

ONLINE TRADING ANNEX - INDIVIDUALS

E-Trading Annex – Terms and Conditions

1. Introduction

Whereas Hermes Securities Brokerage (referred to hereinafter as “Hermes” or the “Company”) provides the service of online trading in securities for its Clients in accordance with the license granted by the Egyptian Capital Market Authority (currently, the Financial Regulatory Authority – (“FRA”)) which allows the Clients of the Company to inquire about transactions and prices of the EGX. Whereas the Company also allows its Clients to inquire about their respective balances in cash and securities kept with the Company. In addition this system allows Clients to trade whether by sale or purchase in the EGX or any other capital market covered through the Company. Whereas the Client has executed an agreement with the Company for opening an account for securities’ trading by virtue of which the Company executes the Client’s instructions for the purchase or sale of securities (the “Account Opening Agreement”).

Both parties desire to develop their relationship, where the Client is aware that this Annex revolves in existence and nonexistence with the Account Opening Agreement, so that the Client may not conclude such Contract with the Company unless a securities account opening agreement is concluded with the Company, where this Annex is considered complementary and supplementary thereto. All the terms and provisions of the Account Opening Agreement shall apply hereto in case this Annex does not stipulate otherwise.

- The abovementioned Preamble shall be considered integral part of this Annex.
- This Annex shall be governed by the Egyptian laws.
- The provisions and terms of the Account Opening Agreement signed between the Client and the Company previously referred to shall apply whenever there is no specific provision mentioned in its concern in this Annex.

Kindly choose one of the below client identification methods as required by the Financial Regulatory Authority to ensure the highest levels of security:

- One time password (Software compatible with smart devices like Android, iPhone, iPad, Blackberry)
- One time password (Hardware)
- Digital signature certificate
- Security Questions

And the client hereby authorizes the company to directly debit his/her account with the service initial membership fees that will be paid to the party authorized by the Information Technology Industry Development Agency (ITIDA) as well as the annual membership fees.

2. Access to the Company’s website :

- 2.1. The Client hereby acknowledges that in order to be able to access and trade online through the Company website, the Client must sign and accept all the terms and conditions stated herein in this Annex. The Client also undertakes, by no later than (2) two business days from the execution of this Annex, to log-on to the Website of the Company (www.Hermesonline.com) and to register his/her account by entering all required data prompted by the site’s interface in order to identify the user (including – but not limited to – the Client’s account number with the Company, the P.O.Box number, cell phone number....etc). The data entered by the Client must be consistent and matching with the data provided to and recorded with the Company, in order for the Client be granted a PIN code to enable him/her to log-on and access the online trading system. The PIN to the Client’s logon account shall be sent to the Client via SMS on his/her cell phone number recorded with the Company or at his/her e-mail address set out in the Account Opening Agreement.
- 2.2. The Client hereby declares that the Company’s non-receipt of a written notification from the Client that he/she did not receive the log-on PIN within (5) five business days from the date of execution of this Annex shall be considered implied and final declaration by the Client that he/she has received his/her log-on PIN without any liability on the Company.
- 2.3. The Company may notify the Client requiring additional data to be provided by the Client to the Company before accessing the Website.

3. Terms of Agreement:

The Client hereby undertakes to adhere to the following:

- 3.1. The Client is aware and fully knowledgeable with all the terms and conditions of this Annex and he/she undertakes to comply in full with those terms and conditions.
- 3.2. The Client acknowledges that he/she is aware that his/her subscription in this service stated herein shall be carried out via the website of the Company and accessed from the Client’s personal computer, via clicking acceptance on the automatic registration form and filling it in with all the required data. The Client shall not be entitled to object this matter as long as the procedures have been undertaken through the website of the Company and after entering the aforementioned data to verify his/her identification.
- 3.3. The Client approves that he/she will not be granted access to deal through the Company’s online trading system prior to signing the Account Opening Agreement which entitles the Company to open a securities’ trading account in the name of the Client comprising of a cash account and a securities portfolio account.
- 3.4. The identity verification data along with the trading PIN code that permit the Client to access the Website and the online trading system of the Company are strictly confidential and the Client must ensure that no person can obtain such data. The Client hereby undertakes to treat such data as strictly confidential and will be held fully responsible if they were obtained by any person even by mistake. In the event this information has been compromised to any third party even if by mistake, the Client shall be exclusively liable for any damage that he/she may sustain; without any liability attaching to the Company for any tampering or errors resulting from the loss of such data or their use by another person, even if it was not the Client or one of those authorized by him/her.
- 3.5. The Company will deal with any instructions that it receives from the Client through his/her private online trading account as if they were sent by the Client as long as he/she had access to the Company’s online trading interface was accessed via the Client’s respective PIN code and operation password to implement his/her transactions. the Company will be bound with executing such instructions to the extent they are not surpassing any limits of competence that were laid down for online trading by the Client, the Company’s policy or the FRA.

