



## **CLIENT AGREEMENT SECURITIES DEALING SERVICES**

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SCFM Limited, trading as Scope Markets, Kenya is a limited liability company incorporated in Kenya and regulated by the Capital Markets Authority as a Non-dealing Online Foreign Exchange Trading Broker.

\*Trading carries risk

## Introduction

- 1.1. This Agreement is executed between Scope Markets ('the Company'. 'We') and the undersigned in the Client acknowledgment of this agreement on the date indicated thereto.
- 1.2. SCFM Limited, trading as 'Scope Markets' is a company registered in Kenya, authorised and regulated by the Capital Markets Authority as a Non- Dealing Online Foreign Exchange Trading Broker, License No. 123 and a Derivatives Broker, License number 143 and whose Registered Address is Westside Tower, 4th Floor, Office 402 & 403, along Lower Kabete Road, Westlands, Nairobi, Kenya Reference to 'Scope Markets' throughout this document relates to 'SCFM Limited' unless stated otherwise.
- 1.3. These Standard Terms and Conditions include the Execution Policy, Risk Disclosure Statement and any other attached notices, and or/acknowledgments, as they may be amended and/or restated from time to time, which form the agreement between the Company and you, the Client (Collectively, the 'Agreement').
- 1.4. By Completing and submitting the Account Opening form, you agree to be bound by the terms of this Agreement as they may be amended/or restated from time to time. This Agreement governs the provisions of our services to you and all dealings between the Company and you, the Client with respect to such services.
- 1.5. This Agreement will come into effect upon approval by Scope Market's Compliance team and shall supersede any previous agreement between us on the same subject matter. Once approved, you will be notified in writing or by electronic communication.
- 1.6. We may vary or amend the terms of this Agreement at any time upon notice to you. We will consider the amended agreement accepted if the You proceed to use the Company's services.
- 1.7. We may offer other services from time to time that are governed by additional terms and conditions. These additional terms and conditions shall be subject to this Agreement and shall be available on our Website for your review.

## Scope of Agreement

- 2.1. The Client requests the Company to deal in purchasing and selling of Securities on the Company's Online Trading Platform.
- 2.2. Subject to these Terms and the acceptance of your application to open an account with us, we will maintain one or more accounts in your name and will provide you with:
  - execution only services in relation to Securities trading (including buying and selling Securities);
  - custody services in relation to the Custody Assets. ('the Services')
- 2.3. The Agreement governs the provision of our services to you and all dealings between the Company and You, the Client, with respect to such services.
- 2.4. We will deal with you as a principal unless we inform you that we are dealing with you as a general agent or with respect to any transaction or class of transactions. You will enter into transactions into with us a principal unless otherwise agreed.

## Scope of Agreement

2.5. Nevertheless, we may employ Third Parties we select and delegate to such Third Parties the performance of our duties and exercise our rights under this Agreement, including granting such Third Parties a lien, right of set-off, pledge or other security interest over on in respect of the assets credited to the Custody Account or their proceeds in respect of fees, right to take delivery of and to be registered as nominee of any assets in any part of the world

2.6. The provision of services under this Agreement and all Transactions will be subject to all Applicable Laws and the Company's internal policies and regulations; in the event of any conflict between this Agreement and the Applicable Laws, the latter will prevail.

2.7. You acknowledge and agree that, by opening an account via our online facility(ies), your electronic acceptance of these Terms and your use or continued use of our services, you agree to be bound by these Terms (and any variations of these Terms as notified to you from time to time). A current and definitive copy of these Terms (as amended from time to time) will be available to you on our Website ([www.scopemarkets.co.ke](http://www.scopemarkets.co.ke)) at all times

2.8. We reserve the right to modify or discontinue, temporarily or permanently, a service (or any of part thereof) with or without notice. You agree that we will not be liable to you or any third party for any modifications, suspensions, or discontinuation of a service.

## Interpretations

In these conditions, the following words and expressions shall have the following meanings:

**Account:** A transaction account held with the Company by the Client;

**Account Balance:** the sum of the cash amount (monies) held on behalf of the Client in its Account at a specific point in time  
**Account Statement:** A periodic statement of transactions and monies credited or debited to an Account

**Agreement:** The general conditions, each contract and any document amending and/or expressed to be supplemental to any or all thereof, will together constitute a single agreement between the Client and the Company

**Applicable Laws:** any and all applicable laws, regulations, directives and guidelines (whether local or otherwise), the regulations, rules, by-laws and practices of any relevant exchange, market, clearing house or depository, or Third Party or the Parties;

**Cash Account:** the account maintained by the Company with a financial or credit institution in which it deposits the cash amounts received on behalf of its Clients under this Agreement or any other agreements between the Company and its Clients;

**Client:** An individual person or legal entity being an account holder with the Company

## Interpretations

**Corporate Action:** an event, action or equity change which has a diluting/concentrating effect or any other material effect on the market value of the Securities, as determined at the sole discretion of the Company, including but not limited to: (i) subdivision, consolidation, split, reclassification, cancellation, par value change or other change of the rights attached to the Securities; (ii) rights offering, bonus issue, equity offering or equity redemption and any other event which materially affects or may materially affect the Securities' price (including material company announcements, takeovers, tender offers, arrangements, payments-in-kind, mergers, de-mergers, spinoffs, MBOs, nationalizations etc.).

