

**RESOLUTION NO. (20) OF 2001  
WITH RESPECT TO THE CLEARING, SETTLEMENT AND  
CENTRAL DEPOSITORY PROCEDURES**

**The Director of the Exchange:**

After perusal of Amiri Decree No. (4) of 1987 pertaining to the establishment and organization of the Bahrain Stock Exchange;

And the Internal Regulations of the Bahrain Stock Exchange, issued by the Minister of Commerce and Agriculture's Resolution No. (13) of 1988, as amended;

And the Chairman of the Bahrain Stock Exchange's Resolution No. (4) of 1999 concerning the Automated Trading Rules and Procedures;

And the Chairman of the Bahrain Stock Exchange's Resolution No. (3) of 2000 pertaining to the Clearing, Settlement, Depository and Registry Rules;

**Have Resolved As Follows:**

**Article (1)**

These procedures shall be implemented temporarily during the testing period of the Clearing, Settlement and Central Depository System at the Bahrain Stock Exchange, and shall be developed during the testing period and finally issued after ascertaining its compatibility with the System.

**Article (2)**

The Departments, Divisions and Units of the Exchange and participating members shall implement these procedures, which shall come into effect from the date of its issuance.

Ali Salman Thamer  
In Charge of Director's Affairs  
Bahrain Stock Exchange

Issued on 15<sup>th</sup> Shawal 1422H  
Corresponding to 30<sup>th</sup> December 2001

## Chapter 1

### Article 1

#### Definitions

Unless the context requires otherwise, the following words and expressions shall have the meaning attributed to them:

<b>The Law:</b>	means the Bahrain Stock Exchange Law issued in accordance with Decree Law No. 4/1987.
<b>Business Days:</b>	means days of the week from Sunday to Thursday, excluding public holidays.
<b>The Exchange:</b>	means the Bahrain Stock Exchange.
<b>The Director:</b>	means the Director of the Bahrain Stock Exchange.
<b>The Board:</b>	means the Board of Directors of the Bahrain Stock Exchange.
<b>Settlement Bank:</b>	means the bank which provides the Exchange and its participants with the necessary facilities to effect payments relating to the settlement of securities transactions executed at the Exchange.
<b>Settlement Account:</b>	means the account maintained by the participants and the Exchange at the Settlement Bank, for the settlement of the net balance due to or from the broker.
<b>Participants:</b>	means the broker or any party who is permitted by the Exchange to provide clearing, settlement, and central depository services.
<b>Investor's Number:</b>	means the number allocated by the Exchange to any dealer in securities.
<b>Unique Identification Number:</b>	shall mean the Central Population Registry's Unique Identification Number for a Bahraini legal entity or individual person and an identification number allocated by the BSE on the basis of a passport, extract of the home country company register, or any other official document showing the identity of non-Bahraini legal entities or individual persons.
<b>Settlement Day:</b>	means the designated day for the settlement of deals performed at the Exchange. Presently it is two days after the transaction day (T+2).
<b>The Unit:</b>	means the designated unit for the procurement of clearing, settlement and central depository at

	the Exchange.
<b>Securities:</b>	means shares and debentures issued by Bahraini joint stock companies, bonds and promissory notes issued by the Government of Bahrain, or by any Bahraini public corporation or institution, or any other instruments or securities, Bahraini or otherwise, approved for trading by the Board.
<b>Registrar:</b>	means the designated party for the maintenance and management of the share register in public joint stock companies, or any other register for the ownership of other types of securities.
<b>Share Register:</b>	means the special register for recording shareholders names, nationalities, addresses and number of shares held by the shareholders and any transactions performed on these shares.
<b>Custodian:</b>	means the participant authorized to perform custodial and transfer services of securities and payment of obligations resulting from the trading of such securities on behalf of the custodian's clients.
<b>Central Registry:</b>	means the central database where all information relating to holders of securities, mortgages and third parties rights on deposited securities are recorded.
<b>Guarantee Fund:</b>	means the contributory Guarantee Fund established by the Exchange for payment of obligations resulting from failure of a participating broker in the payment of his net debt balance on the Settlement Day.
<b>Deposited Securities:</b>	means any securities that are, from time-to-time, entered in the securities account of a participating broker or in the account of an investor through the Clearing, Settlement and Central Depository System by deposit or delivery.

## **Chapter 2**

### **Article 2**

#### **Clearing, Settlement and Central Depository Services**

Clearing, Settlement and Central Depository Services include the management, custody and deposit of all securities listed on the Exchange through the Clearing Settlement and Central Depository System, and the connection of the brokers,

other participating members and the registrars of securities relating to the listed entities, and the approved securities custodians in the Clearing, Settlement and Central Depository System at the Exchange.

### **Article 3** **Functions of the Unit**

The Unit shall perform the following functions:

1. Organization of the database.
2. Issuance of Investors' Numbers.
3. Operation and management of the Clearing, Settlement and Central Depository System.
4. Updating of particulars in the securities accounts based on the transactions carried out at the Exchange, including deposit, sale, purchase, transfer and withdrawal of deposited securities.
5. Opening and maintaining securities accounts in the securities central registry, production of securities holders' balances, transfers, mortgages and other third party interests.
6. Deposit of securities by participating members.
7. Settlement of securities:
  - (a) Transfer of deposited securities ownership as a result of the deals performed at the Exchange, or as an exempted transaction.
  - (b) Calculation of amounts due for payment, collection to/from brokers for all deals performed at the Exchange and ensuring their settlement through the Settlement Bank.
  - (c) Payment of amounts due to brokers whenever net amounts are due from the Guarantee Contribution Fund.
  - (d) Receipt of amounts due from brokers whenever net amounts are due from them to the Guarantee Fund.
8. Any other functions relating to the clearing, settlement, depository, registration and custody of securities at the Exchange.

### **Article 4** **Services Provided to Investors**

The Unit provides the following services:

1. Organization, issuance and maintenance of the Investor's Number (IN).

2. Custody of the investor's deposited securities.
3. Transfer of the ownership of securities electronically from the selling investor's account to the buying investor's account.
4. Issuance of the letter evidencing ownership of deposited securities, subject to the investor's or any official entities' request.
5. Issuance of statements of investor's accounts on a regular basis, or as requested by the investor and send such statements to the address recorded in the investor's database.
6. Approve authorizations to deal in deposited securities.
7. Amend and update the investor's database in the Clearing, Settlement and Central Depository System at the request of the investor, or whenever required.
8. Transfer the investor's securities upon his request from the investor's clearing account to the investor's account with the broker.
9. Transfer the investor's deposited securities upon his request, from his account with one broker to his account with another broker.
10. Transfer the ownership of the investor's deposited securities to any other person as an exempted transaction.
11. Freezing or lifting the freeze on deposited securities at the request of the investor, or any competent authority.
12. Strengthen the relationship between the investor and issuers of securities.

