

CDSC Securities Account Opening/Amendment General Terms and Conditions

Subject to any other agreement made in writing between the Bank and the client, the relationship between the Bank and the Client shall be governed by the following terms and conditions.

Either the Client or CDA may be referred to as the “Party” and shall together be referred to as the “Parties”.

1. Definitions In this Agreement, the following words shall have the following meanings unless the context otherwise requires:

“**Business Day**” means any day of the week (other than Saturday, Sunday and any day designated as a public holiday in terms of the Public Holidays Act, Chapter 110 of the Laws of Kenya) on which the CDA is generally open for business.

“**Business Hours**” means the hours from 9:00 a.m. to 4:00 p.m. on any Business Day.

“**Central Depository**” means the Central Depository and Settlement Corporation Limited (CDSC Ltd or CDSC) and/or such other company approved by the Capital Markets Authority as a central depository in terms of the Central Depositories Act, Chapter 4 of 2000 of the Laws of Kenya

“**CDA**” Means I&M BANK LIMITED, a banking institution incorporated with limited liability in the Republic of Kenya for the purposes hereof of Post Office Box Number 30238, 00100GPO Nairobi (hereinafter referred to as the “CDA” which expression shall where the context admits include the CDA’s successors in title and assigns.

“**Dealer**” means a person who carries on the business of buying, selling, dealing, trading, underwriting or retailing of Securities as principal;

“**Dealing in Securities**” means making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into -

- (a) any agreement for or with a view to acquiring, disposing of, subscribing for or underwriting Securities; or
- (b) any agreement the purpose or intended purpose of which is to secure a profit to any of the parties from the yield of Securities or by reference to fluctuations in the price of Securities;

“**Instructions**” means instructions from the Client to a Dealer with respect to Dealings in Securities and/or Trades to be submitted by the Client to the CDA for onward transmission to the Dealer strictly in accordance with the terms of this Agreement. All Instructions must be submitted by the Client to the CDA either by way of duly completed Trade Order Forms or as the CDA may otherwise determine in its sole and absolute discretion in terms of Clause 4 hereof. All Instructions must contain the following information in respect of the Securities that are the subject matter of the Instructions in addition to any other information that may be required by the Dealer and/or the CDA:-

- (a) the name(s) of the Securities;
- (b) the quantity of the Securities;
- (c) the price(s) or price limit(s) of the Securities;
- (d) the period of validity of the Instructions.

“**Purchase Order Forms**” means the forms to be duly completed by the Client and submitted to the CDA in issuance of Instructions for the purchase of Securities.

“**Sale Order Forms**” means the forms to be duly completed by the Client and submitted to the CDA in issuance of Instructions for the sale of Securities.

“**Services**” means the following services offered by the CDA to the Client under this Agreement: -

(a) opening and maintaining a Securities Account(s) on behalf of the Client

(b) the acceptance of Instructions from the Client in terms of this Agreement and the transmission of such Instructions in terms of this Agreement to a Dealer(s) for and on behalf of the Client.

“**Securities**” means:-

- a. shares, debentures or bonds issued or proposed to be issued by a Government
- b. debentures, shares, bonds, commercial paper or notes issued or proposed to be issued by a body corporate
- c. any right, warrant, option or futures in respect of any debenture, shares, bonds notes or in respect of commodities
- d. any right, interest or shares offered under a collective investment scheme
- e. any instruments commonly known as securities but does not include
 - bills of exchange
 - promissory notes: or
 - certificates of deposits issued by a bank or financial institution licensed under the Banking Act Cap488

“**Securities Account**” means an Account established by the CDA for the Client with the Central Depository for the recording of any Dealings in Securities and/or Trades;

“**Settlement**” Payment by the Client or the Dealer of all sums due from the Client or a Dealer in respect of a Trade and/or other Instruction.

“**Settlement**” Payment by the Client or the Dealer of all sums due from the Client or a Dealer in respect of a Trade and/or other Instruction.

“**Settlement Date**” the day in which a Trade falls due for Settlement by either the Client or the Dealer. The Settlement Date is ordinarily the third working day from the Trade Date and is thus usually referred to as “T+3”.

“**Trade**” means the purchase and/or or sale of Securities by a Dealer(s) on behalf of the Client and “Trades” shall be construed accordingly.

“**Trade Date**” means the day in which the Securities are purchased or sold by the Dealer on behalf of the Client, and which date is usually referred to as “T”.

“**Trade Order Forms**” means either Sale Order Forms or Purchase Order Forms.