**Contract:** Any agreement, whether oral or written, for the purchase or sale of any currency or other transactions relating to the products provided by the Company, entered by the Company with the Client;

**Custodian:** A financial institution providing custody services in respect of a particular market or jurisdictions on behalf of Scope Markets.

**Custody Account:** means an account in the books of the Company in which the Company record assets held in safe custody on behalf of the Client;

**Custody Assets:** means assets held in the Custody Account on behalf of the Client, which are arranged to be held in safe custody;

**Securities:** (i) bond, debenture, note or certificate (whether in tangible or intangible form) or other instrument or equivalent intangible holding evidencing indebtedness; (ii) any share, interest or participation in the issued share capital of a company including any replacement shares, interests, or participations following a surrender, cancellation, conversion, sub-division or consolidation; (iii) any warrant or future on, or any option or right to subscribe for or purchase any of (i) or (ii) above; and (iv) any other securities or instrument as agreed between the parties from time to time, and includes in each case an interest in a security accruing by virtue of the fact that the security is held through a clearing system, custodian or other intermediary;

**Services:** Services to be provided by the Company under this Agreement

**Settlement Date:** Date on which funds and securities must exchange hands between a buyer and a seller.

**Third Party:** any party with whom the Company has entered into a Transaction in order to provide the services to the Client under this Agreement which might include agents, custodians, sub-custodians, depositories, clearing houses, nominees, Affiliates, and any individual or legal person undertaking a Transaction on behalf of the Company. For the avoidance of doubt, the Client, at its reasonable discretion, arrange for an order or transaction to be executed, or a service to be provided with or through such third-party

**Trading Platform:** Any online trading platform offered by the Company

**Transaction:** The partial or full fill of your instructions to Deal in Securities as per this Agreement

**Conditions and Warranties**

The Client represents, warrants and undertakes at the time of this Agreement and the making of each contract hereunder that:

- 4.1. It does not have any legal disability with respect to and is not subject to any law or regulations which prevents its performance of this Agreement or any contract contemplated by this Agreement.
- 4.2. It has obtained the necessary consents and has the authority to enter into this Agreement (and if the Client is a company, or any other recognised form of legal entity, it is properly empowered and has obtained necessary corporate or other authority pursuant to its constitutional and organisation documents)
- 4.3. All sums made by way of deposit or security shall, subject to this Agreement always be free from any charge, lien, pledge, or encumbrance.
- 4.4. Information provided by the Client to the Company is complete, accurate and not misleading in any material respect.
- 4.5. It will comply with all applicable laws and regulations in relation to this Agreement and any transaction. In particular, the Client covenants that will not use the Trading Platform for the purposes of insider dealing, market manipulation, front-running or any other form of securities fraud or market abuse.
- 4.6. Without derogating from the generality of clause 4.5 above, the Client will not perform a Transaction with the Company in connection with:
  - a placing, issue, distribution or other analogous event;
  - an offer, take-over, merger or other analogous event; or
  - any other corporate finance style activity, in which the Client is involved or otherwise interested; and
  - any order that contravenes any primary or secondary legislation or other law against insider dealing or market manipulation.
- 4.7. In the event that (a) the Client has placed an order in breach of the representations and warranties given above; or (b) the Company has reasonable grounds for suspecting that the Client have done so, the Company may, at its absolute discretion and without being under any obligation to inform the Client of the reason for doing so, treat any outstanding proposed transactions as having been cancelled and sell any Securities held on Client's behalf at the time, or perform any actions deemed necessary under the circumstances.

**The Client Agrees and acknowledges that:**

- 4.8. The Company will, in general, not to provide any advice to the client. If the Company effects a transaction, with or for the Client, this shall not be taken to mean that the Company recommends or concurs on the merits or demerits of the transaction or that the transaction is suitable for the client.
- 4.9. Scope Markets is engaging an independent third-party payment services provider for payment collection. The Client acknowledges and confirms that the third party is acting on his/her instructions to transfer the funds on the Client's behalf to payment service provider with no liabilities, obligations, or warranties. The Client agrees and confirms that he/she has no right to claim any transferred funds from the third party or payment service provider in any ways, or under any title or under any circumstances

## Conditions and Warranties

4.10. The client is clear on the fact that any third party or payment service provider will just facilitate his/her business with his/her supplier and that the client was not offered any form of financial services from them. The client is clear that we should not use the third party/payment service provider or its affiliates as the financial services vehicle but a conventional and trusted service provider to facilitate payment only. The client confirms that he/she has no further and future claims against the third party or payment service provider after settlement has been made.