**Article 5**  
**Service Fees**

1. The Unit shall be responsible for the collection of fees for the Clearing, Settlement and Central Depository Services which are provided by the Exchange, in accordance with Schedule (1) attached to these procedures.
2. The fees schedule shall constitute an integral part of these procedures and shall be circulated to all brokers, other participating members, investors, depositors and those concerned with the services provided by the Unit.

**Chapter 3**  
**Share Register**

**Article 6**

### **Maintenance of the Share Register**

1. The Exchange may maintain a share register of joint stock companies and issuers of securities at their request.
2. The depositing investor in whose securities account a security is entered, is deemed to be the legal owner of such security and the statements issued by the Central Depository are deemed to be legal documents to establish the ownership of the security.
3. A letter shall be issued to establish ownership of deposited securities if the investor wishes to mortgage such securities for obtaining any credit facilities, or as security for any other purpose.
4. Ownership of the deposited securities in clearing records shall be transferred electronically and listed companies or any other party may not make any changes pertaining to such securities in the share register maintained by the companies.

### **Article 7**

#### **Central Registry**

1. The Central Securities Registry constitutes a central database where all information pertaining to the deposited securities holders is recorded.
2. The Central Securities Registry contains all particulars associated with the ownership of the deposited securities, in addition to the establishment of third parties rights, such as mortgages and attachments.
3. The transfer of deposited securities and the establishment of third party rights in the Central Registry for securities are deemed to be legally binding to the relevant parties.

### **Article 8**

#### **Particulars of the Central Registry**

The particulars of the securities in the database shall include the following:

1. Name of the Registration Office and issuer of the securities.
2. Type and category of securities.
3. Date of issue of the securities.
4. Maturity date of securities (if any).
5. Nominal value of securities.
6. Total value of the issue.
7. Interest rate (if any).
8. Name of guardian (if any).
9. Total number of securities issued.
10. Names of investors, their addresses, identification numbers and contact

numbers.

11. Number of securities held by each investor.
12. Any other details or particulars pertaining to the securities, as requested by the Exchange at its own discretion.

## **Article 9**

### **Investors' Accounts**

1. Investors numbers shall be obtained upon the completion of the Investors Information Form No. (1), provided that each investor shall have no more than one investor's number. Not more than one investor's number shall be issued to any individual investor or entity.
2. The Unit shall open special accounts for depositors of securities, whether they are individuals, companies or public or private institutions, Bahraini or non-Bahraini. Every account shall have a number, automatically determined by the Clearing, Settlement and Central Depository System. Account numbers shall be obtained upon completion of the Investor's Opening Account Form No. 2.
3. All members and their clients are required to open securities accounts with the Clearing, Settlement and Central Depository System before they are permitted to conduct any sale or purchase transaction of securities.
4. The Unit shall open securities accounts for members (internal account) with the Central Securities Registry and shall enable the members to open such accounts on behalf of their clients with the Central Securities Registry (Client Accounts) through which they shall perform procedures and transactions, which are executed in the Central Securities Registry on behalf of the securities holders on these accounts.
5. The member and his clients must enter in the securities accounts all procedures and transactions which are carried out on securities held by them, in a manner that such accounts shall reflect the transactions and balances of the securities and mortgages performed on the securities, and any third party rights in the relevant securities.

## **Chapter 4**

### **Securities**

#### **Article 10**

#### **Deposit of Securities**

1. The securities shall be deposited with the Central Depository by the special Deposit Form No. (3), accompanied by original certificates of the securities to be deposited.

2. The securities certificates, delivered to the Central Depository, shall be deposited and entered in the securities account determined by the depositor.
3. The Registrar of securities submitted for deposit shall confirm the validity of such securities by fixing the Registrar's stamp on the securities certificates.
4. All deposits of securities shall be accompanied by Deposit Form No. (3), provided that such certificates shall be valid and genuine and the member shall guarantee the validity of all securities delivered to the Central Depository for deposit. Preliminary receipt of securities by the Unit and the entry thereof in the account balance, shall be designated by the depositor, and not be considered as a waiver by the Unit of the guarantee of the member to the validity of the deposited securities.
5. All formalities relating to the deposit of securities, which are delivered to the Central Depository, should be completed within 24 hours from the date of delivery thereof, and all deposit transactions should be reviewed by the Unit, to verify their number and transferability.
6. Securities delivered for deposit shall be added to the actual balance of the investor's account, unless the following is revealed upon the review of the securities:
  - (a) Any difference between the securities delivered and the particulars entered in the attached deposit form.
  - (b) Any omission or amendment in the number of securities or the issuer in the deposit form.
  - (c) The securities are not valid or genuine, or destroyed.
  - (d) Any other reason determined by the Exchange.
7. The Unit shall be entitled, upon the occurrence of any of the above events, to refuse receipt or delivery of the securities and the rejection decision shall be entered in the Clearing, Settlement and Central Depository System.

## **Article 11**

### **Settlement of Securities**

1. Sold securities shall be deducted from the seller's account, immediately upon execution of the transaction.
2. The purchaser's securities shall be added to the purchaser's account immediately upon execution of the transaction, and such securities may be resold in the same trading session, upon the addition thereof to the purchaser's account.
3. Ownership of the purchased securities shall be transferred upon the execution of the transaction and completion of settlement formalities.



**Article 12**  
**Securities Account Balance**

1. The Unit shall issue semi-annual account statements of the securities depositors accounts and send such statements to their addresses, as stated in the Investor's Information Form No. (1). Depositors shall be entitled to request statements of their accounts, which show the balance of such accounts and any transactions or transfers performed thereof. Such statements shall be requested through an Account Statement Request Form No. (4), issued to one or more issuers.

The Account Statement Request Form shall be completed and submitted to the Unit during the Exchange's working hours. The Unit shall issue the required account statement within 24 hours from the date of receipt of the request.

