

## **AIB-AXYS TERMS AND CONDITIONS**

### **1. INTRODUCTION**

AIB-AXYS Africa Limited (**AIB-AXYS**) is a market intermediary regulated under the rules, regulations and guidelines of the NSE, the Capital Markets Act, and applicable laws in Kenya.

Subject to any other agreement made in writing between AIB-AXYS and you as a client whose application has been accepted and engages AIB-AXYS to receive its services (the **Client**), the relationship between AIB-AXYS and the Client shall be governed by the following standard terms and conditions (the **Terms and Conditions**)

These Terms and Conditions are subject to any supplementary agreement entered into with a client and:

- (i) applicable Kenyan, foreign, and international laws including Anti-money laundering (**AML**) laws and requirements;
  - (ii) regulatory authorities' rules and directives;
  - (iii) applicable stock exchange and clearing institution bylaws; and
  - (iv) established market customs and practices.
- (together referred to as the **Trading Rules**).

### **2. APPOINTMENT OF AIB-AXYS**

The Client appoints AIB-AXYS as its duly authorized agent to purchase sell and otherwise deal in all types of Securities (such term as defined in the Capital Markets Act) for and on behalf of the Client and in accordance with the instructions issued by the Client to AIB-AXYS from time to time.

AIB-AXYS may open a dedicated book of account for the Client in its records; which will be utilized to record and monitor transactions undertaken on behalf of the Client the (**Brokerage Account**). The Client shall be entitled to receive a statement of account for their Brokerage Account upon request and within a reasonable time from receipt of a formal request.

Each of the parties acknowledges and confirms that they shall at all times comply with the Trading Rules as may be in force from time to time.

### **3. AIB-AXYS' OBLIGATIONS**

AIB-AXYS shall perform the activities it is licensed to perform in accordance with the applicable Trading Rules and in particular shall endeavour to:

- (i) to abide by these Terms and Conditions; and
- (ii) to inform the Client of any matters that may reasonably affect the service being provided.

AIB-AXYS shall undertake its functions with appropriate standards of professionalism and due regard to the needs of the Clients.

### **4. CLIENT RIGHTS**

The Client has the right:

- (i) to receive title for any securities purchased;
- (ii) to receive a statement of all proceeds received and all fees and charges incurred in connection with the Client's Brokerage Account;
- (iii) to benefit from all rights available to Clients generally where not contrary to the provisions of these Terms and Conditions (to the extent applicable);
- (iv) to receive payment for securities sold within a specified period;
- (v) to access these terms and conditions and applicable policies maintained by AIB-AXYS in relation to their customer services; and

### **5. INSTRUCTIONS & NOTICES**

Instructions from Clients must be issued to the appropriate representative of AIB-AXYS in writing and delivered via hand, registered post, telephone, or email. Electronic communications must be confirmed as received by AIB-AXYS to be considered validly instructed. Clients accept the risk of misunderstandings or errors in transmission of instructions and will notify AIB-AXYS in a timely manner.

Notwithstanding any provision in these Terms and Conditions, acting on instructions by AIB-AXYS shall be sufficient evidence of receipt of instructions notwithstanding that AIB-AXYS did not respond to any such communication.

AIB-AXYS shall not be liable for errors or to compensate the Client by mere fact that an error occurred. AIB-AXYS will undertake reasonable efforts to verify oral instructions and reserves the right to request such verification and to refuse to act on unclear or impractical instructions or instructions not provided through the proper channels.

Phone conversations may be recorded for compliance and evidence subject to internal privacy and data protection policies. Clients must verify transaction details upon receipt and notify AIB-AXYS of any discrepancies within 48 hours.

Instructions received after normal trading hours will be treated as received on the next day on which the NSE is open for trading.

### **6. EXECUTION OF TRANSACTIONS**

AIB-AXYS aims to secure the best execution prices in the market but may aggregate client orders with others to the extent permitted by law. Where there is a limited supply or market for a security, AIB-AXYS makes no assurance for equality among all client accounts, but will use its best efforts to fairly allocate opportunities among all accounts

The Client acknowledges that the systems used in the market by the NSE and AIB-AXYS are vulnerable to disruption or malfunction which may result in instructions not being executed

or being delayed due to unforeseeable circumstances. The Client releases AIB-AXYS from liability for any loss, damage or liability suffered by reason of or in connection with such disruption or system. All transactions are subject to regulatory compliance.