## Our Services

- 5.1. Pursuant to the terms set out under this Agreement, the Company will open and operate accounts for the Client with the purpose of fulfilment of operations by the Client in dealing in Securities.
- 5.2. We shall provide execution- only dealing services in Securities and related Custody services.
- 5.3. We shall provide such services using reasonable care and skill, but you acknowledge that we shall not provide any advice on the merits or suitability of you entering into this Agreement or any Order.
- 5.4. Dealing in Securities entails high level or investment risks and any transactions made are made at your own risk and expense.
- 5.5. We are not responsible for any advice on tax liability or transaction reporting or other obligations which you may have to any issuer, exchange, regulatory, governmental or taxation authority except as may be mutually agreed upon by the parties, in relation to the services provided herein.
- 5.6. We are not responsible for monitoring or review any of your accounts, its assets or its trading history or strategy in relation to, or for ensuring compliance with, your investment guidelines, investment restrictions or overall objectives, or for compliance with any Applicable Law or restriction to which you may at any time be subject.
- 5.7. For purposes of this Agreement, all our Clients shall be categorised as 'Retail Clients'.
- 5.8. We shall require you to provide us with such information as set out under the Capital Markets Act and its enabling Regulations and the applicable Anti-Money Laundering and Countering of Terrorism Financing Rules and Regulations. You warrant that any information provided to us by you is complete, accurate and not misleading in any material respect.
- 5.9. We reserve the right to reject applications from Sanctioned and Blacklisted Jurisdictions in accordance with our ongoing legal and regulatory requirements.
- 5.10. You warrant on a continuous basis that by entering into this Agreement and any Transaction under it, you will not violate any Applicable Laws.
- 5.11. You consent to be provided with a 'Product Sensitization Framework' for the Securities dealing product offering pursuant to the Capital Markets Rules. The framework is available on our website [www.scopemarkets.co.ke](http://www.scopemarkets.co.ke)
- 5.12. We may take any action which we, in our reasonable discretion, consider desirable to ensure compliance with Applicable Laws and regulations. We shall not be liable for losses, damages or delays arising from our compliance with statutory or regulatory requirements.

**Rights and Obligations of Parties**

- 6.1. We are required under the CMA Laws and Regulations to verify the identity of our customers. We have adopted a risk-based approach to our customer due diligence process, which will require obtaining proof of identification and proof of address documentation from you.
- 6.2. We may use additional online electronic verification tools that might request among other things, further details, documents, photos or video evidence of yourself. You agree that we reserve the right to request for such additional information from you during this process and if you cannot satisfactorily prove your identity, you may not be able to open an account with us or may have to close an existing account.
- 6.3. Prior to accepting your instructions to deal with Securities listed in the United States of America, we shall require you to sign a W-BEN Form.
- 6.4. Our services are not available to US Persons as defined by the Internal Revenue Services (IRS). You hereby declare that you are not a US Person, and you further agree and accept that you are under obligation to notify us of any changes to your residential status for purposes of IRS Reporting. Should you become a US Person after approval of your account, you must notify us immediately. This may result in closure of your account and any investments currently held by you will be transferred or liquidated and the funds will be sent back to the Payee account registered with us.
- 6.5. We shall not accept instructions to Deal when, the relevant market is closed for trading or you do not have enough money in your account to execute your Transaction.
- 6.6. We shall provide a statement and a confirmation of your transactions, as well as an account balance and a record of all Transactions for your account through our Trading Platform. In the absence of manifest error(s), the Statement and Confirmation shall be conclusive and binding on you. You shall promptly notify us of any discrepancy(ies) identified on the statement provided therein.
- 6.7. You accept full responsibility for monitoring your account. You agree to notify us immediately if you become aware of:
- i. The loss, theft or unauthorised use of your username and password or account number
  - ii. The failure by you to receive a message or partial message from us indicating that an Order was received, rejected and/or executed; or
  - iii. An inaccurate information in your account(s) balances, statements, contract notes, records, or asset or money held or transaction history.
- 6.8. If you do not comply with the responsibilities set out under this Clause, we reserve the right to take either of the following actions against you:
- i. Decline to open an account for you or accept your client deposits;
  - ii. Decline to deal with you;
  - iii. Decline to make payments or transfers such assets/investments from your account
  - iv. Close your account; or
  - v. Take any other reasonable steps to ensure compliance with the Regulatory requirements.

## Instructions

- 7.1. Unless otherwise agreed by us, all dealing instructions must be given to us electronically through our Trading Platform. We reserve the right to accept or reject any orders given via telephone or online chat programs.
- 7.2. A dealing instruction given by you shall not take effect until received by us. In the absence of fraud, gross negligence or wilful misconduct on our part, we shall be entitled to act on your behalf upon instruction given or purporting to be given by you or any other person on your behalf without further inquiry as to the genuineness, authority or identity of any such person giving or purporting to give such instructions. It is provided that, once given, you may not, except at the absolute discretion of the Company, rescind or amend any dealing instruction
- 7.3. We may, in our sole and absolute discretion, refuse to accept any dealing instructions from you but will endeavour to notify you of any such refusal, without giving any reasons, promptly following receipt of your instructions.
- 7.4. In addition, a dealing instruction that for any reason is not received by us in a way it can be processed shall be deemed rejected by us. We may cancel any instructions previously given by you if we have not acted on your instructions.
- 7.5. We shall not be liable for any loss or damage (including direct, indirect or consequential loss or loss of profits) suffered by you or any third party in connection any action or inaction under this Section except to the extent that such loss or damage results directly from our or their fraud, gross negligence or wilful misconduct.
- 7.6. Execution of a dealing instruction by us shall constitute a binding agreement by you and us on the terms of such instruction.

## Segregation of Client Funds

- 8.1. The Client agrees that its monies and the monies of other Clients of the company will be combined and deposited by the company in a Client Segregated Bank Account.
- 8.2. The Client acknowledges that all monies credited to the Client Segregated Bank Account maintained by the company may be used by the company to meet the default on any account of the Client with the company.

