

DCSX BROKERAGE AGREEMENT

THIS AGREEMENT is entered into effective the _____ between:

DUTCH CARIBBEAN SECURITIES EXCHANGE N.V.

Pareraweg 45

Willemstad, Curaçao

(Dutch Caribbean)

hereinafter referred to as “**DCSX**”;

hereinafter referred to as “**Member**”;



**Dutch Caribbean
Securities Exchange**

hereinafter also referred to as “**Broker**”.

WHEREAS:

- (A) The DCSX is an international operating securities exchange organized under Curaçao law for the purpose of listing and trading domestic and international securities;
- (B) The DCSX is licensed by the Curaçao Ministry of Finance and regulated by the *Central Bank of Curaçao and Sint Maarten* (Central Bank);
- (C) Broker is a member of the DCSX and is as such eligible for making an application for acting as broker on the DCSX and to start trading activities on the DCSX; and
- (D) In order to provide Brokerage Services (as defined below), it is required for the Broker to enter into an agreement with the DCSX specifying the scope of its authority and responsibility in relation to trading activities on the DCSX in accordance with the terms of the Rules (as defined below).

NOW THEREFOR, IT IS HEREBY AGREED AS FOLLOWS:

1 Interpretation

1.1 Unless the context otherwise requires:

“Agreement” means this brokerage agreement, as amended, supplemented, revised, novated or otherwise changed from time to time;

“Brokerage Services” shall include:

- (i) the effecting of transactions of and/or relating to the purchase and sale of and dealing in Securities in the name and for the account of the Customer;

- (ii) the effecting of transactions of and/or relating to the purchase and sale of and dealing in Securities in the name of the Member, or of the Broker, or any nominee for the account of the Customer; and
- (iii) any services ancillary thereto as set out in this Agreement.

“Brokerage Parties” means Member, Broker and Guarantor jointly or any of them severally

“Custodian” Financial institution holding the securities deposited with the DCSX for trading

“Customer” has the meaning of a customer of the Broker who wishes to trade on the Exchange through the services by Broker.

“Exchange” means the DCSX and shall include the premises on which the DCSX and its terminals and supervisory center are located.

“Instructions” means instructions provided from time to time to Broker by Customer or by such persons as Customer has authorized to give instructions.

“Letter of Guarantee” means the letter of guarantee as required under Clause 7.1.

“Level Agreement” means any agreement between the DCSX and Broker from time to time in force reflecting the service level, information technology service level or any other specified service level as mentioned in such agreement and which is expressed to be a level agreement.

“Member” has the meaning ascribed thereto in the Rules;

“Securities” means any stock, bond, fixed income, options, fund derivative or financial instrument registered, listed or traded on the Exchange;

“Rules” means the Rules and Regulations of the DCSX, as amended, supplemented, revised, novated or otherwise changed from time to time;

“System” means the DCSX securities trading system, an electronic or other form communication and execution facility through which bids and offers of competing dealers, as well as public orders, are consolidated for review and execution by users. The System combines the display of both the limit order file and current quotation/last sale information to users with the matching and execution of like-priced orders, bids and offers according to programmed price/time and agency/principal priorities in order to give users the ability to perform the brokerage and market-making functions performed on other exchanges. In addition, the System provides for the execution of orders under predetermined conditions.

1.2 References herein to Clauses are references to clauses of this Agreement. Headings are inserted for convenience only and shall not be used in construing this Agreement.

1.3 Exhibits and annexes to this Agreement are to be considered and read as an integral part of this Agreement

PART I - MEMBER-BROKER ACKNOWLEDGEMENTS

2 Acknowledgements of Member

2.1 Member hereby acknowledges and confirms that as a Broker it shall within the scope of the authority given under these presents, be entitled to act as a ‘broker’ within the meaning and subject to the Rules of the DCSX.

3 Acknowledgements of Broker

3.1 Broker may conduct business on behalf of its Customers with the DCSX as is mutually agreed upon and subject to any such conditions as further specified under this Brokerage Agreement. The aforementioned conditions between Broker and the DCSX shall not contravene any provisions of the Rules of the DCSX.

3.2 Broker will agree that it shall not, except with the previous consent of its Customers, commit on latter’s behalf transactions in Securities in excess of the amount mutually agreed upon in writing. Said amount can from time to time be the aggregate value of a

transaction if it is so agreed in any contract. The maximum outstanding position of Customer will also be limited to such limits as may be specified by Broker.

