

Local Securities Margin Finance Agreement

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This Local Securities Margin Finance Agreement (the "Agreement") is made on / /

First Party:

EFG HERMES Jordan, a limited liability company existing and registered under the laws of the Hashemite Kingdom of Jordan with the companies' controller, and having a license from the Securities Commission to practice margin finance activities in the Jordanian market. The company's address is: Head office: Tel.: +96265543200, fax: +96265543206, P.O. Box: 930116 Amman 11193 Jordan, and referred to hereinafter for the purposes of this Agreement as the "Company".

Second Party:

Client's name (full):		
Referred to for the purposes of this Agreement as the "Client"		
Date of birth: / /	Nationality:	Sex: Male () Female ()
National ID card no.:		National no.:
Date of issue: / /	Date of expiry: / /	Place of issue:
Document's type:		Document no.:
Date of issue: / /	Date of expiry: / /	Place of issue:
Residential address:		City: State:
Mailing address:	P.O. box:	Postal code:
Home phone no.:	Fax:	Mobile:
E-mail:		

Preamble

Whereas the Company has attained all licenses required for practicing brokerage operations in the Jordanian market from the Securities Commission, Whereas the Client wishes to unequivocally authorize the Company with the trading of local securities on a margin finance basis, Whereas the Client wishes to trade securities on a margin basis, and the Company has agreed to provide such services to the Client, Whereas the Client fully understands that the nature of local securities margin finance is of a high financial risk that may result in losses to the Client, Whereas the Client is aware in advance of the dimensions of such risks in terms of the possible loss of all of his/her cash deposits with the Company, and Whereas the Client understands that he/she will give purchase and sale transaction orders to the Company, either in person or through his/her legal representative, and as such, the Client solely bears the consequences of his/her orders to the Company. Accordingly, the Client hereby absolves the Company from any liabilities that may arise should the transactions made by the Company at the Client's account result in a loss.

Therefore, and based on the foregoing, the two Parties have agreed on the following:

Article 1

The Preamble shall be an integral part of the Agreement and of the remaining articles and shall be read therewith as a whole.

Article 2: Definitions (The following words shall have the meanings set out opposite to them, unless the context requires otherwise)

Company	EFG HERMES Jordan L.L.C., including any of the Company's branches located in the Hashemite Kingdom of Jordan within which the Client owns accounts.
Client	The Client described above, whether a natural or a legal entity, Jordanian or non-Jordanian, who owns accounts with the Company, and requests local securities margin financing from the Company.
Law	The Securities Law in force.

Signature

Date

Commission	The Jordan Securities Commission in the Jordanian market.
Board	The Board of Commissioners of the Jordan Securities Commission in the Jordanian market.
Center	The Securities Depository Center.
Market	Amman Stock Exchange or any securities trading market licensed by the Jordan Securities Commission in the Jordanian market.
Portfolio	A group of local Securities purchased to the account of the Client as ordered by the Client, and/or Securities drawn and added to the Portfolio.
Securities	The Shares and bonds listed pursuant the list of shares permitted for finance, as approved by Jordan Securities Commission in the Jordanian market and approved by the Company.
Financial Broker	The Corporate financial broker licensed to practice Margin Finance.
Margin Finance	The Financing of a part of the Securities amount held in the Margin Finance Account carried out by the Financial Broker by means of guarantying securities in such account.
Margin Finance Account	A special account setup for the Client with the Financial Broker for the purposes of Margin Finance in accordance with an agreement made by the two parties.
Margin Finance Ceiling Granted	It is the highest permissible limit for the amount of Margin Finance afforded to the Client
Permitted Securities	The Shares and bonds listed in the Amman Stock Exchange list of securities permitted for margin-finance, which is determined by the Board of Commissioners of the Jordan Securities Commission in the Jordanian market from time to time.
Initial Margin Rate	A fixed rate of the Securities amount determined by the Company of no less than the rate determined by the Board of Commissioners of the Jordan Securities Commission, and which is used to calculate the Initial Margin Amount.
Initial Margin Amount	The amount deposited by the Client in the Margin Finance Account according to the determined rate of the market value of the securities at the date of purchase. Such amount is calculated as follows: (market value of the securities x Initial Margin Rate)
Maintenance Margin Rate	The rate fixed by the Company of no less than the rate determined by the Board of Commissioners of the Securities Commission, which represents the minimum rate allowed for the Client's Contribution Rate of the market value of the securities at any time after purchase.
Client's Contribution Amount	Net of the Client's assets with the Company, which represents the difference between his/her assets (the market value of the portfolio of the margin-financed securities) and liabilities (Client's debt balance added to accrued interests), which is calculated as follows: (Market value of the portfolio - Margin Finance Account Balance - Accrued interests)
Client's Contribution Rate	The Client's actual contribution of the market value of the margin-financed securities at any time after purchase, which is calculated as follows: (Client's Contribution Amount ÷ market value of the Portfolio)
Purchasing Power	The amount that may be used by the Client in any new purchase through his/her Portfolio. Such power is calculated as follows: (Client's Contribution Amount ÷ Initial Margin Rate determined by the Company)-market value of the Portfolio