## 7. CONFIDENTIALITY

AIB-AXYS will keep Client information confidential unless required by law or regulators. However, it may share information with affiliates or advisors as necessary to enable it perform its functions under these terms and conditions. Clients must also maintain confidentiality regarding any proprietary information received.

## 8. FUNDS AND PAYMENTS

Client funds, including deposits, dividends, and proceeds from disposals, will be credited to the designated client bank account in the Client's name and specified in the account opening form or to such alternate bank account in the Client's name as may be directed by the Client through prior written instructions properly given to AIB-AXYS.

If a client instructs payment to be made to different bank accounts, then such client assumes all risks in relation to such payment and shall not hold AIB-AXYS liable for any claims arising from such third-party payment instructions.

All payments on account of a client must be supported by a purchase transaction. All requests for remittance of unutilized funds received or held by AIB-AXYS shall be subjected to AML checks & internal approvals.

AIB-AXYS reserves the right to delay such payments until satisfaction of applicable AML checks and internal approvals.

Clients must ensure payments are made directly to AIB-AXYS's accounts and not through intermediaries, staff or other third parties. AIB-AXYS will not be able to monitor or verify such transactions and is not responsible for losses from such third-party transactions. Accordingly, the Client indemnifies AIB-AXYS in relation to any such related loss in accordance with the provisions of clause 16.

## 9. ACCESS TO THE AIB-AXYS APP AND ONLINE TRADING PLATFORMS

Access to the AIB Platforms shall be granted on a limited, non-exclusive, revocable, non-transferable and personal license and through the creation of an online account for the personal use of the Client (the **Online Client Account**).

The Client shall:

- (i) be responsible for keeping its access credentials to the Online Client Account strictly confidential;
- (ii) notify AIB-AXYS immediately of any loss, theft or unauthorized use of the Login ID or the Password. AIB-AXYS may disable access to the Online Client Account or take such other action as may be necessary to secure the Online Client Account upon such notification;
- (iii) not use the Online Client Account to train or service third parties or in a manner that would overburden AIB-AXYS's

servers or interfere with any other customer's use of the Online Client Account; and

- (iv) not use any communication feature of the Online Client Account for any purpose that is unlawful, libelous, defamatory, obscene, threatening or otherwise abusive to another person or prejudiced to AIB-AXYS.

The Client hereby expressly authorizes AIB-AXYS to rely and act on any instruction issued through the Online Client Account that AIB-AXYS believes has been properly issued by the Client.

The Client hereby undertakes to submit to the rules and procedures established by AIB-AXYS in respect of the use of the Online Client Account as prescribed from time to time.

AIB -AXYS reserves the right to suspend the operation of the AIB Platforms at any time and to close out any open transaction at the applicable market price available without incurring any direct or indirect liability to AIB-AXYS.

AIB-AXYS may further close out open positions and/or liquidate and realize the Securities or other assets held by the Client on the AIB Platforms without notice if one of the following events occurs or at any time after:

- (i) the Client fails to observe or fulfil all or part of the commitments provided under these Terms and Conditions;
- (ii) the Client dies, is declared absent, missing, presumed dead or no longer in full possession of his/her faculties;
- (iii) any action is undertaken or proceeding is started or protection sought, according to the bankruptcy or insolvency law;
- (iv) AIB-AXYS or the Client is directed by any competent governmental authority to terminate a Transaction;
- (v) AIB-AXYS considers it reasonably necessary to protect its interests.

AIB-AXYS shall impose trading volume and other limits on the Online Client Account in such a manner as AIB-AXYS may in its sole discretion deem necessary.

All provisions in relation to the Brokerage Account or CDS Account shall apply to the Online Client Account to the extent reasonable and justifiable in view of the nature of the said account.

AIB-AXYS may in its sole discretion accept or refuse to grant the Client access to its digital computer application and any online trading platform operated by it (together the **AIB Platforms**).

## 10. RISK ACKNOWLEDGEMENT

The Client understands that there are risks inherent to any investment and confirms that the Client is solely responsible for determining the suitability of an investment based on their financial situation, objectives, and risk tolerance. AIB-AXYS does not act as an advisor or fiduciary unless expressly agreed upon.

