

TERMS OF BUSINESS

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THIS AGREEMENT is made on the ___ of _____ 202_ (the **Effective Date**)

BETWEEN

(1) **XTELLUS EUROPE LIMITED** an Investment Firm regulated by the Cyprus Securities and Exchange Commission, with License number 446/24, having its principal place of business at 26 Spyrou Kyprianou, 4040, Limassol, Cyprus and is registered with the Registrar of Companies in Nicosia under the number HE 447781 (herein after "**XTELLUS**" and/or "the Company and/or "we" and/or "us");

and

(2) _____, a Company incorporated in _____ with registration number _____, whose registered office is at _____

(herein after "**the Client**" and/or "you").

BACKGROUND

- (A) The Client wishes to appoint XTELLUS to provide certain execution, settlement and custody services.
- (B) XTELLUS is authorized and regulated by the [Cyprus Securities and Exchange Commission](#) (herein after "CySEC") with the license reference number [CIF 446/24](#). The Cyprus Securities and Exchange Commission's address is 19 Diagorou Str. 1097 Nicosia.
- (C) This agreement sets out the basis on which XTELLUS agrees to provide the services described in the Agreement to the Client.

1. SCOPE

1.1. From the Effective Date XTELLUS will provide to the Client one or more of the services set out below (the "**Services**") in accordance with this Agreement and the First Appendix of Law 87(I)2017:

Investment Services

1.1.1.Reception and transmission of orders in relation to one or more financial instruments;

1.1.2.Execution of orders on behalf of Clients;

Ancillary Services

1.1.3.Safekeeping and administration of financial instruments, including custodianship and related services;

1.1.4.Granted credits or loans to one or more financial instruments, where XTELLUS granting the credit or loan is involved in the transaction;

1.1.5.Foreign exchange services where these are connected to the provision of investment services.

1.2. Unless XTELLUS and the Client agree otherwise in writing, XTELLUS does not advise on the merits of particular orders or Transactions in respect of which it provides Services, or their taxation consequences. From time to time, XTELLUS may provide information which is ancillary to the Client's relationship with XTELLUS (including trading recommendations or market commentary); the information is provided solely to enable the Client to make the Client's

own investment decisions and does not amount to advice. XTELLUS makes no representation as to the accuracy or completeness of the information and shall not be liable in any way for that information. The information may be inconsistent with the proprietary investments or recommendations of XTELLUS or its Associates. The Client should refer to XTELLUS' s Conflicts of Interest Policy for further information on how XTELLUS manages conflicts which would affect this impartiality of information XTELLUS provides to the Client.

- 1.3. Any market or other information and any recommendations or expressions of opinions communicated to the Client by XTELLUS are wholly incidental to the conduct of XTELLUS's business and do not constitute advice, research, or financial analysis by XTELLUS. Such information, recommendations or opinions may be inaccurate or incomplete, may not have been verified and may be changed without notice to the Client.
- 1.4. Notwithstanding XTELLUS's regulatory obligations detailed herein, the provision by XTELLUS of the Services shall not give rise to any other fiduciary or equitable duties to the Client.
- 1.5. The Client acknowledges that XTELLUS may, in its absolute discretion decline to provide any or all of the Services.
- 1.6. This Agreement, the provision of Services by XTELLUS and/or any Associate and all Transactions are subject to Applicable Regulations, which means that: (a) XTELLUS and any Associate may take or not take any action as they consider appropriate to ensure compliance with Applicable Regulations issued by CySEC and any such action or inaction is binding on the Client; and (b) any provision of this Agreement and/or obligation of XTELLUS to provide Services which is inconsistent with Applicable Regulations shall not apply to the extent of the inconsistency.
- 1.7. **Changes in the market:** Neither XTELLUS nor its Associates accept any liability by reason of any delay or change in market conditions before any particular order or Transaction is affected.

2. CLIENT CATEGORISATION

- 2.1 For the purposes of the CySEC rules and based on information obtained in respect of the Client, XTELLUS has categorized the Client as a professional client as defined in Second Appendix of Law 87(I)2017 issued by CySEC, the Markets in Financial Instruments and amending Directive 2014/65/EU ("MiFID II") in relation to the provided Services. It is the Client's sole responsibility to keep XTELLUS informed about any change to the Client's circumstances which could affect the XTELLUS's categorization of the Client as a professional client.
- 2.2 The Client acknowledges that XTELLUS may consider the client's re-categorization as a retail client, but it is not XTELLUS's policy to accept requests to be treated as a retail client for any of the Services.
- 2.3 If at any time the Client, no longer meets the criteria to be categorized as a professional client it shall notify XTELLUS immediately. In such a case, XTELLUS will no longer be able to provide the Services to the Client. If XTELLUS becomes aware that the Client no longer meets the criteria to be categorized as a professional client where the Client has failed to notify XTELLUS of the change, XTELLUS shall be entitled to cease to provide the Services. In either case the Client will be regarded as having triggered an Event of Default under clause 27.1.3 and XTELLUS shall be entitled to serve notice to terminate under clause 36.
- 2.4 The Client in all its actions under this Agreement is acting as principal and not as agent (see more information in Section 4 below).
- 2.5 Upon entering into this Agreement and each time the Client instructs XTELLUS to execute or transmit any order or enter into any Transaction, the Client represents to XTELLUS that:
 - (a) it has been solely responsible for making its own independent appraisal and investigations into the risks of this Agreement, the order or the Transaction;

- (b) it has sufficient knowledge, market sophistication, professional advice and experience to make its own evaluation of the merits and risks of this Agreement, the order or the Transaction;
- (c) it has not relied upon or been induced to enter into this Agreement by any statements, representations or undertakings from XTELLUS that are not set out in this Agreement; and
- (d) it understands that XTELLUS gives no warranty as to the suitability of the products executed, or transmitted under this Agreement and that XTELLUS assumes no fiduciary duty to the Client with respect to the suitability of those products.

3. REGULATORY COMPLIANCE

- 3.1 In the performance of Services, XTELLUS may take or omit to take such action as it considers necessary in order to comply with or respond to the actions of any Applicable Law, relevant regulatory body, self-regulatory organization, government agency, market participant or Trading Venue and the Client will be bound thereby. XTELLUS shall have no liability for any such action or omission taken in good faith.
- 3.2 XTELLUS's duties and obligations to the Client in relation to the Services provided under or pursuant to this Agreement are confined to those expressly set out in this Agreement. XTELLUS may accept instructions to execute or transmit an order. However, XTELLUS shall not, unless otherwise obliged by Applicable Regulations issued by CySEC, be under any obligation to enter into any Transaction or Service with the Client under or in connection with this Agreement, or to accept or act in accordance with any instruction, notwithstanding past practice or market custom or the establishment of limits as contemplated below. XTELLUS may decline to: (i) execute or settle any Transaction, order or activity under or in connection with this Agreement, or (ii) enter into, extend, renew or roll over any Transaction or Service with the Client under or in connection with this Agreement. If XTELLUS declines to execute or transmit an order, XTELLUS will notify the Client as soon as reasonably practicable but is not obliged to give a reason. The Client acknowledges and agrees that any prices displayed or communicated by XTELLUS, whether orally or in writing (including on any electronic trading venue), are, unless otherwise specified, indicative only. The price at which XTELLUS is actually willing to transact may differ to such indicative price, whether due to market movements or otherwise, and XTELLUS shall not be bound to transact at such indicative price.
- 3.3 The Client warrants that it will comply with all applicable Sanctions Regimes and will not expose XTELLUS to a risk, or exposure to risk of breaching any Sanctions Regime in any way in connection with the provision of the Services under this Agreement.
- 3.4 On the request of XTELLUS, the Client will immediately provide XTELLUS with such information as it may require complying with any order, instruction or request of any relevant regulatory body, self-regulatory organization, government agency, market participant or Trading Venue.

4. CAPACITY

- 4.1 The Client understands and agrees that:
- 4.1.1 save where notified by XTELLUS to the Client or save where provided for in the relevant contract or confirmation, in executing Transactions, XTELLUS will act as agent for the Client;
 - 4.1.2 save where otherwise agreed, the Client is acting as principal and will be directly liable to XTELLUS for all obligations and liabilities arising hereunder;
 - 4.1.3 if, without prior Agreement by XTELLUS, the Client is acting (whether as agent, trustee or otherwise) on behalf of any other person when incurring obligations or liabilities hereunder, then to the extent permitted by Applicable Regulations, XTELLUS will continue to treat the Client (and not any other such person) as its client for all purposes and the Client will be solely liable for all obligations and liabilities arising hereunder;
 - 4.1.4 if XTELLUS agrees in writing (either sent via email using compliance@xtelluseurope.com and/or as per Section 34 of this Agreement) that the Client may act as an agent or trustee on behalf of any other person, XTELLUS shall proceed on the basis that the Client has undertaken all required "know-your-customer" checks to verify the identity of such other person and has

complied with all other Applicable Regulations issued by CySEC in respect of such other person.