Signature

Date

	Should the result of the previous formula added to the client's balance be greater than the Margin Finance Ceiling Granted to the Client, then the formula shall become as follows: (Finance Ceiling granted to the Client – Margin Finance Balance)
Available Free Balance	The amount that may be drawn by the Client in cash from the Margin Finance Account, provided that the drawn amount added to the Client's Balance is not more than the Margin Finance Ceiling Granted to the Client. The Available Free Balance is calculated as follows: Client's Contribution Amount – (market value of the Portfolio x Initial Margin Rate determined by the Company)

Article 3

The provisions of this Agreement shall apply on the relationship of the Client with the Company in contracts of buying/selling of the local Securities on margin according to the conditions set out in this Agreement.

Article 4- Trading Limit

- a- Under this Agreement, the Client agrees that the Margin Finance Ceiling Granted to the Client by the Company for trading of Securities shall be _____JD.
- b- The two parties agree that the Margin Finance Ceiling Granted determined for the Client should not be more than the ceiling determined in this Agreement.
- c- The Client agrees that the debt balance of the Margin Finance Account should not, in any case, be more than the amount determined in paragraph (a) of this Article (4), unless such increase is approved by the Company in writing and attached as an additional appendix to this Agreement.
- d- The finance shall not, under any circumstances, be delivered to the Second Party in cash; instead, the finance shall be deposited in the Client's Margin Finance Account.
- e- The Company may, as it deems appropriate, decrease the Margin Finance Ceiling Granted to the Client if not used by the Client. The Company shall notify the Client of such decrease.

Article 5: Guarantees

- a- Purchased securities shall be considered as a guarantee to the Margin Finance Ceiling Granted to the Client; accordingly, such securities will be purchased and registered in the name of the Client.
- b- The Second Party shall deposit a cash amount and/or Permitted Securities as an initial margin in the Client's Margin Finance Account with the First Party, whereby the First Party shall finance the Client at a rate of (%) of the purchased securities.
- c- If the Maintenance Margin is decreased below the allowed minimum limit, the First Party may require the Second Party to increase the amount, which is to be deposited as indicated in the preceding paragraph (b) above.

Article 6: Commissions, Interests and Deposits

- a- The Client shall pay an interest to the Company for the debt balance of the Margin Finance Account at an annual interest rate amounting to (%) annually on the basis of 360 days/year. The interest is calculated on a daily balance basis, and shall be credited to the account at the end of each month. The Company may amend and increase the interest rate as it deems fit at any time, provided that the Company notifies the Client by means of a written letter to the Client's address two days in advance.
- b- If the Client's margin finance balance exceeds the Margin Finance Ceiling Granted to the Client, the Company may then, at its sole discretion and upon notifying the Client, require the Client to either pay to cover the excess, or to sell a part of the Client's Portfolio to the extent covering the excess, or to bear an interest rate higher than the interest determined, at a rate of (%) on the excess amount, whereby the interest would be credited to the Client's Finance Account in the same manner of the determined interest.
- c- The Client undertakes to pay an initial insurance deposit amounting to (%) of the market value of the securities, and what amounts to (%) of the market value of the bonds intended to be purchased, and the Company hereby retains its right to amend such rate at any time as it deems appropriate, pursuant to an agreement with the Client thereon.
- d- The Client undertakes to pay the Company a commission from the sale and/or purchase amounts executed within the limits prescribed in the regulations and instructions of Amman Stock Exchange, at a rate of (%).
- e- The Client undertakes that the Client's Contribution Rate shall not, at any time, be less than the Maintenance Margin Rate which amounts to (%) of the market value of the shares, and what amounts to (%) of the market value of the bonds, and the Company hereby retains its right to amend such rate at any time and pursuant to an agreement with the Client thereon.

Article 7- Financed Securities

- a- The Client agrees that the Margin Finance Ceiling Granted provided to the Client under this Agreement is to finance Permitted Securities as stipulated by the Board of Commissioners of the Jordan Securities Commission in the Jordanian market. The

Signature _____

Date _____

Company shall nonetheless, and at its discretion, be permitted to refuse the purchase or finance of any Permitted Securities falling within such ceiling, and even if such securities fall within the list determined by the Securities Commission.

- b- Should the financed securities fall out of Permitted Securities list as set out by the Board of Commissioners of the Jordan Securities Commission in the Jordanian market and/or cease to be traded at the market, then the Company shall notify the Client with the need to rectify the position of the Portfolio within a period not more than three (3) months from the date of notice; otherwise, the Client acknowledges the Company's absolute right to rectify the position of the Portfolio in conformity with the amendment made to the financed securities.

