

5. **ADSM BROKERS COMPANIES AND INVESTORS**

5.1 **Investor Numbers**

ADSM shall allocate one Investor Number to each Investor upon written application from that person using Form F or in such other form prescribed by the Board from time to time together with such evidence of that person's identity as the Board may require in order to satisfy itself as to the identity of that person including without limitation such documentary evidence as may be set out on the application.

5.2 **Registration of Securities with ADSM**

- (A) Upon receipt from an Investor of a Stock Lodgement Form duly signed by the Investor together with any share or other certificate and such other documentation that the Listed Company or its Registrar may require, the Company shall or shall procure that its Registrar shall verify that the relevant Investor is the legal owner of the Securities which are the subject of the Stock Lodgement Form.
- (B) Once the Listed Company or its Registrar has verified the ownership of the relevant Securities, it shall sign the Stock Lodgement Form to acknowledge that it warrants that the Investor owns the relevant Securities, deliver the duly signed Stock Lodgement Form to ADSM and cancel the relevant certificate.
- (C) ADSM shall produce a new certificate in the name of the Investor on behalf of the Listed Company (which ADSM will hold for the Investor). Pending compliance by the relevant Listed Company with Rule 3.3(D)(3) the Listed Company shall grant to ADSM a power of attorney to execute such share certificates produced by ADSM on behalf of the board of directors of the Listed Company.

5.3 **Power of Attorney and Trading Accounts**

- (A) An ADSM Broker may only apply to open one Trading Account for each individual Investor. An ADSM Broker may open a Trading Account in the name of joint Investors.
- (B) The ADSM Broker shall ensure that the Investor has entered into a power of attorney in favour of such person or persons using Form G or in such other form as the Board may prescribe from time to time authorising that person or those persons to execute any written share transfer form on behalf of the Investor in relation to any trade executed on the System and shall forward original copies of such powers of attorney to ADSM. The ADSM Broker shall indemnify ADSM for all losses, claims or damages whatsoever incurred or suffered by ADSM as a result of a breach of this provision by the ADSM Broker. ADSM shall be entitled to reject any orders placed on behalf of an Investor in respect of whom ADSM has not received such a power of attorney.
- (C) An Investor may open Trading Accounts with more than one ADSM Broker.
- (D) If a group of persons wishes to open a Trading Account jointly, the ADSM Broker shall ensure that the first named person on the name of the account provides to the ADSM Broker a certified copy of a Power of Attorney from all the joint holders in favour of that person authorising that person to enter into all agreements in respect of dealings on the Market on behalf of each of them.

- (E) An ADSM Broker may request that the Board credit an Investor's Trading Account with that ADSM Broker with Securities by delivering to the Board a customer transfer form using Form I or such other form as the Board may prescribe from time to time duly signed by the ADSM Broker and such other documents as the Board may prescribe from time to time.
- (F) Upon receipt of the customer transfer form completed in accordance with Rule 5.3(G) and once it has confirmed that the relevant Securities have been registered with ADSM in dematerialised form in accordance with Rule 5.2, ADSM shall credit the relevant Investor's Trading Account with the Securities specified in that form.
- (G) The Securities of an Investor may be transferred from one ADSM Broker Trading Account to another ADSM Broker Trading Account or to an ADSM account with the consent of the Board upon written application from the relevant Investor. ADSM shall be entitled to withhold its consent for any reason it deems appropriate in the circumstances.

#### 5.4 Dealing with Customers

- (A) An ADSM Broker shall not open or operate a Trading Account or otherwise deal on behalf of any person unless the ADSM Broker has taken all reasonable steps to establish the true identity of the account holder, any other names of that person, his address, occupation, nationality and contact details.
- (B) An ADSM Broker shall not open a Trading Account on behalf of any person unless that person has an Investor Number. ADSM Brokers shall not accept the issue of an Investor Number as evidence of compliance with Rule 5.1(A).
- (C) An ADSM Broker shall ensure that all instructions are received from customers with the capacity to be registered as holders of the relevant Securities in the Register of Shares of the Listed Company. If any transactions are executed in breach of this provision, ADSM shall be entitled to sell the Securities in accordance with Rule 6.9(B).  
  
[Broker's Regulation 18(12)]
- (D) An ADSM Broker shall refuse to accept purchase orders from customers who are known for insolvency or dishonesty except with the approval of the General Manager.  
  
[Broker's Regulation 18(9)]
- (E) No ADSM Broker shall pay any amount to a customer before the execution of the relevant trade in accordance with these Rules.  
  
[Broker's Regulation 18(15)]
- (F) ADSM Brokers shall notify the Board of any customer who fails to perform its obligations under the Customer Agreement.  
  
[Broker's Regulation 18(4)]
- (G) When dealing with their customers, ADSM Brokers and Broker's Representatives shall comply with the Code of Conduct.

**5.5 Customer Agreement**

Before accepting or operating a Trading Account for any person in relation to Securities, the ADSM Broker shall enter into a Customer Agreement with that person in accordance with the Code of Conduct.

**5.6 Withdrawal of Stock and Certification**

- (A) An Investor shall be entitled to receive a share certificate in respect of any Securities held by that Investor in its Trading Account with any ADSM Broker only:
- (1) upon delivery of an application form using Form J or such other form prescribed by the Board from time to time signed by the ADSM Broker of that Investor. The signature of the ADSM Broker shall be deemed to be a warranty by the relevant ADSM Broker of accuracy of the information contained in the form including the reason for the request for the Certificate;
  - (2) upon the payment of the fee prescribed by the Board from time to time; and
  - (3) with the consent of ADSM which shall not be withheld in the event that the Investor has a real need to evidence its ownership of the Security by means of a share certificate (including without limitation pledges of shares in accordance with Article 163 of CCL).
- (B) Upon compliance with Rule 5.6(A) above, ADSM shall require the relevant Listed Company or its Registrar to produce the certificate and deliver it to the relevant ADSM Broker.

[ADSM Law Article 32]