

A - GLOSSARY AND DEFINITIONS

Unless the context otherwise clearly requires, the following terms in this agreement shall have the meaning as shown below:

ASSETS	: Any property owned by the Customer including without limitation shares, stocks, bonds, derivatives, notes debentures and generally money market instruments.
ASSOCIATES	: Entities related to INVESTA including its directors, offices and employees.
BUSINESS DAY	: Any day on which banks are operating in Lebanon.
CASH	: Any money denominated in whatever currency draft within Lebanon.
CONTINGENT LIABILITY	: Where a transaction may require further payments, being not completed or closed out earlier.
INSTRUCTION	: Notice request to proceed or to refrain from acting issued by the Customer to the Company either directly or by proxy.
INVESTMENT	: Acquisition of Assets, subscription or purchase of financial instruments.
LIBOR	: London Interbank offered Rate
NOMINEE	: A person or company appointed to hold registered title to Assets.
PORTFOLIO	: Cash properties and assets invested held in the Customer's account with the Company.
METALS	: Gold, silver, platinum and similar metals in the market.
TRANSACTION	: Any operation of purchase, sale conversion, transfer or any other transaction on Assets including custody.

B – GENERAL TERMS AND CONDITIONS

1. Services

The purpose of this agreement is to set forth the terms and conditions upon which the Company shall provide services to the Customer, inter alia :

- Establish, maintain, operate and close any accounts to hold cash and record investment portfolio.
- Effect transactions of purchase, sale, transfer of quoted securities and other financial instruments whether bearer or registered, local or foreign, including precious metals and currencies.
- Keep the portfolio assets in safe custody.

2. Representations and warranties

The Customer confirms the following representations and warranties to the Company :

- 2.1. He is the beneficial owner of the assets in the Portfolio.
- 2.2. Said assets are free from any charge, lien, assignment, encumbrance or any other security interest to third parties.
- 2.3. He undertakes not to create any charge on the Assets without prior notice to the Company.
- 2.4. He shall advise the Company without delay of any act of disposition on the Assets and shall notify the Company prior to granting any option or other right thereon.
- 2.5. He will promptly pay any calls for any unpaid sum due and payable in request of the Assets, failing which he authorizes the Company to pay on his behalf and debit his account for any sum settled.
- 2.6. He has full capacity and authority to execute this Agreement and any transaction envisaged.
- 2.7. He has read and understood the risk warnings contained herein and has obtained sufficient legal and financial advice to accept such risks.
- 2.8. This Agreement does not conflict with any laws regulations or any other agreement or obligation to which he is liable nor does it constitute a breach or a case of default.
- 2.9. No material litigation including winding-up, dissolution or bankruptcy is pending or threatened against him or any of his assets.

3. Instructions

Except as otherwise provided in this Agreement, the Company shall only act upon specific instructions received from the Customer.

- 3.1. Instructions made by telephone or by fax are acceptable, subject to a disclaimer signed by the Customer. However, instructions by e-mail or any other electronic means are excluded.
- 3.2. Delegation to give instructions by proxy should be made in writing prior to implementation and shall remain in force until the customer informs the Company of the revocation or the change of the authorized signatories.
- 3.3. The Company shall not be responsible for any loss or damage occurred to the Customer as a result of the Company, acting in good faith, did accept instructions which it reasonably believes were genuine, nor for failing to give effect to instructions which could not be investigated as genuine.
- 3.4. The Customer admits that in some particular circumstances the Company might be unable to act properly upon instruction received from the Customer but which could give rise to a breach of a regulation or rule of ethics or conflict of interest. The Company shall endeavour to notify the Customer but would in no circumstances be liable to compensate any loss whatsoever.
- 3.5. The Company is formally authorized to record a phone conversation with the Customer. The recording shall be a conclusive evidence of instructions communicated and could be used by the Company as required under the applicable laws or requested by any regulatory authority or court of justice.
- 3.6. In providing the services, the Company may act in its capacity as agent on behalf of the Customer or as principal, either directly or through various clearing agents, brokers or any securities or financial institutions selected by the Company subject to customs and practices.
- 3.7. The Customer admits that when receiving an order, the Company will endeavour to place it as soon as practically feasible but in some instances no quotation can be obtained before confirming the placement. Furthermore the Customer acknowledges that while the Company is placing an order in a fluctuating market, a difference in price may well occur.
Consequently, the Customer hereby confirms that the price fixed by the Company is held as the best price when order is processed effectively.
- 3.8. For the purpose of executing or delivering any document or undertaking any action in connection with the processing of his orders, the Customer appoints the Company as its attorney-in- fact with power of substitution.