Article 8: Orders and instructions of the Client to the Company shall be subject to the following conditions:

- a- Trading of securities on margin shall be managed pursuant to the Client's orders, with the exception of sale transactions made to cover the deficit at the Maintenance Margin Rate.
- b- Instructions shall be accepted by the Client or his/her legal representative should the instructions be made within the applicable means for delivery of instructions (written instructions or over the telephone/fax or email, provided that written and immediate confirmation be provided in this regard), during the Company's official business hours, which may be extended at the Company's discretion.
- c- The Client shall issue his/her trading instructions to the Company under this Agreement via telephone, fax, and email and/or in person. Given the involvement of risk in issuing orders via the telephone, fax and email, should the Client not be willing to benefit from such services (telephone, fax or email), then the Client acknowledges that it shall provide a written order to the Company stating that it is not willing to benefit from the said services and that all orders shall thereon be issued in person along with a written description. However, should the Client resolve to benefit from such services, the Client hereby acknowledges and undertakes that the Company shall not be held liable for any damages or losses that may be incurred to the Client as a result thereof. The Client also undertakes to compensate the Company for any damages or losses incurred to the Company as a result thereof.
- d- The Client agrees to have his/her phone calls with the Company recorded to issue trading orders under this Agreement. The Client acknowledges and recognizes that such recordings shall be deemed as legal evidence of the validity of contents of such recordings and binding on the Client.
- e- The Client shall confirm orders issued by himself/herself via telephone, fax or email in writing within two (2) days from their issuance. Should a discrepancy arise between the written confirmation and the registered phone instructions, or should the Client fail to confirm within the said two days, the instructions issued via telephone, fax or email shall be applicable. In the absence of the Client's confirmation signature to any transaction made via telephone, fax or email, the Client acknowledges and recognizes that the recordings that the Company holds in this regard are valid evidence binding on the Client.
- f- The Client may object to the Company in writing to the issued invoice within a maximum period of two (2) business days from the date of the delivery of the invoice to the Client and in the manner under which the invoice was sent; the invoice shall otherwise be final and conclusive against the Client even if not acknowledged and/or signed by the Client. This shall be considered a full acknowledgment by the Client of the validity of the content of the invoice and a full authorization to the Company to issue and register such invoice in the Client's records.
- g- The Client agrees that his/her signature and/or seal on the invoice shall be considered as conclusive evidence of delivery and acceptance without objection to the invoice or its content, and without prejudice or objection to the authenticity and conclusiveness of the invoices sent via regular or registered mail or via any other means that the Company deems appropriate, and without affecting the authenticity of delivery from the Client, who may not challenge or object thereto for any reason in any action and/or otherwise in any manner not inconsistent with the provision of paragraph (f) hereof.
- h- The Company shall, in addition to the Securities, and provided that the approval of the Jordan Securities Commission is attained, be entitled to accept additional guarantees to the Margin Finance Account, that being in the following cases:
 - a. A large decrease in the value of the Security in the Margin Finance Account due to extraordinary circumstances;
 - b. The suspension of or the discontinuance in the trading of the Securities in the Margin Finance Account for more than seven (7) working days.

Article 9: Mechanism of action-Trading of securities on margin shall be as follows:

- a- The Company shall obtain from the Client the Initial Margin Amount, the rate of which is determined by the Board of Commissioners of Jordan Securities Commission in the Jordanian market at a rate of (%). Such amount shall be deposited in the Margin Finance Account with the Company, and the Client may not withdraw and/or transfer from such account unless with the approval of the Company, subject to the provisions and instructions for Margin Finance in this regard.
- b- A special account for the Client (shall be called Margin Finance Account) shall be opened with the Company, under which the Initial Margin Amount, all purchase and sale transactions, , debit interests, and commissions payable by the Client to the Company shall be credited. The Client may only withdraw from such account with the approval of the Company, subject to the terms and instructions for Margin Finance in this regard.
- c- Subscription rights shall be non-mortgageable with the Center, and may not be purchased by means of Margin Finance.
- d- Subscription rights arising from margin-financed shares shall be accepted as guarantees to the Margin Finance Account during its listing period only.
- e- The Client acknowledges that he/she understands and is aware of the risk involved in the selling and buying in Margin Finance transactions, and agrees that the he/she bears all the risks and consequences that may be incurred as a result of such trading in a full, conclusive and absolute manner. The Client also understands that the Company shall not bear any liabilities that result or may result therefrom, and the Client may not claim, in any form, any loss incurred or may incur to the Client as a result of such trading for any reason or justification whatsoever. Such risks shall include, but are not limited to, the following risks:

