

(SCHEDULE 5 - OPERATIONAL LEVEL AGREEMENT - FORMING  
PART OF APPENDIX 1 OF THE MASTER AGREEMENT)

(FOR INSTITUTIONAL CLIENTS)

MUBASHER FINANCIAL SERVICES (DIFC) LIMITED

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UNITED ARAB EMIRATES

(This Schedule should be signed by Clients to cover operational levels for GTNF)

**GTN FRANCHISE ('GTNF') – OPERATIONAL LEVEL AGREEMENT (SLA)**

Account No:

Name of Account Holder (Client):

## **1 OPERATIONS MANAGEMENT**

This Operational Level Agreement (OLA) is entered by and between Mubasher Financial Services (DIFC) Limited ('Mubasher' or 'MFS') and the Client as named above as Schedule 5 to Appendix 1 and forms part of the Mubasher Brokerage Services Agreement dated..... (Master Agreement).

The OLA outlines the parameters and operation levels offered to support the GTNF as they are mutually agreed upon between MFS and the Client.

## **2 OBJECTIVE**

The purpose of this OLA is to ensure that proper scope and commitments are in place to provide consistent and desired service to the Client by MFS.

## **3 ACCOUNT OPENING**

When opening a customer account, it is important to note the customer will be segregated under the overall umbrella of a master account that will be opened with Mubasher.

- ✓ A Master Account will be opened by Mubasher Middle Office team pursuant to receipt of the following:
  - o Authorized person's IDs
  - o Authorized signatories and authorized trader's lists
  - o Customer agreements
  - o Fully disclosed paperwork for the relevant market as needed
  - o Price sheets
  - o Express confirmation from customer RM of any additional documents as required and received
- ✓ Sub-account creation usually comes under the purview of the client, and it is subjected to the overall control the client wants to exert over the sub account level.

MFS Initials

Client's Initials

For institutional clients, a Mubasher Admin Terminal (AT) with set permissions to create sub-accounts that will come under the master account can be issued to create and control sub-accounts.

The client has the POA and can trade on the customers' behalf through Mubasher Dealer Terminal (DT). DT would allow the client to view the client account or sub-account.

The difference between the Master Account and Sub-account is the control. As a single point of control feature, Mubasher will manage master account level, and the client will manage their sub-accounts.

## 4 CASH FLOW

### Master Account Cash Management

The cash deposited by a client into the Mubasher bank account, will be accompanied by a notification of the deposit email being sent to the Mubasher Operations team, including a copy of swift advice associated with the deposit. Withdrawals requests must be accompanied by signed withdrawal request letter from a relevant signatory sent by fax or scanned email attachment to Mubasher Operations team for processing. Only authorized persons with defined signatory authority can make a withdrawal request and have it auctioned.

#### Timings

Cash fund in (deposits)

Once the cash is available in Mubasher's bank account, the fund will be reflected in the clients master account as per the instructions that are sent to Mubasher.

Cash fund out (withdrawals)

After receiving the instructions from client operations, Mubasher will immediately withdraw the cash from the master account, and the transfer will take up to two working days for international transfers to be available in the client's bank account and local transfers will take place in the same day.

### Sub Account Cash Management

Cash management on sub accounts level will be managed by client's operations team upon agreement between the two entities. The cash transactions and sub account balances will be marked as virtual, and won't affect the master account balances, the master account balances management will comply with the above point

## 5 SETTLEMENTS

For Settlements, market rules will govern the applicable settling of cash and shares. While Mubasher may allow a client to trade further on unsettled funds, it is strictly on market by market basis, with only fully settled funds or shares being available for withdrawal. Share settlement may vary per market, and as such it is incumbent on any client to know the rules for the market in which they are trading. Mubasher will provide clients with market summary information, rules and timings, as well as, providing in-depth market related information via the Mubasher dealing desk during the relevant market hours. Client will settle with MFS in the respective exchange currency.

MFS Initials

Client's Initials

Use of unsettled cash is allowed in GCC markets except for Kuwait. Use of unsettled cash is not allowed in the US and several other markets.

## 6 CORPORATE ACTIONS

### Master Account Corporate Actions

Corporate actions processing for mandatory corporate actions will be performed by Mubasher with any market related notifications being provided directly to the Client Operations team from Mubasher Operations. Any voluntary corporate actions performed by Mubasher, it will be performed on a “best efforts” basis, depending on the market and the required notification type and time frame.

Mubasher operations will notify the client’s operations immediately after receiving the notifications from the market or executing broker.

### Sub Account Corporate Actions

Corporate actions processing for mandatory corporate actions only on sub accounts level will be performed by Mubasher operations and/or client operation depending on how the account is setup in that particular market [ Fully Disclosed or Omnibus]. If performed by Mubasher in the Omnibus setup, processing the corporate actions on the sub accounts level will mandate Mubasher’s operations team to notify the client’s operations team of any corporate actions and a copy of the announced corporate action will be sent from Mubasher’s operation to the client’s operation.

Mandatory Corporate actions:

- Cash dividends
- Bonus issue
- Stock split
- Reverse stock split
- Symbol renaming
- Spin-off
- Rights
- Capital decrease
- Capital increase
- Forward split

And any other mandatory corporate actions which has taken place in all the markets.

Non-Mandatory Corporate actions:

- Voting
- Proxies

And any other optional corporate action which has taken place in all the markets.