The Client agrees that all investment decisions are based on the Client's own evaluation of each transaction. This extends to any

decision made by the Client on the basis of any information that may be made available by AIB-AXYS to the Client or the general public whether on its website or through any other media.

In all matters in these terms and conditions the Client agrees that AIB-AXYS will not be liable to the client for any loss suffered as a result of good faith actions exercised by AIB-AXYS with due care, diligence and skill expected of a reasonably prudent stockbroker.

## 11. FEES & COMMISSIONS

The Client agrees to pay all fees, commissions, levies and charges associated with the brokerage services as outlined in AIB-AXYS's fee schedule (the **Fees**). Where applicable fees shall be subject to VAT and other taxes.

AIB-AXYS is authorized to immediately debit, set off and/or deduct the Fees (at applicable rates not exceeding the maximum allowable by law) from funds held by it. Such rates may vary for different investments.

AIB-AXYS reserves the right to update its Fee structure at any time, with prior notice to the Client (the **Fee Schedule**). The Fee Schedule shall be available upon request and on the website of AIB-AXYS.

Where AIB-AXYS enters fee-sharing arrangements with affiliated brokers to carry out Client's instructions, fees for such services (as outlined in the Fee Schedule) may be deducted from Client accounts. The Client remains liable to settle all outstanding fees on termination of this appointment.

## 12. FOREIGN INVESTMENTS

Foreign investments (where applicable) will be subject to applicable regulations. Such transactions may involve overseas intermediaries, and the clients accept the associated risks, including market volatility and currency fluctuations.

## 13. UNDERFUNDED CLIENT ACCOUNTS ON PURCHASE OF SECURITIES

AIB-AXYS is under no obligation to place any purchase order unless it holds clear funds in the Client's Brokerage Account sufficient to settle the order and applicable Fees.

In the event that the Brokerage Account does not have sufficient funds to satisfy a purchase order then AIB-AXYS is authorized to (i) reduce the size of the order to match the cleared funds in the Client's brokerage account or (ii) settle the additional amount required (the **Debit Balance**) and to charge compound interest on the Debit Balance at the rate of 1.5% per month. Interest under this clause will accrue from day to day from the day the Debit Balance is incurred and shall be debited to the Client's Brokerage Account monthly in arrears.

Debit Balances shall become recoverable if outstanding for more than 30 days or such other duration as AIB-AXYS may expressly permit.

In order to recover any outstanding Debit Balances (and any accrued interest) AIB-AXYS is authorized at any time, without notice, to combine and/or consolidate all or any accounts held by the Client with AIB-AXYS in order to compensate for any amounts due from the Client. This applies where the Client is a joint holder, or where the account is held by an entity where the

Client is a substantial shareholder or director, and in such manner as AIB-AXYS may determine. A substantial shareholder for purposes of this clause shall mean a holder of the majority of the voting rights or of special voting rights or at least ten percent (10%) of the issued shares or equity of that entity.

Any securities, guarantees or indemnities provided to AIB-AXYS by the Client shall extend to cover any amount due by the Client with reference to the exercise of the right of compensation and consolidation as provided above. Further AIB-AXYS shall have a general lien over all assets of the client in its possession where a client has an outstanding Debit Balance and fails to pay the same as required.

AIB-AXYS reserves the right not to effect any instructions or release Securities held by it to other stockbrokers of the Client until any Debit Balance (and accrued interest) in any of the Client's account with AIB-AXYS is settled.

## 14. UNUTILISED CREDIT BALANCES

The Client shall make a written request to AIB-AXYS to receive proceeds from sale transactions and any unutilized credit balances held in the Brokerage Account in the event they require their funds. AIB-AXYS will make reasonable efforts to remit the funds within agreed timelines.

To receive payment for Securities sold within a specified period, funds shall be available for payment 4 days from the date of completion of the sale (T+4). Once available, funds will generally be paid one (1) day after a payment request has been properly made and received by AIB-AXYS.

The Client confirms and agrees that funds credited to their CDS account, or a Brokerage Account held by AIB-AXYS should be used in purchasing Securities or other products offered by AIB-AXYS.

In view of the above, the Client authorizes AIB-AXYS to place any unutilized funds held in their Brokerage Accounts (the Unutilized Credit Balances) in any appropriate investment they deem fit.