5. TRANSACTION REPORTING

- 5.1 All transactions carried out on behalf of the Client whether the trade takes place on a Trading Venue should be reported if:
- 1.7.1. The financial instrument is admitted to trading or traded on a trading venue (Regulated Market/MTF/OTF) or for which a request for admission to trading has been made;
 - 1.7.2. The underlying is a financial instrument traded on a trading venue; and
 - 1.7.3. The underlying is an index, or a basket composed of financial instruments traded on a trading venue.
- 5.2 Transactions executed by the Company's counterparties on behalf of the Client will be reported to the appropriate Competent Authority in the jurisdiction where the trade is executed. These transactions will also be reported by XTELLUS to CySEC as quickly as possible but not later than the close of the following business day.
- 5.3 Transactions in derivative instruments may also be subject to the requirements of the European Markets and Infrastructure Regulation (EU No 648/2012) as supplemented by each delegated regulation and implementing standard thereunder («EMIR») and will be subject to XTELLUS's EMIR reporting obligation.
- 5.4 Repurchase agreements (repos), stock loans, margin loans, sell/buy-back transactions and collateral management transactions are subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse, and amending Regulation (EU) 648/2012 («SFTR») and will be subject to XTELLUS's SFTR reporting obligation.
- 5.5 In order to comply with our reporting requirements, you agree to provide us with all necessary information that we may from time-to-time request from you within a reasonable time.
- 5.6 If you are a legal entity, you are required to obtain a Legal Entity Identifier (LEI code). LEI is a unique 20-character alphanumeric code (based on ISO 17442) and must be obtained from an authorized LEI issuer. Please kindly note that in the absence of LEI, XTELLUS will not be able to make transactions that are subject to reporting under MiFIR, EMIR and SFTR. Therefore, please make sure that your LEI is regularly renewed and remains valid as long as you work with XTELLUS.
- 5.7 To the extent permitted by MiFID II XTELLUS is required to disclose the following information (if you are an individual) to competent authorities: first name and surname, date of birth and other personal data (national ID number).
- 5.8 For transactions executed outside a Trading Venue, in financial instruments that are traded on a Trading Venue, XTELLUS must publish certain information. This requirement applies to shares, depositary receipts, exchange traded funds, certificates and other similar financial instruments as well as to bonds, structured finance products and derivatives. The information will be made public via an Approved Publication Arrangement ("APA").

6. CUSTODY

- 6.1 XTELLUS provides safekeeping and administration services to the Client by exercising due skill, care and diligence in the selection, appointment and periodic review of third party custodians and principals and of the arrangements for the holding and safekeeping of assets. XTELLUS may appoint sub-custodians ("Sub-Custodians") to perform any of XTELLUS' duties under this Agreement including the custody and safekeeping of Financial Instruments. More information

concerning the Terms and Conditions of Custody Terms can be found in **Schedule 2: Custody Terms**.

- 6.2 In case of financial instruments, XTELLUS considers the expertise and market reputation of the third parties, principals and Sub-Custodians as well as any legal requirements related to the holding of the Client's financial instruments that could adversely affect the Client's rights.
- 6.3 XTELLUS shall act as custodian, or appoint a Sub-Custodian, of the Financial Instruments accepted and received by XTELLUS or a Sub-Custodian from the Client on the terms of this Agreement. The Client authorizes XTELLUS to perform all acts necessary for, or incidental to, the discharge of XTELLUS's duties under DIRECTIVE DI87-01 of the CySEC.
- 6.4 The Client authorizes XTELLUS to open and maintain accounts at XTELLUS, Sub-Custodians to third parties for holding Financial Instruments on behalf of the Client. XTELLUS's obligation to open such accounts is conditional on XTELLUS receiving relevant documents (subject to request).
- 6.5 In accordance with DIRECTIVE DI87-01 of the CySEC, XTELLUS shall identify in its books and records that the Financial Instruments are held by XTELLUS for the account of the Client and will require any Sub-custodian to identify in its books and records the Financial Instruments belonging to the Client.
- 6.6 XTELLUS will identify, record and hold all Financial Instruments separately from any of XTELLUS's own investments and other assets, in accordance with DIRECTIVE DI87-01 of the CySEC, and in such a manner that the identity and location of the Client's Financial Instruments can be identified at any time.
- 6.7 XTELLUS or any Sub-Custodian may decline to accept delivery or custody of any Financial Instruments.

7. PAYMENTS, DELIVERIES AND PAYMENT NETTING

- 7.1 Payments, deliveries and other obligations: XTELLUS will not be obliged to make any payment or delivery scheduled to be made by it under a Transaction or to repay cash or Securities or perform any other obligation under this Agreement for as long as an Event of Default or Potential Event of Default occurred and is continuing.
- 7.2 Withholding: XTELLUS may make any deduction, including a FATCA Deduction, that it is required to make by any Applicable Regulations and any payment required in connection with that deduction, including any payment in connection with FATCA. XTELLUS will not be required to increase any payment or otherwise compensate the Client for any payment in respect of which it makes a deduction, including a FATCA Deduction.
- 7.3 Gross-up: All payments under this Agreement by the Client to XTELLUS will be made free of and without withholding or deduction, including on account of any taxes, duties, assessments or governmental charges of whatsoever nature imposed, withheld or assessed by any relevant tax authority, unless required by Applicable Regulations, in which case the Client will pay such additional amounts as will result in the receipt by XTELLUS of an amount which it would have received had no deduction or withholding been made.
- 7.4 Charges: The Client will pay XTELLUS's charges as notified by XTELLUS, including:
- (a) any fees, commissions or other charges charged by XTELLUS for the provision of the Services (including any minimum account fee);
 - (b) any costs incurred by XTELLUS in connection with this Agreement, the execution of Transactions, the failure of Transactions to clear and the exercise by XTELLUS of any corporate actions on behalf of the Client;

- (c) any taxes or duties imposed by any competent authority on any account opened or Transaction effected by or for the Client;
- (d) any fees or other charges imposed by any Infrastructure, or any Associate or service provider involved in the provision of the Services or which XTELLUS agrees to be responsible for under a give-up agreement;
- (e) any fines imposed by any competent authority where attributable to the Client's conduct; and
- (f) (any other value added or other applicable taxes in respect of any of the foregoing, including any withholding tax.

7.5 These amounts will be payable on the due date specified by XTELLUS or otherwise on demand. The charges under this clause may be amended by XTELLUS upon reasonable notice to the Client.

7.6 Payments: All payments to XTELLUS under this Agreement will be made, unless otherwise agreed, in same day funds in any currency which XTELLUS may specify from time to time to the bank account designated by XTELLUS for such purposes.

7.7 Currency conversion: If the Client provides cash to XTELLUS in a currency other than that in which the Client's obligation is denominated, XTELLUS may (at the Client's cost) convert the currency provided so as to satisfy the obligation to the extent possible.

7.8 Payment Netting: If on any date amounts would otherwise be payable in the same currency in respect of one or more Transactions, each Party's obligation to make payment of those amounts will be settled by the payment by the Party with the larger aggregate obligation of an amount equal to the excess of the larger aggregate amount over the smaller aggregate amount.

7.9 Default and Negative Interest: XTELLUS may charge interest on any amount due to XTELLUS at the rates then charged by XTELLUS which are available on request. In relation to any monies held by XTELLUS for the Client (including any Client Money), XTELLUS may charge negative interest where appropriate.

7.10 Remuneration and inducements: XTELLUS may receive remuneration from or share charges with an Associate or with a third party in connection with the provision of Services for the Client's account where this is designed to enhance the quality of the service provided to the Client. XTELLUS will upon request disclose such remuneration or sharing arrangements to the Client, together with the calculation methodology used to calculate such payments.

8. SECURITIES LOAN

8.1 From time to time and either (i) on written request by the Client to XTELLUS or (ii) if necessary to settle a Transaction in accordance with Settlement clauses herein presented in this Agreement, XTELLUS may, subject to the terms of this clause, agree to lend Securities to the Client (each such loan, a "Securities Loan").

8.2 With respect to any Securities Loan, XTELLUS shall be entitled at any time to call for the redelivery to it of all or any Equivalent Securities the subject of such Securities Loan on demand. Where XTELLUS makes such a demand on the Client, the Client shall deliver Equivalent Securities to an account designated by XTELLUS by no later than the end of the standard settlement time for such Loan Securities on the exchange or in the clearing or settlement organisation through which the Loan Securities were originally delivered.