**Article 13**  
**Withdrawal and Freezing of Securities**

1. Deposited securities shall only be withdrawn by the members in their own capacity or on behalf of their clients, upon payment of the service charge stated in Appendix (1).
2. Deposited securities shall be withdrawn from the Central Depository by deducting them from the securities balance upon completion and submission of the Securities Withdrawal Form No. (7) to the Unit.
3. Deposited securities may be frozen and/or withdrawn in the following events:
  - (a) Upon the request of the investor depositor.
  - (b) Death of the investor depositor.
  - (c) Mortgage and attachment.
  - (d) If required by a competent authority.
  - (e) For money laundering combat purposes.
  - (f) For any reason as may be occasionally determined by the Exchange.

**Article 14**  
**Request for Evidencing Ownership of Deposited Securities**

1. The investing depositor may request the issuance of a letter to establish his ownership of the deposited securities through the completion and submission of the Establishment Ownership Request Form No. (10) to the Unit. This applies to companies whose share register is maintained by the Exchange.
2. Upon approval to issue the letter establishing ownership to the investing depositor, the Unit shall perform the following:
  - (a) Transfer the ownership of securities from the tranche allocated for the

- clearing in the Register to the pending tranche of the Register.
- (b) Issue the letter for the establishment of ownership of the deposited securities within a period of time, not exceeding 36 hours from the date of application.
  3. The Exchange may refuse to issue the letter for the establishment of ownership of deposited securities for any appropriate reason, or may postpone the issuance of such a letter.
  4. Securities for which an establishment of ownership letter has been issued should not be disposed of by sale or transfer.
  5. The listed entity should not issue any ownership certificate for securities kept under the clearance tranche in the electronic register.

#### **Article 15**

##### **Access to the Shares Register in the Central Depository System**

1. Only authorized staff of the Exchange shall be permitted access to the share register in the Central Depository System to the extent of responsibility and authority delegated to them.
2. Listed entities may only peruse records of securities pertaining to them on electronic screens; however, they should not make any changes to these records.
3. Listed entities may obtain extracts from their shares register. Other related parties may request such extracts upon payment of the amount fixed by the Exchange in this respect.

#### **Chapter 5**

### **Mortgage and Transfer of Securities**

#### **Article 16**

##### **Mortgage of Securities**

The mortgage of securities in favour of the mortgagor shall be effected in accordance with the following procedures:

1. The mortgagee shall deliver a formal letter to the Exchange with a copy to the issuer of the securities, which states the following:
  - (a) Name of the owner - mortgagor.
  - (b) Name of the issuer and number of mortgaged securities.
  - (c) Mortgage term.
  - (d) Date of commencement of the mortgage.

2. The following documents shall be attached to the letter:
  - (a) The original shares certificate (if not previously delivered).
  - (b) True copy of the mortgage contract signed by the mortgagor and mortgagee.
3. Payment of the mortgage entry charge, in accordance with Appendix (1).
4. The Exchange shall open a special register for the mortgaged securities, so as not to allow the mortgagor to dispose thereof, without the consent of the mortgagee.
5. If the securities are registered in the electronic clearing system, the Exchange shall send a letter to confirm the mortgage to the mortgagee within 48 hours from the date of receipt of the mortgage letter. However, where the deposited securities are not registered in the electronic clearing system, the mortgage shall be confirmed by withdrawal of the deposited securities and notifying the relevant registrar in writing.
6. Where the mortgagor and mortgagee agree to dispose of the mortgaged securities by sale at the Exchange, the mortgagee shall send a formal letter to the Exchange using the Release of Mortgage Form No. (9) to convey the wish of the two parties to transfer the mortgaged securities to the investor's account with the relevant broker. The Exchange shall transfer such securities to the investor's account with the relevant broker within 48 hours from the date of receipt of the application.
7. The mortgagee shall issue a sale order to the agreed broker who shall sell the securities and transfer the proceeds to the agreed account within a maximum of 4 days from the date of the transaction.
8. The Exchange shall instruct the broker in writing to transfer the proceeds of the sale of the securities to the account determined by the two parties.
9. In the event of issue or distribution of rights or benefit pertaining to the mortgaged securities, such right shall be treated according to the agreement of the parties, as stated in the mortgage contract and the Mortgage Entry Application Form No. (8).
10. In the event of release of the mortgage, the mortgagee shall notify the Exchange in writing with a copy of the Registrar of securities, with respect to the companies who maintain their registers.

#### **Article 17**

#### **Transfer of Securities as Exempted Transactions**

1. The Unit may transfer ownership of securities as exempted transactions, in accordance with the provisions of Article (36) of the Internal Regulations as

amended.

2. The Unit shall, upon receipt of all the required transfer documents and fees from the transferee, perform the following:
  - (a) Verify the validity of the transfer as exempted transactions referred to in Article 17 (1) above.
  - (b) Allocate numbers in the system to the transferor and the transferee at their request, unless one of them or both have a number in the system.
  - (c) Carry out the transfer of ownership of the securities.

### **Article 18**

#### **Transfer of Securities from the Investor's Account With One Broker to his Account With Another Broker**

1. The depositing investor may request the transfer of his balance of securities or any part thereof with one broker to his account with another broker, by completing and delivering to the Unit the Transfer of Securities Form No. (5).
2. The owner shall, before requesting the transfer, perform the following:
  - (a) Open an account with the other broker if he has no such account.
  - (b) Complete the Transfer of Securities Form No. (5) and submit the same to the Unit.
3. The broker (from whose account the transfer is made) shall make the owner complete the form and deliver the same to the Unit.
4. The Unit shall, upon approval of the application, transfer the balance of the securities intended to be transferred to the investor's account with the transferee - broker.
5. The Unit may reject the transfer or entry of information application in the following circumstances:
  - (a) If after verification of the transfer request, it was discovered that there are discrepancies between the transfer order and the information entered with respect thereof into the Clearing, Settlement and Central Depository System.
  - (b) Insufficient balance in the relevant securities account.
  - (c) The existence of restrictions imposed by these procedures on dealing in the securities.
6. The Unit is not obliged to verify the legal basis for the transfer, movement or restriction on the deposited securities, or compliance by the member with the terms of the contract, or by any other parties to the contract.
7. The Unit may reject the transfer application from the investor's account with a broker to his account with another broker, if the investor has outstanding

financial obligations towards the transferring broker, unless it was mutually agreed to settle such obligations.