Signature

Date

- 1- The Client acknowledges that he/she expects the financial loss of the total amount deposited by the Client in the Margin Finance Account. The Client also understands that the decrease of the Client's Contribution Amount in the Portfolio below the Maintenance Margin Rate determined for the Portfolio may require that the Client deposit additional monies or securities in the Margin Finance Account with the Company to avoid the compulsory sale of such securities or other securities deposited in the Client's Accounts.
- 2- Should the Client's Contribution Amount in the Portfolio decrease to an amount below the Maintenance Margin Rate determined for the Portfolio as per the provisions of this Agreement, the Company shall then have the absolute right to sell all or a part of the Securities credited to the Client's Account to cover the deficit in the margin to the extent that it restores the Client's Contribution Amount to the Maintenance Margin Rate determined for the Client's Portfolio, that being pursuant to notifying the Client with the need for coverage, and the Client failing to do so within the notice period set out in paragraph (3) of this Article (9) below. The Client understands that he/she is solely responsible for any deficit in the account after such sale.
- 3- The Company has right to sell the Securities pursuant to notifying the Client of his/her need to cover the deficit in the Maintenance Margin Rate, and upon the Client's failure to take the necessary actions required to cover such deficit, as set out in paragraph (1) of this Article (9) above, and within two (2) business days from the Client's receipt of the said notice, that being for reasons relating to the Client's refusal to receive the notice or the non-delivery of the notice issued by the Company to the Client in accordance with the provisions of this Agreement for reasons beyond the Company's control, or for any other reason that may be, and without any liability on the Company resulting from the liquidation of the Portfolio. The Client further comprehends that he/she shall solely bear all accumulated expenses, commissions, liabilities and interests.
- 4- The Company shall have the sole right to decide to liquidate any of the Securities existing in the Portfolio which it deems appropriate, or to sell the Securities to protect the Company's interests and rights arising pursuant to this Agreement to the extent that it restores the Client's Contribution Amount to the Maintenance Margin Rate fixed for the Client's Portfolio.
- 5- The Financial Broker may increase the requirements for the Initial Margin Rate and/or the Maintenance Margin Rate set for the Portfolio pursuant to the parties' mutual agreement, and that being within the rates set by the Board of Commissioners of the Jordan Securities Commission in the Jordan market. The Client understands that the increase in such requirements shall have immediate effect, and may result in notifying the Client to either deposit the required amount as determined by the Company, or to purchase additional Securities, the value of which shall be funded by the Client's own monies in order to cover the account, and the Client's failure to do so shall entail the Company's sale or liquidation of the Securities in the account.
- 6- Subject to the provisions set out above, the Client shall not be permitted to request an additional period from the Company should the Client's Contribution Amount in the Portfolio decrease below the Maintenance Margin Rate set for the Portfolio.

Article 10-General Provisions

- a- All cash accounts of any kind, opened or to be opened in the future in the name of the Client with the Company and/or any branch of the Company, shall be mutually guaranteed, whereby the Company shall have the right to refrain from delivering to the Client the credit balance of any of such accounts, until the payment of the required balance to be paid by the Client under this Agreement is fulfilled. The Company may also credit the balance of any credit account to pay the debt account balance of any other account and may exercise the right of set-off between credit and debit balances.
- b- Without attaining the approval of the Client, the Company may retain or forfeit all or part of cash Securities in the Margin Finance Account, whether separately or associated with other Securities and/or any profits, as per orders issued by the locally and/or internationally competent judicial authorities.

Article 11

In addition to actions that the Company is authorized to take pursuant to paragraph (c) of Article 9 of this Agreement, and in the case that the Client fail to deposit the required deposits (the amount that restores the Client's Contribution Amount to the Maintenance Margin Amount set for the Client's Portfolio) with the Company under this Agreement, or in the case that the Client is in default to fulfill any of the conditions stated in this Agreement, or should this Agreement terminate for any reason that may be, the Client shall authorize the Company under this Agreement, and after notifying the Client in writing, with the following:

- a- Close the Client's account with the Company after liquidation without reverting to the Client, and that being at the Client's responsibility. The Company shall take all actions it deems necessary to reduce the Client's loss.
- b- Take any actions that the Company deems appropriate to protect the Client's financial position, and the Client acknowledges that any closure of the Client's account was made in the best manner, and the Company is not responsible for the sale price of securities pursuant to which the closure is made. The Client also undertakes to compensate the Company for any losses, costs or expenses occurring therefrom.
- c- Fulfill any amounts owed to the Company from the Client from the deposits account.

Article 12

The Company shall give notices resulting from the purchases/sales to the Client through regular mail at his/her address registered with the Company or deliver the same in person, whichever is more appropriate. The Company shall bear no responsibilities that may arise from the failure of the delivery of such notices to the Client, and such notices shall be deemed valid unless the Company is otherwise notified in writing and immediately.

Signature

Date

Article 13

Each transaction executed pursuant to this Agreement shall be subject to the provisions of this Agreement in addition to the rules and instructions issued by the official authorities and customary practices.

Article 14

The Client undertakes to pay all expenses, if any, resulting from the execution of this Agreement or any amendments thereof.