## Client Assets

- 9.1. You instruct us to hold any investments bought on your behalf until we receive further instructions from you to sell that investment or transfer it into your own name or to another nominee. We will hold such investments on your behalf in line with the CMA Requirements.
- 9.2. We may, subject to regulatory approval and requirements, appoint any Third Party, such as an authorised custodian, to hold such investments on your behalf. These may include but is not limited to documents of title or certificates evidencing title to such investments. We will exercise reasonable skill and care in selection, appointment, and periodic review of such Third Party, but we are not liable for their acts, omissions, insolvency or dissolution.
- 9.3. You hereby appoint us to hold your investments in safe custody to transfer securities from your account to meet sales effected from your account, to accept offers, or undertake other matters in relation to your investment covered by this Agreement.



**Client Assets**

9.4. We shall maintain records of all the investment and assets held by us on your behalf and for your benefit. This shall not be construed to be ownership of such assets by us or our appointed custodian.

9.5. Investments held by us on your behalf or transferred to us will be registered in a nominee or under our name where such assets are held with a Third Party custodian. Such investments will be held in trust for you.

9.6. Your investments will be registered in the same name as those of other clients (pooled together with other clients' investments in an omnibus co-mingled custody account) The Investments may therefore not necessarily be immediately identifiable by way of separate certificates. Where we are declared insolvent, there may be delays in identifying individual assets, and possibly an increased risk of loss, if there should be a shortfall where additional time is needed to identify the assets held for specific clients.

9.7. You acknowledge that because of the nature of Applicable Laws or market practices in certain overseas jurisdictions, we may decide that it is in your best interest for your investments to be held and registered in our name or in the name of the Third Party.

9.8. Notwithstanding the foregoing, you agree that any and all Custody Assets held by or deposited with the Company, or any Third Party are your sole risk. Unless expressly provided in this Agreement, the Company's duty in respect of the custody of Custody Assets shall be limited to acting as bare trustee and to exercise good faith in respect of any action or inaction in relation to such custody. The Company is under no duty to examine or verify the validity of the ownership of or title to any Custody Assets and shall not be liable in respect of any defect in ownership or title.

9.9. To the extent permitted by Applicable Laws, you acknowledge and agree that the Company or the Third-Party custodian may grant a security interest or lien over Custody Assets in favor of a Third Party, sub-custodian or depositary in respect of:

- properly incurred charges and liabilities arising from the provision of custody services by the Company or such Third Party, sub-custodian or depositary to one or more of the Company's client's; or
- alien arising from the operating terms of a securities depositary, securities settlement system or central counterparty in whose account Securities are recorded or held.

9.10. Such Security interest or lien shall become immediately enforceable in case of an event of default or insolvency concerning the Company or any Third Party, sub-custodian or depositary. In such case, the Third Party, sub-custodian or depositary may at its sole and absolute discretion, take possession of all or part of the Custody Assets subject to Security Interest, and may in its sole and absolute discretion appropriate, sell, collect, convert into money and/or exercise any rights pertaining to all or part of such Custody Assets in such manner and on such terms as it thinks fit

9.11. Where security interests, liens or rights of set-off are granted by the Company over Custody Assets, or where the Company has been informed that they are granted, these shall be recorded in the Company's own books and records to make the ownership status of the Custody Assets clear, such as in the event of an insolvency or other event of default.

**Client Assets**

9.12. Notwithstanding the above you shall remain the beneficial owner of the Securities and money that the Company holds on your behalf and agree that you will not try to sell, mortgage, lend, or otherwise deal in or part with beneficial ownership of the Instruments and money held in your account with the Company. You will not be entitled to any interest in respect to the Custody Assets.

**Orders and Execution**

10.1. For each of Transaction, you shall receive a quote from the Trading Platform. We will treat each order you place for Securities dealing services as an offer to purchase services subject to this Agreement.

10.2. We may in our reasonable discretion, refuse to accept any order or instruction from you or we may accept your order subject to certain conditions or we may, acting reasonably, refuse to proceed with an order that we have accepted for a variety of reasons, including, but not limited to, the size of an order, market conditions, your breach of this Agreement, violation of any Applicable Law or regulations related to your orders, insufficient or inadequate funds in your Account (including all commission, charges, taxes and any amount in addition to the current price of the Security that we reasonably consider may be necessary. Should we decide to do this, we will notify you in writing unless we are prevented from doing so by law.

10.3. If we accept an order and then an event takes place which means that it is no longer reasonable for us to act on that order, we will be entitled to disregard or cancel your order and we shall not have any liability to you as a result of such action. Examples include but are not limited to:

- if we cease to offer the Security you have requested;
- an event takes place whose shares represent all or part of the subject matter of the order, for example, a Corporate Action;
- a change in the Applicable that prohibit us to proceed with such order.

10.4. By placing an order for the purchase of Securities, you agree that will have sufficient funds in your account on the date when you are required to make the payment to settle the Transaction, otherwise your order will not be executed.

10.5. We may be required to cancel an Order if requested or recommended by an exchange and you agree to use all reasonable endeavours to assist us in this regard.

10.6. There is no guarantee that your order will be filled in full or in part. Where a delay occurs for any reason, we will attempt to execute the order as soon as reasonably practicable. You acknowledge and accept that the market price of the Securities may have moved during the time between our receipt and acceptance of your order and our attempt to execute order. In these circumstances, the third-party who has provided the quotation to us is not obliged to honor the indicative price you have received and, if that is the case, we may reject your order. Such movements in price may be in your favor or against you.