8.3 If XTELLUS agrees to make a Securities Loan for the purposes of settling a Transaction, XTELLUS may deliver the relevant Loan Securities directly to the counterparty for the purposes of settling the Transaction rather than first crediting such Loan Securities to the Securities Account.

- 8.4 The Client shall pay XTELLUS such fees in respect of each Securities Loan as are determined by XTELLUS from time to time and notified to the Client in writing via the provided contact details (client's email address).
- 8.5 Where, following a Securities Loan but prior to the re-delivery of any Equivalent Securities to XTELLUS, the record date by reference to which any Income is paid or distributed on such Securities occurs, the Client may be required to pay or deliver to XTELLUS, on the payment or distribution date of the Income, an amount of money equal to the proportion of the Income agreed by the Parties or, if no proportion has been agreed, an amount of money equal to the Income (whether or not any amount has been withheld or deducted from the Income by the issuer of the Securities).
- 8.6 Where, following any Securities Loan but prior to the delivery of any Equivalent Securities to XTELLUS, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer, rights to receive Securities or a certificate which may at a future date be exchanged for Securities or other rights, including those requiring election by the holder for the time being of such Securities, become exercisable prior to the redelivery or repurchase of Equivalent Securities, then XTELLUS may, within a reasonable time before the latest time for the exercise of the right or option, give written notice to the Client that on redelivery of Equivalent Securities it wishes to receive Equivalent Securities in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.
- 8.7 Unless the Securities Loan is agreed to be a Term Loan, XTELLUS may at any time terminate the Securities Loan by giving the Client notice of not less than the standard settlement time for the Securities on the exchange or in the clearing house through which the Securities were originally delivered or are typically settled, upon which time the Client will be required to deliver Equivalent Securities to, or to the order of XTELLUS. If the Client fails to deliver Equivalent Securities when required to do so under this clause, without prejudice to any other rights under this Agreement or otherwise, XTELLUS may, at the Client's cost and expense, buy Equivalent Securities in satisfaction of the Client's obligations under this clause.

9. DELEGATION AND SUBCUSTODIAN

- 9.1 XTELLUS may delegate any of its duties under these custody terms, including (without limitation) the safekeeping of the Financial Instruments, to Sub-Custodians, nominees, agents, clearing houses and clearing systems inside or outside the Republic of Cyprus (each a "**Custody Delegate**").
- 9.2 Subject to Clause 6.3, XTELLUS shall not be liable for any act, omission or default of, or insolvency of, any Custody Delegate, nor for any expense, loss or damage suffered by or occasioned to the Client in connection with such act, omission, default or insolvency.
- 9.3 XTELLUS shall exercise all due skill, care and diligence in the selection, appointment and periodic review of each Sub-Custodian and of the arrangements for the holding and safekeeping of the Financial Instruments held by such Sub-Custodian. XTELLUS accepts the same level of responsibility to the Client for any nominee company controlled by XTELLUS, with respect of any requirements of the CySEC rules.
- 9.4 XTELLUS reserves the right to add, remove or replace Sub-Custodians, at any time in its sole discretion. XTELLUS shall exercise all due skill, care and diligence in the selection, appointment and removal of any Sub-Custodian in accordance with CySEC Legal Framework and/other applicable Regulation under MiFID II.
- 9.5 XTELLUS shall be entitled to grant to a Sub-Custodian a lien, right of retention and/or other security interest over the Financial Instruments to the extent permitted by the CySEC Rules.

9.6 Where Financial Instruments are not in registered form, they will be recorded in XTELLUS's records in an account in the name of the Client and, where recorded by a Sub-Custodian, will be recorded in an account in the name of XTELLUS designated for clients' securities.

10. VOTING RIGHTS AND CORPORATE ACTIONS

10.1 XTELLUS will use reasonable endeavors to notify the Client of all matters of which XTELLUS receives notice in respect of which the Client has voting rights and of all relevant corporate actions attaching to the Financial Instruments. XTELLUS will not inform the Client of any other events affecting the relevant issuer.

10.2 XTELLUS shall not take any action in relation to the corporation's actions referred to above and will not be under any obligation to exercise any voting rights in respect of the Financial Instruments. None of XTELLUS, any nominee company or any Sub-Custodian shall be under any obligation to attend and vote at any meeting in respect of any Financial Instruments.

10.3 XTELLUS shall not be obliged to exercise any corporate action rights in respect of any Securities recorded as being held in the Securities Account over the relevant record date:

10.3.1 in relation to a number of Securities greater than the number of the aggregate of relevant Securities recorded as being held in the Securities Accounts (and for the avoidance of doubt Rehypothecated Assets are not recorded as being held in the Securities Account for these purposes);

10.3.2 if the exercise of such corporate action right is required to be made in XTELLUS's name or in the name of any Associates; or

10.3.3 to the extent that XTELLUS considers that to participate in the exercise of such corporate action rights on the Client's behalf could be contrary to its own policies, guidelines on its or its Associate's best interests, could give rise to any conflict or reputational risk or could breach any applicable laws or regulations issued by CySEC.

10.4 XTELLUS shall distribute any entitlement to shares or other benefits arising from a corporate event in respect of any particular type of Financial Instruments on a pro rata basis amongst all clients for whom XTELLUS holds that particular type of Financial Instruments on a pooled basis. If the Client's pro rata share of a distribution is less than an integral number of units, XTELLUS shall round down the number of units for distribution to the Client to an integral number and pay to the Client the balance in cash.

10.5 XTELLUS shall provide the Client with periodic reports concerning the content and value of the Custody Accounts not less than once a year or as otherwise agreed between the parties. The Client may request additional reports from XTELLUS which XTELLUS shall provide in accordance with its obligations under the CySEC DIRECTIVE DI87-01.

11. CLIENT FUNDS ACCOUNT

11.1 Subject always to clause 10.1, money that XTELLUS received from or on behalf of the Client will be treated and held as Client Funds subject to the CySEC Rules.

11.2 Client Funds will be held at one or more Approved Banks in an account designated as XTELLUS's Client Funds account. Client Funds will be held in an omnibus Client Funds account with Client Funds belonging to other clients of XTELLUS. XTELLUS will maintain detailed records of the Client Funds balances of the Client. Client Funds will be held subject always to the bare security interest detailed at clause 28.

11.3 XTELLUS will exercise due skill, care and diligence in the selection of an Approved Bank and will periodically review the adequacy and appropriateness of the Approved Bank to hold Client Funds as required by the CySEC Rules.

- 11.4 Subject to XTELLUS's oversight and monitoring obligations in clause 8.3 XTELLUS is not responsible for any acts, omissions or default of an Approved Bank. If there is an unreconcilable shortfall in the pooled account at an Approved Bank, then the Client will share in the shortfall with other clients holding money in the account. If an Approved Bank becomes insolvent or is unable to pay its debts the Client may not be able to recover all of its Client Funds.
- 11.5 XTELLUS may, from time to time, hold Client Funds in an Approved Bank outside the Republic of Cyprus where there may be different legal and regulatory requirements and different practices from those applying in the Republic of Cyprus. Client Funds may not be separately identifiable from other money held in the account. If the overseas Approved Bank becomes insolvent XTELLUS may only have an unsecured claim against that Approved Bank on behalf of the Client and the Client will be exposed to the risk that the money recovered by XTELLUS will not cover all of the Client's claim.
- 11.6 Interest is not payable on amounts deposited as Client Funds with XTELLUS unless otherwise agreed with the client.
- 11.7 XTELLUS is entitled to stop treating money as Client Funds if there is an unclaimed balance on the Client Funds account. The conditions that must be satisfied before XTELLUS can do this are:
- 11.7.1 there has been no movement on the account for at least six years other than any payment or receipt of interest, charges or similar items;
 - 11.7.2 XTELLUS has taken reasonable steps to trace the Client and return any balance. Where the balance is €100 or less XTELLUS need only make one attempt to contact the Client to return the balance using the most up-to-date contact details. If the Client has not responded to such communication within 28 days of the communication having been made; and
 - 11.7.3 XTELLUS will make good any subsequent valid claim against the money.
- 11.8 Any transfer of Client Funds on a transfer of business in accordance with Clause 8.8 will be on terms permitting the Client to request repayment of the Client Funds at any time.
- 11.9 XTELLUS will prepare and send to the Client statements of Client Funds balances in accordance with CySEC Rules in DIRECTIVE DI87-01.