2 The CDA has agreed to provide the Services subject to the terms and conditions of this Agreement.

3 Time

3.1 The CDA shall use all reasonable endeavors to complete the Services within a reasonable period or within such periods as may be mutually agreed in advance and in writing by the Parties.

3.2 Time shall be of the essence in respect of any and all of the obligations of the Client under this Agreement.

4 Instructions

4.1 Subject to the provisions of this Clause, all Instructions for Trades must be by way of submission of Trade Order Forms. All Instructions for Trades must be duly submitted by the Client to the CDA not later than:-

4.1.1 4:00 p.m. on the Business Day preceding the Trade Date for all Instructions for Trades submitted by post; and 4.1.2 9:30 a.m. on the Trade Date for Instructions for Trades submitted by any means other than post.

4.2 Should the Client for any reason be unable to submit Trade Order Forms the CDA may, at its sole and absolute discretion accept in good faith and without any liability on the part of the CDA Instructions for Trades submitted by the Client to the CDA:-

4.2.1 In writing by way of facsimile transmission to the CDA's facsimile numbers detailed in this Agreement or as otherwise communicated by the CDA to the Client from time to time; or

4.2.2 In writing by way of electronic mail to the CDA's electronic addresses detailed in this Agreement or as otherwise communicated by the CDA to the Client from time to time; or

4.2.3 Verbally by way of telephone call to the CDA's designated representatives on the CDA's telephone numbers detailed in this Agreement or as otherwise communicated by the CDA to the Client from time to time;

Any acceptance by the CDA of Instructions for Trades submitted as detailed in Clause 4.2 hereof is subject to:-

4.3.1 the condition precedent that the Client has duly executed and submitted to the CDA the requisite Fax Indemnity and/or Electronic Mail Indemnity; and

4.3.2 the condition precedent that the CDA must be advised by the Client by way of telephone or written Instructions submitted by way of facsimile transmission or by electronic mail as aforesaid prior to such submission; and

4.3.3 the condition subsequent that the original written Instructions for any Instructions of Trades submitted as detailed in Clause 4.2 hereof must be received by the CDA on or before the close of Business Hours on the Business Day subsequent to the said submission; and

4.3.4 such other conditions as may be prescribed by the CDA to the Client from time to time.

4.4 Instructions for Trades shall be valid for a period of thirty (30) days from the date the Instructions are issued by the Client.

4.5 Any Instructions other than Instructions for Trades must be in writing and must be submitted to the CDA on or before such dates and times as the CDA may prescribe from time to time at its sole and absolute Discretion.

4.6 In the event that the CDA receives more than one set of Instructions in respect of the same subject matter within the period prescribed for such Instructions, these Instructions last received by the CDA shall be deemed to be the valid Instructions in respect of the said subject matter.

4.7 The Client and/or the Client's duly authorized representative may confirm from the CDA whether or not Instructions have been effected four (4) Business Days after issuance of the Instructions.

4.8 In the event that a Dealer informs the CDA that the Dealer has been unable to effect Instructions for any reason, the CDA shall inform the Client accordingly on or before the close of Business Hours on the Business Day subsequent to the Business Day the CDA is so informed by the Dealer.

5 Cancellation or amendment of Instructions

5.1 Any cancellation or amendment of Instructions to Trade must be in writing and must be received by CDA not later than the times specified in Clause 4.1.

5.2 Any cancellation or amendment of any other Instructions must be received by the CDA by such times as may be prescribed by the CDA from time to time.

6 Settlement

6.1 All sums in Settlement of Instructions to purchase Securities must be

paid by the Client to the CDA, in full and in cleared funds, on or before 10:00 a.m. on the Trade Date.

6.2 Should the Client fail, neglect and/or refuse to pay all sums in Settlement of Instructions to purchase Securities strictly as per the terms detailed in Clause 6.1, the CDA and/or the Dealer shall be at liberty to sell any and all of the Securities purchased pursuant to such Instructions so as to settle any liabilities arising from such Purchase.

6.3 The CDA shall neither accept nor be deemed to have accepted any Instructions to purchase Securities from the Client unless and until the Client has paid all sums in Settlement of such Instructions strictly as per the terms detailed in Clause 6.1.

6.4 CDA shall endeavor to have Settlement of all proceeds from Instructions to sell Securities effected by the Dealer(s) by the Settlement Date or within such period(s) of time as may be prescribed from time to time by the relevant regulatory body(ies) regulating such Settlement.

6.5 All proceeds from Instructions to sell Securities received by the CDA shall only be released by the CDA to the Client and/or the Client's duly authorized representative.