10.7. You may instruct us to automatically buy or sell Securities in the markets at a price predetermined by you ('a Limit Order') In the case of a Limit Order to sell, your order will be executed if the price obtainable in the market is equal to or higher than the price you have set, In the case of a Limit Order to buy, your order will be executed if the price obtainable in the Market is equal to or lower than the price you have set. You are solely responsible for

**Orders and Execution**

cancellation of any Limit Order instructions set on Securities that you wish to withdraw. It is provided that you will have sufficient funds in your account on the date and time such Limit Order will be triggered, otherwise such Limit Order will not be executed. Market conditions may affect the limit orders set out on your account. We cannot guarantee that a Limit Order or Stop Order will be executed even if the limit or stop price is reached. We do not accept any liability for any actual or potential loss you may suffer if there is a delay in execution and where the failure of such execution is due to prevailing market conditions.

10.8. Where a limit order or stop order is placed in respect of a Security which has been suspended from trading or who had a corporate action before execution or if your account is suspended, we may, but are not under any obligation to, cancel such limit or stop Order.

10.9. Where you place a Stop Order higher than the normal market size and the price at which it is to be executed is significantly different from one price, we will still proceed to execute the order.

10.10. We will publish your limit order if it relates to Securities admitted to trading on a Regulated Market and that order cannot be immediately executed under the prevailing market conditions unless you expressly instruct otherwise.

10.11. Once accepted by us, your Order cannot be amended or cancelled by you, unless, before the execution of a particular Order, we have confirmed to you that we have had to make an amendment or cancel your Order due to market circumstances.

10.12. You acknowledge and accept that there may be a delay in execution of an order because all orders are executed strictly by reference to time of receipt. Any orders received when the relevant exchange is closed or not on a Business day will not be executed until after the next-reopens.

10.13. You acknowledge and accept that the market price of any Order placed by you in response to, and within the timescales given for acceptance of, a fixed quotation may, in certain market conditions, have moved during the time between our sending/giving the fixed quotation to you and the execution of your order.

10.14. We may aggregate orders received from our Clients. Aggregation means that we may combine your order with those of other Clients of ours for execution as a single order. We may combine your order to deal with those of other Clients if we reasonably believe that this is in the overall best interests of our Clients as a whole. However, on occasions, aggregation may result in you obtaining a less favorable price once your order has been executed. You acknowledge and agree that we shall not have any liability to you as a result of any such less favorable price being obtained.

10.15. We may deal through exchanges and a number of Service Providers and Market Makers. We may place your order outside of an Exchange if this satisfies our Order Execution Policy. By accepting this Agreement, you agree to us entering into Transactions on your behalf outside a regulated market or a Multilateral Trading Facility (multilateral trading system operated by an investment firm or market operator which brings together multiple third-party buyers and sellers in financial instruments and which is subject to non-discretionary rules);

**Settlement**

11.1. Settlement of a Sale Transaction by the Company shall be by way of electronic delivery to the Client the relevant Securities through book entries in the records of the Company. The Company shall upon settlement of a Sale Transaction deliver the relevant Securities to the relevant Third Party. Any monies received by the Company pursuant to a Sale Transaction shall be credited to the Account Balance. The Company shall upon settlement of a Sale Transaction by the Client deliver the relevant Securities to the relevant Third Party.

11.2. Settlement of a Buy Transaction shall be by way of credit to the Custody Account of the relevant Securities on the Settlement Date which shall be effectuated through book entries in Company's records. Settlement of a Buy Transaction shall require prior payment by the Client of the value of the transaction plus fees/charges and commissions as applicable in the currency denominated in the instructions of the Company.

11.3. Any Securities received by the Company for the account of the Client pursuant to a Buy Transaction shall be credited to the Custody Account.

11.4. Transactions shall be settled on a maximum of T+5 basis meaning that the transaction settles five business days after it is made). The settlement date cannot be changed once you offer to enter into a Transaction. The Company shall not be held responsible for any delay in the settlement of a transaction resulting from circumstances beyond its control, or the failure of any other person or Third Party or party to perform all necessary steps to enable completion on the Settlement Date. If settlement does not occur on the expected Settlement Date the monies will be treated as client money and the Company shall make its best efforts to notify the Client regarding the reasons of such delay, and if known, the expected Settlement Date.

11.5. Settlement shall only be effected on a Delivery verses Payment basis unless otherwise agreed by the parties herein.

11.6. Securities held on your behalf by the Custodian shall be used to settle your sale Transactions.

**Communications**

12.1. Messages, reports, notifications and other information from the Company can be communicated to the client by any of the following:

- putting it on company's website [www.scopemarkets.co.ke](http://www.scopemarkets.co.ke) ;
- reports on trading platforms;
- via electronic message using the email address entered during account opening;
- post service;

12.2. Any outgoing correspondence of the company is sent to the client after the process of transferring to the delivering services or when the information is received by transferring agent (Internet-provider for instance) for sending it to the clients no matter if it is received by client or not. Ingoing correspondence are delivered when it is received by the addressee in the company

12.3. The client must inform the company on any changes connected with the post address or other registered information immediately by emailing us at: [support@scopemarkets.co.ke](mailto:support@scopemarkets.co.ke).

