

MARGIN TRADING AGREEMENT

THIS AGREEMENT is made on this the day of, 20..... of the Christian Era.

BETWEEN

ARENA SECURITIES LTD., a private limited company incorporated in Bangladesh under the Companies Act, having its Main Office at **Modhumita Building(2nd floor),160 Motijheel C/A, Dhaka-1000**, hereinafter referred to as the "**ARENA SECURITIES LTD.**" (Which expression shall, unless repugnant to the context, include its successors-in- office, legal representatives and assigns) of the **ONE PART**;

AND

Mr./Mrs.

Son/Daughter/Husband/Wife of

Mother's name residing at.....

..... (hereinafter referred

as individual/limited company/public limited company (client) who is an investor/seller/buyer of securities) of the **OTHER PART**.

WHERE AS:

The client approved by the broker having Customer Code No. Corresponding to Beneficial Owner (BO) Account No.

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AND WHEREAS, the client being intended to avail credit facility and interested to deal in approved securities with the broker has furnished duly filled in-application in the specified for requesting to approve credit facility against his client account.

- a) The ARENA SECURITIES LTD. has agreed to extend credit facilities to the client for the aforesaid purpose on the terms and conditions hereinafter stated and both the parties wish to enter into a Margin Trading Agreement pursuant to the provision of the Margin Rules, 1999 (hereinafter referred to as "the agreement") for operating Margin Account & Trading.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. This agreement must be in line with the "Margin Rules, 1999" & as amended from time to time by the regulator and as per "Margin Policy & Procedure" of the broker. This agreement shall be binding on the parties hereto their successors, heirs, executors, administrators, assigns or legal representatives.

- (i) Only "Approved Shares" may be used as collateral for Margin Trading. A list of updated "Approved Shares" will be available with **ARENA SECURITIES LTD.**
- ii) A previously approved share, which is later disqualified for inclusion, will be excluded from all subsequent margin calculations.
- iii) The client's contribution of share or cash or both will be deposited to the Margin Account/ B O Account. The value of shares should be calculated on a daily basis as per day's closing price of DSE.
- iv) **ARENA SECURITIES LTD.** shall have absolute discretion to accept or decline any security against which credit facility is to be extended and shall reserve the right to make changes to their list of "approved securities" at any given moment.
- v) By using the credit facility, the client may purchase approved securities through **ARENA SECURITIES LTD.** into the "Margin Account" in such a way that debit balance stands 50% or below of Portfolio value. The client shall at all times be responsible to maintain strictly the maximum limit of the "Debit Balance" at any given time. If the "Debit balance" reaches above 50% of the portfolio value due to a sudden fall in the market or for any other event, **ARENA SECURITIES LTD.** will sell out shares of any company whatsoever as it thinks fit in its absolute discretion to liquidate the margin account to regularize.
- vi) The Margin Account will be fully operated (All buy/sell decisions) by the client at all times other than in the instance of **ARENA SECURITIES LTD.** regularizing the account as are explained in all sub - clause of clause 1 hereof.



