



CLIENT AGREEMENT

BETWEEN

Cumax Wealth Management Limited
AND ITS CLIENTS

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1. INTERPRETATION

(1) In this Agreement:

"the Company" means Cumax Wealth Management Limited , a Company duly incorporated under the laws of Jamaica and having its registered office at 2A Manhattan Road, Kingston 5 in the Parish of Saint Andrew

"Client" means any person who has paid monies over to the Company for the purpose of investment and who is the holder of an instrument issued by, or investments through the Company

"Act of Insolvency" means, in relation to a body corporate, the passing of a resolution or the making or an order by the court for the voluntary or compulsory winding up of the body corporate, and in relation to an individual means the making of an order in bankruptcy by the court in relation to that individual

"Securities" shall have the same meaning as in the Securities Act

"Business Day" means any day other than a Saturday, Sunday and public holidays in Jamaica

"The Effective Date" means the day of

(2) Unless the context otherwise requires, words importing the singular number

shall include the plural form and the masculine gender shall include the feminine and neuter genders, and vice versa.

- (3) The clause headings herein are for convenience only and shall not affect the construction hereof.

2. INTRODUCTION

The provisions set forth in this Agreement (hereinafter referred to as "this Agreement") shall govern the placement of funds, investments, and transactions in securities between the Company and its Clients and shall for all purposes be deemed to be incorporated by reference into all investment documentation issued by the Company to its clients in relation to such transactions except where this Agreement or provisions thereof are expressly excluded by the relevant documentation.

3. INVESTMENT DOCUMENTATION

- (1) The Company shall deliver to its clients an investment certificate or other form of documentation indicating the nature and description of the investments made by the Company on the Client's behalf, the yield appropriated to the account of the Client thereon, the maturity date or any other relevant information which the Company may include.
- (2) The Company reserves the right to correct at any time, any error or misdescription appearing on the investment certificate or other documentation, and the client shall be deemed to have accepted the correctness of the details set forth in the said documents unless the client notifies the Company in writing of the client's objection thereto within thirty (30) days of receipt by the Client.
- (3) Where the client has signed any investment documentation issued by the Company to its Clients and there is an inconsistency between an express provision therein and an express provision in this Agreement, the express provision set forth in such documentation shall supersede the inconsistent express provision in this Agreement and shall prevail to the extent of such inconsistency. Any provisions as to fees and charges, or as to reimbursement of transaction costs and charges, set forth in any such documentation shall comprise enforceable rights of the Company, and the Company shall be entitled to deduct same from the client's account(s) held with the Company.

4. RISKS

(1) Except where the Company in writing guarantees to the Client the payment obligations set forth in the securities in which the Client has invested through the Company, or where the Company has entered into a repurchase agreement with the Client pursuant to Clause 10, the following provisions shall apply:

- (a) In making any investment in any securities through the Company, the client assumes all risks (including credit risk, liquidity risk, pricing risk, market risk and exchange rate risk) associated with such securities and relies entirely on the Client's own due diligence and assessment of the creditworthiness of the issuer and/or third party guarantor of such securities and the nature of the market (if any) in which such securities is traded.
- (b) The Company does not (and shall in no event whatsoever be deemed to) guarantee the payment obligations of :
 - (i) the issuer of any securities in which the Client has invested through the Company, or
 - (ii) any third party guarantor of the obligations of the issuer of any such securities,

and the Company shall not be liable to make good or indemnify the Client with respect to any losses which may be incurred by the Client in the event that the issuer and/or third party guarantor of any such securities defaults in meeting the payment obligations arising under such securities.

- (c) The Company does not provide recourse to the client in respect of the sums payable under any such securities and the Company does not undertake:
 - (i) to purchase the client's interest in such securities, or
 - (ii) otherwise to provide liquidity support to the client in the event that the client wishes to liquidate the client's position prior to the maturity date of the securities;
- (d) it is understood and agreed that the Company is acting entirely as a

broker in such transactions, and if the Company is holding the securities in the Company's name as custodian or trustee for the client, the Company's responsibility to the client shall be limited to the Company using reasonable efforts to collect the sums arising under the securities on the date(s) when the same shall fall due or as soon thereafter as the same can be recovered from the issuer and/or guarantor of the securities, and the Company shall have no further obligation to the client except to account to the client for the cash flows actually collected by the Company for the account of the client; and

- (e) the Company shall be entitled to recover from the Client, the reasonable costs incurred in and towards collecting such sums (or, where the client is entitled to only a portion of such sums, the proportionate share of such reasonable costs), and to deduct the amount of such costs from any moneys held by the Company for the account of the client.
- (2) Save and except where sub-clause 4(3) below applies, in any case where the end of the period of the client's investment contract with the Company does not coincide with the date that the cash flows under the securities in which the client has invested or underlying the client's investment fall due for payment under the terms of such securities, it is understood and agreed that:
- (a) the Company is acting as a broker only and the Company does not guarantee or provide any recourse with respect to the client's investment, and the Company does not undertake -
 - (i) to refund the amount invested by the client, or to purchase the client's position at the end of the period of the client's investment contract, or
 - (ii) to use the Company's resources to provide any form of liquidity support to the client with respect to the client's investment, or
 - (iii) to otherwise make a market in such securities;
 - (b) at the end of the period of the client's investment contract with the Company (if such investment contract is not renewed), the Company's obligation shall be limited to using its best endeavours to find other investor(s) who are willing to acquire and assume all or a part of the

client's interest in the said securities at a price acceptable to the client, and the Company does not represent, warrant or undertake that any such investor(s) will be found.