Article 15

- a- The conditions of this Agreement may be amended by the Company and the Client at any time, and the amendment shall become effective once the amendment is signed under an appendix that includes the required amendment.
- b- If one of the conditions set out in this Agreement becomes invalid for any lawful reason, all other conditions shall remain valid without prejudice.
- c- Any failure by the Company to apply, in whole or in part, any of its rights and obligations under this Agreement, shall not be considered a waiver of the rights and obligations by the Company, and the Company shall have the right to exercise such rights and obligations at any time. The Company may, in addition to the rights granted to it under this Agreement, exercise any other rights and/or powers authorized by law or applicable regulations or instructions.
- d- The Client understands that the invalidity and/or illegality of any provision of this Agreement does not affect the validity or legality of the remaining provisions of this Agreement.

Article 16

- a- The obligations of the Company under this Agreement are for due diligence purposes and not for achieving goals.
- b- The Client agrees to not hold the Company and/or any of its employees accountable for any formal faults occurred and/or accidentally occurred if rectified by the Company.

Article 17

- a- The term of this Agreement is one year starting from the date of signing and shall be automatically renewed for another successive year, unless one party notifies the other of its intent not to renew at least one month prior to the expiry of the original or renewed term. The termination notice shall be considered a discharge for the Company for the actions made in execution of the provisions of this Agreement.
- b- This Agreement may be terminated by the Company or the Client pursuant to a written notice issued one month prior to the intent to terminate, provided that the Client fulfills all of his/her obligations towards the Company.

Article 18- The Client confirms the following facts:

- a- The Client has obtained the required authorization and has made all required actions to sign this Agreement.
- b- The execution of the Agreement by the Client is not inconsistent with any laws, regulations or instructions issued by a governmental authority, or with any judgments against the Client, or with any agreement or contract in which the Client is a party.
- c- The Client has not breached or waived any of its liabilities under any contract which it is a party to, and there are no pending actions or claims against the Client in courts or any judgments or enforcement actions with the enforcement or other departments which threaten the Client's financial position or the Client's right in dealing with any natural or legal person or a public authority.
- d- The Client will not undertake to commit to any obligations or liabilities related to the margin-financed shares that may affect the Client's liabilities and obligations under this Agreement and/or would reduce the Client's ability of fulfilling the obligations thereunder.
- e- This Agreement constitutes firm and binding obligations on the Client, and such obligations are valid under the Law.
- f- All information provided by the Client to the Company is true and correct and the Client has not concealed any facts that may affect Company's decision to sign this Agreement.
- g- The Client acknowledges that the Client read the guidelines attached to this Agreement and that the Client is fully aware of the risks of the Margin Finance and that he/she has signed the acknowledgment thereof.

Article 19

- a- The Client declares and agrees that he/she shall render the Company's accounting records and books as valid evidence and proof binding on the Client, and that any certificate or statement of account issued under the signature of the Company's manager or his assistants or by any of the Company's authorized signatories, or any statement issued from the Company's records, including computer and automated statements, shall all be considered as final and conclusive evidence against the Client in terms of validity in any legal actions or otherwise.
- b- The Client agrees to consider all messages, faxes, telexes, facsimiles, emails, microfilms, microfiches, recorded phone calls, computer reproductions and photostatic photos that may be issued by the Company as extracts from its files, records, registries and accounts, as legal documents in terms of evidence, and as legal evidence of the contents thereof.

Article 20

If the Client is a partnership company, or an individual institution or an establishment, the liability of partners shall remain valid and effective in full as standing liability, regardless of any change or amendment to the Company's memorandum or articles of association or partners therein, including without limitation any change in the Company's classification, and regardless of any change of name of the institution or the commercial interests or any change or amendment to the name or objectives of the company, institution or establishment.

Signature

Date

Article 21

- a- The Client acknowledges that the Client has read laws and regulations for trading of Jordanian securities issued by the Board of Commissioners of the Jordan Securities Commission in the Jordanian market, including the instructions for Margin Finance and the instructions and regulations issued thereunder. The Client also acknowledges that all definitions, actions, and instructions provided for in this Agreement are fully contingent upon and derived from the instructions for Margin Finance issued by the Securities Commission, and that this Agreement and all provisions thereof are subject to the instructions of the Commission and to any change or amendment to such instructions made by the Commission, including any change in Margin Finance Ratios, Maintenance Margin, company accepted for the finance, and any other provisions.
- b- The Client acknowledges that the Client understands and is acquainted with all the risks of Margin Finance and has read the guidelines issued by the Company, and has signed the acknowledgment attached therewith.

Article 22

- a- The Company may terminate this Agreement upon notifying the Client in writing after (14) days from the date of delivery of the notice if the Client fails to fulfill any of his/her obligations under this Agreement and/or if the Client fails to pay any amounts as required from the Client under this Agreement.
- b- The Company shall, subject to all governing laws and regulations, have the right to claim from the Client all amounts owed by the Client to the Company, the Company shall also have the right to place liens on all of the Client's movable and immovable property, should the Client's loss exceed the deposit amount or any other amounts deposited in the Margin Finance Account.