- 3.9. The Customer acknowledges that transactions can only be processed on a business day in the relevant markets and further agrees that the Company may eventually refuse to implement instructions if held as incompatible with a rule of law or of ethics.
- 3.10. A pre-condition to implement instructions to acquire assets by the Company for the Customer is to have previously received enough funds to settle the price thereof.
- 3.11. While acting in good faith and in compliance with prudent business practices, the Company shall be saved harmless from any action, proceedings, claims, losses, damages, costs and expenses including legal fees incurred by the Customer resulting from any delay misrouting, alteration, mutilation, double dispatch by way of failure of telecommunication features or similar technical defect in the transmission of orders with any correspondent or dealer.
- 3.12. The Customer undertakes to indemnify the Company against any loss or expense howsoever arising in performing the Customer's instructions through financial institutions and brokers.
- 3.13. In the absence of sufficient funds maintained by the Customer with the Company to pay the price of Assets in compliance with purchase order issued by the Customer, the Company may at its complete discretion use assets held in the Customer's account to settle any outstanding transaction or liability of the Customer whether during the term of this agreement or after termination thereof.

4 . Reporting Information

- 4.1. The Company shall provide to the Customer by post to his last known address a confirmation of every transaction as soon as practically possible after completion. A single confirmation could be made for more than one transaction where effected to achieve one defined objective.
- 4.2. A statement of holding assets in custody shall be communicated to the Customer at least twice a year.
- 4.3. An indicative valuation of the Customer's portfolio can be provided upon request according to market value but without liability of the Company as to the accuracy of information gathered.
- 4.4. The Company shall be at liberty to disclose information to the Customer about events that could have a tangible impact on the market.
- 4.5. For avoidance of doubts, the Company makes no representation and accepts no responsibility for any information provided or communication made by it to the Customer bringing his attention to an opportunity for an investment. This should be treated as simple information provided by the Company and should in no way be relied on as recommendation or financial advice.
- 4.6. The Customer formally declares that he should resort to different sources of information and seek professional advice for the purpose of assessing the value of his Assets and or the risks of contemplated transactions in the context of the Customer's investment objectives and planning.

5 . Depository and Custody

- 5.1. The Company is authorized but not obliged to take such steps as it may consider expedient and appropriate for the safe keeping of the Customer's portfolio and for safeguarding of the rights and interest related to the assets.
- 5.2. The Company shall endeavour to the extent feasible to register any document or title in the name of the Customer.
However, the Customer acknowledges and agrees that the assets may often not be segregated from other investment portfolios carried by the Company.
- 5.3. The Customer further consents that it is not an international feasible practice to obtain from a dealer a direct confirmation addressed to the Customer on the assets purchased by the Company on his behalf.
Consequently, the portfolio assets in registrable form may be recorded either in the name of the Company or in the name of a nominee appointed by the Company.
- 5.4. The Customer acknowledges and agrees that regulatory requirements and practices customarily applicable in foreign countries differ from the rules and regulations governing the subject matter in Lebanon.
As a consequence, the Customer agrees that the assets held without segregation may not be validly protected in case of bankruptcy of the financial institutions with regard claims made by their general creditors.
- 5.5. Assets in bearer form will be physically held by the Company in safe custody or for the Company's account by a central depository or a sub-custodian selected by the Company.
- 5.6. The Company shall endeavour, to the best of its ability when advised, to claim and collect dividends, interest conversion rights or other entitlements due to the Assets in custody.
To this effect the Customer hereby grants the Company the authority to act on his behalf and undertakes to provide the Company with whatever power-of-attorney in the form required if need be.
- 5.7. Unless the Customer otherwise instructs, the Company shall, without assuming any liability, use its discretion in exercising the voting rights on behalf of the Customer when called to attend on his behalf. The Company might seek specific instructions from the Customer failing which the Company shall act as it considers appropriate and convenient.
- 5.8. The Company is allowed to deduct taxation from any income obtained in favour of the Customer without reference to him.
- 5.9. The Company shall be at liberty to continue and aggregate orders of its customers and commingle the Customer's Assets with similar assets of others.
- 5.10. The Customer acknowledges that the Company is bound to comply with any law, regulation and directive from the Government or the Regulator to take or refrain from taking action.

6 . Standard of Care

- 6.1. While exercising a reasonable care in placing orders or in safe keeping assets for its customers through agents, brokers, dealers, custodians, depositories or financial institutions and correspondents, the Company shall bear no responsibility for losses or damages incurred by the Customer arising from the failure or default of any such third parties in performing their duties or functions accurately and within the requisite time. This waiver includes the loss of opportunity and the decline in value of assets resulting from acting or omitting to act properly and on time.
- 6.2. The Customer acknowledges and agrees that the Company or any person or entity related to it may have a material interest in the contemplated transactions. Such interest need not to be disclosed to the Customer who admits that the Company could well be entitled to commission or other benefit from a transaction carried out for the Customer.
- 6.3. Although the Company shall endeavour to check that an instrument or security certificate is on its face genuine, the Company shall in no way be liable to verify the effective validity and authenticity of such title and shall therefore not be held liable for any defect invalidating such instrument or security certificate.
- 6.4. The Customer acknowledges that transactions relating to some investments or dealings may require providing margins in such amounts as the Company may specify. Consequently, the Customer undertakes to meet such calls for margin payments on due time failing which the Company shall be at liberty to close out the Customer's position without prior notice and at the Company's full discretion to debit the Customer's account for any shortfall and to claim for the balance.