- (3) Clause 4(2) above shall not apply to a repurchase agreement with the client falling within clause 10 or in other cases where the Company expressly agrees to purchase from the client, at the end of the period of the client's investment contract with the Company, the client's interest in securities in which the client has invested through the Company. Where the Company so agrees, the Company's obligation to purchase shall be conditional on each of the following being satisfied as at the date that the Company would otherwise be obliged to purchase the client's interest:
- (a) the issuer of the securities shall not be in default of its obligations under the securities or under any other outstanding securities issued by that person;
 - (b) the issuer of the securities shall not have declared a unilateral moratorium or postponement of the payment of any of its debt obligations;
 - (c) the issuer of the securities shall not have declared a unilateral variation of any of the terms and conditions governing any of its debt obligations; or
 - (d) there shall not be subsisting any extraordinary event or circumstance negatively affecting the market(s) in which the Company would normally seek to sell the securities in order to meet its obligation to purchase the securities from the client.

5. FUNDING

Subject to clause 4 above :

- (a) the client shall be deemed to have agreed to maintain with the Company the full amount of the funds paid to the Company, for the period commencing on the date the investment is made and ending on the maturity date specified or referred to in the investment certificate or other form of documentation delivered by the Company to the client with respect thereto;

- (b) at the end of the investment period referred to in Clause 5(a) and/or any subsequent investment period, the client shall be deemed to have agreed to roll over and renew the client's investment and to have committed to maintain with the Company the full amount of the funds invested for a further period commencing on the date after the expiry of the client's previous funding commitment and ending on the maturity date specified or referred to in the investment certificate or other form of documentation delivered by the Company to the client with respect to such renewed investment, except where the client has requested the Company in writing, at least three (3) business days prior to the date on which the client's funding commitment comes to an end, to encash all or part of the client's said investment and to pay the proceeds to the client or any other person(s) designated by the client;
- (c) at the end of the period of the client's investment contract with the Company (if renewed as provided herein), the Company reserves the right to re-invest all or any part of the proceeds thereof, for a period in line with the Company's prevailing business practice, in securities which may have a different (higher or lower) yield and maturity date, provided that the securities comprise (in the opinion of the Company) a substantially similar credit risk to the securities in which the client previously invested; and
- (d) if the client requests the Company to encash all or part of the client's investment prior to the maturity date of the client's current investment contract, the decision whether to comply with such request is entirely at the discretion of the Company, and if the Company decides to comply with any such encashment request, the Company may deduct from the amount payable to the client an early encashment charge in an amount to be determined solely by the Company (whose determination shall be final and binding on the client) and which :
 - (i) compensates the Company fully for the financial costs which the Company may bear in raising alternate funding (to replace the funding returned to the client) and maintaining those funds for the unexpired period of the client's funding commitment, and
 - (ii) includes a service charge for administering the early encashment.

6. WARRANTIES AND REPRESENTATIONS BY THE COMPANY:

- (1) The Company makes no representation or warranty whatsoever to the client in relation to -
 - (a) the creditworthiness of any issuer and/or third party guarantor of any securities in which the client invests through the Company;
 - (b) the credit risk, liquidity risk, pricing risk, market risk or exchange rate risk associated with any securities in which the client invests through the Company; or
 - (c) the nature of the market (if any) in which such securities is traded.
- (2) Without prejudice to clause 5 above, the Company represents and warrants to the client that to the best of the Company's knowledge and belief the securities in which the client invests through the Company (or which collateralise the client's investment with the Company) from time to time are:
 - (a) valid and legally enforceable against the issuers thereof, and (if such securities are guaranteed by any other person) that such guarantee is valid and legally enforceable against the guarantor; and
 - (b) free of any liens, security interests or other prior-ranking or pari passu ranking encumbrances whatsoever or other adverse interests (other than any liens or rights, which may be granted by the client to the Company).
- (3) Where the issuer of any securities or the guarantor of such securities, or any of its officers or employees, or any person from whom the Company has acquired the securities on the secondary market, has acted fraudulently or has otherwise misrepresented facts on which the Company has relied, or has withheld relevant facts from the Company, the Company shall not be deemed to be in breach of the representations and warranties set forth in clause 6(1) above.'
- (4) The Company does not make or give and shall not be deemed to have made or given any representations or warranties other than those set forth in clause 6(1) above.