Article 23- It is mutually agreed between the parties to this Agreement that:

- a- Any request, notice or notification issued by the Company to the Client regarding any matter related to this Agreement, whether delivered by registered phone call, or SMS, or if sent by registered mail or delivered in person, fax or email to the address chosen by the Client, shall be deemed as delivered to the Client,.
- b- Any request, notice or notification sent by the Company to the Client or to any person who is a member in the Client's team (in the case of having multiple persons in each team) shall be deemed delivered to all and to each of them, and the notification to any of them under paragraph (a) of this Article 23 above shall be deemed as a notification to all of them.
- c- The parties to this Agreement hereby waive the necessity to exchange notices, notifications or warnings relating to any of the provisions of this Agreement by means of the Notary Public.
- d- The Company's records which pertain to incoming and outgoing mail, shall be deemed evidence binding on the Client regarding the validity of all information therein, including:
 - 1- Sending any letters, notices, requests or messages to the Client.
 - 2- Receiving any letters, notices, requests or notifications from the Client.
- e- Because the Agreement consists of multiple pages, the parties' signatures on the last page shall be deemed signing of all pages, and the Client may not object to any page of this Agreement on the grounds of failure of signing.

Article 24- The Client declares the following:

- a- The Address of the Client (including telephone, fax, and email) is, which shall remain existing unless the Client notifies the Company with any change or amendment made under written letter stating the new address, and provided immediately by the Client to the Company or sent by certified mail. The Client hereby waives the right to claim for the invalidity of any notice sent to the Client at his/her previous address should the Client fail to notify the Company with the change in his/her address.
- b- All judicial notices and/or all that is issued by the Company to the Client shall be acceptable at the abovementioned address.
- c- This Agreement is subject to laws, regulations and instructions in force and applicable in the Hashemite Kingdom of Jordan.
- d- The Company shall have the right to prosecute the Client before any competent court in the country of the Company's address, regardless of the venue jurisdiction of any courts of such country.
- e- Notwithstanding any provision of this article, the Company may exercise the power to prosecute the Client in any country in which the Client becomes a resident, has movable or immovable property, or carries out a business.

Article 25

This Agreement is made on one original copy kept with the Company; each party has received one photostatic copy, the signed original copy that is kept with the Company shall prevail for all purposes including prosecuting. The Client hereby declares that the Client has read this Agreement before signing, and that he/she clearly understands, comprehends, and agrees to all of the contents of this Agreement and that he/she fully and irrevocably complies with all of its provisions..

Article 26

This Agreement is made up of twenty six Articles, including this Article, and has been executed in one original, which is kept with the Company; each party has a photostatic copy to act thereunder.

In witness whereof, the two parties executed this Agreement on this day of

Signature

Date

First Party

EFG HERMES Jordan

Signature

Date

Second Party

Name:

Signature

Date

Signature

Date

Guidelines issued by the Securities Commission attached to agreements to be made with the Clients of Margin Finance

Dear Investor,

These guidelines aim to introduce you to trading on Margin, its concept and the risks related to it. Kindly read these guidelines carefully before you initiate your trading on Margin.

What is Margin Finance?

Margin Finance means that the Financial Broker finances a part of the securities in the Margin Finance Account by guaranteeing the securities in such account.

How is the Margin Finance process executed?

Dear Investor,

Let us assume that you want to purchase shares amounting to 50 JD, and the value of the said shares increased to 75 JD, if you had purchased such shares through your ordinary account and paid its amount in full, then you would have made a 50% profit. But if you had purchased such shares from the Margin Finance Account, then you would have paid 25 JD and your broker would have paid 25 JD, which would consequently mean that you made a 100% profit. However, if the share price is decreased to 25 JD, and in the case that you purchased such ordinary share and paid its amount in full, your loss amount to 50%. But if you purchased such share through the Margin Finance Account, then your loss will be 100%, in addition to interests and commissions value, if any; i.e. your loss when trading on Margin will be greater.

Dear Investor, before you decide to trade on Margin, you must be informed of the following:

1. Your trading on Margin with your Broker is governed by the valid instructions for Margin Finance, which must be read and understood carefully.
2. The relationship between you and your Broker who finances you on margin is regulated and governed by the Margin Finance Agreement made between the both of you. Such agreement must be read carefully, and its provisions must be discussed with your Broker before signing, as such Agreement is binding on you.
3. Not all securities may be financed on margin.