7 General indemnity and exclusion from liability

7.1 The Client by signing this Agreement fully indemnifies and agrees to keep CDA fully indemnified against any and all claims, demands, losses, costs, damages, liabilities or expenses whatsoever which the CDA may at any time incur, sustain or suffer arising from:

7.1.1 the exercise or purported exercise of any powers, authorities or discretions vested in the CDA pursuant to this Agreement

7.1.2 any matter or thing done or omitted to be done in respect of this Agreement,

7.1.3 any breach by the Client of any of its covenants or obligations under this Agreement

7.1.4 any action, claim or proceeding relating to any of the above, except to the extent that the same results from the gross negligence or willful default of the CDA.

7.2 The Client by signing this Agreement further agrees and confirms that the CDA shall not be liable in any way whatsoever for any claims, demands, losses, costs, damages, liabilities or expenses whatsoever which the Client and/or any third party to this Agreement may at any time incur, sustain or suffer arising from or as a result of: -

7.2.1 the inability and/or the delay of a Dealer in effecting any Instructions duly transmitted by the CDA to the Dealer and/or in Settlement of any proceeds from Instructions to sell Securities.

7.2.2 the inability and/or the delay by the Client in submitting/providing/ paying any of the following (as the case may be) to the CDA strictly as per the terms and/or within the periods prescribed by this Agreement and/or by the CDA: -

7.2.2.1 the Instructions;

7.2.2.2 any information and/or documentation.

7.2.2.3 any sums payable by the Client to the CDA and/or any third party.

7.2.3 any other breach by the Client of any of its covenants or obligations to the CDA under this Agreement.

7.2.4 any failure to deliver any documentation and/or other communication duly addressed and/or communicated to the Client as per the Client's address and/or other contacts detailed in Clause 20 hereof.

8. Charges

8.1 The Client shall pay to the CDA any and all charges incurred by the CDA and/or by any third party from time to time for rendering the Services.

8.2 Such charges as detailed in Clause 8.1 shall be as per the prevalent tariff of charges of the CDA, a copy of which shall be made available to the Client upon the Client's request. The CDA reserves the right to vary the said tariff of charges from time to time. Notification of any such variation may be given to the Client either in writing or by publication thereof by such means as the CDA may decide but any variation whether notified or not shall be binding on the Client.

9. Liability generally

Each Party acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded by the provisions of this Agreement to the fullest extent permitted by law.

10 Termination

10.1 Either Party may terminate this Agreement by giving at least 30 days' prior notice in writing to the other Party. Such termination shall be without prejudice to any Instructions already in place and/or to any other rights or obligations which have accrued or been incurred by any Party.

10.2 Upon termination of this Agreement the Client shall be liable to pay all charges for all Services provided up to the date of termination of this Agreement and all sums due for Settlement by the Client after the date of termination which shall arise from commitments entered into by the CDA for the provision of Services prior to the date of termination of this Agreement

11 Force Majeure

Neither Party shall have any liability under or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so. If such circumstances continue for a continuous period of more than three months, either Party may terminate this Agreement by written notice to the other Party.

12 Amendments

Any amendment or waiver of any provision of this Agreement and any waiver of any default under the Agreement shall only be effective if made in writing and signed by the Party against whom such amendment or waiver is sought to be enforced. In the event of any amendment or waiver being effected in accordance with the foregoing, the other provisions of this Agreement shall continue in full force and effect, subject to such amendment or waiver.

13 Assignment

Subject to the provisions of this Clause, neither Party may assign, delegate, sub-contract, mortgage, charge or otherwise transfer any or all of its rights and obligations under this Agreement without the prior written agreement of the other Party. A Party may, however, assign and transfer all its rights and obligations under this Agreement to any person to which it transfers all of its business, provided that the assignee undertakes in writing to the other Party to be bound by the obligations of the assignor under this Agreement.

14 Entire Agreement

This Agreement contains the whole agreement between the Parties and supersedes and replaces any prior written or oral agreements, representations or understandings between the Parties. The parties confirm that they have not entered into this Agreement on the basis of any representation that is not expressly

incorporated into this Agreement. Nothing in this Agreement excludes liability for fraud.

15 Waiver

No failure or delay by the CDA in exercising any right, power or privilege under this Agreement shall impair the same or operate as a waiver of the same nor shall any single or partial exercise of any right, power or privilege preclude any further exercise of the same or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.

16 No partnership etc.

This Agreement shall not constitute or imply any partnership, joint venture, agency, fiduciary relationship or other relationship between the Parties other than the contractual relationship expressly provided for in this Agreement.

17 Further assurances

Each Party shall at the request and expense of the other Party execute and/ or do any deeds and other things reasonably necessary to carry out the provisions of this Agreement or to make it enforceable.