### Fees and Charges

- 13.1. Where applicable, you shall be required to pay certain fees, charges and/or commissions regarding the Services provided herein.
- 13.2. Charges in respect of the Services provided pursuant to this Agreement will be levied in accordance with Company's and/or Third Party rates in effect at the time the charges are incurred or as otherwise notified to the Client verbally or in writing prior to dealing, and all such charges together with fees, brokerage commissions and other charges will be due and payable on demand and, for the avoidance of doubt, the Company shall be entitled to debit such fees and expenses from the Account Balance. If after debiting such fees and expenses, the balance of the Account turns to be a negative and the Client fails to cover such negative amount for 14 (fourteen) days from the date the account balance became negative, then the Company shall have the right to liquidate part or all of the Securities held on behalf of the Client, in order to cover such negative balance.
- 13.3. You acknowledge that such fees, charges and commissions will be subject to applicable tax, governmental or administrative levy(ies) and fees or other liabilities, charges, costs and expenses payable in connection with the transactions effected on your behalf. Commissions, charges and, when appropriate, taxes will be added or deducted as applicable to the Account Balance.
- 13.4. We will not be liable for any additional fees you may be charged by any bank, credit card provider or other third party financial services provider, which you use to use for the transfer funds to and from us.
- 13.5. We reserve the right to charge for all costs, such as expenses of acquiring client's deposits and the cost of sending client's money back, to banks, money transfer fees and other intermediaries.

### Internet and Electronic Trading Platform

- 14.1. All dealings with you shall be via our Trading Platform.
- 14.2. Since the company does not control signal power, its reception or routing via Internet or any other means of electronic communication, configuration of client's equipment or reliability of its connection, the company shall not be liable for any claims, losses, damages, costs or expenses, including attorneys' fees, caused directly or indirectly, by any breakdown or failure of any transmission or communication system or computer facility, whether belonging to the company, client, any market, or any settlement or clearing system when the client trades on line via Internet
- 14.3 The client is obligated to keep passwords secret and ensure that third parties do not obtain access to the trading facilities. The client will be liable to the company for trades executed by means of the client's password even if such use may be wrong.

### Liability and Indemnity

- 15.1. The Online facility is provided "as is" and neither we nor any of our service providers make any representations or warranties of any kind whatsoever regarding;
- i. the availability, accuracy or completeness of the Online facility,
  - ii. the results to be obtained by you or anyone else from the use of the Online Facility, and
  - iii. Any third-party content accessible on or through the Online Facility.

**Liability and Indemnity**

15.2. Neither we, our affiliates, nor any of our or their directors, officers, employees and agents shall be liable for any loss or damage (including direct, indirect or consequential loss or loss of profits) suffered by you or any third party in connection with the provision of any services to which this Agreement applies expect to the extent that such loss or damage results directly from our or their fraud, gross negligence or willful misconduct.

15.3. The company shall not be held responsible for any loss or damage caused, directly, indirectly, by any events, actions or omissions beyond our control including, without limitation, loss or damage resulting, directly or indirectly, from any delays or inaccuracies in the transmission of orders and/or information due to a breakdown in, delay or failure of any transmission, communication or computing facilities.

15.4. Should quoting, execution or other errors occur, which may include , but are not limited to, a dealer’s mistype of a quote, a quote or trade that is not representative of fair market prices, an erroneous price quote , such as but not limited to a wrong big figure quote or an erroneous quote due to failure of hardware, software or communication lines or systems and/or inaccurate data feeds provided by us or third or third-party vendors, we will not be liable for the resulting errors in account balances or trading losses. The foregoing list is not meant to be exhaustive. In the event of quoting or execution error, we reserve the right to make the necessary corrections or adjustments on the account involved. Any dispute arising from such quoting, execution or other errors will be resolved by us in our sole and absolute discretion.

15.5. Internet Connectivity delays and price feed errors sometimes create a situation where the prices displayed on the trading platform do not accurately reflect the market rates. We do not permit the practice of latency arbitrage or taking advantage of these internet delays. Transactions that rely on price latency arbitrage opportunities may be revoked. We reserve the right to make the necessary corrections or adjustments on the account involved in our sole and absolute discretion.

15.6. We shall have no obligation to contact you to advise upon appropriate action considering changes in market conditions or otherwise. Following execution of any transaction, you are solely responsible for making and maintaining contact with us for the purpose of monitoring the position of ensuring that any further instructions are given on a timely basis. We shall not be responsible for any loss caused directly, indirectly, actually or alleged because of any inability or failure by you to do so.

15.7. You acknowledge that:

i. any market information or third-party recommendations communicated to you by or through us or any affiliate, is not based on any assessment of your financial position or investment objectives and does not constitute advice

ii. such information or recommendations, although based upon information obtained from sources believed by us to be reliable, may be based solely or partly on a third party’s opinion and that such information may be incomplete and may be unverified, and

iii. We make no representation, warranty or guarantee as to, and shall not be responsible for, the accuracy or completeness of any information or recommendation furnished to you. You acknowledge that we make no representations concerning the tax implications or treatment of transactions entered by you.

15.8. You agree to indemnify and hold us, our affiliates, our Service Providers, and any of our or their directors,

## Liability and Indemnity

officers, employees and agents harmless from and against any and all liabilities, losses, damages, costs and expenses, including legal fees and costs, incurred by us in connection with the provision of our services to you provided that any such liabilities, losses, damages, costs and expenses have not arisen for our fraud, gross negligence or willful misconduct.