- 3.3 Broker shall maintain separate books of accounts in respect of its dealings with its Customers, and under no circumstances it shall mix the funds received from or payables to any of its own Customers.
- 3.4 Broker agrees that it shall abide by all statutory responsibilities and obligations imposed on it by the regulations referred to in this Agreement and/or any other rules or regulations as framed by the DCSX applicable to Brokers in general.
- 3.5 Broker agrees that it shall each ensure the necessary protection to its Customers regarding their rights. Broker shall not do anything, which can likely harm the interest of Customers with and for whom they may have had transactions in Securities.
- 3.6 Brokers conforms and acknowledges the correctness of the KYC Broker Declaration towards the DCSX as set forth in Annex 1 to this agreement.
- 3.7 Broker agrees that it they shall not encourage sales/purchases with the object of generating brokerage fee/commission.
- 3.8 Broker agrees to enter into a detailed agreement with all Customers and will maintain a database of all Customers.

4 Responsibilities of Broker

- 4.1 It shall be the responsibility of Broker to comply with the applicable DCSX procedures.
- 4.2 If a Broker holds or receives money from or on behalf of Client, it shall forthwith deposit or transfer the amount to a separate bank account, as described in Rule 4.28 of these Rules and Regulation. The DCSX may request proof and/or will audit the compliance to this rule on a regular basis. In the event the Exchange notices that a broker is not complying with these stipulations, Rule 3.17 of these Rules and Regulations will be in effect.
- 4.3 Broker may at its own discretion decide to keep one consolidated Client Account for all its Customers. Broker can also opt to open more than one bank accounts and group its Customers. This however is at the discretion of the custodian of the DCSX.

- 4.4 When the Broker receives a check or draft representing in part money belonging to Customer, and in part money belonging to Broker, he shall deposit the whole amount of such check or draft into the Client Account and from there effect subsequent transfer of its share of the amount to its own account.
- 4.5 Broker shall reconcile their accounts at least every end of the month with references made to all the settlements which took place during that month.
- 4.6 Broker shall issue split confirmation memos to each Customer within 24 hours of receipt of the contract notes from the DCSX, wherein Broker shall specify the registration number as allotted by the DCSX, the name of the Broker responsible for the execution of the order, Broker's ID-number, the name of the DCSX, reference number of Broker's contract notes, the rate at which the sale or purchase is made, and the brokerage fee. On the cover of each confirmation memo it should clearly state that in case of any disputes with Broker the Customer should notify the Broker within 3 months after the date of dispute.

PART II - BROKERAGE SERVICES

5 Appointment and Performance of Brokerage Services

- 5.1 Broker shall, on Instructions of Customer and on the basis of this Agreement, provide Brokerage Services to Customer. Broker shall comply with any Instructions given to it or purported to be given by Customer and shall be entitled to act for Customer upon any such Instructions.
- 5.2 Broker may in its absolute discretion refuse to execute any Instruction given by or on behalf of Customer and shall use reasonable endeavors to notify Customer forthwith of any such decision.
- 5.3 Broker shall effect settlement of rights and/or obligations resulting from transactions effected pursuant to the Brokerage Services, such as but not limited to settlement of and payment for and delivery of Securities, in accordance with the laws, regulations and market practices in the jurisdictions in which the transactions occur- and/or in accordance with the terms of the transactions effected hereby.

5.4 Broker hereby agrees to credit the bank account held by Customer or, if no such account has been opened, the Client Account or such other account to be agreed from time to time in the event that Broker receives any dividend and/or interest entitlements on Securities held by or on behalf of Customer or its nominee.

5.5 Broker shall only make delivery of cash and/or any of the property of Customer:

- a) in the course of settlement of transactions notified to Broker;
- b) on the Instructions of Customer;
- c) pursuant to any security and/or pledge arrangement agreed hereunder or otherwise between Customer and Broker.

6 Powers and Duties of Broker

6.1 Broker shall have and perform the following powers and duties and such other powers and duties as the parties shall from time to time agree:

- a) to register the Securities in the name of Broker, provided however that, if instructed to do so by Customer, Broker may deposit any of the Securities in a depository or clearing system;
- b) to deposit in the bank account held by Customer or the Client Account, all moneys received from or for the account of the Customer;
- c) when instructed to do so by Customer and subject to the provisions in this Agreement, to make settlement of transactions undertaken by or for the account of Customer, delivering or receiving the Securities or other assets of Customer and making or receiving payments for the account of Customer. Broker is not obliged to deliver Securities or assets which cannot be covered by Securities or assets which they hold for Customer or to make any payments other than from the Account;
- d) to collect and deposit in the Account all income and other payments in connection with the Securities;
- e) unless instructed to do so by Customer, Broker shall not vote on or in respect of the Securities or deliver any executed form of proxy to vote thereon or in respect thereof;

- f) to employ any legal, financial or other experts which Broker deem necessary to comply with its duties and obligations under this Agreement the costs of which will be reimbursed to Broker by Customer, if reasonable and duly evidenced by appropriate documents;
- g) when instructed to do so by or on behalf of Customer, to remit money to the account of Customer and to pay or procure the payment of any invoices or other financial obligations of Customer;
- h) to deliver and surrender any bonds or other instruments as and when the same fall due for payment or repayment and to pay all calls and debit the accounts of Customer accordingly and to effect all necessary or appropriate exchanges of bonds or other instruments; and
- i) to deliver to Customer all forms of proxy and all notices of meetings and any other notices or announcements in connection with the Securities.