12. SETTLEMENT

- 12.1 Where XTELLUS is arranging settlement of any Transaction, to ensure XTELLUS is able to effect settlement the Client will in good time before settlement is due:
- 12.1.1 in the case of a Transaction for the purchase of Securities, ensure sufficient cleared funds are available in the first instance in the Client Account; and
 - 12.1.2 in the case of a Transaction for the sale of Securities, ensure that sufficient Securities or Equivalent Assets are deposited with, or transferred to, XTELLUS to enable XTELLUS to effect full settlement.
- 12.2 Delivery or payment with respect to Securities will be carried out at the Client's own risk and XTELLUS's obligation to account to the Client for any Security or the proceeds of sale of any Security will be conditional on receipt by XTELLUS of the relevant Securities or sale proceeds.
- 12.3 XTELLUS reserves the right, in its sole and absolute discretion, to refuse to settle any Transaction.
- 12.4 In clearing and settling Transactions on behalf of the Client, XTELLUS shall act solely as agent on behalf of the Client and not as principal.

13. ANTI-MONEY LAUNDERING / KNOW YOUR CUSTOMER CHECKS

- 13.1 The Client will promptly notify XTELLUS of, and promptly provide XTELLUS with:
 - 13.1.1 such information as XTELLUS may request concerning the ownership structure of the Client and the Client Affiliates as well as the identity of their respective shareholders, directors, officers and employees;
 - 13.1.2 its audited financial statements or similar documents;
 - 13.1.3 any change in the legal or beneficial ownership of the Client;
 - 13.1.4 any change in the legal, regulatory or tax status of the Client;
 - 13.1.5 any change in control of the Client;
 - 13.1.6 any change that has or reasonably be considered as likely to have an impact on the Client's position under Financial Crime Laws;
 - 13.1.7 the establishment of any new office or branch, or permanent premises in any country in which the Client does not already have an existing establishment; or
 - 13.1.8 any change of address of the Client's registered office, or any office from which it habitually conducts business in connection with the Services, together with any such further or additional documentation or information as XTELLUS may reasonably request.

14. COMMUNICATIONS

- 14.1 XTELLUS may communicate with the Client by telephone, e-mail and other forms of electronic communications, or mail or any other form of communication acceptable to XTELLUS.
- 14.2 XTELLUS may monitor and/or record any electronic media communications, including telephone conversations and trading activity between XTELLUS and the Client, the Client Affiliates and their respective directors, officers, employees and agents for the purposes of assessing the quality of the Services, complying with Applicable Law and/ or maintaining internal records. Recordings may take place without the use of a warning tone or any other further notice and will be XTELLUS's sole property and accepted by the Client as conclusive evidence of orders or instructions given.
- 14.3 XTELLUS may provide the Services and information ancillary to the Services by electronic means, either directly or through a third party technology or market data provider. The Client agrees to be bound by any separate electronic trading or services terms, rules, conventions, user guides or instructions which relate to the provision of the Services by electronic means and of any trading venue, including any disclosures, disclaimers and other policies displayed on any electronic service, which the Client may clickthrough or which the Client may have separately agreed.
- 14.4 In the event the Client becomes aware of a material defect, malfunction or virus in its system or in an Electronic Service, the Client will immediately notify XTELLUS of such defect, malfunction or virus and cease all use of the Electronic Service until the Client has received permission from XTELLUS that use can be restarted
- 14.5 Client may communicate with XTELLUS in English and all standard documents will be available in English. If any documentation or communication is required in any other language, the Client is solely responsible for translating this Agreement and any other communications into a language other than English.

15. INSTRUCTIONS

- 15.1 Unless otherwise provided for in this Agreement, all Transactions entered into by XTELLUS and all operations with Client's Assets under this Agreement shall be pursuant to the Client's Proper Instructions.
- 15.2 XTELLUS may in good faith rely upon, and the Client will be bound by, any instructions which purport to be or originate from a person who reasonably appears to XTELLUS to be an Authorized Person. The Client shall be responsible for alerting XTELLUS to any change in the list of Authorized Persons in writing to comply with Applicable Law, XTELLUS may require reasonable verification of the Authorized Person's identity, which the Client agrees to provide.
- 15.3 The Client appoints and authorizes XTELLUS to execute transactions (instructions to buy, to sell, to transfer securities, to make payments and etc.) on Client's behalf or to arrange for the provision of execution services by any of XTELLUS's brokers, on an execution only basis, in respect of Financial Instruments including the reception of orders and their transmission to XTELLUS brokers on Client's behalf. Any such broker may be outside of the Republic of Cyprus and the legal and regulatory regime applying may be different from that in the Republic of Cyprus. Client separately authorizes XTELLUS to act in respect of orders received from the Client and transmit them to XTELLUS brokers as agent as though such orders had been given by the Client directly.
- 15.4 Any orders and instructions may be given by the System or other electronic means unless we inform you that instructions can only be given in a particular way.
- 15.5 The Client may cancel its instructions for execution only if XTELLUS has not acted upon those instructions. Instructions may only be withdrawn or amended by the Client with XTELLUS's consent. In no event shall XTELLUS be deemed to have received any instruction or order given by the Client unless and until XTELLUS affirmatively confirms its receipt or acts in accordance with such instructions. Further, XTELLUS may in its discretion, cancel, withdraw or amend an instruction that in its reasonable opinion would be or would cause either XTELLUS or the Client *to be in breach of this Agreement or any Applicable Law*.
- 15.6 XTELLUS shall not be held responsible for delays or inaccuracies in the transmission of any instruction or other information or the execution of orders due to any cause whatsoever beyond the reasonable control of XTELLUS. XTELLUS shall not be liable for any loss, expense, cost or liability (including consequential loss) suffered or incurred by the Client as a result of instructions being given, or any other communications being made via the internet or other electronic media.
- 15.7 XTELLUS shall not be responsible for executions completed after the Client's order has been cancelled in the applicable market and for which an acknowledgment was sent to that effect. An order shall not be deemed to have been cancelled if XTELLUS receives executions of the Client's order from such market prior to or subsequent to XTELLUS' receipt of confirmation from such market that the order was cancelled. Electronic Services response times may vary due to market conditions, system performance, internet traffic or other factors. During times of heavy trading volume, orders or cancellation requests received through the Electronic Services may take longer to execute or cancel, and orders that are executed may be at prices that diverge significantly from the market price quoted or displayed at the time the order was entered. In the event of a system delay or failure, or otherwise in relation to any concerns the Client may have about its Transactions, the Client is responsible for contacting XTELLUS by alternative means, such as telephone.
- 15.8 XTELLUS will execute/transmit Client trading instructions/orders for further execution as soon as received during market trading hours (which may vary depending on the market where the order should be executed). These instructions will be normally executed in the Regulated Market, but under certain conditions the execution outside a Regulated market or other trading venue is possible if XTELLUS reasonably believe that it achieves best execution, and the Client hereby expressly consents to execute orders and instructions outside of a trading venue and agrees that whenever an order or trading instruction is placed, XTELLUS shall be entitled to select in its sole

and absolute discretion and without further reference to the Client, the venue for order/instruction execution.

- 15.9 The Client shall ensure that all Instructions are received by XTELLUS by 17:00 Cyprus time on any Business Day, otherwise XTELLUS shall be under no obligation to carry them out on the same Business Day. XTELLUS shall also have no obligation hereunder to execute any Instructions on any day other than a Business Day or at any times outside the hours of 09:00 – 17:00 Cyprus time. It shall be the responsibility of the Client to check that Instructions in each instance have been duly received by XTELLUS. Instructions received by XTELLUS after the cut-off time at 17:00 Cyprus time will be executed on the next Business Day. The Client shall bear sole liability for any consequences in general which may arise as a result. XTELLUS shall not incur liability for any late submission by the Client.
- 15.10 The Client has the right at any time to make a withdrawal of any portion of their balance available for withdrawal, of their Funds and/or Financial Instruments from the Client's Account by submitting a relevant order to XTELLUS in accordance with Securities and Funds Deposit/Withdrawal Annex.
- 15.11 Any withdrawal shall be sent to the verified Client's accounts, including but not limited: in case of the Client's Funds - via bank account, which the Client used to make a deposit to XTELLUS, in case of Financial Instruments – to the same source where they came from or to such other account belonging to the Client opened in the Client's name and duly verified by XTELLUS.
- 15.12 The Funds Withdrawal Order and/or the Securities Withdrawal Order shall be processed and executed up to 3 (Three) business days from the moment of its receipt, provided that a relevant order has been received during normal trading hours, as well as that no circumstances could prevent or otherwise inhibit execution of the relevant order. If the relevant Withdrawal Order has not been received during normal trading hours, the moment of receipt is the next business day.
- 15.13 XTELLUS reserves the right to request additional information and/or documentation in order to be satisfied that Client's dealings with XTELLUS, including, but not limited to deposits and withdrawals are legitimate and/or for any other reason to comply with our regulatory obligations. The Client understands and accepts that under such circumstances there may be a delay with processing the Transaction, and/or the Transaction may be rejected.
- 15.14 The Client acknowledges and agrees that other financial institutions that are involved in the processing of the relevant order may need time to process the payment: XTELLUS shall not be liable for any delay that folds beyond XTELLUS's control. The Client's responsibility to be always aware of the transfer fees and/or any other costs, which are charged by the credit and/or financial institutions, custodians, which transfer Client's Funds and/or Financial Instruments.
- 15.15 If there is an ambiguity in an instruction given by the Client or where an instruction is in conflict with another instruction, XTELLUS and/or its Associates will be entitled to act in good faith on what it reasonably believes the instruction to be and the action or inaction of XTELLUS and/or its Associates will be binding on the Client.
- 15.16 There may be restrictions on the number of Transactions and/or the total value of Transactions that the Client can enter into on any one day when using an Electronic Service. The Client acknowledges that some markets place restrictions on the types of orders that can be directly transmitted to their electronic trading systems. These types of orders are sometimes described as synthetic orders. The transmission of synthetic orders to the market is dependent upon the accurate and timely receipt of prices or quotes from the relevant market or market data provider. The Client acknowledges that a market may cancel a synthetic order when upgrading its systems, trading screens may drop the record of such an order, and the Client enters into such orders at its own risk.