3. Terms of Agreement Continued:

- 3.6. The Client shall be solely held responsible for any instructions received by the Company via the Website of the Company "online trading system" including – yet not limited to any errors, omissions, negligence, or repetition of the Client's instructions.
- 3.7. The Company and any delegated party authorized by it shall be entitled to assume that any instructions from the Client are free from faults and errors. The Company and any delegated party authorized by it may proceed in light of such instructions of the Client if they include sufficient information for the Company or any authorized party thereof to start execution of the order, provided that such instructions are within the authority of the Client and that he/she has sufficient balance to execute the operation and cover all associated costs.
- 3.8. The Client undertakes to comply with notifying the Company immediately upon the loss of any of the aforementioned data or obtainment of a third party thereto and his/her knowledge of any unauthorized use. He/She shall be fully responsible any damages he/she may sustain as a result thereto until the time of making such notice to the Company.
- 3.9. The Client acknowledges that he/she has read and is fully aware of detecting the "internet risks bulletin" stated on this contract and that the Client is fully aware of the risks of internet access systems and what it entails from risks such as security breaches to the Clients confidential operations and the possibility of third party interference, hacking, or any other security risks referred to in this Annex.
- 3.10. The Company will not be held liable in any way for any damages sustained by third parties resulting from use of the Company' Website and "online trading system".
- 3.11. The Client's balance has to be sufficient to perform the required transaction requested via the Company's "online trading system" albeit sufficient cash funds in the event of purchase, and sufficient securities in the event of sale.
- 3.12. The Company shall not operate in any consulting capacity; consequently, it shall not provide any consulting services related to trading transactions; that the decision to sell and purchase any securities shall be his/her own decision and that such decision shall be independent and attributable to his/her personal will, and does not rely on any recommendation from the Company.
- 3.13. Investing in Stocks or any other form of investment listed in the capital markets does bear the risk of loss and the chance of profit that could include total loss of the Client's invested funds.
- 3.14. Under certain market circumstances there may be a difficulty or even impossibility in settling or liquidating the Client's portfolio.
- 3.15. By executing the Clients instructions/orders, the Company does by no means endorse the Client's investment decision. The Company is not under obligation or duty to provide any consultation or advice regarding the soundness of the Client's purchase or sale decisions. Furthermore, the Company does not in any way recommend nor does it support any consolatory advice found in any consolatory report regarding the investment whether issued by the Company or any other third party.
- 3.16. There is a possibility that the execution of some transactions may not be performed for reasons including but not limited to the incompatibility of the price with the minimum and maximum limits placed by the Client, suspension of trading imposed by the administration of the EGX.
- 3.17. The Company retains the right to modify or amend this Annex and/or add any additional terms and provisions without reference to the Client provided that such changes are not in contravention with applicable laws and the Client would be informed with such changes in advance.
- 3.18. The Company retains the right to refuse any transaction that fails to comply with the terms and conditions set forth in this Annex.
- 3.19. Prior to submitting any instructions, the Client must confirm that all the data mentioned in the instructions are correct such as but not limited to:
- (i) Name of the security subject matter of trade ;
 - (ii) Quantity of securities requested for trade;
 - (iii) Required price of performing the transaction (fixed price or market price); and
 - (iv) Validity date of the instruction.
- 3.20. The Company may keep electronic record of all the instructions received via the online trading system.
- 3.21. All transactions executed by means of instructions received by the Company via the online trading system are binding on the Client as soon as he/she accesses the trading program and that no proceeds from the sale of securities shall be delivered to the Client except after the lapse of the settlement period.
- 3.22. The Company has the right to refuse the execution of any transaction if according to the Company's discretion the credit balance of the Client's cash account is insufficient or will be insufficient at the time of execution. If the Company believes at any time that the Client is in need to cover his/her account with the Company, it may according to its absolute discretion ask the Client to deposit any cash amount to cover his/her account.
- 3.23. The Client will be notified of the execution status of his/her instructions within 24 hours from the execution date.
- 3.24. The Client is prohibited from giving orders that may be described as fictitious speculation or deliberately attempting to manipulate trading prices on securities in breach of the applicable laws and regulations especially the EGX trading and listing rules.
- 3.25. The Company may temporarily suspend the online trading system or the Clients account to access the online trading system for repairs or periodical maintenance that may be required to the online trading system, without any liability incurred on the Company. The Client may not further object on such temporary suspension.

