) the Bank or the Broker is enjoined, prohibited or suspended, as a result of an administrative or judicial proceeding, from engaging in activities relevant to the performance of this Agreement.

This Agreement shall terminate immediately with no further action required by any Party in the event that:

- (a) the Customer becomes a resident of Bangladesh; or Customer's bank account or security account, held with the Bank, is closed for any reason.
- (b) either the Bank or the Broker ceases to conduct its business or ceases to hold a licence necessary to perform its obligations in connection with this Agreement.

Notwithstanding anything to the contrary in this Agreement, the provisions of clauses 4 to 10 this Agreement shall survive termination or other cessation of this Agreement.

9. Governing Law; Dispute Resolution

This Agreement shall be governed by the laws of Bangladesh

In the event of a dispute between the Parties or any two of the Parties, such dispute shall be settled by arbitration before a single arbitrator sitting in Dhaka, Bangladesh, in accordance with the Arbitration Act 2001 as then in effect. Each Party shall bear its costs in connection with arbitration proceedings, including the fees of its lawyers, and shall jointly and equally bear the arbitrators fees and administrative costs of the proceedings.

10. **General**

This Agreement shall not be amended, modified or limited except by a written agreement signed by all the Parties.

Notices and correspondence among the Parties, unless otherwise expressly provided herein, shall be in writing and shall be deemed to have been duly and properly given and effective (i) upon receipt, if delivered by hand, (ii) when sent if sent by facsimile, email or other electronic transmission, or (iii) three banking days after postage prepaid for delivery by courier or post, to the addresses for each Party as mentioned in this Agreement, or to such other address as may be furnished in writing.

If any provision(s) of this Agreement is deemed illegal, invalid or unenforceable, such illegality, invalidity, or unenforceability shall not affect the legality, validity and enforceability of any other part of this Agreement, which shall be construed as if such illegal, invalid or unenforceable provision (or provisions) had not been inserted in this Agreement and, where appropriate, the Bank and the Borrower shall negotiate in good faith to substitute such illegal, invalid or unenforceable provision(s) with a legal, valid and enforceable provision(s).

This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective heirs, successors-in-interests and permitted assigns, provided that any assignment of this Agreement or the rights hereunder by any Party hereto shall be with the prior written consent of the other Party which shall not be unreasonably withheld, save that the prior consent of the Borrower is not required for the Bank to assign or transfer its rights under this Agreement to any affiliate of the Bank or on the consent of Bangladesh Bank to any transfer, sale or other disposal of all or any part of its banking business in Bangladesh.

All expenses, costs, fees and duties (including legal, professional and out-of-pocket expenses) incurred by each Party in the negotiation, preparation, execution and enforcement of this Agreement, the documents related thereto and other matters referred to herein, are for the account of the Customer. The Customer, will pay all costs and expenses (including legal fees and expenses) incurred by the Bank and the Broker in the collection or payment of amounts outstanding from the Customer, whether through legal proceedings or otherwise, including in connection with: (a) the enforcement of any of the provisions of this Agreement or of any of the securities transactions; (b) any actual or attempted sale, or of any exchange, enforcement, collection, compromise or settlement of any arbitral award or judgement; (c) the protection or preservation of rights of the Bank and/or Broker under this Agreement; or (d) any bankruptcy, winding up, liquidation or similar proceedings. Any such expense incurred by the Bank and/or Broker shall be deemed an amount outstanding for all purposes of, and shall be entitled to all of the benefits of, this Agreement.

Any statement in writing or other document showing the amounts to be or then due and payable by the Customer to the Bank and/or the Broker in connection with this Agreement or securities transactions, or the books, records or documents of the Bank and/or the Broker and signed and certified by an authorised signatory appointed for such purpose, shall be conclusive and binding on the Customer, and also between the Bank and the Broker, save for manifest error.

In the event of any conflict and/or contradiction with this Agreement and any other document, agreement, form between the Customer and Bank and/or Customer and Broker, this Agreement shall override and prevail.

This Agreement shall be executed in as many original copies as there are Parties hereto, each of which shall constitute an original but all of which constitute one agreement.

The date of this Agreement shall be that as stated below the signature of the Customer, and in the absence of any such date, the later of the signature of any of the Parties.