**Article 19**  
**Transfer of Securities as a Result of Trading**

1. Securities shall be transferred electronically from the seller's account to the buyer's account, in accordance with the terms of the transaction upon the execution of the transaction. The transfer may not be revoked for any reason after the conclusion thereof.
2. Sold securities shall be deducted from the account of the seller and added to the account of the buyer immediately upon the execution of the transaction, and the buyer may re-sell such securities during the same trading session.
3. The securities shall remain outstanding in the buyer's account until the date of settlement (T+2), to ensure resting of the rights as a result of corporate actions, such as distribution of dividends, bonus shares, or distribution of additional shares as a result of increase of capital.
4. The Exchange may make necessary changes to the transfer transactions only in situations where mistakes are committed in entering numbers of investors' accounts.

**Article 20**  
**Share Register**

1. The Unit shall provide share register information to the issuers whose share registers are maintained by the Exchange on a regular basis, or as may be agreed upon between the Exchange and the issuers in the following events:
  - (a) Convening of general meetings.
  - (c) Distribution of dividends.
  - (d) Restructuring of the issuer's capital.
  - (e) Granting of any rights associated with the securities.
  - (f) As requested by the issuer.
2. The Unit shall provide information relating to the holder of deposited securities to the issuer or to the authorized registrar on a regular basis or as may be agreed between the Exchange and the issuer or registrar. Such information shall include the following:
  - (a) Name, address and number of the investor who owns the deposited securities.
  - (b) Number of securities held by the depositor at a certain time.
3. Particulars pertaining to the ownership of securities shall be updated in the

Central Register immediately upon conclusion of the deal. The Unit and the participating members shall update these particulars annually or as may be required, in accordance with the securities holder's instructions to the Unit or to the participating member, provided that such particulars shall include all information stated in the Investors' Information Entry Form No. (1).

4. The Unit's staff shall undertake to maintain strict confidentiality of all particulars and information relating to resolutions issued by the issuers which may affect the prices of their deposited securities or resolutions relating to the sale or purchase thereof, and not to use such information or particulars to realize any direct or indirect personal benefits.

### **Article 21** **Access to Database**

1. No person may access the database in the Securities Central Register to obtain information about any person as a holder of one security or more, or to obtain information relating to transfers or restrictions pertaining to a particular person.
2. Notwithstanding the provisions of Sub-Article (1) above, the securities holder or the Court may require any information about the securities balance in the investor's account or about any transfers or restriction pertaining to such account, in accordance with the procedures and charges prescribed by the Exchange.
3. Notwithstanding the provisions of Article (2) above, the Court may require information relating to the securities balance in any person's account, or any transfers or restriction pertaining to the account where such information is required in accordance with legal proceedings involving the securities holder, including proceedings relating to money laundering.
4. The Exchange and the Settlement Bank must maintain information relating to securities accounts of any participating member, the clearing account and the operating account, with utmost confidentiality.

## **Chapter 6**

### **Article 22** **Brokers' Access to the Central Depository System**

1. The broker may access the part accessible to him in the Central Depository System during the hours fixed by the Exchange to perform the following:
  - (a) Open investors accounts for his clients.
  - (b) Enquire about the movement and balances of the investors who deposit

- their securities through him.
- (c) To review any other information about his clients as may be authorized by the Unit.
2. A broker should not disclose the secret number granted to him to access the Clearing System to any other person. Such broker shall bear all liabilities and consequences resulting from violation of this provision.
  3. The broker undertakes to maintain the confidentiality of the Central Depository System, refrain from abuse of the system, maintain his secret number, define the authority of his staff and remind them of the importance of the confidentiality of the system and related laws.

**Article 23**  
**Financial Settlements**

1. Settlement of transactions executed on the Exchange shall be carried out within the following two days trading (T+2).
2. All transactions concluded at the Exchange through the electronic trading system shall be transferred automatically to the Clearing system, to complete the clearing operations and payment of the purchased securities value through the Settlement Bank within the two days following the trading (T+2), and transfer the ownership of the securities simultaneously with payment of net cash balances.
3. The net to pay or receive amounts to the broker shall be calculated within half an hour after the trading session, and the report shall be sent to the Settlement Bank on the same day of trading.
4. The broker shall pay the net to pay amount due from him according to the 'net to pay amount statement' issued by the Clearing system not later than 09:30 a.m. on settlement day (T+2).
5. The Settlement Bank shall, upon the instructions of the Unit, pay the amount stated in the 'net to pay amount statement' in the relevant broker's account not later than 10:00 a.m. on settlement day (T+2).
6. The Settlement Bank shall send to the Unit on (T+2) a report to confirm completion of settlement and clearing of the transactions which should be settled by the brokers before the commencement of the trading session.

**Article 24**  
**Debentures Settlement**

1. Unless otherwise provided in the debentures prospectus, debentures shall be

settled in the Exchange with regard to their maturity and settlement terms, in the manner applicable to other securities.

2. The settlement amount shall include the value of the transaction and accumulated interest up to the settlement date (T+2), in accordance with ISMA Regulations.
3. Accumulated interest shall be calculated up to the settlement date, in accordance with the mechanism and procedures issued by ISMA.
4. Commission on trading of debentures shall be calculated on the basis of the value of the traded debentures only. Accumulated interest shall not be taken into consideration in calculation of the commission.
5. Accumulated interest shall be calculated on the basis of the nominal value of the debenture, and interest shall accumulate as of the date of the last payment of interest amount until the date of the transaction.

#### **Article 25**

##### **Receipt of Amounts due from Brokers**

1. The brokers shall deposit amounts due from them in the Settlement Bank not later than 09:30 a.m. on the settlement day (T+2).
2. Amounts due from brokers deposited in the accounts with the Settlement Bank on the settlement day (T+2) shall correspond with the amounts stated in the net receivable amount statement issued by the Clearing system.
3. The broker shall pay amounts due from him by transferring the funds to the BSE's clearing account with the Settlement Bank.

#### **Article 26**

##### **Payment of Amounts due to Brokers**

4. The Exchange shall pay the amounts due to brokers through the Settlement Bank not later than 10:00 a.m. on the settlement day (T+2).
5. Amounts payable to the brokers (creditors) should correspond exactly to the amounts stated in the net payable amounts statement issued by the Clearing System.
6. The Settlement Bank shall, upon the instructions of the Exchange, pay the amounts payable to the brokers (creditors) by transfer of the funds from the clearing account of the Exchange to the relevant brokers account(s) with the



Settlement Bank.