AIB-AXYS shall upon request by the Client pay the Client interest on the Unutilized Credit Balances invested as above at a rate of 0.1% per annum but subject always to the terms governing how and when such investment may be liquidated.

AIB-AXYS is authorized to aggregate such Unutilized Credit Balances with other funds to generate the required interest.

The Client acknowledges that the treatment of credit balances as provided here is reasonable in the circumstances and releases AIB-AXYS from any claims arising from good-faith actions by AIB-AXYS in accordance with these provisions.

## 15. JOINT CLIENT ACCOUNTS & TRUSTEES

Where a Brokerage Account or CDS Account is held jointly or by trustees, the person who signs on as the client will remain the principal contact and authorized person to provide instructions. This will apply where the Client acts on behalf of a third-party and despite any disclosure of such arrangement to AIB-AXYS. Any communication from the authorized party shall be binding on all other parties claiming thereunder.

In the event of two or more Clients holding a joint account the following additional provisions apply:

- (i) On the death of one of the Clients the court-appointed administrators shall be entitled to the deceased's estate.
- (ii) Any instruction, notice, demand, acknowledgement or request shall only be processed in line with the strict requirements of the joint account holders' mandate.

Trustees must notify AIB-AXYS of any changes and ensure the correct/appropriate legal authority undertakes any operations, obligations or otherwise engages in transactions.

## 16. LIABILITY & INDEMNITY

AIB-AXYS is liable only for losses due to willful misconduct, fraud, or gross negligence of AIB-AXYS or its officers and staff.

The Client hereby agrees to indemnify and hold AIB-AXYS and its respective officers, directors, shareholders, employees, affiliates, agents and other representatives harmless from and against

- (i) any and all direct or indirect losses arising due to market fluctuations, external third-party failures, or other similar indirect causes;
- (ii) any and all demands liabilities losses damages costs and expenses including legal costs incurred by AIB-AXYS by reason of the Client assuming without confirmation that a transaction has been received, completed or not completed;
- (iii) any claims, losses, damages or expenses which the Client may suffer or incur by reason of theft of the account credentials or AIB-AXYS effecting an instruction given via the Online Client Account; and
- (iv) any and all demands liabilities losses damages costs and expenses including legal costs incurred by AIB-AXYS by reason of the Client remitting any funds or requiring any third-party payments to be done contrary to the provisions of these Terms and Conditions.

Clients agree to indemnify AIB-AXYS against losses resulting from Client instructions duly effected as provided here.

## 17. CLOSING TRANSACTIONS

If a Client fails to meet its obligations, AIB-AXYS may cancel transactions, sell Client assets within its custody, or take necessary, reasonable measures to mitigate losses without prior notice. It may also retain /set-off the Client outstanding liabilities from dues owed to the Client.

## 18. TERMINATION

Either party may terminate this appointment without penalty. Termination does not affect obligations which become due prior to termination.

If AIB-AXYS ceases to be an NSE member, the appointment terminates automatically in accordance with its license conditions and is subject to any applicable regulator directions.

In the event of a Client's death, the appointment remains in effect until the estate representative provides a valid termination notice.

Notwithstanding termination, AIB-AXYS will complete any transaction that has been initiated prior to termination and subject to the terms of this Agreement.

The Client agrees that termination shall be subject to the proper settlement of all transactions and any amounts due as at the date of termination.

The warranties and indemnities hereunder shall continue in force despite termination.

## 19. FORCE MAJEURE

AIB-AXYS is not liable for failure or delay in fulfilling obligations due to unforeseen circumstances beyond its control, including without limitation:

- (i) any act of God;
- (ii) any war or hostilities (whether war be declared or not);
- (iii) any sabotage, riots or other act of civil disobedience, civil commotion, rebellion, act of a public enemy or invasions;
- (iv) any judicial actions, strikes, lockouts, industrial disputes or actions of any such nature;
- (v) any actions or inactions of any government or competent governmental authority or any agency or subdivision thereof including regulatory changes;
- (vi) any act of terror;
- (vii) any storms, floods or other inclement weather, earthquakes, subsidence, pandemics, epidemics or other natural physical disasters; and/or
- (viii) any system failures affecting the services.

## 20. CLIENT WARRANTIES

Clients affirm that they are legally authorized to enter into this agreement, that they are not subject to any international sanctions and funds provided are not proceeds of crime, that all KYC and financial information provided is accurate, and that investments are free from liens or encumbrances.