- vii) In the case of **ARENA SECURITIES LTD.** omitting a particular share/shares from the list of "approved securities", the client shall accordingly adjust the "Portfolio value" or the "Debit balance" within five market days. Provided that in the event any security is suspended by the SEC, DSE or CSE, **ARENA SECURITIES LTD.** will exclude it from the calculation of the portfolio value at any time.
- viii) The client shall pay brokerage commission for all transactions i.e., buy and sell, in the "Margin Account". The client shall also pay brokerage commission for all transactions carried out in order to regularize/debit the "Margin Account". Rate of brokerage will be fixed by **ARENA SECURITIES LTD.** and can be changed from time to time.
- ix) If the client enjoys margin facilities in the security account, in that case, highest limit to buy a single stock would be as per Rule 6 of Margin Rule 1999.
- x) **ARENA SECURITIES LTD.** will charge (..... %) p.a. interest on the clients account for any debit amount calculated on a daily basis. **ARENA SECURITIES LTD.** shall have absolute discretion at the client's portfolio to regularize all accrued fees and charges at the end of Concerned month/ quarter from client's current positive balance or by sell available share as fit without any consent of the client in order to adjust. **ARENA SECURITIES LTD.** also reserves the right to increase/decrease the interest rate by giving 7 (Seven) trading days notice to the client.
- xi) The client hereby gives irrevocable power of attorney to **ARENA SECURITIES LTD.** that in the event the client is reported to have passed away (i.e. dead), **ARENA SECURITIES LTD.** will have the right to adjust the debit balance by selling any or all the share/shares.
- xii) **ARENA SECURITIES LTD.** shall have the right to change, rectify and include any terms and conditions in addition to the above at any time with 7 (Seven) days notice to the client.
- xiii) **ARENA SECURITIES LTD.** will debit the client Margin Account for interest, brokerage, CDBL charges, and other service charges, if any.
- xiv) The client can withdraw fund from the Margin Account subject to **ARENA SECURITIES LTD.** discretion provided that the debit balance shall always remain 50% of the portfolio value after that payment.

2. AUTHORIZATION:

The client hereby irrevocably also authorizes the **ARENA SECURITIES LTD.:**

- a) to deal with all the client's securities deposited in the B.O. Account with central depository system "CDBL" & Margin Account from time to time independently at its sole discretion to regularize the Margin Account & B.O. Account as are explained in all sub- clause of clause 1 hereof.
- b) to purchase and sell any such securities of the client deposited in the B.O. A/C of CDBL and to deal with any other matters relating to the Margin Account with or without client's instructions and the client hereby agrees that he/it shall at all times ratify and endorse such acts of **ARENA SECURITIES LTD.** **ARENA SECURITIES LTD** shall not be liable for any loss caused to the client directly or indirectly resulting from any such act of commission or omission.
- c) to debit the "Margin Account" for any sums or sum of money being purchase price of approved securities, brokers' commissions, payments for rights and benefits in respect of marginal securities, transaction fee, interest, CDBL charges or for any payment whatsoever.

3. INDEMNITY:

The client shall indemnify **ARENA SECURITIES LTD** in full and keep indemnified, save and harmless against any losses, suits, claims and damages that may be caused, sustained, incurred or suffered by **ARENA SECURITIES LTD.** for any reason in maintaining the client's accounts and using the Margin Trading Facilities in any manner whatsoever and/or acting on the instructions or requests, advices made or forwarded by way of telephone or Facsimile and electronic messages and reimburse **ARENA SECURITIES LTD** of any costs and expenses that client may have incurred or suffered in providing the services mentioned herein.



4. POWER OF ATTORNEY:

The client hereby gives irrevocable power of attorney to **ARENA SECURITIES LTD** to operate its/his/her B.O. Account and Margin Account to exercise any of the powers as stated in all sub- clause of clause 1 hereof.

5. ARENA SECURITIES LTD. AGREES WITH THE CLIENT AS FOLLOWS:

- a) **ARENA SECURITIES LTD.** shall act directly as the broker of the client in respect of all dealings of approved securities and the client shall remain principally liable for all dealings, negotiations and transactions entered into by **ARENA SECURITIES LTD** on behalf of the client.
- b) Where the client is in default of payment of legal fees, stamp duty or other out of pocket expenses incurred by **ARENA SECURITIES LTD., ARENA SECURITIES LTD.** shall have the right and discretion to recover/adjust such expenses from the client by debiting the Security Account.

6. This agreement shall be governed by and construed according to the applicable laws of Bangladesh.

IN WITNESS WHEREOF, the parties hereto have caused this indenture to be executed on the day, month and the year herein before.

For and on behalf of:
ARENA SECURITIES LTD.

For and on behalf of:
Margin Account Holder

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Name:)

Signed in presence of:

Witness

1.....

2.

Full Name:

Full Name:

Address:

Address:

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