

## Restricted Mudharaba Contract

This contract is concluded this day the      of      ,      .

Between :

Mr./      ( Rab almal ) referred to for the purpose of this contract as the First Party .

And

Messrs/ Financial Investment Bank ( Almudharib) referred to for the purpose of this contract as the Second Party .

Whereas the First Party wishes to invest in financial securities in Khartoum Stock Exchange (KSE ) , and  
Whereas the Second Party has the knowledge and expertise in this field as an authorized broker in KSE and ,  
Whereas the First Party has requested to enter with the Second Party in a restricted mudharaba , through which  
The Second Party manages the First Party's financial portfolio , and upon the consent of the Second Party ,  
the two parties have come to an agreement as follows :

1/ The portfolio capital , is      (      ) to be fully paid by the First Party to the Second Party at the time of signing this contract .

2/ The Second Party undertakes and exerts all possible efforts to manage the portfolio with utmost professional care and , with due consideration to the changing circumstances at KSE , to achieve maximum possible profits . In particular , the Second Party will be responsible of the following :

- a/ To avoid investing in loosing / low - return companies .
- b/ To treat as confidential all information concerning trading in the portfolio of the First Party .
- c/ To prepare and submit to the First Party monthly reports explaining the performance of the portfolio and any other necessary information .
- d/ To keep regular and separate accounts concerning the portfolio , supported by official documents explaining selling and buying prices and any other expenses .
- e/ In case of loss exceeding 10% , The Second Party should refrain from selling all or part of the portfolio unless a written consent has been obtained from the First Party .
- f/ To invest the portfolio in the following components :

Company / Mutual Fund	Percentage

The components of the portfolio as stated in Para ( 2/f ) can be altered up or down by no more than 5% . Alterations exceeding 5% can be carried out only upon the consent of the First Party .

3/ In spite of what has been prescribed in Para 2 above The First Party is not allowed to restrain the second party to obtain specific profits in case of selling . The Second Party will have the option of selling or not only in case of loss as stated in Para ( 2/e ) above .

4/ The duration of this Mudharaba is one calendar year and will automatically be renewed , unless The First Party requests its cancellation one month before maturity date .

5/ Net generated profit from the Mudharaba is to be distributed – after deduction of all expenses including KSE commissions – between the two parties as follows :

a/ In case the realized profit is less than 10% , then the share of the Second Party will be 5% , while the balance of 95% will go to the First Party .

b/ In case the realized profit ranged between 10% - 15% , then the share of the Second Party will be 10% , while the balance of 90% will go to the First Party .

c/ In case the realized profit exceeds 15 % , then the share of the Second Party will be 15% , while the balance of 85% will go to the First Party .

6/ The two parties agreed that the returns from the Mudharaba will be calculated according to the following criteria :

( Market value at the end of the year – Market value at the beginning of the year + Dividends )

7- In case of loss the First Party ( Rab almal ) will have to bear it in full , unless that loss has resulted from negligence or willful misconduct from the Second Party .

Signed by.....

Signed by.....

I.D. Number.....

I.D. Number.....

Issued.....

Issued.....

First Party

Second Party

**Witnesses**

2\.....

1\.....

I.D. Number.....

I.D. Number.....

Issued.....

Issued.....