7. INVESTMENT BY THE COMPANY

Unless otherwise agreed in writing, the Company may from time to time invest its clients' funds in any of the following, or any combination of the following:

- (1) debt obligations of the Government of Jamaica (or of any entity owned and/or controlled by the Government of Jamaica) or of the Bank of Jamaica;
- (2) debt obligations of the government of any other sovereign state (or of any entity owned and/or controlled by the Government of any other sovereign state) or of the central bank of any other sovereign state;
- (3) debt obligations guaranteed by the Government of Jamaica or by the Bank of Jamaica;
- (4) debt obligations guaranteed by the government of any other sovereign state or by the central bank of any other sovereign state;
- (5) debt obligations of banks, financial institutions, building societies, securities dealers or insurance companies licensed or registered under the Banking Act, the Financial Institutions Act, the Building Societies Act, the Securities Act or the Insurance Act;
- (6) debt obligations guaranteed by banks, financial institutions, building societies, securities dealers or insurance companies licensed or registered under the Banking Act, the Financial Institutions Act, the Building Societies Act, the Securities Act or the Insurance Act;
- (7) debt obligations of individuals or corporations, who or which the Company regards as sufficiently credit worthy for the clients' funds to be invested therewith by way of an unsecured advance;
- (8) debt obligations of individuals or corporations to whom the Company has previously extended credit and with respect to which the Company is currently holding securities for such extension of credit;
 - (a) repurchase agreements (or similar contractual arrangements whereby a security is sold to the Company subject to the vendor's or a third party's obligation to repurchase it) entered into by the Company with entities referred to in sub-paragraphs (1) to (8) above;
 - (b) debt obligations owing to the Company which are fully secured by cash or investments within the Company's custody or control; and

(9) other financial instruments and securities, whether or not of a similar nature to those listed above, which have been approved for the purposes of this clause by the Company's senior management.

8 CLIENT'S INTEREST IN SECURITIES

- (1) Where the client has purchased to maturity particular securities through the Company and the Company has no residual proprietary interest therein (other than as trustee or custodian), the beneficial ownership of the securities and all rights thereunder shall pass to the client upon the client paying to the Company the agreed amount comprising the client's investment.
- (2) No proprietary interest in any securities shall pass to the client unless and until the Company has received effective payment for same in the sum of the client's agreed investment.
- (3) Where the client has invested in (or the client's investment with the Company has been collateralised by) particular securities, then either:
 - (a) such securities and the client's interest therein shall be specified in the transaction documentation issued by the Company to the client and in sufficient detail in order for the securities in which the client has invested to be clearly identifiable and appropriated to the particular transaction, and to enable the client to obtain a proprietary interest therein upon payment to the Company of the agreed amount comprising the client's investment; or
 - (b) if the securities and the client's interest therein referred to at sub-clause 8(3)(a) hereof are not specified in the transaction documentation or in the manner set out therein, the Company shall be authorised to appropriate from time to time to the particular investment made by the client such securities as the Company may determine, being securities falling within clause 7 above and meeting any contractual commitment to the client, and such appropriation may be effected in the Company's accounting records and/or in such other manner as the Company may determine.
- (4) The client may invest in all or part of particular securities, and, while such securities remain in the name or account of the Company (or, if in bearer form, in the custody and control of the Company), the Company holds such securities on behalf of the client to the extent of the client's proprietary interest therein, subject to the rights, powers and authorities granted to the

Company in this Agreement and to any other rights, powers and authorities otherwise granted to the Company by the client (or to a third party by the client with the Company's written consent).

- (5) Any securities in which a client has invested through the Company or which collateralises the client's investment with the Company, shall comprise assets in which the client has a proprietary interest, subject to the rights, powers and authority granted to the Company in this Agreement and to any other rights, powers and authority granted to the Company by the client. In the event of the insolvency of the Company such securities shall belong to, or shall be appropriated to the client and shall not form part of the Company's assets available to meet the costs of the Company's insolvency or the claims of the Company's general creditors.

9. CUSTODY OF CLIENTS' INVESTMENTS

- (1) Where the client has invested in securities through the Company, the Company may hold such securities as custodian for the client, or may delegate the custodian function to one or more third parties (who may or may not be affiliates of the Company).
- (2) Where the Company acts as custodian for the client in respect of any securities, the Company shall at all times keep the securities separate in the Company's books and records from the Company's own securities (including any securities in which third parties may hold an interest by way of collateral or which are subject to repurchase commitments owed by the Company). If the securities are held in an account in the Company's name with a third party, the Company shall ensure that the securities are not subject to any lien, charge, pledge, right of set off or other form of encumbrance in favour of the third party (or any person claiming through such third party) whether in respect of margin financing provided by such third party or in respect of any other financial obligation of the Company.
- (3) The Company shall not, in the absence of fraud or negligence on the part of the Company or its employees, be liable to the client in respect of any loss, misappropriation or other misuse of the securities while same are or ought to be in the custody of the Company.
- (4) If the interest or other cash flow arising under the securities are paid to the Company by the issuer or its paying agent, the Company shall account to the client for same, less any taxes which may be applicable thereto, but shall have

no liability to the client in the event that the issuer defaults in its payment obligations under the securities. All such payments by the issuer are at the sole risk of the client.

