



Est. 1995

Member of the Iraq Stock Exchange

## RS BROKERAGE ACCOUNT OPENING AGREEMENT

Individual Trading Account

Al-Wihda District, Area 904, Street # 17,  
Bld. # 3, 2<sup>nd</sup> Floor  
Baghdad – Iraq  
Email: [newaccount@rs.iq](mailto:newaccount@rs.iq)  
Website: [www.rs.iq](http://www.rs.iq)  
Tel #: +964 783 534 5151

**RS BROKERAGE ACCOUNT OPENING AGREEMENT - Individual Trading Account**

This agreement was signed on 

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 between:

**First Party:** Rabee Securities PJSC, a securities brokerage house authorized in selling and purchasing financial instruments on the Iraq Stock Exchange (ISX) under license no. 5905 issued by the Iraqi Companies Registration Department, represented by the CEO and referred to here as the “First Party”.

**Second Party:**

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The Second Party is referred to in this contract as the “Investor” or the “Second Party”.

This agreement developed according to the ISX instructions which issued by the Iraqi Securities Commission (ISC), both parties agree to the following:

1. All forms and appendixes attached to this agreement are considered an integral part of this agreement and they supplement each other.
2. The “First Party” will open trading account for the “Second Party” for the purpose of trading listed securities on the ISX, and any other instruments that might list later, according to the trading regulations of the ISX.
3. The “Second Party” will be responsible for funding the trading account to the limit of its desired investment on the ISX, as (T+0) mechanism adopted by ISX. The Second Party may after the initial funding increase the amounts as they wish to invest further on the ISX.
4. The “First Party” will be fair and just in executing all clients’ trades. The code of ethics will be applied to all trades.
5. All information pertaining to the “Second Party” will be confidential and will not be revealed unless required by law. The “Second Party” acknowledges that all documents could be used in case of dispute between the parties.
6. The “First Party” will charge a brokerage commission of ( %) of the trading value. This commission will be deducted directly from any trades related to “Second Party”, and recorded in the statements and reports issued by the “First Party”. The brokerage commission may change upon both parties approval, any change will be in separate appendix to this agreement. Any other extra charges, commission, and fees will approved by both parties and will be in a separate appendix to this agreement.
7. The first party will charge the second party one basis point at the end of each month on the portfolio of stocks held with RS in lieu of custody services. (Maximum charge would be \$1000 per month, and minimum would be \$10 per month for accounts holding less than \$100k. (These charges will be dropped once third party custody services are available in Iraq.
8. The “First Party” will provide execution reports to the “Second Party” following each trading session. Reports included the trades details and will be delivered to the “Second Party’s” email and should be acknowledged within 48 hours otherwise they are deemed correct. The “Second Party” is responsible for notifying the “First Party” of any changes in email addresses.
9. All objections to any trade are to be sent in writing via email.
10. The “First Party” does not accept money from the “Second Party” in cash. Funds should be

transferred through international banks using the transfer instructions provided by the “First Party”. The “First Party” is to be notified by email of any transfer into its account.