### **Article 27**

#### **Participants Contribution to the Guarantee Fund**

1. The broker must, upon admission to the membership of the Clearing, Settlement and Central Depository System, pay the prescribed minimum contribution in the joint Guarantee Contribution Fund account with the Settlement Bank.
2. Amounts relating to the brokers' contribution in the Guarantee Fund should be kept separately from the Exchange assets.
3. Every broker must contribute to the Guarantee Fund a fixed amount of money, which is currently as follows, through the term of his membership with the Clearing, Settlement and Central Depository System:
  - (a) A minimum of BD50,000 (Fifty Thousand Bahraini Dinars) for participating brokers in category (A), established in accordance with the provisions of Article 16 (Secondly) of the Exchange's Internal Regulations and the Chairman of the Exchange's Resolution No. 2/95.
  - (b) A minimum amount of BD25,000 (Twenty Five Thousand Bahraini Dinars) for participating brokers other than category (A), established in accordance with the provision of Article 16 (Firstly) of the Exchange's Internal Regulations.

### **Article 28**

#### **Utilisation of the Guarantee Fund Amount**

1. If any participating broker fails to pay the net balance amount due from him to the Exchange at 09:30 a.m. on settlement day (T+2), the shortfall shall be deducted from the Guarantee Fund account and shall be paid to the Exchange's clearing account.
2. If the unsatisfied obligations in connection with the net payable balance amount exceed the broker's contribution, the shortfall shall be proportionately distributed amongst other contributors to the Fund, based on the proportion of their respective contributions and the said amount shall be deposited in the Unit's clearing account.
3. The participating broker who fails to pay the net payable balance amount due from him, shall be liable to the Exchange to repay the amount charged to the Guarantee Fund account and all costs associated with the use of the Guarantee Fund as may be determined by the Exchange.
4. If the participating broker fails to pay the net payable balance amount due from him by 09:30 a.m. on the settlement day, the Exchange may suspend

the provision of the following services to the defaulting broker, and the suspension of such services shall continue until payment of the amount mentioned in paragraph (2) above.

- (a) All services relating to trading of securities in general.
- (b) All services and activities relating to Clearing, Settlement and Central Depository operations. Services relating to the broker's obligations pending settlement shall be excepted.

### **Article 29**

#### **Disposal of Securities Purchased for the Broker**

1. To guarantee payment of the net balance due from the broker, the Exchange shall be entitled to dispose of all securities purchased by the broker and such right of disposal shall be retained by the Exchange until such time when all obligations of the broker are satisfied.
2. If the broker fails to pay the amount charged against him in the Guarantee Fund account and all other costs associated with the Fund's balance, the Exchange may authorize any other broker to sell all or any part of the securities mentioned in paragraph (1) above and the sale shall be carried out for the account of the Exchange, without notifying the relevant participating broker with the sale transaction. The proceeds of sale shall (after deduction of commission, costs, fees and expenses) be paid to the Guarantee Fund account.

### **Article 30**

#### **Participating Broker's Rights in the Event of Default by the Client**

To guarantee payment of amounts due to the participating broker from his clients for providing brokerage services in connection with the clients' securities, the broker may object to the transfer of purchased securities from the clients account with the broker to his account with another broker. The broker shall be entitled on the third day after trading (T+3) to request the resale of the relevant securities to recover amounts due to him, provided that the resale shall be effected subject to the Exchange's approval and through a different broker, in accordance with the procedures laid down by Resolution No. 3/2000 on Clearance, Settlement and Central Depository Rules at the Exchange.

### **Article 31**

#### **Replenishment of the Guarantee Fund Amount by the Defaulting Participating Broker**

1. The defaulting broker who fails to pay the net payable balance amount due from him by 09:30 a.m. on settlement day (T+2), and causes the Exchange to satisfy his obligations to other brokers participating in the Guarantee Fund

account, shall undertake to replenish the Guarantee Fund account with the amount drawn from the Fund by the Exchange to cover his debit balance.

2. If it becomes evident to the Exchange by 09:45 a.m. on T+3 that the broker has failed to repay the amount drawn from the Guarantee Fund account to settle the broker's debit balance, the Exchange may instruct the defaulting broker to sell the purchased securities in absolute secrecy by another broker.
3. If the defaulting purchaser's broker fails to sell the purchased securities through the authorized broker on T+3, the Exchange may allow the defaulting broker one additional day to sell the relevant securities on T+4.
4. If the defaulting broker fails to sell the purchased securities on T+4, the Exchange may instruct the Trading and Members Affairs Units to sell the relevant securities by public auction on T+5.
5. If it becomes evident to the Unit by 09:30 a.m. on T+6 that the proceeds of the sale of the securities according to this Article are insufficient to cover the amount required to supplement the Guarantee Fund account, the Unit shall require the defaulting broker to pay the balance, provided that any surplus amount (if any) shall be paid to the relevant investor after deduction of all expenses and fines payable by the defaulting broker.

### **Article 32**

#### **Replenishment of the Guarantee Fund Amount by Other Brokers**

1. If it becomes evident to the Unit by 09:00 a.m. on T+7 that the defaulting broker has failed to pay the balance referred to in Article (31-5) of this Resolution and that the Guarantee Fund balance is insufficient, the Exchange shall immediately require all participating brokers to inject funds into the Guarantee Fund account, in addition to notifying the Settlement Bank to enter all amounts received into the Guarantee Fund account.
2. The Unit shall determine the amount required to be transferred by each broker according to paragraph (1) above to the Guarantee Fund account, in accordance with the following formula:

Total net value (balance)

---

Number of brokers - Number of defaulting brokers

3. The Unit shall, immediately upon calculation of the amounts to be transferred to the Guarantee Fund account, send a written notification to all participating brokers fixing the amount payable by each broker and the method used in the calculation of the amount. The participating brokers shall issue instructions to the Settlement Bank to deposit the said amounts in the Guarantee Fund

account, no later than the day following the said notification date.