WHEREOF the parties sign this Agreement through their authorised representatives as of the date hereinbefore stated:

SIGNED by the **Customer**

SIGNED for and on behalf of the **Bank**

Name:
Title:
Address:

Name:
Title:
Address:

Date: _____

Date: _____

SIGNED for and on behalf of the **Broker**

Name:
Title:
Address:

Date: _____

SCHEDULE 1

Step 1 Account Opening (NITA, BO and Trade a/c)

Customer opens the NITA, executes Custodian Agreement, BO a/c with the Bank and a Trade a/c with the Broker, and executes NITA and Securities Accounts Services Agreement with both Bank and Broker

Step 2 Subscription to IPO by NRB customers

- Customer/Account holder sends instruction to the Bank in order to apply for the IPO
- Bank debits NITA and issues a local currency Demand Draft (DD) and deposits the same to the IPO issuing company

Step 3 Selling shares in the secondary market

- Customer sends the sale instruction to HSBC within 10am of any working day in Bangladesh i.e. Sunday to Thursday; the instruction will be passed to the broker within the same day.
- If the instruction is received after 10 am of a working day in Bangladesh i.e. Sunday to Thursday then the instruction will be passed to the broker next working day in Bangladesh i.e. Sunday to Thursday within 10 am.
- In the sale instruction Customer must mention the price at which the Broker will execute the sales instruction in either of the following manners: 1) best available market price or 2) within a specific range or 3) Specific target price.
- The validity of the sale instruction will be 3 working days incase Customer mentions a specific range or specific target price. After a period of 3 working days in Bangladesh it will deemed that the sale instruction has lapsed if the specified range or specific price did not reach.
- After receiving the instruction Broker will execute sale of the shares subject to the condition of the market and inform the Bank about the sale (if the sale instruction is executed) on T+0
- On T+0 HSBC delivers the shares to the brokers BO a/c
- On T+4 HSBC receives cheque from the broker.
- On T+5 HSBC places the cheque to Bangladesh Bank clearing house.
- On T+6 cleared fund is available in customers NITA a/c

N.B. The above steps are indicative only and may be subject to unilateral change/modification and/or amendments by the Broker/Bank, the rules and regulations of the SEC and the laws of Bangladesh

SCHEDULE 2

EMAIL INDEMNITY LETTER

Date: _____

The Hongkong and Shanghai Banking Corporation Limited
Anchor Tower, 108 Bir Uttam C. R. Dutta Road
Dhaka 1205

Account Title:

In consideration of your agreeing to accept instructions from me/ us from time to time by Electronic Mail "email" or any other form of e-communication bearing a code agreed from time to time between you and me/us as an indication of authenticity of the "Instruction" for the operation of the above-mentioned account without requiring written confirmation bearing an actual signature in accordance with the mandate of such account prior to acting on the Instructions, I/we agree and confirm that:

1. I/we agree that you are hereby authorized to act on the Instructions which, in your sole discretion, you believe emanate from me/us and you shall not be liable for so acting, except in the case of gross negligence on your part.
2. I/we agree that you shall in particular not be under any duty to verify the identity of the person or persons giving Instructions purportedly in my/our name and any transaction made pursuant to Instructions shall be binding upon me/us whether made with or without my/our authority, knowledge or consent.
3. I/we agree and undertake that I/we shall at all times unconditionally and fully be liable to indemnify you for any loss, which you may suffer or arise on or after following any instruction sent by me/us by email and expenses which may be brought against you or suffered or incurred by you and to pay you on demand against all losses incurred herewith.
4. I/we further agree and undertake that I/we shall make no claim whatsoever against the bank or any of its representatives in relation to any loss suffered or incurred by me/us owing to any act carried out or forborne by the bank pursuant to any instruction sent by us by email.
5. I/we agree to obey and pay any claim by the bank against this indemnity upon your first written demand at any time until my/our release from this indemnity.
6. I/we further undertake that in the event of any dispute arising out of any message sent by us by email our liability shall be continuing till resolution of the dispute.
7. This Email Indemnity Letter is irrevocable and shall be binding on me/us, my/our heirs, successors in interests, executors, legal representatives, administrators and assigns as long as I/we carry on business with the bank.
8. This Email Indemnity Letter is only effective and actionable for: i) General Business Communication, eg. General enquiry, Correspondence without contractual or legal commitment and does not contain confidential or commercially sensitive information, etc. ii) Non-Third Party Instruction, eg. Self name account transfer, Loan drawdown/ rollover confirmation, Time deposit rollover instruction, etc. iii) Instruction status enquiry (not balance enquiry), & iv) Retrieval of historical document like account statement, issued cheque, voucher, etc. of normal/ active accounts (documents will be sent via courier services).
9. This Email Indemnity Letter is ineffective and the Bank will be under no obligation to execute any instruction for: i) Third party instruction (to & from this a/c), ii) Specific

balance enquiry, iii) Update of account information /document request, iv) Sending information /document containing confidential or commercially sensitive information, v) New application (for new A/C, Loan, specific services/ products), & vi) High risk transactions such as Telegraphic transfers.

10. You shall be under no duty or obligation to accept any Instruction from me/us sent from this email addresses: i) and you may accept or refuse to accept, at any time and from time to time, any such Instruction in your sole and absolute discretion, without giving me/us prior or after notice of any such refusal to accept any such instructions.

This letter shall be governed by and construed in accordance with the laws of Bangladesh.

Signed by:

Name: -----

Witness:

1) Signature: -----

Name: -----

Address: -----

2) Signature: -----

Name: -----

Address: -----