6.2 The Securities held at any one time by Broker shall be recorded in and ascertainable from the books and/or ledgers of Broker and such books and ledgers shall constitute conclusive evidence of the Securities retained on behalf of Customer.

7 Letter of Guarantee

7.1 Before Broker is allowed to initiate trading activities on the Exchange, Broker or its Guarantor(s) shall issue to the DCSX a Letter of Guarantee of USD 100,000 in such form as required by the DCSX in favor of the DCSX or any party as designated by the DCSX. The Letter of Guarantee shall not be deemed to be margin for the Broker or its customers and shall in no way constitute an ownership interest in the DCSX.

7.2 The Letter of Guarantee shall be “on demand” and in the form as required by the DCSX on case to case basis. The Letter of Guarantee must if so required by the DCSX be issued by a first class rated international or Curaçao based operating banking institution, which bank must be approved in advance by the DCSX

- 7.3 Depending on the daily volume of trading of the accounts of Broker and its customers, the risk involved in such trading, and such other factors as the DCSX may, in its sole discretion, deem applicable, Broker or its Guarantor(s) may be required to increase the USD amount, as the DCSX may from time to time specify. Broker or its Guarantor(s) understands that the DCSX may change such amount from time to time.
- 7.4 In addition and without prejudice to the remedies provided for in the Rules of the DCSX, Broker or its Guarantor(s) understands any amounts held in the Letter of Guarantee may be used by the DCSX at any time to off-set indebtedness resulting from trading and other activities from Broker or its customers. In the event that funds from the Letter of Guarantee are so used, Broker or its Guarantor(s) shall immediately issue a renewed Letter of Guarantee specified by the DCSX.

8 Guarantee

- 8.1 Member, Broker a/o Guarantor(s) will be required to agree to be liable, on a joint and several basis, for all indebtedness arising from the trading and other activities of Broker and its customers through the DCSX.

PART III - GENERAL PROVISIONS

9 Payment for Securities

- 9.1 Broker hereby agrees that all transactions in Securities on behalf of Customers of Broker shall be settled by delivery and/or payment, or squaring off, or settlement as per the due date specified by the DCSX, between the contracting parties in accordance with the Rules of the DCSX and subject to the procedures for settlement of transactions laid down by the authorities of the DCSX from time to time.
- 9.2 Broker confirms that in its dealings with its Customer, all Securities, which have been purchased for the Customer by the Broker, will be transferred to the Broker, or to any sub-Broker or nominee, as Broker, or registered in the name of the Broker or a sub-Broker or nominee, as the case may be. Such transfer and registration will be subject, however, to payment in full of all moneys due in connection with such purchase (including, for the avoidance of doubt, the gross purchase price). If such indebtedness is not satisfied by the Customer within 5 days of the date the same became due, such Securities will not be

transferred to nor held by the Broker on behalf of the Customer, but will be freely available to the Broker.

9.3 If, pursuant to Clause 9.1 hereof, the Securities will not be transferred to or held by the Broker on behalf of the Customer, the Customer is not released from his obligation to pay the Broker. Such payment obligations will be reduced to the extent that the net proceeds of the sale of such Securities are available to the Broker.

9.4 The Broker will be under no obligation whatsoever vis-à-vis the Customer in connection with Securities referred to above unless and until the Customer has satisfied its payment obligations vis-à-vis the Broker in full.

10 Broker - Customer disputes

10.1 If any dispute arises between Broker and its Customers, this shall be settled with the help of the Appeals Committee of the DCSX. If no such settlement is possible, the parties hereby agree to refer such dispute to arbitration in accordance with the Rules of the DCSX.

10.2 Broker hereby agrees that it shall cooperate with the DCSX officials and provide all relevant documents in their possession so as to expedite the settlement through the arbitration process.

11 Termination

11.1 Either party shall be entitled to terminate this agreement at will and without giving any reasons to the other party upon a prior six months written notice of termination.