- (5) The Company shall be entitled to charge fees from time to time for its services as custodian, and to be reimbursed by the client for any third party fees, charges and expenses incurred by the Company in relation to the custody of the client's securities. Any amounts charged to or due from the client in this connection, may be deducted by the Company from the interest or other cash flow arising under the securities held by the Company as custodian or from any other account held by the Company in the name of the client.
- (6) The Company does not guarantee or give any warranty as to the performance of any custodial services provided by third parties, and the Company shall not be liable to the client in respect of any loss, cost, expense or liability arising from any act or omission on the part of any third party custodian, and the client accepts and agrees to be bound by the standard terms and conditions on which any such third party provides its custodial services to the Company.

10. REPURCHASE AGREEMENTS

- (1) The provisions of this clause are included for the purpose of complying with the requirements of the document numbered SR-GUID-04/07-0012 and entitled "Minimum Requirements For Client-Dealer Repurchase Agreements" issued by the Financial Services Commission (hereinafter referred to as the "FSC Repo Guidelines"). This clause and the other provisions of this Agreement constitute the Master Agreement referred to in clause 2.23 of the FSC Repo Guidelines.

- (2) For the purposes of this Agreement, a "repurchase agreement" is a contract between the Company and the Client to sell securities for cash while simultaneously agreeing to repurchase these securities at some time in the future for a specific price.
- (3) Repurchase agreements are not bank deposits.
- (4) Unless otherwise agreed in writing by the Company and the client, each repurchase agreement is subject to and shall be governed by this clause and the remainder of these terms and conditions.
- (5) Repurchase agreements may be initiated by either the buyer or the seller,

subject to the other party being in agreement therewith. Unless the Company in its discretion requires in a particular case that a repurchase agreement be initiated in writing, repurchase agreements may be initiated orally, but all repurchase agreements shall be confirmed in writing.

- (6) Each specific transaction by way of a repurchase agreement shall be evidenced by a transaction confirmation issued by the Company, which shall be in writing and shall :
 - (a) describe the securities which are the subject-matter of that repurchase agreement (including its type, the issuer, the term remaining to maturity or maturity date, the name of the issue, the coupon, and the face value), and state the transaction date and (if different) the purchase date,
 - (b) purchase price, the interest rate applicable to the repurchase agreement, the repurchase date, the repurchase price, the currency in which payments will be made, and any other transactional details that the Company considers appropriate for inclusion.
- (7) Such transaction confirmations shall :
 - (a) be in the English language and written in a manner that can be understood by the average investor
 - (b) state that the investment will be a repurchase agreement, and
 - (c) include a definition of a repurchase agreement which is consistent with that set forth in clause 10(2) above.
- (8) The transaction confirmations referred to in this clause shall not alter or modify these terms and conditions.
- (9) Unless otherwise specified in the transaction confirmation relating to a particular repurchase agreement, the method used to calculate the client's yield under repurchase agreements shall be the actual number of days from (and including) the purchase date up to (and excluding) the repurchase date, divided by 365.
- (10) Provided that the Company performs its obligations under a repurchase agreement, any gains or losses on the underlying securities which are the

subject matter of the repurchase agreement are for the account of the Company. Any interest and/or other accruals or returns on the said securities prior to the commencement of the repurchase agreement are not included in the collateral purchased by the client with the purchase price under the repurchase agreement. Any interest and/or other accruals or returns on the said securities during the life of the repurchase agreement are (together with the principal amount of the said securities) repurchased by the Company by the payment or crediting of the repurchase price by the Company under the repurchase agreement and shall thereupon be for the account of the Company.

- (11) In the event that the client wishes an early termination of an outstanding repurchase agreement, the provisions of clause 5(d) above shall apply.
- (12) On the purchase date of a repurchase agreement, the Company as seller will deliver the securities purchased, and the client as buyer will pay the purchase price to the Company in good and cleared funds. Unless the Company agrees in writing to some other arrangement with the client, delivery of those the securities shall be effected by the Company holding those securities as custodian and agent for and on behalf of the client. The transaction confirmation issued by the Company in respect of the repurchase agreement shall confirm that the securities are held by the Company.
- (13) Subject to the Company having received in full the purchase price in cleared funds, beneficial ownership of the securities which are the subject-matter of a repurchase agreement shall pass from the Company to the client on the purchase date, and the transaction confirmation issued by the Company in respect of the repurchase agreement shall constitute evidence of the client's beneficial interest in those securities.
- (14) Clauses 8(5) and 12 shall apply to the securities which are the subject-matter of a repurchase agreement, until the Company has completed the performance of its obligations under the repurchase agreement.
- (15) Unless the Company is in default of its obligations under a repurchase agreement, the client shall not engage in similar transactions using the securities which are the subject-matter of the repurchase agreement, or sell, transfer, pledge, hypothecate or otherwise encumber the securities which are the subject-matter of the repurchase agreement other than as security for obligations owing by the client to the Company.
- (16) Notwithstanding the provisions of this clause or anything to the contrary in this

Agreement, or the client's proprietary interest in any securities which collateralises the client's investment with the Company, the Company is hereby authorised by the client to substitute and otherwise deal in such securities and divest the client of and determine the client's rights and proprietary interest in such securities, provided that, simultaneously therewith or within a reasonable time thereafter, the Company substitutes a proprietary interest in any other securities having, at the time of substitution, a market value equal to or greater than the above mentioned securities. After substitution, the substitute securities shall become the purchased securities for all purposes in relation to the repurchase agreement.