When you take your investment decision to trade on margin, ask yourself the following:

1. Did you read the instructions for Margin Finance carefully and comprehend your rights and obligations?
2. Did you carefully read the Margin Finance Agreement before signing?
3. Are you aware of the amount of interest to be received by your broker in return for financing you on Margin?
4. Did you know that you may not open a Margin Finance Account with an amount less than 5000 JD, whether in cash or in securities permitted to be financed on margin?
5. Are you aware that you may not use the finance account to subscribe in new premiums?
6. Are you aware that not all securities can be financed on margin?
7. Are you aware of the method under which your broker will notify you when the Maintenance Margin is decreased below the permitted limit?
8. Are you aware that if the Maintenance Margin decreased below the permitted limit, you must cover it within two days?
9. Are you aware that your broker may sell some of the margin-financed securities chosen at his discretion in the case of the decrease in the Maintenance Margin for its coverage?
10. Have you chosen the right broker to open the Margin Finance Account with?
11. Have you ascertained that your broker is licensed by the Commission to trade on margin?
12. Dear Investor, are you aware that the duration of the Margin Finance Agreement executed with your broker must be specified?
13. Dear Investor, are you aware that securities cannot be purchased in the Margin Finance Account unless such securities are included on the list approved by the Commission?
14. Dear Investor, are you aware that you must rectify your position in accordance with the list of securities permitted to be financed on margin issued by the Board of Commissioners of the Securities Commission?

The Risks of Margin Finance

1. Margin Finance includes greater risks and a greater probability than that of trading through the payment of the amount of shares in full by you.
2. Margin-financed securities are considered a guarantee to the broker financing you on margin; this is because the broker may sell the securities in the Margin Finance Account with significant loss if the prices of the securities is significantly decreased, in order to recover the granted facilities.
3. Dear Investor, you may need to feed your Margin Finance Account by depositing monies or securities to increase the Maintenance Margin when it is decreased to reach a limit below than that permitted by the Commission.
4. Are you aware that the financial broker is prohibited from trading any securities issued by the broker or by his subsidiaries or his affiliates and margin finance accounts?
5. Are you aware that the Client may not request an additional period if the Client's Contribution Amount decreased below the Maintenance Margin?

For the new instructions for Margin Finance, please visit the website of the Commission: www.jsc.gov.jo

Signature

Date

What should be included in the Margin Finance Agreement?

1. The Agreement should include the parties to the contract and their addresses and signatures.
2. The Agreement should include an article that provides the definitions of the words and expressions used in the Agreement (the definitions set out in Article (2) of the instructions for Margin Finance at the minimum).
3. The Agreement should include an article that specifies the ceiling of the loan granted to the Client in figures, and in conformity with the instructions.
4. The Agreement should include provisions of Article (11) of the instructions for Margin Finance, which are as follows:
 - a- The definition of Margin Finance and the risks facing the Client as a result therefrom, including:
 - 1- The Client's possible loss of part of, or all of the monies deposited in the Margin Finance Account.
 - 2- The Financial Broker's right to sell some of the margin-financed securities should the Maintenance Margin Rate decrease below the permitted limit and the Client's failure to cover the deficit in the Maintenance Margin.
 - 3- The Financial Broker's right to selecting any of the margin-financed Securities to be sold to cover the Maintenance Margin.
 - b- Securities in the Margin Finance Account shall be deemed a guarantee to the Margin Finance.
 - c- The Client's right to receiving profits and interests when due and the Client's right to voting at the general meetings of the companies in which the Client owns shares.
 - d- The amount of interests and commissions that will be received by the Financial Broker from the Client.
 - e- Actions to be taken by the Financial Broker if the Maintenance Margin Rate is decreased below the permitted limit, including the method of notice given to the Client regarding such decrease.
 - f- The Client read the instructions for Margin Finance.
5. The Agreement should include an article determining a term thereof.
6. The Agreement should include an article stating that guarantees of Margin Finance are the margin-financed securities only, except in exceptional cases with the approval of the Commission.
7. The Agreement should include an article stating the methods of delivering notices and correspondences between the two parties in any circumstances that would require such notices.
8. The Agreement should include an article stating that if a discrepancy occurs between the Agreement and the instructions, then the Securities Law and regulations and instructions issued thereunder shall prevail.
9. The Agreement should include an acknowledgment stating the following as minimum.

Acknowledgment and Undertaking

With reference to the facilities of Margin Finance granted to me by Messrs./EFG HERMES Jordan, I,, hereby acknowledge that I have read the list of securities permitted to be financed on margin, the agreement made with the broker, the instructions for finance, the guidelines issued by the Securities Commission, and the risks of trading on margin. I also undertake to comply with any amendments made by the Board of Commissioners of the Securities Commission, and to rectify my position in accordance with the decisions of the Board of Commissioners of the Securities Commission within the period specified by the Company. Otherwise, I acknowledge the Company's absolute right to rectify my position in conformity with the decisions of the Board of Commissioners of the Securities Commission.

I hereby authorize EFG HERMES Jordan under this letter with final and irrevocable power unless with the agreement of the two parties.

First Party

EFG HERMES Jordan

Signature

Date

Second Party

Name:

Signature

Date

Signature

Date

Appendix-Interest

Appendix (The interests applied by EFG HERMES Jordan) to the Securities Brokerage Agreement (the "Agreement") made between

First Party

EFG HERMES Jordan, a limited liability company existing and registered under the laws of the Hashemite Kingdom of Jordan with companies' controller. The company's address is: Head office: Tel.: +96265543200, fax: +96265543206, P.O. Box: 930116 Amman 11193 Jordan. (Referred to hereinafter for the purposes of the Agreement as the "Company".)