## 21. GOVERNING LAW & JURISDICTION

This agreement is governed by Kenyan law. Clients submit to Kenyan courts for dispute resolution but acknowledge AIB-AXYS's right to pursue legal action in other jurisdictions if necessary.

## 22. DATA PRIVACY AND PROTECTION

- (i) **Data Collection:** AIB-AXYS may collect and process personal information from our customers to provide and improve our services in the capacity of both data controller and processor. We value the privacy of our customers and are committed to maintaining the confidentiality and security of their data and adhering to data protection laws principles and best practices in Kenya so as to uphold our customers' right to privacy.

- (ii) **Information Sharing with Third Parties:** AIB-AXYS may share customer data with specific third parties who are data processors solely for the purpose of processing and enhancing the quality of our services. This sharing is limited to entities that assist us in providing and improving our services. We do not engage in the resale or provision of customer data to third parties for the marketing of other products or services.
- (iii) **Purpose of Data Sharing:** The data shared with third parties is intended solely for processing activities that contribute to the enhancement and optimization of AIB-AXYS's services. This may include but is not limited to improving the functionality of our systems and applications, analyzing usage patterns and addressing customer feedback.
- (iv) **Consent:** By agreeing to these Terms and Conditions, customers explicitly consent to the collection and sharing of their data with specific third parties as described herein. Customers acknowledge that this data sharing is essential for the proper functioning and improvement of AIB-AXYS's services.
- (v) **Security:** AIB-AXYS takes all necessary measures to ensure that only minimal and appropriate personal data is collected and processed, and the confidentiality and security of customer data is maintained. Industry-standard security practices to protect against unauthorized access, disclosure, alteration, and destruction of customer information will be applied.

## 23. AML/CFT RISK-BASED APPROACH

AIB-AXYS is a reporting institution under the Proceeds of Crime and Anti-Money Laundering Regulations, 2023 of Kenya (POCAMLRL) and is required to take reasonable measures to prevent the use of modern technologies for money laundering, terrorism financing and proliferation purposes. Client funds may only be deposited for the purpose of trading and settling payments due upon sale of the Securities. AIB-AXYS therefore restricts and will not approve deposit of funds into and withdrawals out of trading accounts which are not related to trading activity as per its AML and combatting financing of terrorism (CFT) policies and Clients will be required to adhere to the guidelines of AIB-AXYS in this regard from time to time.

## 24. SEVERABILITY

The invalidity or unenforceability of any provision of these Terms and Conditions shall not affect the validity or enforceability of any other provision of these Terms and Conditions.

## 25. AMENDMENTS TO TERMS AND CONDITIONS

AIB-AXYS reserves the right to amend, modify, or update these Terms and Conditions at any time. Clients will be notified of any material changes, and continued use after such notification constitutes acceptance of the revised terms.

## 26. CONTACT INFORMATION

For inquiries or concerns regarding these Terms and Conditions, please contact us by email at [feedback@aib-axysafrica.com](mailto:feedback@aib-axysafrica.com) or through official firm contacts (and not through specific

employees). Complaints will be handled through our complaints procedure available to clients on request.

## 27. NOTICES

Any notices, statements, requests, letters and other communications under this Agreement not required to be addressed through any other manner as set out in these Terms and Conditions shall be in writing or such other manner as AIB-AXYS may expressly approve and shall be deemed to have been delivered (a) on the date personally or physically delivered to either party, (b) on the date mailed, postage prepaid by certified mail with return receipt requested, or.

All correspondence to AIB-AXYS shall be addressed to the following address:

AIB-AXYS Africa Ltd.  
5<sup>th</sup> Floor, The Promenade  
General Mathenge Drive  
Westlands  
Nairobi  
P.O. Box 43676 00100 Nairobi  
[info@aib-axysafrica.com](mailto:info@aib-axysafrica.com)

## 28. ACKNOWLEDGEMENT BY THE CLIENT

By continuing to engage with AIB-AXYS, the Client acknowledges and confirms that the Client has read and agrees to be bound by the provisions of these Terms and Conditions. Where a Brokerage Account or Online Client Account is held by more than one person, it is acknowledged that each of the persons comprising the Client has read and agrees to be bound by the provisions of these Terms and Conditions.