- (17) In the event that the Company fails to repurchase the securities which are the subject-matter of a repurchase agreement in accordance with the terms of such repurchase agreement, then all the risk associated with owning such securities will be borne by the client.
- (18) Each of the following shall constitute an event of default in relation to any outstanding repurchase agreement between the Company and the client :
- (a) if the Company fails to transfer the purchased securities to the client upon becoming obliged to do so,
 - (b) if the client fails to pay the purchase price to the seller in respect of the repurchase agreement upon becoming obliged to do so,
 - (c) if the Company fails to repurchase, or the client fails to transfer the purchased securities, on the repurchase date,
 - (d) if the Company or the client admits to its inability to, or its intention not to, perform any obligation stipulated in the repurchase agreement,
 - (e) if the Company or the client, when obliged to do so, fails to deliver the purchased securities along with the relevant documentation duly endorsed or executed,
 - (f) an act of insolvency occurs with respect to either the Company or the client, or
 - (g) if any representations made by the Company or the client are incorrect or untrue in any material respect

- (19) Upon an event of default occurring as aforesaid :
- (a) if the Company is in default, the client may require the Company to deliver up to the client the securities which are the subject-matter of the repurchase agreement and which the Company has been holding as custodian and agent of the client, together with any other documents which may be required to vest the legal title thereto in the client, and
 - (b) if the client is in default, the Company may treat its custodianship and agency for the client in relation to the securities as being at an end and may treat the client as no longer having any proprietary interest in the securities (or, if the client has possession of the securities, the client shall deliver same up to the Company forthwith and indemnify the Company for any financial losses incurred by the Company as a result of the client's failure to do so) and the Company may settle its accrued obligation under the repurchase agreement by paying to the client the net present value of the repurchase price (discounting the repurchase price for the remaining period to the repurchase date by applying a reasonable market lending rate of interest then prevailing).
- (20) The rights and obligations of the parties to a repurchase agreement shall not be assigned by either party without the prior written consent of the other party.
- (21) Each repurchase agreement shall be governed by Jamaican law unless the client is resident in another jurisdiction and the parties elect to have the repurchase agreement governed by the law of that jurisdiction or by a neutral body of law.
- (22) Except in relation to instruments issued by the Bank of Jamaica, the Government of Jamaica, the Governments and Central Banks of G-10 and CARICOM countries, or entities owned and controlled by such Governments, the Company warrants to the client that it has disclosed to the client all information which would be considered material to the purchaser of the underlying security.
- (23) Where the client is a company then each party shall on signing the agreement deliver to the other a mandate, signed by the managing director or by the chief executive officer and its company secretary, confirming the names of the persons who have been authorized by its board of directors to sign transaction confirmations, endorsements of securities and ancillary documents on its behalf. Specimen signatures of such persons should be attached to the mandate

and no change in such signing authority shall be effective unless and until a revised mandate, signed by the managing director or chief executive officer and its company secretary, has been delivered to the other party.

- (24) The provisions of this clause may only be varied, modified or amended by instrument in writing executed by the Company and the client.

11. MARGIN PROVISIONS IN RELATION TO REPURCHASE AGREEMENTS

Except otherwise agreed in writing between the Company and the client, the following provisions shall also apply to repurchase agreements :

The Company may mark to market from day to day the value of the client's

- (1) proprietary interest in the underlying securities which are the subject matter of the repurchase agreement, for the purpose of implementing the margin provisions in clause 11(2) hereof. If there is a material change in market conditions which in the Company's opinion is temporarily impairing the marked to market value of the said securities, the Company may suspend the margin provisions of this clause until the market for the said securities has in the opinion of the Company returned to customary levels of liquidity;
- Subject to clause 11(1) above:

(2)

- (a) if the marked to market value of the client's proprietary interest in the underlying securities exceeds the amount of the client's accrued exposure to the Company under the repurchase agreement, a margin adjustment shall be made whereby a portion of the client's proprietary interest in the underlying securities which are the subject matter of the repurchase agreement is released from the client's proprietary interest. The portion of the client's proprietary interest in the said securities which is so released shall be such that the marked to market value of the client's proprietary interest is equal to the amount of the client's accrued exposure to the Company under the repurchase agreement;
- (b) if the marked to market value of the client's proprietary interest falls below the amount of the client's accrued exposure to the Company under the repurchase agreement, a margin adjustment shall be made whereby the Company shall appropriate to the repurchase agreement, additional collateral (being a security having a similar credit risk to the

underlying securities which are the subject matter of the repurchase agreement) having a marked to market value such that the marked to market value of the client's proprietary interest (including the marked to market value of the said additional collateral) is equal to the amount of the client's accrued exposure to the Company under the repurchase agreement;

- (3) For the purposes hereof, the Company shall take into account such margin as may be required to be provided by the Company under any applicable regulations or guidelines issued by the Financial Services Commission.

12. SEGREGATION OF SECURITIES

The Company shall segregate from its own securities, those securities in which its clients have a beneficial interest or other form of proprietary interest. Segregation need not be physical and may be evidenced by adequate and appropriate identification in the Company's books and records.