16. FEES AND COMMISSIONS

- 16.1 The Client agrees to pay the fees and expenses of XTELLUS and any Sub-Custodian as notified by XTELLUS to the Client from time to time and as currently set out in the *Fees and Costs* Document provided to the client via email, during the onboarding process.
- 16.2 XTELLUS's fees are exclusive of any third party charges and commissions which may be incurred in relation to the settlement of any Transaction. The Client will be solely liable for such third party charges.
- 16.3 All such fees, expenses, charges and commissions will be due and payable on demand and, for the avoidance of doubt, XTELLUS shall be entitled to debit such fees, expenses, charges and commissions (together with interest if applicable) from the Client Funds Account. If there is any shortfall in the Client Funds Account for payments, then XTELLUS will be entitled to set-off for the amount of the shortfall to make payment (Clause 29), or sell any Securities held in a Custody Account to meet such shortfall.
- 16.4 XTELLUS may receive from and pay to third parties fees, commissions or other benefits and may share charges in respect of the Services provided to the Client with third parties. The amount or basis of any fee, commission or other benefit received by XTELLUS from such a third party or paid by XTELLUS to such a third party and the amount or basis of any charges shared with a third party will be disclosed to the Client to the extent required under Applicable Law.

17. CLIENT REPRESENTATIONS, WARRANTIES AND COVENANTS

17.1 Client represents and warrants to XTELLUS on a continuing basis that:

- (a) the Client is duly organised and validly existing under the law of its jurisdiction of organisation or incorporation and, if relevant under that law, is in good standing;
- (b) the Client has the capacity and all necessary authority, powers, consents, licences, authorisations and approvals under Applicable Regulations and has taken all necessary action to lawfully enter into and perform its obligations under this Agreement and each Transaction, and to grant the powers referred to in this Agreement;
- (c) the Client's entry into and performance of its obligations under this Agreement and each Transaction hereunder is and will be in compliance with its constitutional documents, its financial rules and any other Applicable Regulations applicable to the Client from time to time;
- (d) the persons entering into this Agreement and each Transaction on the Client's behalf have been duly authorised to do so;
- (e) this Agreement and each Transaction are valid and binding upon the Client and enforceable against the Client in accordance with their terms (subject to applicable principles of equity) and do not and will not violate the terms of any Applicable Regulations, order, charge or agreement by which the Client is bound;
- (f) the Client is entering into this Agreement for commercial purposes;
- (g) unless otherwise agreed in writing, the Client acts as principal (but not as an agent or trustee) and is the sole beneficial owner in relation to each Transaction;
- (h) any information that the Client provides or that has provided to XTELLUS in respect of the Client's financial position is accurate and a true and fair presentation of the Client's financial position, and information which the Client provides or has provided in relation to the Client's domicile or other matters is accurate and not misleading in any material respect;
- (i) the Client is willing and financially able to sustain a total loss of funds resulting from orders which are executed or transmitted by XTELLUS and from entering into Transactions, and that placing those orders and entering into and trading in Transactions is a suitable investment strategy for the Client;

- (j) except as otherwise agreed by XTELLUS, the Client is the sole beneficial owner of all cash and Securities credited to the Accounts and all property the Client transfers under this Agreement, free and clear of any security interest whatsoever other than a lien routinely imposed on all securities in a clearing system in which those securities may be held or imposed by a third party custodian or other similar institution;
- (k) the Client is not required to make a deduction or withholding for or on account of tax from a payment under this Agreement;
- (l) under the law of the jurisdiction of incorporation or organisation of the Client, it is not necessary that this Agreement be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax or fee be paid on or in relation to this Agreement or the Services or Transactions contemplated by this Agreement;
- (m) no Event of Default or event which would, upon expiry of any applicable grace period, become an Event of Default has occurred and is continuing and the Client is not subject to recovery and/or resolution measures;
- (n) the Client is not a "US person" (as defined in the Commodity Futures Trading Commission ("CFTC") and US Securities Exchange Commission ("SEC") regulations and interpreted in rules, guidance and orders issued by the CFTC and SEC from time to time); and
- (o) the Client is not: (i) an employee benefit plan (as defined in Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that is subject to Title I of ERISA, or a plan or arrangement (including an individual retirement account or a Keogh plan) within the meaning of Section 4975 of the US Internal Revenue Code of 1986, as amended (the "Code") that is subject to Section 4975 of the Code (each, a "Plan"); (ii) any entity whose underlying assets are deemed to include "plan assets" under the US Department of Labor Regulations 29 CFR section 2510.3-101, as modified in Section 3(42) of ERISA, by reason of a Plan's investment in the Client (a "Benefit Plan Investor"); (iii) a person acting on behalf of a Benefit Plan Investor; or (iv) governmental plan, church plan, or other plan subject to restrictions similar or analogous to those contained in the foregoing provisions of ERISA or the Code.
- (p) the Client has carried out all due diligence required under UK and EU standards (as well as any Applicable Regulations applicable to the Client) to satisfy itself of the good standing of each of its underlying client and to ensure on a best-efforts basis that each underlying client is not involved in money laundering or other criminal activity;
- (q) no Insolvency Event has occurred or is pending in respect of the Client or in respect of any general partner, managing member or analogous representative entity signing this Agreement
- (r) no litigation, arbitration or administrative proceeding or claim is in progress, pending or, to the Client's knowledge, threatened which could by itself or together with any other such proceedings or claims affect the legality, validity or enforceability of this Agreement or any Transaction or affect the Client's ability to perform its obligations under this Agreement or any Transaction;
- (s) it shall not create or permit to be outstanding any mortgage, pledge, lien or other security interest or charge securing any obligation of any person (or any other agreement or arrangement having a similar effect), over the Accounts, the cash and/or Securities, in the Accounts or any obligations owed to it under any Transaction or under this Agreement;
- (t) Where the Client is acting in the capacity of trustee of a trust, it:
 - i. has been properly appointed as trustee and is empowered under the trust deed to enter into this Agreement, instruct XTELLUS in relation to any Transaction and to provide any other documentation relating to this Agreement;
 - ii. is absolutely entitled to pass full legal and beneficial ownership of all assets provided by it under this Agreement and each Transaction free of encumbrance and has not lost its right

- to be indemnified by the trust in respect of its obligations under this agreement; is not acting in breach of its duties in entering into this Agreement;
and
- iii. the Client and/or its principal will be jointly and severally liable, each as if a principal to XTELLUS in respect of all obligations and liabilities to performed by the Client in respect of a Transaction.
 - (u) it is not and shall not be, at any time when it offers, buys or sells any Securities using the Services, an Affiliate of the issuer thereof or, in the case of convertible or exchangeable securities, the issuer of the underlying security.
 - (v) it has complied with any representations and/or warranties made by it under any Electronic Services Rules.
 - (w) in connection with Electronic Services, it shall not introduce, nor permit any Affiliate to introduce into the Electronic Services, any code, malicious or hidden mechanisms that would impair the operation of the Electronic Services or of XTELLUS's computers or other devices or software or would permit other users access to the Electronic Services, nor shall it use the Electronic Services to gain any unauthorized access to any computer system. Electronic Services or of XTELLUS's computers or other devices or software or would permit other users access to the Electronic Services, nor shall it use the Electronic Services to gain any unauthorized access to any computer system.
- 17.2 The Client will notify XTELLUS immediately in writing if any of the above representations and warranties cease to be true.