**Article 33**  
**Suspension of Services Provided by the Exchange**  
**To Defaulting Participating Brokers**

1. If any participating broker fails to pay the net payable balance amount due from him by 09:30 a.m. on the settlement day (T+2), the Exchange may, according to Article (13) of the Resolution No. 4/2000 on the Establishment of the Guarantee Fund, suspend the following services to the defaulting broker pending payment of the amount due:
  - (a) Any service relating to trading of securities provided by the Exchange in general.
  - (b) All services and activities relating to clearing and settlement, with the exception of services associated with any pending settlement obligations by the defaulting broker.
2. If the defaulting broker settles the net payable balance amount due from him, the Exchange may resume provision of services referred to in paragraph (1) above to the defaulting broker and the other relevant parties shall be immediately notified thereof.
3. The Exchange may, at its own discretion, apply the provisions of Article (26) of Resolution No. 3/2000 on the Clearing, Settlement, Registry and Central Depository Rules to the participating broker who defaults in the payment of the net payable balance amount due from him for more than twice in one year.

**Article 34**  
**Disposal of Securities Purchased for the Account**  
**of the Participating Broker**

1. To secure payment of the net payable balance amount due from the defaulting broker, the Exchange may dispose of all or part of securities purchased by the defaulting broker, provided that the right of disposal shall be retained by the Exchange until such time when the defaulting broker shall pay his obligations for the settlement of the relevant transaction.
2. The proceeds of resale of purchased securities shall be transferred to the Exchange's operating account and the Unit shall, upon receipt of such amount, issue instructions to the Settlement Bank to deduct the amount pertaining to the proceeds of sale of the purchased securities from the Exchange's operating account and credit the amount, after deduction of any commission, cost or expense due to the Exchange and the Settlement Bank.

**Article 35**  
**Suspension of the Exchange's Services**  
**to The Defaulting Participating Broker**

1. The Exchange may suspend trading, clearing and settlement services provided by the Exchange to the participating broker in the following circumstances:
  - (a) If the broker fails by 09:30 a.m. on the settlement day (T+2) to pay his debit balance in the Exchange account with the Settlement Bank.
  - (b) If the broker fails to pay his initial contribution or any additional contribution in the Guarantee Fund's account within 5 days from the date of receipt of the payment memorandum issued by the Unit.
  - (c) If the broker fails to transfer the amount due from him to replenish the Guarantee Fund account, in accordance with Article (31) of these Procedures.
2. Where the Exchange terminates the services provided by it to the broker, in accordance with Article (1) above, the Unit shall return to the broker his contribution in the Guarantee Fund and any accruing interest on such amount, within 15 days from the date of termination of services provided by the Exchange to the broker, provided that the broker shall pay all his obligations to the Exchange and the Settlement Bank.

#### **Article 36**

##### **Suspension of Trading, Clearing and Settlement Services from all Participating Brokers**

1. If it becomes evident to the Exchange that the total balance of the Guarantee Contribution Fund has been reduced to less than 50% of its original balance, due to the arrears in the net debit balances of one or more brokers, or due to default in the transfer of funds to the Guarantee Contribution Fund, the Exchange may temporarily suspend the trading, clearing and settlement services from all brokers.
2. The Exchange may, in accordance with the provisions of Article (1) above, require all participating brokers to contribute additional amounts in proportion to their contributions in the Guarantee Fund, and credit such amounts to the Guarantee Fund account with the Settlement Bank.
3. The Exchange shall resume provision of services to the brokers who pay the amount required to replenish the Guarantee Fund and the Unit shall immediately notify the relevant parties of such resumption of services.

#### **Article 37**

##### **Liquidity Reserve**

1. The liquidity reserve account shall be used where the value of the transaction exceeds the permissible trading limit for any broker, according to the formula provided for in Article (11) of the Resolution No. 4/2000 on the Establishment of the Guarantee Contribution Fund, provided that the value of the relevant

transaction shall not exceed the Guarantee Fund balance at the time of the application.

2. The broker, who wishes to increase his permissible limit of trading according to Article (11) of Resolution No. 4/2000 on the Establishment of the Guarantee Fund, shall submit an application to the designated official at the Exchange, and the Exchange may accept or reject the application at its own discretion.
3. The Exchange may, on reviewing the application submitted by the participating broker, give sufficient consideration to the factors provided for in Articles (3-11) of the Resolution No. 4/2000 on the Establishment of the Guarantee Contribution Fund, and in the event of rejection of the application, the Exchange shall notify the broker of the reasons for the rejection.
4. The broker shall, upon acceptance of his application, deposit the total value of the transaction in the liquidity reserve account not later than 09:30 a.m. on (T+1).
5. The broker shall be deemed to have failed to pay the value of the transaction on the liquidity reserve account by 09:30 a.m. on T+1, if no confirmation is received by the Unit from the Settlement Bank, stating that the broker has paid the claimed amount to the liquidity reserve account at the time fixed by Article (4) above.
6. The Exchange may prevent the participating broker who fails in the payment of the value of the transaction in the liquidity reserve account by 09:30 a.m. on T+1 from entering the Trading Floor, suspend the trading, clearing and settlement services provided to such broker, and may order the sale of the purchased shares through any other broker on T+2.
7. In the event of application of paragraph (6) above, the procedures for the sale of shares provided for in Article (31) above shall be followed.

### **Article 38**

#### **Execution of Transactions whose Value Exceeds The Guarantee Fund Balance**

1. Notwithstanding the provisions of Article (37) of these procedures, the participating broker must provide the value of the deal in cash, or provide any security that would be acceptable to the Exchange where the value of the transaction placed for execution exceeds the Guarantee Fund balance at the time of application.
2. The security referred to in paragraph (1) above shall be provided to the Exchange and may be deposited in the liquidity reserve account prior to the execution of the transaction. The broker may cancel or modify the said

security if he sells the purchased shares in the same trading session.

### **Article 39**

#### **Parties Authorised to Provide Custodial Services at the Exchange**

The securities custodial services shall be provided at the Exchange by brokerage companies licenced pursuant to the Minister of Commerce and Agriculture's Resolution No. 2/1995 on the Services Provided by Brokerage Companies at the Exchange.

The Exchange may permit banks and other financial institutions to provide such services, subject to obtaining the prior approval of the Bahrain Monetary Agency.

### **Article 40**

#### **Participation of Banks and Financial Institutions in the Membership of the Central Depository**

Banks and financial institutions wishing to provide securities custodial services in the Exchange may participate in the membership of the Central Depository. They should submit their applications to the Exchange, accompanied by the following documents:

1. Approval of the Bahrain Monetary Agency.
2. Copy of the Memorandum and Articles of Association.
3. Copy of the Commercial Registration.
4. Copy of its Board of Director's Resolution approving the provision of securities' custodial services at the Exchange.