13. DEALINGS IN INVESTMENTS

In its dealings with the client in relation to any securities which the client is acquiring or selling or in which the client has a proprietary interest, the Company and the client shall be treated as independent parties contracting at arms' length, and the Company shall not be deemed to owe any fiduciary obligation to the client. Without prejudice to the generality of the foregoing, the Company may retain and shall not be obliged to account to the client for any commissions, margins or other profits which the Company makes from such dealings.

14. MODE OF PAYMENT

All payments due from the Company to a client may, in the Company's discretion, be made by cheque drawn by the Company, or by any other method of payment. If the client requests a method of payment which attracts banking or other charges, and the Company is willing to make payment in that manner, the costs thereof shall be for the client's account.

15. DISCLOSURE AND RECORDING OF COMMUNICATIONS

The Company may from time to time be required to disclose to regulatory

authorities or other agencies or officials, particulars of the Client's dealings with the Company under the provision of this Agreement and the Client hereby irrevocably authorises the Company to make any such disclosure without reference to the Client. All telephone conversations between the Company and the Client may be recorded.

16. INDEMNITY FOR DISHONoured PAYMENTS

In the event that any cheque or other payment tendered to the Company by the client is dishonoured on presentation or otherwise fails to clear or is returned for any reason, the client shall make immediate payment, and the client shall indemnify the Company on demand and hold the Company harmless in respect of all costs, expenses, losses and liabilities incurred by the Company as a result thereof (including, overdraft and other finance charges, financial losses, costs and losses relating to the Company's liabilities to any third party resulting from the Company not having received value for such funds, and any exchange rate or currency conversion losses), and the client shall pay interest on the amount due to the Company by way of indemnification at the overdraft rate charged by the Company's commercial bank from the date such indemnification was due until the client makes full indemnification to the Company (both after as well as before any judgement). In the event that the client becomes liable under this clause to indemnify the Company, such liability shall be deemed to be a Facility to which clause 24 applies.

17. REPRESENTATIONS & WARRANTIES OF CLIENTS

- (1) On entering into each investment transaction with the Company, the client represents and warrants to the Company that:
 - (a) the client is duly authorised to execute and deliver any documentation executed by the client in connection with such investment transaction and to enter into such transactions and (if a body corporate) has taken all necessary action to authorize such execution and delivery and entering into such transaction;
 - (b) the client is entering into such investment transaction as a principal and by way of normal commercial dealings for the client's own account;
 - (c) persons signing any documentation on behalf of the client in connection with such investment transactions are duly authorised to do so;

- (d) the funds invested by the client with the Company have been lawfully obtained by the client and are not tainted by any form of illegality or fraud of any description;
 - (e) the funds invested by the client with the Company are free of any liens, security interests or other encumbrances whatsoever or other adverse interests (other than any liens or rights, which may be held by the Company);
 - (f) the client has obtained all applicable authorizations of any governmental or other body required in connection with entering into such investment transaction with the Company and such authorizations are in full force and effect;
 - (g) the client has not received and is not relying on any representation or warranty made or given by the Company or by any of the Company's servants or agents;
 - (h) the client (if an individual) is of full age and capacity and is not under any form of legal disability; and
 - (i) the client's entering into such investment transactions will not violate any law, regulation, by-law or rule applicable to the client or any agreement by which the client is bound or by which any of the client's assets are affected.
- (2) The client shall indemnify the Company in full on demand in respect of any claims, suits, liabilities, losses, costs or expenses made against or incurred or suffered by the Company arising out of a breach by the client of any of the warranties given by the client in clause 17(1) or out of any of the representations made by the client in clause 17(1) being false or incorrect.

18. OVERPAYMENT

- (1) In the event that the Company inadvertently or otherwise makes a payment to the client of a sum, which is in excess of the amount which was, immediately prior to such payment being made, actually and properly held by the Company for the account of the client, the client shall immediately repay such sum to the Company. Until repaid to the Company, such sum shall be deemed to be held in trust for the Company, and the Company shall have a proprietary right with respect to such sum to trace same into any other fund or asset from time to time

representing all or part of such sum.

- (2) The Company shall, as from the moment that the cheque or other payment instrument comprising such sum comes into the custody or control of the client or the client's nominee, also be deemed to have an immediate and unconditional right to possession of such cheque or instrument, and the client shall in dealing with such cheque or instrument be deemed to have unlawfully converted same to the client's use.
- (3) In addition to such rights and remedies as the Company may have under this clause and under the general law, the Company shall also have all the rights and remedies in relation to such sum as if such sum were an outstanding Facility to which clause 24 applies.
- (4) Interest shall accrue and be payable by the client to the Company on the outstanding balance of such sum while it remains outstanding, at the overdraft rate of the Company's commercial bank, both after as well as before any judgement, and such interest shall be payable by the client to the Company on demand and until paid shall be compounded at monthly rests by adding each month's accrued interest to the amount of the outstanding sum.