Signature

Date

4. Guarantees and exemptions from liability:

- 4.1. The Company presents no undertakings to the Client in regards to quality, speed, performance, accuracy, reliability or constant readiness or any other matter with regards to using the online trading system.
- 4.2. The Company does not guarantee, nor does it undertake that trading via the online trading system complies with any standards the Company provides in this respect or that the "online trading system" is free from errors or defects.
- 4.3. The Company shall bear no liability resulting from any loss or damage that may be sustained by the Client except what has resulted from the fraud or willful default of the Company. Specifically, the Company will not be held liable for any losses or additional cost (unless it is established that the reason for such loss and additional costs is fraud or willful default of the Company) that arises from any of the following:
- (i) Any breakdown of communications, systems, equipment or technical malfunctions whether partial or full;
 - (ii) Fraud, counterfeiting or forgery;
 - (iii) Any event or circumstance beyond the will or control of the Company; or
 - (iv) Any contingent damage or other damages resulting from circumstances outside the will of the Company.
- 4.4. Under no circumstances will the Company be held legally liable with respect to the Client or any other third party for any form of damages resulting from the Client's use of the online trading system or failure to use it properly, including any delay or negligence or any interruption in delivering the services regardless of the form of the action (including negligence or exclusive legal liability), regardless of whether or not the Company has been notified of the possible occurrence of such damages or the possibility of expecting such damages by any other means.
- 4.5. The Company shall undertake reasonable endeavors to ensure the full performance of its online trading system.
- 4.6. The Company will not be held liable for any disruptions or malfunction in communication methods and/or utilities that are not under the Company' direct control, which may affect the accuracy or speed of the instructions submitted through the online trading system.
- 4.7. The Company will not be held liable for any losses whether actual or expected that may result from the Clients inability to submit instructions as a result of the breakdown of the online trading system or for any other reason.
- 4.8. The Company will not be held liable for any computer virus or any other related problem which may result in the poor functioning/inactivity of the online trading gateway and/or the Client's personal computer.

5. Termination of the Annex

- 5.1 The Client may terminate this Annex at any time by means of notifying the Company of such in writing. Termination will not take effect until actual receipt of such notification by the Company.
- 5.2 In the event that the Client is in breach of any of the provisions of this Annex the Company may immediately terminate this Annex and cancel the Client's access to and use of the online trading system. the Company may also in such case elect to suspend the Client's access and use of the online trading system until such breach is rectified by the Client, all without prejudice to the Company's right to terminate this Annex, cancel the Client's access to the online trading system and to claim any applicable damages.
- 5.3 Notwithstanding what was mentioned in this article, the Company has the right to unilaterally terminate this Annex at any time by notifying the Client in writing.
- 5.4 In the event this Annex is terminated for any reason the duties and responsibilities of both the Client and The Company will remain outstanding and unaffected after termination and until the execution of all outstanding transactions the parties were obliged to perform when the Annex was in force.
- 5.5 In case any changes occurred to the relevant laws, regulations or practices of the relevant market in connection with any of the provisions of this Annex and where such changes require amending of this Annex, the Company shall be entitled at any time to effect such necessary changes immediately and the Client shall be responsible for the implementation thereof without any liability on the Company. In all cases, the Client shall not be allowed to express his/her objection to any amendment added pursuant to the laws, regulations or decisions in force, If the Client expresses its objection to such amendments ,the Company will have the right to terminate this Annex, along with the Client's access privileges to the online trading system. Furthermore, the Company will have the sole discretion – and under no obligation whatsoever – to elect to complete the execution of pending transactions initiated by the Client during the time preceding the termination of this Annex.