18. COVENANTS

18.1 The Client covenants to XTELLUS that:

- (a) It will at all times obtain and comply with, and do all that is necessary to maintain in full force and effect, all authority, powers, consents, licences and authorisations referred to in this clause;
- (b) the Client will and is able to, upon request, promptly provide XTELLUS with information in respect of the Client's financial position, domicile or other matters and/or with the information as XTELLUS may reasonably require evidencing the matters referred to in this clause;
- (c) the Client will promptly notify XTELLUS of the occurrence of any Event of Default or of any event that may become an Event of Default with respect to the Client;
- (d) the Client will: (i) comply with all Applicable Regulations in relation to this Agreement and each order and Transaction, so far as they are applicable to it; and (ii) use all reasonable steps to comply with all Applicable Regulations in relation to this Agreement and each order or Transaction where the Applicable Regulations do not apply to the Client but the Client's cooperation is needed to help XTELLUS comply with its obligations; and
- (e) the Client will not send orders or otherwise take any action that could create a false impression of the demand or value for a security or financial instrument or send orders which the Client has reason to believe are in breach of Applicable Regulations. The Client will observe the standard of behaviour reasonably expected of persons in the Client's position and not take any step which would cause XTELLUS to fail to observe the standard of behaviour reasonably expected of persons in XTELLUS's position;
- (f) the Client shall be responsible for complying with all Execution Venue notification requirements;
- (g) the Client will ensure that no person other than an Authorised Person shall give instructions to XTELLUS in connection with this Agreement;

- (h) the Client will comply with any security procedures specified by XTELLUS from time to time; and
- (i) the Client will notify XTELLUS immediately of any unauthorised access or if it has reasonable grounds to suspect any unauthorized use of any services.

19. ORDER EXECUTION POLICY

- 19.1 XTELLUS shall provide the Client with “best execution” in accordance with the CySEC Rules.
- 19.2 The Client hereby consents to XTELLUS’s order execution policy in force at the time of execution, which is available at www.xtelluseurope.com.
- 19.3 The Client hereby gives its consent to the execution of orders outside a Trading Venue.

20. LIMITS AND RESTRICTIONS

- 20.1 XTELLUS may from time to time impose limits or restrictions on the Client’s Transactions and may change those limits or restrictions. In the event that the Client is in breach of any limit or restriction, XTELLUS may take such action as it considers appropriate to bring the Client into compliance with such limits and restrictions.

21. TAXES

- 21.1 All sums payable by the Client under this Agreement are exclusive of all applicable Taxes and commissions, charges and, when appropriate, Taxes will be added to the cost of purchases and deducted from the proceeds of sales. The Client will at all times be fully responsible for the payment of all other Taxes due and for the making of all claims in relation to them, whether for exemption from withholding Taxes or otherwise, for filing any Tax returns and for providing any relevant Tax authorities with all necessary information in relation to the Services.
- 21.2 The Client will indemnify XTELLUS in respect of any claims, proceedings, expenses, costs, losses, damages and liabilities suffered or incurred by XTELLUS as a result of Client’s failure to comply with this Clause 20.

22. NO SET-OFF OR COUNTERCLAIM AND GROSS UP

- 22.1 All payments under this Agreement and any Transaction shall be made by the Client without set-off or counterclaim. All such payments shall be made free and clear of and without any deduction or withholding whatsoever except to the extent that the Client is required under Applicable Law to make any deduction or withholding from any payment.
- 22.2 If XTELLUS receives payments due from the Client net of any deduction or withholding, the Client shall pay to XTELLUS a sufficient amount to ensure that net amount received by XTELLUS after all deductions and withholdings is equal to the amount which would have been received by XTELLUS had no such deduction or withholding been required.

23. TRANSACTION CONFIRMATIONS

- 23.1 Upon execution of orders and instructions XTELLUS will provide statement of the account no later than the first business day following that execution or where XTELLUS receives the confirmation from a third party or broker, no later than the first business day following the receipt of the confirmation in each case. Client also maintains the right to view the information about order status at any time via client portal.
- 23.2 XTELLUS will provide confirmation of all settled Transactions in a form of statement of the account no later than the first business day following actual settlement or where XTELLUS receives the confirmation from a third party or broker, no later than the first business day following the receipt of the confirmation in each case.
- 23.3 All confirmations, contract notes, accounts or other statements are binding on the Client, unless XTELLUS receives a written objection on substantiated terms within one Business Day of their dispatch by XTELLUS.
- 23.4 Client will be able to download statement of the account for a specific date or period via client portal at any time.
- 23.5 Monthly and quarterly Statement of the Account, concerning the Client's Transactions, will be provided not later than 10 (ten) business days after the end of every reporting period, for the 4th quarter of the year that report will be provided not later than 20 (twenty) business days.
- 23.6 The Client shall promptly familiarize itself with every Report, countersign Quarterly Statement of the Account only and return it to XTELLUS by e-mail within 10 (ten) Business Days.

24. CONDITIONS PRECEDENT

- 24.1 The performance by XTELLUS of its obligations under this Agreement is conditional upon the performance by the Client of each of its obligations under this Agreement.

25. DELEGATION AND USE OF AGENTS

- 25.1 XTELLUS may delegate the performance of any or all of the Services to any third party on such terms as it shall determine, including the power to sub-delegate.
- 25.2 In addition, XTELLUS may appoint agents to assist it in the performance of the Services.
- 25.3 XTELLUS will exercise reasonable skill and care in the selection and use of delegates and agents.

26. CONFLICTS OF INTEREST

- 26.1 XTELLUS or its associates may provide services or enter into transactions that could give rise to a conflict of interest or potential conflict of interest with XTELLUS's responsibilities to the Client. XTELLUS has adopted a conflict of interests policy as required by the CySEC Rules. XTELLUS will prevent or manage any conflicts of interest described in this Clause 22 in line with the conflict of interests policy, and when it is unable to prevent or manage a conflict of interest for the best interests of the Client, XTELLUS will disclose the conflict to the Client.
- 26.2 The Client may ask XTELLUS to provide further information about its conflicts of interest policy at any time.

27. CURRENCY INDEMNITY

- 27.1 If XTELLUS receives an amount in respect of any liability of the Client under this Agreement or if that liability is converted into a claim, proof, judgement or order in a currency other than the currency (the “contractual currency”) in which the amount is expressed to be payable:
- i. XTELLUS may convert the amount which it has received into the contractual currency and the Client shall indemnify XTELLUS for any claims, proceedings, expenses, costs, losses, damages and liabilities of every description arising out of or as a result of any such conversion;
 - ii. if the amount received by XTELLUS, when converted into the contractual currency at a market rate in the usual course of its business is less than the amount owed in the contractual currency, the Client shall forthwith on demand pay to XTELLUS an amount in the contractual currency equal to the deficit; and
 - iii. the Client shall forthwith on demand pay to XTELLUS any exchange costs and taxes payable in connection with any such conversion.
- 27.2 The Client waives any right it may have in any jurisdiction to pay any amount under the Client Documents in a currency other than that in which it is expressed to be payable.

28. PERSONAL DATA

28.1 For the purposes of this Clause 28:

28.1.1 “Data Protection Laws” means any law, statute, declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction (as amended, consolidated or re-enacted from time to time) which relates to the protection of individuals with regards to the Processing of Personal Data to which a Party is subject, including, without limitation, Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the Processing of Personal Data and repealing Directive 95/46/EC (“EU GDPR”), the Privacy and Electronic Communications (EC Directive) Regulations 2003, the Data Protection Act 2018 (“DPA”) and any code of practice or guidance published by a relevant Supervisory Authority from time to time.

28.1.2 “Data Subject Request” means an actual or purported request or notice or complaint from (or on behalf of) a Data Subject exercising their rights under the Data Protection Laws.

28.1.3 “Regulatory Correspondence” means any correspondence or communication from the CySEC (or other relevant Supervisory Authority) in relation to the Processing of Personal Data under this Agreement.

28.1.4 “Security Requirements” means the requirements regarding the security of Personal Data, as set out in the Data Protection.

28.1.5 In this Clause the terms “Controller”, “Data Subject”, “Personal Data”, “Personal Data Breach”, “Supervisory Authority”, “Processor” and “Processing” shall have the meanings set out in the Data Protection Laws (and “Process” and “Processed” shall be interpreted accordingly).

28.2 The Parties anticipate that Client and XTELLUS will each act as independent Controllers in respect of the Personal Data that they each Process in connection with this Agreement. The Parties do not anticipate that either Party will act as a Processor on behalf of the other Party.