19. CLIENT IDENTIFICATION

The client shall, at the commencement of the client's investment relationship with the Company or as soon thereafter as the Company may require, deliver to the Company a copy of the passport, Driver's Licence or other acceptable form of identification of the client, a specimen of the client's signature, the client's tax registration number (TRN), and such other evidence verifying the client's identity as the Company may from time to time require for due diligence or regulatory purposes, and shall sign the Company's standard account opening documentation (all of which are subject to and governed by the provisions of this Agreement).

20. CORPORATE CLIENTS

- (1) If the client is a body corporate, the client shall deliver to the Company at the commencement of the investment relationship between the client and the Company:
 - (a) an extract from the minutes of a meeting of the client's Board of Directors at which a resolution has been passed authorising specified

persons to do the following:

- (i) sign instruments and contracts relating to the client's investments with the Company
 - (ii) to give instructions in relation to and deal with the client's investments and account(s) held with the Company;
 - (b) a signature certificate, duly certified by the client's corporate secretary, bearing specimens of the signatures of such persons;
 - (c) if the Company so requires, a copy of the client's articles and certificate of incorporation; and
 - (d) such other documents as the Company may from time to time require for due diligence or regulatory purposes.
- (2) The client shall inform the Company in writing of any changes to the persons referred to in clause 20(1)(a) above, and shall promptly provide the Company with correct specimens of the signatures of all such persons.
- (3) On making any investment through the Company or dealing with any investment or account held with the Company or receiving any payment from the Company on account thereof, the client shall, unless the client has otherwise specified by notice in writing to the Company prior to making such investment, be deemed to represent and warrant to the Company that the items referred to in clause 20(1) are current and in full force and effect.

21. CONFIDENTIALITY

The Company undertakes to preserve and maintain the confidentiality of the business, investments and affairs of its clients in relation to their dealings between the Company, and shall not disclose same unless:

- (1) the particular client has consented to such disclosure being made by the Company, or
- (2) the Company is obligated or permitted by applicable law to make the particular disclosure.

22. JOINT ACCOUNTS

- (1) In the event that there is more than one person named on an account held with the Company, then (unless the named account holders have instructed the Company in writing to the contrary) each named account holder shall be entitled to give instructions with respect to the account (including instructions with respect to the encashment of investments credited to such account and the payment of the proceeds of such encashment) as if such account holder were the only named account holder and without the need for the other account holder(s) to sign or otherwise authorise same, provided however that the Company may in its discretion require all of the named account holders to sign hypothecations or other instruments creating a charge or other rights in favour of the Company with respect to the account or to sign other instructions in relation to the account if the Company feels that it is in its interests to so require.

- (2) Notwithstanding clause 22(1), in the event that any investment or account held with the Company is in the name of more than one person, those persons shall be deemed to be joint tenants with a right of survivorship unless specific written instructions to the contrary signed by each of such persons are given to the Company prior to the death of any of them.

DEALINGS BY CLIENT

23.

The rights of the client under any investment or instrument held through or issued by the Company shall not be assigned, charged or otherwise disposed of by the client without the prior written consent of the Company, and the Company shall not be bound by any purported assignment, charge or other disposition which is in breach of this clause.

24. CREDIT FACILITIES, MARGIN & SET OFF

- (1) Where the Company makes any advance by way of loan to the client or to any third parties at the request of the client or issues any form of guarantee to secure obligations of the client or of any third parties at the request of the client or issues any form of indemnity or assumes any other form of financial exposure whatsoever with respect to the client or with respect to any third parties at the request of the client (any and all of the foregoing being hereinafter referred to as "Facilities"):

- (a) the client shall indemnify the Company in full and hold the Company harmless in respect of any losses, liabilities, costs and expenses incurred or suffered by the Company in connection with the Facilities; and
 - (b) the Company shall have a right of set off whereby the Company may at any time apply all or any part of the amounts due to the Company under such indemnity and/or any amounts otherwise due to the Company in respect of the Facilities, in reduction or satisfaction of :
 - (i) any sums owing to the client by the Company and/or
 - (ii) any investments and/or securities held for the client by the Company.
- (2) The Company's right of set off under clause 22(1)(b) above shall apply and be exercisable by the Company:
- (a) whether the Facilities (on the one hand) and the sums owing to the client and/or any such investments and/or securities held for the client (on the other hand) are denominated in the same currency or are denominated in different currencies (and, if not in the same currency, the Company's prevailing selling rate of exchange as at the date of the set off shall apply in effecting the set off);
 - (b) whether the Facilities have accrued due and payable or have not yet accrued due and payable; and
 - (c) whether the client solely entitled to such sums and/or investments and/or securities is a joint holder with other persons.
- (3) Without prejudice to the generality of clauses 24(1) and 24(2) above, the client agrees that, unless and until the Company is satisfied that it has no further financial exposure in respect of the Facilities:
- (a) the Company may retain all documents and forms comprising or evidencing -
 - (i) any sums owing to the client by the Company, and/or
 - (ii) any investments and/or securities held for the client by the Company;