11. No money is remitted to the customer in cash from the “First Party”. All remittances will be by cheque to local clients and through bank transfers to foreign clients. Transfers will be made to the client’s bank account and not to any other bank account. The “Second Party” can keep the cash balance accrued from wiring transfer or selling securities as credit in the trading account to be used for future investment.
12. The “First Party” will execute all orders according to the “Second Party’s” instructions of the order form. The “Second Party” acknowledges responsibility for all its instructions.
13. The “Second Party” acknowledges the inherit risk of investing in equity markets. The “First Party” does not take responsibility for any losses incurred by the “Second Party” through its investing activities on the ISX. The “First Party” is committed to exert utmost care in executing all trading orders.
14. The “First Party” should be notified if the “Second Party” or any of its affiliated persons are board members on any ISX listed company, according to the insider discloser instructions of the ISX. The “Second Party” is also to notify the “First Party” if it is holding 10% or more of a particular share capital of a listed company on the ISX, this according to the discloser instructions of the ISX.
15. The Second Party acknowledges that he/she is the ultimate beneficiary of the account, and that all the funds were acquired through legal and lawful activities. The money laundry law (39) of 2015 of the Central Bank of Iraq and related instructions of the ISC and ISX will be considered.
16. The “First Party” shall notify the “Second Party” of any changes in laws and instructions of the ISX. The “Second Party” shall be obliged to follow all these regulations and laws.
17. The “Second Party” agrees to accept by all the laws and instructions of the ISX.
18. The “Second Party” obliges to implement the Anti-Money Laundering Law No. 39 of 2015 and any related laws or regulations.
19. The “Second Party” obliges to fill in the Know Your Customer (KYC) form in accordance with the form prepared by the Iraqi Depository Center and attached to this Agreement and is considered part of it, and undertakes the validity of the data contained in this form when opening a trading account. Also, obliges to inform the “First Party” about any change or update to the required data within this form. The “First Party” also has the right to periodically review the data and request to update it whenever there is doubt about the correctness or appropriateness of the data obtained in advance according to the behavior of the “Second Party” and its deliberations, or when any modification is made to the type of data required by the relevant authorities.
20. Acknowledges that he has been informed of the due diligence controls issued by the ISC as the body responsible for regulating the work of the securities sector. The “First Party” has the right to hold the “Second Party” accountable in one of the following cases, for example, but not limited to:
  - a. Execution of trades with high amounts exceeding what is stated when approving the data in the Know Your Customer (KYC) form.
  - b. When realizing that there is insufficient information about the “Second Party”.
  - c. When there is a noticeable change in the management of the trading account and the nature of transactions.
  - d. When the “Second Party” buys the same quantities or buys an identical value during

consecutive or intermittent sessions of no more than 20 trading sessions, and in total exceeding what the “Second Party” stated in the monthly income amount of the note in the Know Your Customer (KYC) form.

- e. The “Second Party” liquidates a stock regardless of the prevailing prices in the market during 20 consecutive sessions.
  - f. The “Second Party” opens and closes a trading account after executing one trading operation.
  - g. The “Second Party” deposits recurring cash amounts within a specified period of time.
  - h. The “Second Party” conducts a set of trades without a clear economic goal. Or intentionally using the upper or lower limit during one session.
  - i. The ownership of the second party and the Allies up to the second degree reaches 30% of the company's capital.
21. The “Second Party” can’t trade by the same stock through other brokerage house in the same session, according to the trading instructions of the ISX.
  22. The “First Party” will only dispose of “Second Party” shares with the written consent of the Second Party.
  23. All transaction disputes between the two parties will be settled in accordance with the laws and procedures of the ISX. Entering into this contract both parties are consenting to arbitration by the ISX.
  24. According to this agreement the “Second Party” authorized the “First Party” to receive the cash dividends of the listed companies in the ISX, and submit the required documents for these procedures. Also, “First Party” to notify the “Second Party” about any corporate action procedures related to capital increase of the listed companies to be proceeding.
  25. According to this agreement the “Second Party” authorized the “First Party” to deposit the physical share certificate of the listed companies in the Iraqi Depository Center.
  26. Reporting: “First Party” is responsible to provide daily reporting on the portfolio activities of “Second Party”. “First Party” will not provide any additional forms of portfolio reporting.

First Party	Second Party
<p><b>Signature:</b></p> <p><b>Name:</b> Nausheruan Baban            Rabee Securities            Represented by its CEO or he who acts on his behalf</p>	<p><b>Signature:</b></p> <p><b>Name:</b></p>

**Appendix (A) – Client Details**

Full Name:

Date of Birth:

Passport Number:

Driver License Number:

Full Address

Telephone Number:

Fax Number:

Mobile Number:

Email Address:

P.O. Box:

Note:

- All required documents have to be up to date certified by public notary.
- I acknowledge the correctness of the data mentioned in this form and bear their responsibility.

Client Signature (3 samples)


**Appendix (B) – Authorized Person Details**

Full Name:

Date of Birth:

Passport Number:

Driver License Number:

Full Address

Telephone Number:

Fax Number:

Mobile Number:

Email Address:

P.O. Box:

Limit of Authorization:

Authorization to Open or Close Account ( ) Yes ( ) No

Trade Authorization ( ) Yes ( ) No

Trade Settlement ( ) Yes ( ) No

Viewing Access ( ) Yes ( ) No

Trade Authorization ( ) Yes ( ) No

Authorization of Cash Wires or Security Transfers ( ) Yes ( ) No

Authorized Person Signature (3 samples)