### **Article 41**

#### **Services Provided by Securities Custodians**

The custodian shall directly provide the following services in the Central Depository on behalf of his clients:

1. Obtain an Investor's Number for his clients.
2. Open securities accounts for his clients.
3. Deposit securities for his clients.
4. Transfer securities from his clients' accounts with brokers, to their accounts with other brokers.
5. Transfer ownership of his clients' securities as transaction exempted from trading at the Exchange.
6. Mortgage and release his clients' mortgaged securities.
7. Amend and update his clients' particulars.
8. Apply for obtaining statements of his clients' accounts, reports and letters issued by the Central Depository for them.
9. Any other services approved by the Exchange.

### **Article 42**

### **Provision of Central Depository Services Contract**

The services provided for in Article (41) above shall be provided by a contract to be made with the beneficial owner, where rights and obligations of the two parties shall be defined, provided that the contract shall include, *inter alia*, the following:

1. The scope of services provided by the participating member to his clients and the commission payable to him for providing such services.
2. Conditions relating to the management of the clients' securities accounts.
3. Attendance of general meetings and voting on behalf of the clients.
4. Reports and statements of accounts to be submitted to the client and the time and manner in which they will be presented. The custodian should inform his clients of the securities deposited in his account with the Central Depository within three days from the date of deposit.

### **Article 43**

#### **Custodian Responsibilities**

The custodians shall dispose of the securities deposited in their names on behalf of their clients and shall bear all legal and financial consequences resulting from their actions.

### **Article 44**

#### **Execution of Sale and Purchase Orders Issued to the Custodians**

The custodians who are not brokers shall carry out orders issued to them from their clients for the sale and purchase of securities through approved brokerage companies and brokerage offices at the Exchange.

### **Article 45**

#### **Clients Accounts**

A client should not open more than one account with a broker if he has opened a previous account in his name with the same broker by a custodian appointed by him.

### **Article 46**

#### **Transactions Exempted From Trading**

The Unit may transfer the ownership of securities as transactions exempted from trading, upon the request of the custodian, according to Article (36) of the Internal Regulations as amended.

### **Article 47**

#### **Amendment of Procedures**

The Exchange may, from time-to-time, amend these procedures, provided that brokers and the members participating in the Central Depository System are



notified of such amendment upon the issuance thereof.

BAHRAIN STOCK EXCHANGE

**STANDARD AGREEMENT FOR  
THE PROVISION OF TRADING, SETTLEMENT,  
CLEARING AND CENTRAL DEPOSITORY SERVICES**

**This Agreement** is made on .....

**Between:**

1- ....., whose address is at ..... (the Client)

**and**

2- ....., whose address is at ..... (the Broker)

**Whereas:**

- I- The Client wish, from time to time, to deposit, purchase, sell or perform any of the other transaction on the securities listed on the Bahrain Stock Exchange and would like to appoint the Broker to provide settlement, clearing and central depository services associated with the execution of sale and purchase transactions
- II- The Broker accepts such appointment to provide settlement, clearing and central depository services in accordance with the conditions and terms of this Agreement.

NOW, it is hereby agreed

1- .....

In this Agreement:

**“Securities”** means shares and debentures issued by Bahraini joint stock companies, bonds and notes issued by the Government or any public institution or any other Bahraini or non-Bahraini securities approved for trading by the Exchange Board of Directors.

**“Deal”** means the completion of execution of sale or purchase order of securities

All terms and expression used in this Agreement shall be interpreted in accordance with the provisions of the Exchange Law and Internal Regulations.

- 1- **Representations and warranties by the Client:**  
The Client represents and warrants that:

- i) For individuals: he has attained majority (21 years) and has the required legal capacity to perform all obligation imposed on him.
- ii) For Companies: that it has the required legal status and the authority to enter into this Agreement and perform its obligations thereunder and that the person signing this Agreement and the person who will issue instructions to the broker are duly authorized to carry out these acts.

**2- Acknowledgements by the Client:**

- i) The Client confirms his knowledge of the nature and requirements of dealing in securities and the risk involved in dealing with securities which may result in an unexpected losses and that he is prepared and financially capable to bear the losses which may result therefrom, unless such losses are due to the negligence or default of the broker or his non-compliance with the orders and instructions issued by the client or to violations committed by the broker to the laws and regulations applicable to the Exchange.
- ii) The client hereby authorize the broker and unless otherwise notified in writing, to act in compliance with orders and instructions issued by the client or by his duly authorized representation and the broker hereby confirms that he will comply with such orders and instruction and will all documents signed by the client or his authorized representative.

**3- Clients' Orders and Instructions:**

- 1- Where the client resolves to open a securities account and deposit such securities with the broker or enter into any deal or issue instruction with respect to any deal, the client shall issue his orders and instructions to the broker in this respect by facsimile, electronic mail or through the telephone and shall state the investor's number and the relevant securities account number.
- 2- The broker may for the protection of either party record in a tape the orders and instructions received from the Client through the telephone so that such recording may be used in any potential dispute between the Client and the broker.
- 3- Where orders and instructions are made by facsimile, electronic mail or telephone the message should be signed by the Client and the signed original should be promptly sent to the broker by urgent or hand delivery.
- 4- The Client shall inform the Broker of all details of the service or deal which he wish to perform in though the Broker.
- 5- The Broker may, at his own discretion, refuse to carry out any orders or instruction prior to the receipt of written confirmation signed by the Client or his authorized representative.
- 6- No correspondence addressed by the Client to the Broker is deemed valid or binding on the Broker until effectively delivered to the Broker and is in compliance with the Exchange Laws and Regulations.
- 7- The Broker shall act on behalf of the Client in compliance with the order and instructions received from the Client. The Broker shall verify the identity of the Client and the accuracy of the orders and instructions received from him and shall exert all efforts to carry out such orders within the shortest possible time in compliance with the BSE prevailing laws and regulation and the provisions of this Agreement.
- 8- The Client recognizes that the market situation is volatile with respect to the prices of securities and may require the Broker to contact the Client before executing the

orders and instructions issued to him and the Broker shall execute such orders and instructions in accordance with the last instruction issued by the Client.

The Broker is not obliged to contact the Client in the event of the above mentioned changes. However, if the Broker resolves to contact the Client and was unable to do this due to the Client absence, failure in the communication system or for any other reason the Broker may act in accordance with orders and instructions issued to him or suspend execution of such orders and instruction, at his discretion, where the Broker deems that the situation in the Exchange requires such suspension and the Broker shall not be liable for any losses sustained by the Client as a result thereof.