7. Lending and Credit Facilities

- 7.1. The Company may at its discretion comply with the Customer's request to grant him credit facilities for the purpose of either:
 - Finding purchase and investment activities, or
 - Meeting other payment obligations to provide margin calls.
- 7.2. The Customer undertakes to pay interest on such outstanding indebtedness and to settle same at maturity or at the Company's first request for whatever reason.
- 7.3. As security for the Customer's obligations thereunder all his funds, assets, rights, titles and interests are hereby pledged, charged and assigned to the Company until full satisfaction of the Customer's liability in principal, interest, charges and expenses including legal costs and reasonable professional fee.
- 7.4. The Company shall be entitled to block any money held for the Customer until such time he settles all liabilities due either as a result of lending or for payment of the Company's fee and commission according to the scale attached and its amendments.

- 7.5. If the Customer fails to settle any outstanding indebtedness or liability when due or if the Customer is in breach of any other obligation or undertaking hereunder, the Company shall be entitled at its absolute discretion and without reference or notice to the Customer to:
- i) Close out, reverse, cancel any order, position, contract, transaction, deal or commitment.
 - ii) Sell or realize any portfolio asset in order and to the extent necessary to meet any liability whatsoever of the Customer vis-à-vis the Company or any of its agents.
 - iii) Apply any proceeds by way of set-off towards discharging the costs of such closure, sale or disposal and to settle the outstanding liability due by the Customer without prejudice to other rights of the Company to record charges and liens over the assets of the Customer whether detained by the Company or elsewhere as a cover for any balance due.

8. Assignment

- 8.1. The Company may at any time discretionary assign all or part of its rights and benefits under this agreement to another financial entity in order to share risks and profits.
- 8.2. The Company may sub-contract for brokerage purpose any provision of this agreement. This includes sharing information and securities covering risks pertaining to carry on orders and to implement instructions on special market conditions.
- 8.3. The Customer waives any secrecy obligation with respect his portfolio in favour of the Company, its directors, employees, agents and Associates, or any other person or entity that the Company may select for the purpose of carrying out orders or transactions for the Customer and on his behalf.

9. Termination

- 9.1. This agreement may be terminated by either party giving not less than 10 days prior written notice to the other.
- 9.2. The Company may however cancel this agreement without notice in case of breach by the Customer of any of his obligations.
- 9.3. This agreement will automatically end on the Customer's death or total declared inability.
- 9.4. On the termination, the Company may decide at its discretion to perform completion of an outstanding order for a transaction or to close out same.
- 9.5. As soon as practically possible after termination and provided that the Customer had settled all outstanding liabilities, the Company shall deliver to the Customer or to his legal representatives all assets, instruments, documents of title when received from the brokers, together with a statement of the transactions carried out for the Customer up to the termination date.

10 . Remedies – Waivers – Severalty - Invalidity

- 10.1. The failure by the Company to exercise any right or remedy under this agreement and the delay in doing so, shall not operate as a waiver nor shall prevent any further exercise of another right or remedy by Law or Statute which are cumulative and not exclusive.
- 10.2. Each provision of this agreement is distinct from the others and several. Consequently, if one or more provisions is or becomes void, illegal, invalid or unenforceable, the remaining provisions shall not be affected.
- 10.3. The Company shall in no way be liable for any loss, damage or delay attributable to circumstances beyond its reasonable control.

11. Banking Secrecy law

The Customer waives his rights under the provisions of Banking Secrecy law for the purpose of provision of services by third party, sharing information and data with any broker, agent, dealer or financial institution and regulatory body in particular for fraud prevention and money laundering.

12. Governing law and Jurisdiction

- 12.1. This Agreement shall be construed and executed in accordance with the applicable laws and regulations in Lebanon.
- 12.2. The parties submit their disputes to the non-exclusive jurisdiction of Beirut Courts without prejudice to the right of the Company to bring proceedings against the Customer before any other Court whose jurisdiction may derive from any other criteria.
- 12.3. The Customer hereby declares that he has obtained accurate legal and financial advice before entering in this agreement and has full knowledge and awareness of the risks involved in the contemplated transactions thereunder.