18 Disclosure

No Party shall issue or make any public announcement or disclose any information regarding this Agreement unless with the prior written consent of the other Party or unless otherwise compelled to do so by any applicable law in force.

19 Interpretation

In this Agreement unless the context otherwise requires:

- 19.1 words importing any gender include every gender;
- 19.2 words importing the singular number include the plural number and vice versa;
- 19.3 words importing persons include firms, companies and corporations and vice versa;
- 19.4 references to Clauses are references to the relevant Clauses of this Agreement;
- 19.5 reference in any schedule to this Agreement to numbered paragraphs relate to the numbered paragraphs of that schedule;
- 19.6 any obligation on any Party not to do or omit to do anything is to include an obligation not to allow that thing to be done or omitted to be done;
- 19.7 the headings to the clauses, schedules and paragraphs of this Agreement shall not affect the interpretation;
- 19.8 any reference to an enactment includes reference to that enactment as amended or replaced from time to time and to any subordinate legislation or by-law made under that enactment;
- 19.9 where the word 'including' is used in this Agreement, it shall be understood as meaning 'including without limitation'

20. Confidentiality Notice

We are committed to protecting your privacy when dealing with your personal data. This notice provides an overview of the information we collect about you and how we use and protect it. It also provides information about your rights. You can find more details in I&M Bank's Data Protection Policy and Privacy Notice on the protection of individuals with regard to the processing of personal data and on the free movement of such data available on our website: www.imbankgroup.com/ke

In this confidentiality notice, references to "we" or "us" or "our" are to I&M Bank. As a CDA (Central Depository Agent appointed by CDSC), we assist CDSC in opening and maintaining your account. Maintaining your account involves account rectification, deactivation, closure and suspension of accounts, withdrawals, transfers, pledges, Releases & Foreclosure.

20.2 Scope of This Confidentiality Notice

This confidentiality notice applies to our investors/CDS account holder or anyone who interacts with us about our products and services in any way. I&M Bank may refer to these individuals as ("you," "your") in this notice.

20.3 How We Collect Your Personal Data

For purposes of offering our products and services to you, we collect personal data directly from you through your contact with us or indirectly from third parties such as our regulator, CDSC Ltd or Share Registrars or Stockbrokers or Regulators such as the Capital Markets Authority, the Nairobi Stock Exchange or your parent or guardian where you are minor. If you give us any information about other persons, you must ensure that they have notice of this confidentiality notice and have consented to you disclosing such information. I&M Bank will not be held liable for collecting, use and storage of data that is later deemed to be provided without consent.

20.4 Categories of Personal Data We Collect, Use And Store

I&M Bank processes the following categories of personal information about you:- biodata including your name, gender, photograph, contact data (telephone number, email and postal address) identification information (ID/Passport), financial data (bank account numbers, KRA PIN number, source of funds, dividend disposal preference), Number, location data, nationality, sensitive personal data such as information relating to your gender, next of kin or your child where you open an account on behalf of your child and data relating to operation and maintenance of your account, your opinions on any of our services and information related to your online identifiers where you use our online trading platform or any app or technology to contact us or access our products and services.

20.5 How We Use Your Personal Data

The information you provide us can be used to provide you with information on our products and services and any changes regarding this, to open and maintain your CDSC account with CDSC through us, to facilitate share order placement, clearing & settlement, transfers, pledges and release of pledges, share immobilizations, to prevent, detect and investigate crime, among other related purposes. Maintaining your account involves account rectification, deactivation, closure and suspension of accounts, withdrawals, inter-depository transfers and customer service. Should I&M Bank need to use your personal data for any other purpose aside from those listed above, I&M Bank will inform you beforehand. If you fail to provide I&M Bank with your personal data, I&M Bank may not be able to fulfil our contractual obligations or provide requisite services.

20.6 Lawful Grounds For Processing Your Personal Data

I&M Bank processes your personal data on the following legal bases: - informed consent in the case of children's data or if we want to contact you for direct marketing purposes, as a requirement for performance of a contractual obligation, for compliance with our legal obligations, for our legitimate interests, performance of tasks carried in public interest or in our capacity as a public authority, and for historical, statistical, journalistic, literature and art or scientific research. Where you have provided consent, you may withdraw your consent at any time.