15.9. Scope Markets and its affiliates are not liable for incidental, special, consequential, indirect or punitive damages for any reason (including loss of data or other business or property damage), even if customer has advised of such a claim. The aggregate liability of the company and its affiliates shall not exceed the fees that customer has paid under this Agreement during the thirty (30) days immediately preceding the date on which customer first asserts the applicable claim. Customer agrees that the pricing for the service would be substantially higher but for these limitations.

## Joint Accounts

16.1. In case of a joint account,

- all pages of this form and any supplement form must be signed by both the account holders;
- all representations made with this agreement and supplements shall be deemed to have been made by both account holders;
- we may transmit notices and other communications to any one of you and may rely on notices and communications given by any one of you;
- All obligations of the account holders under this agreement shall be joint and several.

## Voting Rights, and Dividends

17.1. We are under no obligation but may arrange for you to exercise your voting, or any other conversion or subscription rights attaching to your investments in Securities.

17.2. The Company is not obliged to notify the Client of or arrange attendance at any annual general meetings or extraordinary general meetings applicable to the Securities held, and/or arrange the exercise of any voting rights attaching to such Securities, whether exercisable at an annual general meeting or otherwise.

17.3. Once the Company receives from any Third Party any periodic payments accruing to Client's Custody Assets, such as dividends:

- in the case of any cash payment received, the Company shall credit a sum equivalent thereto (net of any applicable withholding or deduction for or on account of Tax as per Applicable Law) to the Account Balance (in the case of cash payment in respect of Custody Assets); and
- in the case of any distribution received by way of additional securities in respect of such Custody Assets, credit the Custody Account with such additional securities.

18. Notwithstanding the above, we will not be responsible for claiming and receiving dividends, interest payments and other income payments accruing to your investments in Securities we hold on your behalf. Dividend Reinvestment

**Voting Rights, and Dividends**

- 18.1. You may reinvest the dividends earned under clause 18.1 above. This may be done automatically should you instruct us to do so. Dividends will only be reinvested in stocks where they originated from.
- 18.2. Dividend reinvestments will take place as soon as is practicable following payment of the dividend(s) into your account. We reserve the right to delay or postpone investments where there is insufficient liquidity in the market and in certain circumstances, for example, during extreme market conditions.

**Suspension, Insolvency and Delisting**

- 19.1 If at any time trading on the underlying market is suspended in any Security that forms the subject of Client's Transaction, then the applicable Transaction will also be suspended and neither the Client nor the Company will be able to sell such Security until such suspension is terminated and trading recommences. Following lifting of suspension, any order that the Client may have given with respect to the Security that have been triggered will be executed as soon as is reasonable in the circumstances having regard to liquidity in the underlying market. The Company cannot guarantee that such order will be executed at the first available underlying market price. It is provided that the Company shall notify the Client regarding any suspension, as soon as reasonably practicable from the time such suspension became known to the Company.
- 19.2 Where the Instrument is in respect of a company, that company is delisted from the Underlying Market, goes into insolvency or is dissolved, at which point the Client's order will be cancelled and any Security held will be dealt with in accordance with the terms of the delisting, insolvency or dissolution, as applicable. In case the Company will be notified that a Security the Client holds is likely to be delisted, the Company will promptly inform the Client, and then promptly sell the security on Client's behalf at such time and price, and in such manner, as it determines after taking into consideration the best interest of the Client.

**Corporate Actions**

- 20.1. The Company will make an effort to adjust Client's account in respect of a Corporate Action depending on the circumstances of each event and according to Company's sole discretion attributable to any specific Security held. Such adjustment shall be calculated net of any taxes which may apply with respect thereto. In doing so the Company will make best efforts to effect such adjustment on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice and/or taking into account the treatment received from Third Parties, Nothing contained herein shall be construed as an obligation of the Company to provide any right resulting out of a Corporate Action
- 20.2. It is the Client's obligation and responsibility to ensure that it is fully aware of the Corporate Actions or other events related to any Security on which its Transactions are based. The Client acknowledges and agrees that not all Corporate Action can be known in advance. It is also Client's responsibility to ensure it has sufficient monies on the account to satisfy any purchase of Securities pursuant to a Corporate Action.
- 20.3. If the Security becomes subject to an adjustment as the result of a takeover or transformation action, the Company may determine the appropriate adjustment to be made to the Security price or contract quantity as considers appropriate to account for said event, all according to the sole discretion of the Company. Such adjustment shall represent the economic equivalent of the rights and obligations the Company and you next to the time of the action.



**Corporate Actions**

20.1. The Company will make an effort to adjust Client's account in respect of a Corporate Action depending on the circumstances of each event and according to Company's sole discretion attributable to any specific Security held. Such adjustment shall be calculated net of any taxes which may apply with respect thereto. In doing so the Company will make best efforts to effect such adjustment on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice and/or taking into account the treatment received from Third Parties, Nothing contained herein shall be construed as an obligation of the Company to provide any right resulting out of a Corporate Action

20.2. It is the Client's obligation and responsibility to ensure that it is fully aware of the Corporate Actions or other events related to any Security on which its Transactions are based. The Client acknowledges and agrees that not all Corporate Action can be known in advance. It is also Client's responsibility to ensure it has sufficient monies on the account to satisfy any purchase of Securities pursuant to a Corporate Action.