28.3 In respect of its Processing Personal Data in connection with this Agreement, each Party will:

28.3.1 comply with its respective obligations under the Data Protection Laws;

28.3.2 implement and maintain appropriate technical and organizational measures sufficient to comply with the Security Requirements;

28.3.3 notify the other Party of any actual or reasonably suspected Personal Data Breach as soon as reasonably practicable (and in any event, within twenty-four (24) hours) upon becoming aware of the same and:

- a) implement any measures necessary to restore the security of compromised Personal Data; and

- b) provide reasonable co-operation to the other Party to make any notifications to the relevant Regulator and affected Data Subjects; and
- 28.3.4 take reasonable steps to ensure the reliability of any of its personnel who have access to the Personal Data and ensure that each member of personnel with access to the Personal Data have:
- a) received (and will continue to receive on a regular basis) reasonable levels of training in Data Protection Laws and in the care and handling of Personal Data; and
 - b) entered into appropriate contractually binding commitments of confidentiality; and
 - c) notify the other Party promptly (and in any event within three (3) Business Days) following its receipt of any Data Subject Request or Regulatory Correspondence.
- 28.4 Where XTELLUS makes a transfer of Personal Data to South Africa or any other territory outside of the European Economic Area (a “Restricted Transfer”), XTELLUS will ensure that such Restricted Transfer complies with Data Protection Laws, including by ensuring that appropriate are in place and that enforceable Data Subject rights and effective legal remedies are available for Data Subjects.

29. INTEREST

- 29.1 The Client shall pay interest on any sum payable to XTELLUS under the Client Documents or any Transaction at such rates as may be notified by XTELLUS to the Client from time to time. Such interest shall accrue on a daily basis and shall be paid monthly in arrears unless otherwise agreed. Interest accrued and unpaid in accordance with the previous sentence shall be debited to the Client Funds Account and shall itself bear interest thereafter.

30. SECURITY

- 30.1 As continuing security for the Secured Obligations, the Client grants XTELLUS with full title guarantee and free from any adverse interest whatsoever (a) a security interest by way of first fixed charge and (b) a floating charge over:
- iv. all of the Client’s rights, title or interest in the amounts standing to the credit of the Client Funds Account;
 - v. all Financial Instruments standing to the credit of the Custody Account;
 - vi. all of the Client’s rights, title and interest in any claims for sums due or Equivalent Assets deliverable to the Client under the Client Documents and any Transaction;
 - vii. all of the Client’s rights, title and interest in and under the Client Documents, subject to the netting rights thereunder; and
 - viii. all of the Client’s rights, title and interest in and to any Close-Out Amount, (together the “Secured Assets”), in each case in the charges contained in or created pursuant to this Agreement are construed with the omission of (A) the words “other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about” in section 3(1) of that Act; and (B) section 6(2) of that Act.
- 30.2 XTELLUS shall have the right at any time after the Security Interest hereby constituted has become enforceable without notice to the Client to appropriate all or any part of the Secured Assets in satisfaction of the Secured Obligations.

- 30.3 The Client undertakes not to create or have outstanding any Encumbrance over the Secured Assets other than any Permitted Encumbrances.
- 30.4 The Client hereby gives its consent to XTELLUS making such filings or registrations as XTELLUS believes are necessary or desirable in order to establish and maintain the perfection and priority of the Security Interest and undertakes to execute and/or file or cause to be executed and/or filed such documents and notices and in such places and in such manner as XTELLUS may instruct in order to establish and maintain the perfection and priority of the Security Interest.
- 30.5 The Client hereby irrevocably appoints XTELLUS as its attorney (with full powers of substitution and delegation) to execute any such transfers, powers, assurances or other documents and do such other acts for the purpose of creating, perfecting, maintaining, validating or enforcing the Security Interest. The Client ratifies and confirms and agrees to ratify and confirm whatever XTELLUS, as its attorney, shall do in the exercise or purported exercise of the power of attorney granted by this Clause.
- 30.6 Where any Secured Assets are located in or subject to the laws of a jurisdiction other than Republic of Cyprus, the Security Interest is intended to be a grant of a security interest in such Secured Assets which is valid, binding and enforceable in that jurisdiction.
- 30.7 If XTELLUS is satisfied that the Secured Obligations of the Client to XTELLUS have been irrevocably and unconditionally discharged and no further Secured Obligations are capable of arising (but not otherwise), XTELLUS shall pay or deliver to the Client any remaining money, Assets or Equivalent Assets and shall, at the request and cost of the Client, release the Security Interest.

31. EVENTS OF DEFAULT

- 31.1 Each of the following shall constitute an “Event of Default” with respect to the Client:
- (a) the Client fails to make any payment or to make or take delivery of any property, or it becomes impossible, impracticable or illegal to do so, in all cases, when due under this Agreement, or to observe or perform any other provision of this Agreement;
 - (b) the occurrence of an Insolvency Event in relation to the Client;
 - (c) the Client disaffirms, disclaims or repudiates any obligation under this Agreement or any guarantee, hypothecation agreement, margin or security agreement (if applicable) or any other legal document containing an obligation of the Client or a third party in favor of XTELLUS supporting any of the Client’s obligations under this Agreement;
 - (d) any representation, warranty or covenant made or given or deemed made or given by the Client under this Agreement proves to have been false or misleading in any material respect as at the time it was made or given or deemed made or given;
 - (e) the Client transfers all or substantially its assets to another entity, or otherwise is consolidated, amalgamated or merged with or into another entity or undergoes a similar process, with the effect that the resultant, surviving or transferee entity does not assume all obligations of the Client under this Agreement or any additional Document supporting any of the Client’s obligations under this Agreement;
 - (f) (i) the Client, fails to comply with or perform any agreement or obligation to be complied with or performed by it, or the Client, in accordance with the applicable legal documents supporting any of the Client’s obligations under this Agreement; (ii) any legal document supporting any of the Client’s obligations under this Agreement expires or ceases to be in full force and effect prior to the satisfaction of all the Client’s obligations under this Agreement, unless XTELLUS has agreed in writing that this will not be an Event of Default; (iii) any representation or warranty made or given or deemed made or given by any client pursuant to any legal document supporting any of the Client’s obligations under this Agreement proves to have been false or misleading in any material respect as at the time

- it was made or given or deemed made or given; or (iv) an event equivalent to an Insolvency Event occurs in respect of any client;
- (g) the Client is dissolved, or, if its capacity or existence is dependent upon a record in a formal register, the registration is removed or ends, or any procedure is commenced seeking or proposing the Client's dissolution, removal from such a register or the ending of such a registration;
 - (h) where the Client is a partnership, an event equivalent to an Insolvency Event occurs or any of the events referred to in paragraph above occurs in respect of one or more of the Client's partners;
 - (i) XTELLUS considers it necessary or desirable for XTELLUS's own protection or for the protection of the Client (including to prevent a violation or continued violation of Applicable Regulations) or any action is taken, or event occurs which XTELLUS considers might have a material adverse effect upon the Client's ability to perform any of its obligations under this Agreement or a legal document supporting any of the Client's obligations under this Agreement, including loss of a necessary licence;
 - (j) the Client or an Affiliate, or any director, officer, agent, employee or any person acting on behalf of the Client or Affiliate (A) is or becomes a Sanctions Target, (B) acts directly or indirectly on behalf of, a Sanctions Target or (C) will, following an announcement of a Sanctions Authority, become a Sanctions Target or will be acting directly or indirectly on behalf of a Sanctions Target.
 - (k) the Client admits to XTELLUS or any other person or any other person its inability to, or intention not to, perform any of its obligations under this Agreement [or any Client Agreement].
 - (l) the Client is suspended from membership of, or participation in, any exchange, clearing house or association or self-regulating organisation, or suspended from dealings in Securities by any government agency;
 - (m) the net asset value calculation of the Client or the redemption of investor interests in respect of the Client is suspended, restricted or delayed for any reason;
 - (n) on any day during the term of this Agreement, XTELLUS determines that the Client has failed to maintain a total shareholder equity value of an amount equal to 70 per cent of its last balance sheet year-end shareholder equity;
 - (o) any Operative Document or constitutional document (including, without limitation, investment policies or guidelines) of the Client is amended or modified in a manner which, in the sole judgment of XTELLUS, (A) may have a materially adverse effect on XTELLUS under this Agreement or any Transaction hereunder or on the ability or authority of the Client to perform its obligations under this Agreement or any Transaction hereunder; or (B) would result in (1) the inability of the Client to perform its obligations under this Agreement, or (2) a change to the fundamental nature of the business conducted by the Client, or (3) the prohibition of the Client from entering into any Transactions hereunder;
 - (p) in relation to the Client or any of its Affiliates, a default, event of default, termination event or similar condition or event exists. Occurs or is declared under any other agreement, instrument, contract or transactions of whatever nature;
 - (q) relation to the Client or any of its affiliates, any indebtedness or other financial obligation in an amount greater than U.S. \$250,000 (or its equivalent in any other currency or currencies) is not paid or met at its stated maturity (or within any applicable grace period) or by reason of any default, event of default, termination event or the like on the Client's part becomes due prior to its stated maturity or, if payable or repayable on demand, when so demanded;
 - (r) the Client suffers a material adverse change in its financial condition, results, properties, business or operations as determined by XTELLUS's in its absolute discretion;
 - (s) where the Client is the trustee of a trust, (i) it ceases to be a trustee of the trust for any reason whatsoever or (ii) the liabilities of the trust fund exceed the market value of its assets,

- or (iii) the trustee is unable to satisfy all of its liabilities incurred as trustee in full by proper recourse to the assets of the trust fund;
- (t) the Client fails to perform any other obligation under this Agreement and, if such failure is capable of remedy, such failure is not remedied on or before the second Business Day after notice of such failure is given to the Client by XTELLUS;
 - (u) the Client is prevented from making any payment or delivery or it becomes impossible, impracticable or illegal for the Client to make any payment or delivery.