6. Internet Risks Bulletin:

The Client hereby acknowledges and accepts all the risks that may result from the use of the Internet to implement the brokerage transactions and information communications related thereof. Such risks include but are not limited to:

- 6.1 Third party intervention, which may include data interception and sending it under false pretenses and may subject the Client to identity theft such as persons who are capable of "hacking" a website and sabotaging the site, persons who are capable of tracing website traffic without sabotage. Third party intervention may also include the introduction of alien software which may include "computer viruses", "spyware" and "Trojans" to the personal computer etc... which may interfere or sabotage or burn communications which may cause serious damage to the Client's information technology systems and what it may entail of hardware and software.

6. Internet Risks Bulletin Continued:

- 6.2. The disruption of the communication network which may include interrupted breakdowns and delays and outages which may result in non-performance of the banking/brokerage operations within the expected time frame and with the expected speed.
- 6.3. Internal breaches/violations to the Client's computer systems by the Client's employees (in the event the Client is a corporate entity) and other delegated users.
- 6.4. Negligence in dealing with sensitive information by users of the Client's Computer systems or data stored therein or data which may be printed or extracted by any other means.
- 6.5. The possibility that encrypted systems may be subjected to brute force attacks or other forms of attack.
- 6.6. Any other risks that may result from Internet use.

The Client hereby acknowledges that security technology, methods for preventing hackers and other alien third parties wishing to obstruct or interfere with internet communication significantly increases over time. Hence it is possible that it may be necessary to constantly upgrade and update security measures and improving internet connections and online banking operations.

The Client acknowledges providing firewalls and encryption systems, passwords and other login regulations to decrease the risks of internet use in communications, and in executing operations. The Client further acknowledges that every mechanism of all the security mechanisms applied is only as strong as the weakest link in the system, hence it is imperative that upgrading and updating be performed and followed up appropriately, in addition to the implementation of internal security regulations in order to insure optimum effectively of such systems.

The Client hereby acknowledges that in order for the system to run at the optimum effectively, a security requirement to have different levels of access privileges (be it physical access or virtual access) with respect to Information Technology Systems and further acknowledges that access privileges have to be kept to a minimum.

7. Conditional Orders

The Client hereby declares, by virtue of his/her signature on this Annex, his/her knowledge and consent on the risks related to the conditional orders set below, as follows:

1. The conditional orders services depend on connecting and communication means between each of the Company, the EGX and MCDR. Despite the fact that the Company has undertaken full due care in testing the service, it does not guarantee failure of executing the conditional orders for any reason and in which case, the Company will not be liable for any losses suffered by the Client as a result thereof.
2. There is a possibility that purchase transactions are executed through the conditional orders system for securities exceeding the available credit of the Client through conditional orders in cases where two orders are executed at the same time without one of them being cancelled by the system. In this case, and where the Client refuses to pay his/her debt resulting from such purchase, the Company shall be entitled to sell all or part of the securities owned by the Client to the extent that covers the outstanding indebted account of the Client.
3. There is a possibility that sale transactions are executed through the conditional orders system for securities more than the Client wishes to sell in cases where two orders are executed at the same time without one of them being cancelled by the system. In this case, the Client acknowledges that he/she shall be responsible for any losses that may result from the re-purchase of such securities.

8. Duration

This Annex shall be effective for a period of one year, beginning from the date the Company approves the opening of the account. This Annex will be automatically renewed provided that neither party has notified the other with its will not to renew this Annex at least (15) fifteen days prior to the expiry of its original or renewed term and unless one of the parties terminates the Contract during its validity period for any of the reasons mentioned herein.

The Client hereby acknowledges that he/she is the original owner and sole beneficiary of the opening of this account and that all the sources of his/her income are legal. The Client is under obligation to provide any additional information to the Company – if the need for such arises- in order to specify the sources of the income invested in securities trading. Client authorizes the Company to inquire at the banks the Client deals with, while the Company undertakes to keep this information confidential.

The Client hereby acknowledges that he/she accepts to receive his/her log-in PIN by Email or SMS. The Client shall verify his/her Mobile number and Email Address and ensure to log –into the Website of the company (www.Hermesonline.com) and to register his/her account within no more than (2) two business days from the date of signing the contract. Please note that if the Client do not notify the company in writing that he/she did not receive his/her pin within (5) days business days from the date of signing this Annex , this will be considered implicit and final declaration by him/her that he/she has received his/her log-in Pin without any liability to the company.

Client Name

Mobile number

Signature

Account Number

E-mail Address

Date