20.3. If the Security becomes subject to an adjustment as the result of a takeover or transformation action, the Company may determine the appropriate adjustment to be made to the Security price or contract quantity as considers appropriate to account for said event, all according to the sole discretion of the Company. Such adjustment shall represent the economic equivalent of the rights and obligations the Company and you next to the time of the action.

20.4. The Company reserves the right to liquidate any Security at the market price as soon as practical following such Corporate Action taking place in order to make any required adjustment (price, quantity or any other adjustment) resulting out of the Corporate Action.

20.5. Where Securities or cash are due to you as a result of a Corporate Action as we decided according to our sole discretion, these will be credited to your account as soon as possible after we receive them, net of any commission, payment and applicable tax.

20.6. Where a Corporate Action results in a fractional entitlement to part of a Security, then the Company may aggregate those fractional entitlements and sell such fractional Securities and credit Client's account with a cash value which may be subject to a minimum charge. Where Corporate Actions affect some but not all Securities held in a pooled account, the Company shall allocate the Securities which are affected to relevant clients in such a fair and equitable manner as we reasonably consider is appropriate.

20.7. We will reflect a Corporate Action on your account as soon as practicable after we have received confirmation that the Corporate Action has been completed from our custodians. If we are notified of a class action or group litigation that is being proposed or taken concerning Securities that we are holding on your behalf, we are not required to tell you about this or otherwise act on that notification.

**Default**

21.1. Without prior notice to, or receiving further authority from the client, the company shall have the right to liquidate out all or any part of any Security, and realize any other assets of the client held by the company, upon or at any time after the happening of any of the following events:

- i. The client fails to make any payment due under this Agreement on the due date;
- ii. The client fails to observe or perform in whole or in part any of the provisions of this Agreement or commits a material breach of the representations, warrants or acknowledgment in this clause;
- iii. The client dies, is declared absent or becomes of unsound mind;
- iv. A bankruptcy petition is presented in respect to the client or, if a partnership, in respect of one or more of its partners or, if a company, any steps are taken or proceedings initiated or protection sought under, any applicable bankruptcy reorganization or insolvency law by it in respect of itself or against it including, without limitation, the taking of any steps for the appointment of a receiver, trustee, administrator or similar officer to be appointed over its undertaking or assets or any part of them;
- v. The company or the client is requested to close out a contract or any part of a contract by any regulatory agency or authority.
- vi. The company reasonably considers it necessary for its own protection. Without prejudice to any other rights the company may have, it shall be entitled to combine or consolidate all or any of the accounts maintained by the client with the company to set off any amount at any time owing from the client against any amount owing by the company to the client. Any security, guarantee or indemnity given to the company by the client for any purpose shall extend to any amount owing from the client after exercise of such right of set-off.

**Security Loans**

22.1. The Client authorizes the Company to lend, as its agent, to a Third Party or others any Securities held in the Custody Account (if any) and neither the Company nor the Third Party shall have any obligation to retain under their possession and control a similar amount of such Securities. In connection with such loans, the Company or a Third Party may receive and retain certain benefits (including stock lending fees and interest on posted collateral) to which the Client shall not be entitled. Such loans may limit, in whole or in part, Client's ability to exercise any voting rights relating to the securities lent. Any securities lent may be lent, in turn, by the borrower

**Data Protection**

23.1. All data submitted to us during our engagement and in line with this Agreement shall be treated as Personal Data as defined under the Data Protection Act (2019)

23.2. By accepting the terms of this Agreement, you consent to the processing of your personal data in this regard.

**Governing Law**

This Agreement shall be construed in accordance with the Laws of Kenya. Both Parties hereby submit to the exclusive jurisdiction of the Courts of Kenya.

**ANNEXURE FEES AND COMMISSION STRUCTURE**

Pursuant to Clause 13 of the Agreement, the Parties herein mutually agree and consent to the fees and commission structure as follows:

FEES AND TAXES	UK SHARES AND ETFs	EU SHARES AND ETFs	US SHARES AND ETFs
Broker Fee Buy in and sell Out		A charge of 15 basis points on the share value, per side, i.e For both entry and exit	A fixed amount of US 3.4cent, per share per side i.e for both entry and exit
Custodial Fee		A charge of 15 basis points per annum	A charge of 15 basis points per annum
VAT		A charge of 10% on broker fee for both entry and exit i.e 16% of 0.15% per share (Broker Fee) for both entry and exit	A charge of 10% of the custodial fee i.e 10% of 0.01% for both entry and exit
Stamp Duty	Stamp Duty is applied on all buy transactins at a rate of 0.5% of the transaction value	N/A	N/A
Panel for Takeovers andMergers (PTM) Lery	A PTM Levy of GBP 1 is applied to buy and sell transactions wher the Gross Value of the trade exceeds GBP 10000		
Financial Transaction Tax (FTT)	N/A	For French large cap stocks, a Financial Transaction Tax (FTT) of 0.30% applies to all buy trades.  From 1 March 2013 the Italian Financial Transaction Tax (FTT) of 0.10% will go live on all purchases of Italian shares and Equity linked securities (i.e., depository receipts) in listed companies that have a registered office in Italy	N/A