

## CLIENT AGREEMENT FORM

To: .....  
(Name of broker and address)

I/we \_\_\_\_\_, hereby agree to you operating a cash and securities account on my/our behalf on and subject to the following terms and conditions:

1. The agreement shall be subject to The Financial Services Act 2011, the Companies Act of the Kingdom of Bhutan 2016, regulations and other related rules of the of Bhutan as amended from time to time. You also agree specifically to abide by the Broker Conduct of Business Rules appearing following the signatures to this agreement.
2. All transactions in securities made for or on my/our behalf on the Royal Securities Exchange of Bhutan Limited ("RSEB") shall be subject to the relevant provisions of the rules, customs and usages of the RSEB.
3. Trades executed on my/our instructions on the RSEB shall be subject to a transaction commission and any other fees that the RSEB from time to time may impose. You are authorized to collect any such commissions and fees in accordance with the rules prescribed by the RSEB from time to time.
4. The rules of the RSEB, in particular those rules which relate to trading and settlement, shall be binding on both yourself and myself/ourselves in respect of transactions concluded on my/our instructions.
5. I/we agree that orders can be placed in writing and that such orders do not require judicial stamps and signatures by all parties to be legal and binding on all parties.
6. Any and all securities, acquired for or on my/our behalf, or in which I/we have an interest which are held for my/our account shall be subject to a general lien for the discharge of my/our obligations to you arising from the business of dealing in securities.
7. If within two business days (or such other period as may be agreed) after a transaction has been duly executed for or on my/our behalf, I/we have defaulted in making the payment due to you in connection therewith, provided that sufficient securities are available for delivery, I/we agree that any such securities may be re-sold, and I/we may remain liable to pay to the extent that the new price is lower than the price I/we were to pay.
8. The information contained in the "CD Account Opening Form" is complete, true and correct. You are entitled to rely on such information until you have received written notice from me/us of any change therein.
9. I/we hereby authorize you to conduct a personal credit enquiry or check on me/us for the purpose of ascertaining my/our financial situation and, if you are to render investment advice, my/our investment objectives.

10. Any securities deposited by me/us with you or purchased by you on my/our behalf, and held by you for safekeeping will be held in my/our name and deposited with the Depository operated by the RSEB.
11. You shall not, without my/our prior written consent, deposit any of my/our securities as collateral for loans or advances or lend or otherwise part with the possession of any such securities for any purpose.
12. Whilst I/we expect you to keep confidential all matters relating to my/our account, I/we hereby expressly agree that you may, if requested by the RSEB or the Royal Monetary Authority, provide to the RSEB and/or the Authority details of my/our account, in order to assist with any investigation or enquiry being undertaken.

**14. RISK DISCLOSURE STATEMENT**

1. I/we acknowledge that the price of securities can and does fluctuate, and that any individual security may experience downward movements, and may under some circumstances even become valueless.
  2. I/We appreciate therefore that there is an inherent risk that losses may be incurred rather than profit made, as a result of buying and selling securities. This is a risk that I/we are prepared to accept.
15. I/we confirm that I/we have read this Agreement and that the contents of this Agreement have been fully explained to me/us in a language which I/we understand, and that I/we accept this Agreement.
  16. This Agreement and all rights, obligations and liabilities hereunder shall be governed by and construed in accordance with the Laws of Kingdom of Bhutan and may be enforced in accordance with the Laws of Kingdom of Bhutan.



Signature \_\_\_\_\_  
 Name & CID # of client \_\_\_\_\_  
 in the presence of signature \_\_\_\_\_  
 Witness name & CID # \_\_\_\_\_  
 Address \_\_\_\_\_  
 Occupation \_\_\_\_\_

**ACKNOWLEDGED AND ACCEPTED BY:**

Authorized Signature \_\_\_\_\_  
 Name of Securities Broker \_\_\_\_\_

Broker's SEAL