- (b) the said sums owing to the client and/or any investments and/or securities held for the client shall be deemed to be in a blocked account and the client shall have no right to any payment or transfer thereof while the Facilities remain outstanding;
 - (c) the Company may retain all interest and other gains from time to time earned on or derived from any such sums and/or any such investments and/or securities, and may apply same in reduction of the Company's present or contingent exposure under or in respect of the Facilities;
 - (d) the Company may at any time while the Facilities remain outstanding, apply any such sums, or sell any such investments and/or securities and apply the proceeds of sale (after deduction of any costs associated with such sale), in reduction of the Company's exposure in respect of the Facilities; and
 - (e) the Company may deal with and dispose of any such sums and/or any such investments and/or securities as the sole beneficial owner thereof.
- (4) Where the client hypothecates, pledges, charges, assigns or otherwise appropriates to the Company:
- (a) any part of the client's interest in securities in which the client has invested through the Company (whether such interest is owned by the client alone or jointly with other persons);
 - (b) any investment account held by the client with the Company (whether the client is the sole account holder or holds the account jointly with other persons);
 - (c) any obligation owing to the client by the Company (whether the obligation is owed to the client alone or jointly with other persons); or
 - (d) any securities or investments delivered up to or held by a third party to the order of the Company (whether such securities or investments are owned by the client alone or jointly with other persons),

as collateral or security for Facilities extended by the Company or as margin to cover exposures which may arise out of the client's trading or investment transactions which involve the extension of any form of credit by the Company

or with respect to which the Company has any form of financial exposure or otherwise requires protection, the Company shall have the right to borrow, pledge, charge, loan or otherwise use or dispose of all or any part of such Collateral, including the right to deposit, pledge, charge or otherwise appropriate to a third party such Collateral for use by the third party as collateral for the Company's own obligations.

- (5) Where the Company makes any form of financing available to the client to purchase any form of financial assets, or which is secured by any form of financial assets, the client shall at all times on the Company's demand provide the Company with assets of a nature and value sufficient (in the opinion of the Company) to meet and cover any margin calls or other collateral requirements from time to time made or required by the Company with respect to such financing.
- (6) Where the Company receives financing from a third party and the Company makes any part of such financing available to the client for any purpose, the client shall at all times on the Company's demand provide the Company with assets of a nature and value sufficient (in the opinion of the Company) to meet and cover any margin calls or other collateral requirements from time to time made or required by such third party with respect to such financing.

25. DETERMINATION OF BALANCES

The Company's bona fide determination of:

- (1) the amount of any sum held by the Company for the account of the client;
- (2) the rate, and method of calculation, of any interest held by the Company for the account of the client;
- (3) the amount of any other form of indebtedness owing by the Company to the client; and
- (4) the amount, description, nature or value of any securities acquired, held or disposed of by the Company for the account of the client, or collateralising the client's investment with the Company,

shall be final and conclusive thereof and binding on the client.

26. TAXATION

The Company may deduct or withhold all forms of tax from any payment due to the Client if obliged to do so under any applicable law or regulations. In accounting for tax, or making deductions or withholdings of tax, the Company may estimate the amounts concerned and any excess of such estimated amounts over the final confirmed liability shall be credited or sent to the Client as soon as is practicable.

27. GOVERNING LAW

- (1) This Agreement shall be governed by and construed in accordance with Jamaican law. Without prejudice to clause 27(2), the client hereby submits to the jurisdiction of the Jamaican Courts, and waives any defence of inconvenient forum.
- (2) The Company shall be entitled to commence and maintain proceedings and execute process to enforce any of its rights and remedies under the provisions of this Agreement in any jurisdiction in which the client resides or has any property or assets.

28. WAIVER

No waiver of any provision of this Agreement and no consent by the Company to a departure herefrom shall be effective unless and until such shall be in writing and duly signed by the Company.

29. CLIENT COPY

The Company shall keep a copy of this Agreement at its principal office and on its web site, and shall make a copy of same available to any of its clients on request. Failure on the part of the Company to comply with this clause in whole or in part shall not invalidate any of the provisions of this Agreement or affect or prejudice the Company's right and entitlement to rely on and enforce this Agreement.

30. NOTICES

Any notice, demand or other communication to be given in writing to the client by the Company shall be properly and effectually made, given and served on the client if delivered by hand or registered post addressed to the client at the client's last address

advised to the Company by or on behalf of the client, and shall be deemed to have been duly given and served on the date delivered (in the case of hand delivery) or on the third day after posting at any post office in Jamaica (if sent by post).

31. SEVERABILITY

Each provision of this Agreement is severable, and if any provision is or becomes invalid, or contravenes any applicable or contravenes any applicable regulations, the remaining provision will not be affected.

32. THE COMPANY'S RIGHT OF VARIATION

Except for the provisions of clause 10 above, the Company may from time to time in writing vary, add to or replace the provisions of this Agreement by sending the Client written notice describing the relevant changes. Such changes will become effective on a date to be specified in the notice and which must be at least one week after the notice is sent to the Client whereupon the client shall be deemed to consent and agree thereto and each such variation, addition and replacement shall be binding on the client.

IN WITNESS WHEREOF the parties have set their hand the day and year first hereinbefore written.

Name of Authorized Signer

Signature

Name of Authorized Signer

Signature

Name of Authorized Signer

Signature

Name of Authorized Signer

Signature

WITNESSED BY:

Cumax Representative (Name)

Signature

Or

Credit Union Representative (Name)

Signature