20.7 Your Rights and Duties

You have the right to be informed of the use of your personal data. You also have the right to access to your information and to ask us to correct, erase and restrict the use of your information. Additionally, you have the right to object to your information being used by us and to receive your personal data in a structured, commonly used, and machine-readable format and to transmit the data to another data controller or data processor without any hindrance. Where you have provided consent for use of your child's information, you may withdraw your consent at any time. You also have the right to human intervention in any automated decision-making we undertake using your data. You have a duty to promptly inform us of any changes in your personal information. If you wish to exercise any of the above rights or duties, please contact us on DataProtectionComm@imbank.co.ke.

20.8 Sharing Your Personal Data

I&M Bank shares your personal data internally on a need-to-know basis. I&M Bank may also share your data with CDSC, other regulators, Stockbrokers, share registrars and other intermediaries or entities that help us provide services to you for example our ICT service providers.

We may also share your information when required to by law or court order. I&M Bank will take all reasonable steps to secure your data whenever we share it with third parties. We share your personal data within I&M Bank, with CDSC Ltd, with relevant Stockbrokers and other intermediaries, and with other parties who help us provide services to you. We may also share your information when required to by law or court order. I&M Bank will take all reasonable steps to secure your data whenever we share it with third parties.

20.9 Data Security

I&M Bank shall take appropriate technical, physical, legal, operational, and organizational measures, which are consistent with applicable privacy and data security laws and its data protection policy to ensure confidentiality, integrity, and security of your data through controls around information classification, access control, cryptography, physical and information security, environmental security and monitoring, audit and compliance. We take additional measures to secure sensitive personal data and data relating to children as prescribed by the law.

20.10 Data Retention and Disposal

There are legal and regulatory requirements for us to retain certain data, usually for a specified amount of time. We also retain data to help our business operate and to have information available when we need it. However, we do not retain all data indefinitely. I&M Bank will immediately delete, erase, or destroy your personal data when the purpose for collecting it is met or in contemplation of other legitimate interests. However, we may retain your information, or information relating to your account after you cease to be a customer provided it is necessary for a legal, regulatory, fraud prevention or other legitimate purpose.

20.11 Data Protection Contacts

If you have any questions, comments, complaints or suggestions about this confidentiality policy, or any other concerns about the way in which we process information about you, please contact us at DataProtectionComm@imbank.co.ke or call us via +254719088000. Alternatively, you can write to I&M Bank Limited, P.O. Box 30238-00100 Nairobi. We may contact you periodically to verify your personal information and to inform you of any changes.

21 Notices and other Communication

Any communication from the Bank to the Client, including but not limited to Notices given pursuant to this Agreement shall be deemed to have been delivered to the Client:

- (a) If delivered personally at the date and time of delivery;
- (b) If sent by post, on the fourth day from the date of posting;
- (c) If sent by E-mail, on sending to the Client's E-mail;
- (d) If sent by airmail on the seventh day from the date of posting;
- (e) Sent by SWIFT, when the acknowledged SWIFT message is received; and
- (f) If sent by facsimile, on completion of the transmission and in the case of posting it shall be sufficient to prove that the letter containing the communication was properly stamped and addressed notwithstanding that it be undelivered or returned undelivered and;
- (g) the Client shall have no claim against the Bank for damages resulting from loss, delay, misunderstanding, mutilation, duplication, or any other irregularity due to the transmission of any communication whether to or from the Customer, the Bank or any third party, by delivery, post, email, or any other form of communication

I & M Bank LIMITED Contacts;

Postal Address: I & M Bank LIMITED,
P. O. Box 30238, 00100 GPO Nairobi Kenya
Telephone: +254 (20) 3221000/ 3221001

+254 719 088000/ 732 100000
Email Address: ims@imbank.co.ke
Attention: Head of Custody & Investment Services

21.1 Each Party is obliged to inform the other Party as soon as reasonably practicable of any changes in the above-mentioned addresses.

21.2 Any notice given under or in connection with this Agreement shall be in English. All other documents provided under or in connection with this Agreement shall be in English.

22 Payments by the Client

22.1 All payments by the Client under this Agreement to the CDA and/or any third party must contain all such information as shall be able to be applied for by the CDA and/or the third party of the sums so paid. If the said payments do not contain such information the CDA shall be at liberty to return such payments to the Client.

21.2 All sums payable by the Client under this Agreement to the CDA and/ or any third party shall be paid in immediately available funds without any set-off, counterclaim, withholding or deduction whatsoever unless required by law in which event the Client will simultaneously with making the relevant payment, pay such additional amount as will result in the receipt by the CDA and/or any third party of the full amount which would otherwise have been received.

23 Law and jurisdiction

The validity, construction and performance of this Agreement shall be governed by the Laws of the Republic of Kenya and subject to the non-exclusive jurisdiction of the High Court of Kenya.