Second Party

Client's name:			
Referred to for the purposes of this Agreement as the "Client"			
Address:			
	Fax:	P.O. Box:	Postal Code:
City:	Country		
Date:			

1. This Appendix shall be integral part of the "Securities Brokerage Agreement" made between the First Party and the Second Party.
2. The Client acknowledges that he/she has fully read the Appendix, its terms and conditions, and the commissions, expenses and fees of the First Party set out therein.
3. Without prejudice to the First Party's rights as agreed upon in the Agreement, the Client undertakes and commits to paying all the commissions, expenses and fees specified in this Appendix and once being claimed by the First Party thereof without any delay.
4. The First Party shall have the full and absolute right to amend and/or add to the commissions, expenses and fees at its sole discretion, provided that it complies with the relevant regulations and instructions, and upon notifying the Client with such amendment three days prior to the date of executing the amendment.
5. Commissions, expenses and fees of the First Party shall be as follows:
 - a- Upon opening the account, the Client's commission shall be calculated at a minimum limit amounting to (%), which shall be calculated from the value of any trading transaction.
 - b- Commissions shall be reevaluated at the end of each fiscal year thereafter.
6. The two parties shall comply with the instructions issued by the Securities Commission, Amman Stock Exchange and the securities depository center with regards to commission calculation.
7. Interests on the Margin Finance Account shall be to the favor of the First Party as follows:
The interest rate shall be variable as the Company deems fit, ranging from 10% to 16%.
Interests on the Client's debt account on a daily balance basis shall be calculated according to the following formula:
(Debt balance at the end of the day X interest rate/360) and shall be credited each month.
8. The Company shall calculate the interest on the Client's debt balance at different rates according to the turnover of the amount financed to the Client on margin, as per as the following table:

Monthly turnover (Times)	Interest
One time	
Two times	

Signature _____

Date

Three times	
Four times	
Five times	
Six times	

9. This Appendix consists of nine clauses, including this clause, and is executed on one copy kept by the Company.

First Party

EFG HERMES Jordan

Signature

Date

Second Party

Name :

Signature

Date

Signature

Date

Financial Disclosure

With reference to the Share Trading Agreement at Amman Stock Exchange signed between myself and EFG HERMES Jordan, I hereby acknowledge the following:

- 1- I Don't have a margin (facilities) account with any other brokerage firm () or
- 2- I have a margin (facilities) account with any other brokerage firm ()

Name of the brokerage firm	Ceiling granted	Balance used to date	Financed shares

I hereby undertake to notify EFG HERMES Jordan if I open a margin (facilities) account(s) with other financial brokerage firms operating in Jordan.

On other hand, EFG HERMES Jordan hereby undertakes to keep the confidentiality of the required information and to use the same by the relevant employees only for the purposes of the decision to grant facilities for margin trading thereat.

Name:
Signature;
Date:

Signature _____
Date _____

Application for granting securities margin finance ceiling

Date: / /

Messrs. EFG HERMES Jordan

Kindly approve to grant me a margin finance ceiling amounting to (.....) JD in return for my deposit of an amount of (.....) JD, in cash/securities as an initial margin in the Margin Finance Account, in accordance with the instructions issued by the Securities Commission. I will use such ceiling to finance some of the value of securities that I intent to purchase which are existing under the list approved by you.

Information on the Client

Full name:, nationality:, National ID No.:
 Nature of work, stating years of experience:
 Address:, monthly salary:
 Is there experience in trading with the Amman Stock Exchange? (stating the number of years and the broker dealt with):
 Do you have an account for cash trading with EFG HERMES Jordan? (state account No.):
 Name of client:, signature:

Recommendation

Margin Finance Committee:

I recommend approving/disapproving the above application for the reasons and under the following conditions:

.....

Signature of the employee.....

Signature of the customer service officer.....

Decision of the Margin Finance Committee

1- Approval/disapproval of the recommendation

2- Presented to the general manager

Name of the 1 st member:	Signature of the 1 st Member:
Name of the 2 nd member:	Signature of the 2 nd Member:
Name of the general Manager:	Signature of the general Manager:

Authorization to Access

With reference to the (Cash and/or Margin) Account Opening Agreement signed between me and EFG HERMES Jordan (Company), I hereby authorize the Company to inquire and access my information available at the system of the risk centralization center at the Securities Commission for the purpose of opening trading account with the Company, with the acknowledgment by EFG HERMES Jordan to keep the confidentiality of information obtained and use the same by the relevant employees only, and for the purposes of allowing share trading by me at Amman Stock Exchange thereat. I shall have the right to access such information during the period of my dealings with the Company.

Name:

Signature:

Date:

Signature

Date