#### **4- Settlement and Clearing Services**

- 1- The Broker shall not commence carrying out the Clients' order to sell any securities unless the Clients' account has sufficient balance of securities to complete the sale order.
- 2- If the deal relates to purchase securities the ownership of such securities and the entry in the Clients' account shall be effected upon the payment of its value in accordance with the settlement, clearing and central depository regulations applicable to the Exchange.
- 3- Subsequent to the execution of the Clients' order the Broker shall send a written notification to the Client as soon as possible through communication means unproved by the Exchange
- 4- The Client acknowledges that the Broker, in providing the settlement, clearing and central depository services in accordance with the provisions of this Agreement shall be acting as a commission agent or mediator on behalf of the client and that as a matter of principle the broker is not authorized to exercise any discretion in carrying out the Clients' order and shall comply with the express orders and instructions of the Client. Accordingly, the Client responsible for all consequences resulting from the execution of deals conducted for his account caused by the fluctuations in the prices or any other reasons beyond the control of the Broker.  
The Broker may deal in the Clients securities in accordance with the Securities Account Management Agreement without receiving any orders or instructions from the Client where the Broker is authorized to do this in accordance with the provision of Resolution No.2/1995 and in such event, the Portfolio Management Agreement between the Client and the Broker shall be deemed to constitute an integral part of this Agreement and shall be attached to it.
- 5- The Broker shall bookkeep the records required for the record of all orders, instructions, transactions and deals performed by the Broker for the account of the Client recorded by the date and time in the manner determined by the Exchange and such records shall be subjected to supervision and control.

#### **6- Commission**

The shall pay to the Broker, in consideration for the services provided by this Agreement the amount of fee, mutually agreed by the parties.

#### **7- Information and Advices**

- 1- When providing advices to the Client, the Broker shall depend on information and data derived from reliable sources and shall furnish such advices and information in good faith and for the benefit of the Client.
- 2- The Client agrees to the following:
  - a- Any recommendations, information or advices received from the Broker about the securities' market is deemed to be a mere opinion which is liable to be inaccurate or incomplete despite the fact that it may be obtained from reliable sources as deemed by the broker.
  - b- That the Broker does not provide confirmation or guarantees with respect to the consequences of advices provided by him and that the Broker shall not be responsible for the accuracy or scope of such of such advices or the dependence of the Client thereon and the Client confirms that while he may take such advice into account he will take the final decision based on his own judgment.

#### **8- Undertaking of the Client.**

The Client undertakes to:

- 1- bear any losses resulting from deals concluded for his account and the Broker shall not be considered responsible for these losses unless such losses are the direct result of the Broker's negligence or default.
- 2- bear all losses resulting from errors which may be included in the correspondence and communications made through the telephone, facsimile or electronic mail unless such losses are the direct result of the Broker's negligence or default.
- 3- bear the responsibility for any deal or transaction properly performed by the Broker upon the orders and instructions of the Client and should the Client default in satisfying any obligation towards the Broker under this Agreement or under the Bahrain Stock Exchange Law the Client undertakes to compensate the Broker for any obligations born by the Broker as a result of the Client's failure, default or omission.

#### **9- Broker's Responsibilities**

- 1- The Broker shall bear all losses or obligations resulting, directly or indirectly from his malpractice or negligence in the execution of orders issued to him by the Client. However, the Broker shall not be liable for the acts of any third party associated with the performance of this Agreement.
- 2- The Broker shall not be responsible towards the Client for any losses or obligations which is the direct result of the bankruptcy, insolvency or liquidation, or the placing under judicial custody of any issuer of securities or any broker or member of the settlement, clearing and Central Depository System or of any other party associated with the performance of this Agreement.

#### **10- The Right to object to withdrawal or transfer of Securities.**

The Broker may, in order, to ensure satisfaction of the obligations due from the Client object to the withdrawal or transfer of the securities deposited with him in the Client's account to any other account and the Broker may resell such securities. However, such sale may only

be conducted after obtaining the consent of the Exchange to the sale, in accordance with the provisions of Resolution No. 3/2000 on the Settlement, Clearing and Central Depository Rules.

**11- Correspondence**

- 1- All correspondence, reports, statements and notices shall be sent to the Client at his address as stated in this Agreement.
- 2- The Client shall send all correspondence and instructions to the Broker at his address as stated in this Agreement.

**12- Term and Termination**

The Parties may renew the term of this Agreement provided that such renewal shall come into effect from the date of signature thereof by both Parties. Either Party may, only terminate this Agreement by a three month written notice from the date thereof. All rights and obligations resulting from the performance of this shall continue to be valid and enforceable.

**13- Joint Liability**

Where the Broker companies more than one person they shall all be, jointly and severally liable for the satisfaction of the obligations resulting from the application of the provision of this Agreement.

**14- Force Majeure**

The Broker shall not be liable to the Client for any default, omission or breach of this Agreement, which is due to force majeure or to any unforeseeable external cause such as natural disasters, war, strikes and civil disobedience etc.

**15- Severability**

In the event that any provisions contained in this Agreement are found to be invalid, unlawful or unenforceable to any extent by any law, resolution or court decree the remaining provisions of this Agreement shall continue to be valid and enforceable.

**16- Notices**

Any correspondence or other communication between the Broker or the client shall be sent by telephone, facsimile or electronic mail (as the case may be) at the address shown below or such other address notified from time to time in writing to the other party:

**Client**

Address.....

Telephone.....

Fax.....

Electronic mail.....

**Broker**

Address.....

Telephone.....

Fax.....

Electronic mail.....

**17- Amendment of the Agreement**

No variation of this Agreement shall be valid unless it is mutually agreed, in writing and notified to the Exchange. However either party may terminate this Agreement if the other party does not agree to his proposed amendments within 14 days from the date of notification thereof.

**18- Law & Jurisdiction**

- 1- This Agreement shall be governed and construed by the laws of the state of Bahrain.
- 2- Any dispute arising between the parties in respect of trading in securities or performance of this Agreement shall be resolved in accordance with the provisions of Chapter 7 of the Exchange Internal Regulations.

Signed by:

**Investors No.**

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(Client) ..... Signature .....

**Account No.**

--	--	--	--	--	--	--	--	--	--	--	--	--

Type of Account .....

**Account No.**

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Type of Account .....

(Broker) ..... Name ..... Signature .....