11.2 Notwithstanding any further termination provision in the Agreement, the DCSX is entitled to extrajudicial dissolve (*ontbinden*) the Agreement in writing with immediate effect in the event of:

- A material breach by any of the Brokerage Parties or any representative of them of any term under this Agreement not remedied within the term specified in the written dissolution notice;

- Any of the Brokerage Parties providing the DCSX with any documentation which is fabricated, falsely made up or otherwise incorrect;
- If Broker for whatever reason ceases to be a Broker with, or Member ceases to be a member of, the DCSX;
- Request for moratorium of payments or bankruptcy filed by or against any of the Brokerage Parties;
- The dissolution (*liquidatie*) of any of the Brokerage Parties or the discontinuation of any of the Brokerage Parties' business;
- The death of any of the Brokerage Parties or if any of them is being placed under conservatorship (for private individuals only);
- If any of the Brokerage Parties does not agree with a change or amendment in Rules; and
- DCSX not approving or endorsing a change in the ultimate beneficial ownership of any of the Brokerage Parties.

11.3 Notwithstanding any termination as mentioned under 11.2, all rights, liabilities, and obligations of the parties arising out of this Agreement or in respect of any transactions entered into prior to the termination of this Agreement, shall continue to subsist and vest in/be binding on the respective parties or their respective heirs, executors, administrators, legal representatives or successors, as the case may be.

11.4 Broker shall make sure that all Customers holdings have been liquidated and/or transferred to another Broker before the termination of the Agreement can take effect

12 Notices

12.1 All notices and communications hereunder shall be made in writing (by letter or e-mail) and shall be sent as follows:

(a) if to the **DCSX**:

Address: see address page 1 of this agreement

Email : operations@dcsx.cw

Attention : Mr. René Römer and Mr. Abedd Hammoud

(b) if to **Member**:

Address:

Email

Attention

(c) if to **Broker**:

Address:

Email

Attention

12.2 Every notice or communication sent in accordance with article 12.1 shall be effective upon receipt by the addressee.

13 Amendments

13.1 No alteration, amendment, change or addition hereto shall be binding or effective unless the same is set forth in writing, signed by a duly authorized representative of each party.

14 Confidentiality

- 14.1 Any of the Brokerage Parties shall keep confidential any information it may acquire as a result of their membership or their being a Brokerage Party in or dealings on the Exchange, including without limitation, any pricing and financing terms. This confidentiality provision shall survive the life of this Agreement.

15 Events beyond control of the DCSX

- 15.1 The DCSX shall not be liable for any loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war (whether declared or undeclared), terrorist acts, insurrection, riots, flooding, strike, failure of utility services, accidents, adverse weather or other events of nature, including but not limited to earthquakes, hurricanes and tornadoes or other conditions beyond the control of the DCSX. This disclaimer of liability shall in no way limit any other liability disclaimer of the DCSX, including without limitation, Rule 1.21 of the Rules of the DCSX.

16 Rules and other agreements

- 16.1 The Rules and the Level Agreement(s), if any, are applicable to, and form an integral part of, this Agreement.
- 16.2 If there is any conflict between the terms and conditions of this Agreement and the Rules or Level Agreement, the terms and conditions of this Agreement will prevail.
- 16.3 If there is any conflict between the Rules and the Level Agreement, the terms and conditions of the Level Agreement will prevail.

17 Governing Law and Jurisdiction

- 17.1 This Agreement shall be governed by and construed in accordance with the laws of Curaçao .
- 17.2 All parties agree that the courts of Curaçao are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement will be brought in such courts.

18 Effective date

18.1 This Agreement shall become effective as of the date first above written.

IN WITNESS WHEREOF the parties hereto have executed this Agreement in threefold the day and year first above written.

DUTCH CARIBBEAN SECURITIES

EXCHANGE N.V.

By: Á Á

~~By:~~

Title: Á

Title:

ANNEX 1: KYC BROKER DECLARATION

The Broker represents that:

1. In its dealing with its Customer it has the necessary automated systems and internal policy in place for Know Your Customer, Anti Money Laundering and Counter Terrorist Financing purposes and that it will provide the DCSX with a Certified Copy of such internal KYC,AML,CTF policy as adopted by its Managing Board.
2. Its compliance officer is:

Mr(s) .
3. It will only transact for its customers on DCSX if and when the customer has been identified in accordance with the applicable rules and regulations in Curaçao regarding the identification of clients when rendering services and the customer due diligence has been completed.
4. It will only execute transactions on DCSX on behalf of its their account holders and not for parties which do not hold an account with them.
5. It screens all account holders on whose behalf it trades on DCSX with the SDN lists as issued by the Office of Foreign Assets Control (OFAC), as well as the lists as issued by the Central Bank of Curaçao and Sint Maarten (CBCS).
6. The customer identification documentation will be made available immediately to DCSX upon request, but no later than within 2 business days.
7. No transactions will be executed on DCSX on behalf of clients who appear on the aforementioned OFAC/CBCS lists.

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