MFS Initials

Client’s Initials

## 7 SECURITIES MANAGEMENT (SYMBOL MANAGEMENT)

Mubasher will control the management of all security maintenance processes.

## 8 MARKET CONTROL

Mubasher will control the below market procedures:

- Market's operating hours and days.
- TIF (Time In Force) supported by the markets
- Order types (Limit, Market, etc.) supported by the markets.
- Mubasher will notify the client of any official holidays for the markets that the client is trading on

Client will have view access to all the master accounts.

## 9 TRADE CORRECTIONS

### Client's dealing desk trades:

Trade corrections will be handled manually by the client's operations team by adjusting both cash balances and stocks on the sub account level. If any cash adjustments are required on the master account level, Client's operations will contact Mubasher's operations to proceed with the adjustment, cash adjustments will take place as the normal cash management process described before.

### Mubasher's dealing desk trades:

Trade corrections will be handled manually by Mubasher's operations team by adjusting both cash balances and stocks on the sub account level. If any adjustments are required on the master account Mubasher's operations will inform the client's operations and adjust the master account after the confirmation from the client.

## 10 COMMUNICATION BETWEEN MFS & CLIENT

Mubasher will accept multiple forms of communication from its clients. For Operations related matters email, facsimile and telephone communications are appropriate. However, it should be noted that withdrawal and/or share transfer requests must be accompanied by the required signed requests from an authorized person(s).

Trade confirmations, custody and rebate reporting as well as cash and holding statements are generally provided in PDF format and sent via email. These can however, be requested as excel spreadsheets that may be provided on a manual basis, as this format is not supported by the automated service.

Trade confirmations timing:

- GCC markets: trade confirmations will be sent immediately after market close.
- US and European markets: trade confirmations will be sent from 9am – 10am Dubai time

MFS Initials

Client's Initials

GCC markets trade confirmations might be delayed for one hour after market close in case any trade corrections that are required before sending the trade confirmations.

Other specified reports and or account details can be provided upon request by the client. Example holdings statement request from exchange or executing broker. Cash statement from executing broker.

The Cash Flow can also be demonstrated by following workflows. These incorporate the Delivery-Versus-Payment (DVP) mode too.



Figure - Cash Deposit

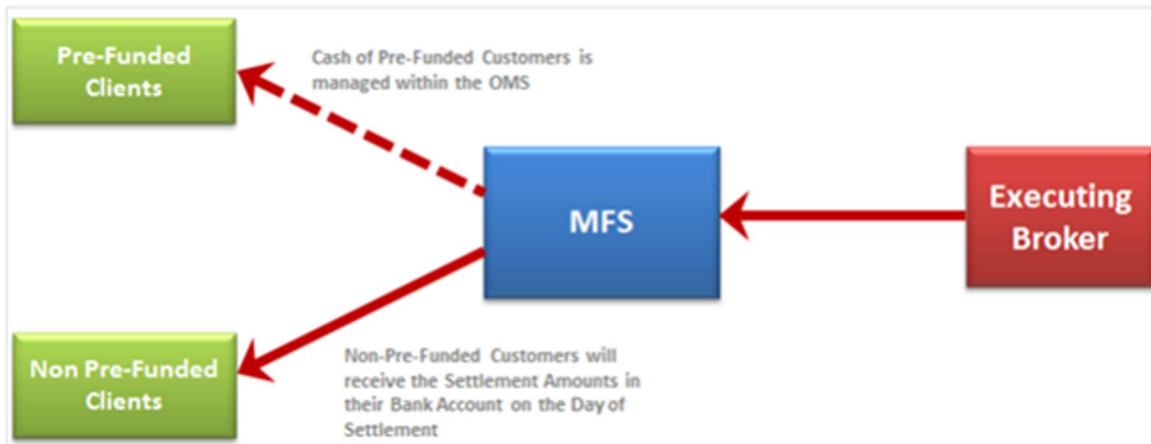


Figure - Cash Withdrawal

If there are questions on Mubasher Operation processes and mechanisms, or would like to speak in details, the MFS Operations Team will guide the client appropriately.

## 11 CONTACTS AND ESCALATION

1. Middle office
2. Operations
3. Sales support unit
4. Relationship manager

Note: all contact details will be provided separately, email address and numbers.

## 12 FAILOVER OPERATIONAL PROCEDURES

- Client site disconnection:

In the case client site got disconnected from MFS site, orders will be placed by calling the dealing desk and placing the orders over the authorized channels. Cash management instructions will be sent to MFS operations to adjust a certain customers cash account with the required amounts.

- MFS site disconnection:

In the case MFS site got disconnected, orders will be placed by calling the dealing desk and placing the orders over the authorized channels. When MFS system connects all trades will be updated by MFS team. Cash management will be done by client's operations once MFS connects again.

- Executing broker disconnection:

In the case of an executing broker disconnection, orders will be placed by calling the dealing desk and placing the orders over the authorized channels, all trades will be updated by MFS team.

**IN WITNESS WHEREOF, the parties hereto have executed this Operational Level Agreement on the date herein below written.**

For **Mubasher Financial Services (DIFC) Limited**

For

BY: \_\_\_\_\_

BY: \_\_\_\_\_

NAME:

NAME:

Designation:

Designation:

Date:    /    /

Date:    /    /

MFS Initials

Client's Initials