32. ACTION FOLLOWING AN EVENT OF DEFAULT

32.1 Liquidation Date: At any time following an Event of Default, XTELLUS may, by written notice to the Client, specify a date (the "Liquidation Date") for the termination and liquidation of Transactions.

32.2 Liquidation Amount: Upon the occurrence of a Liquidation Date:

- (a) all Transactions will terminate and, following the termination, no further payments or deliveries in respect of the Transactions or any interest, howsoever described, on those payment obligations will be required to be made;
- (b) each outstanding Cash Loan will become immediately due and payable;
- (c) with respect to each outstanding Securities Loan, Equivalent Securities to the Loan Securities shall become immediately redeliverable by you;
- (d) any Securities Equivalent to Rehypothecated Assets shall become immediately redeliverable by XTELLUS;

so that, where this clause (Liquidation Amount) applies, performance of the respective obligations of the parties with respect to relevant payments and deliveries identified about shall be effected only in accordance with clause 12.3 below and an amount equal to the Liquidation Amount will instead be payable (whether by payment, set-off or otherwise) following the termination.

32.3 The "Liquidation Amount" means the aggregate net sum of:

- (a) with respect to each Transaction terminated on the Liquidation Date, an amount (which may be positive or negative or zero) which is equal to the value of such Transaction as determined by XTELLUS in a commercially reasonable manner. For the purposes of this paragraph (a), XTELLUS may consider quotations (firm or indicative) for replacement Transactions, market data supplied by third parties and XTELLUSs own internal sources and models which it uses for valuation purposes. XTELLUS may also take into account any loss of bargain, cost of funding or, without duplication, cost, loss or, as the case may be, gain, as a result of the termination, liquidation, obtaining, performing or re-establishing of any hedge or related trading position. If the amount relating to the Transaction is owed to XTELLUS, the value determined in respect of the related Transaction under this paragraph (a) will be assigned a positive sign, and if the amount relating to the Transaction is owed to the Client, the value determined in respect of the related Transaction(s) under this paragraph will be assigned a negative sign;
- (b) with respect to each Transaction terminated on the Liquidation Date, any amount which became payable in respect of such Transaction, or which would have become payable but for a condition precedent not being satisfied in respect of any such Transaction, prior to the Liquidation Date but which remained unpaid on such Liquidation Date, together with accrued, unpaid interest. If the amount relating to the Transaction is owed

to XTELLUS, the value determined in respect of the related Transaction under this paragraph (b) will be assigned a positive sign, and if the amount relating to the Transaction is owed to the Client, the value determined in respect of the related Transaction(s) under this paragraph will be assigned a negative sign;

- (c) an amount equal to the value (determined by XTELLUS in a commercially reasonable manner and without applying any haircut) of all Securities (if any) recorded as being held in the Securities Account on that date (assigned with a negative sign, but which may be zero);
- (d) an amount equal to the value (determined by XTELLUS in a commercially reasonable manner and without applying any haircut) of all Equivalent Securities to the Loan Securities (if any) on that date (assigned with a positive sign, but which may be zero);
- (e) an amount equal to the value (determined by XTELLUS in a commercially reasonable manner and without applying any haircut) of all Equivalent Securities to the Rehypothecated Assets (if any) on that date (assigned with a negative sign, but which may be zero); and
- (f) the total balance of any costs, commissions, expenses and/or fees which are or have been incurred by the Client pursuant to the provision of Services pursuant to this Agreement and which remain unpaid as of the Liquidation Date.

32.4 Any outstanding obligation of XTELLUS to return or transfer cash in the Cash Accounts and/or Securities in the Securities Accounts to the Client is extinguished to the extent that it has been accounted for in determining Liquidation Amount.

32.5 Responsibility for determination of amounts: XTELLUS will determine any Liquidation Amount as soon as reasonably practicable after a Liquidation Date. Once XTELLUS has made its determination of the Liquidation Amount, it will promptly notify the Client whether it is payable by XTELLUS or the Client. If the Liquidation Amount is positive, it will be due from the Client to XTELLUS, and if it is negative, the absolute value of the Liquidation Amount will be due from XTELLUS to the Client. The Liquidation Amount will be payable in the Base Currency and on the first Business Day after delivery of the notification of the amount payable.

33. CLOSE-OUT

33.1 On or at any time following the occurrence of an Event of Default, XTELLUS may by service of a written notice on the Client (the "Close-Out Notice"):

33.1.1 designate the Business Day on which such notice is served as the "Close-Out Date", provided that in the case of an Event of Default under paragraphs (i), (ii), (iii), (v) or (vi) of the definition of Act of Insolvency with respect to a Client that is governed by a system of law that does not permit termination to take place after the occurrence of such Event of Default, then the Close-Out Date will be deemed to have been designated as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition; and

33.1.2 apply the provisions of this Clause 33.

33.2 On the Close-Out Date, the following shall occur:

33.2.1 no further payments or deliveries will be required to be made;

33.2.2 all outstanding Transactions shall be terminated and any obligation of XTELLUS to settle any outstanding Transaction will cease;

33.2.3 all outstanding obligations of either party to (a) pay or repay cash; and (b) deliver or redeliver Equivalent Assets, shall become due for performance immediately (such performance to be effected pursuant to this Clause 28 only); and

33.2.4 the Security Interest shall become immediately enforceable.

33.3 On, or as soon as practicable after, the Close-Out Date, XTELLUS shall determine:

- 33.3.1 the amount of all cash to be paid or repaid by (a) XTELLUS to the Client or (b) the Client to XTELLUS;
- 33.3.2 the prevailing market value of all Equivalent Assets due to be delivered by (a) XTELLUS to the Client or (b) the Client to XTELLUS;
- 33.3.3 any additional amount due to be paid by (a) XTELLUS to the Client or (b) the Client to XTELLUS in relation to any terminated Transactions or otherwise under this Agreement; and
- 33.3.4 the amount of any loss or cost incurred by XTELLUS as a result of its terminating, liquidating, obtaining or reestablishing any hedge or trading position related to any Transaction.
- 33.4 On the basis of the amounts established in accordance with Clause 28.3 (and in addition to any other right or remedy XTELLUS may have):-
 - 33.4.1 an account shall be taken of any balances established pursuant to sub-Clauses 28.3.1 – 28.3.2 and any such sums shall be set off against each other so as to establish a single net sum owing from the Client to XTELLUS as a whole, or owing from XTELLUS to the Client (the “Close-Out Amount”); and
 - 33.4.2 the balance of the Close-Out Amount due from one party to the other shall be due and payable the next following Business Day (and provided always that any balance due from XTELLUS to the Client shall be subject to the Security Interest).
- 33.5 If following the application of Clause 28.4 , there is any balance due from the Client to XTELLUS, XTELLUS shall apply the proceeds obtained from enforcement of the Security Interest towards the full and final discharge of any of the Secured Obligations of the Client to XTELLUS, in each case at such time or times and in such manner as it may think fit.
- 33.6 If following the application of Clause 28.4 and 28.5 the effect of any agreement to which XTELLUS and the Client are a party or any Applicable Law (including any applicable judicial decision) results in Secured Obligations owed by the Client to XTELLUS being reinstated or any Secured Obligations owed by the Client to any third party being transferred to XTELLUS or otherwise being outstanding, XTELLUS may continue to apply the set-off provisions of this Clause 28.6 until such time as all Secured Obligations have been discharged. For this purpose, any amount may be converted by XTELLUS into the currency in which the other is denominated at the rate of exchange at which XTELLUS would be able, in good faith and using commercially reasonable procedures, to purchase the relevant amount of such currency.
- 33.7 Any rights and remedies available to XTELLUS under this Agreement shall be in addition to any other rights or remedies available under any applicable law or otherwise.
- 33.8 At any time after the Security Interest has become enforceable, XTELLUS may enforce the Security Interest and exercise any and every right, remedy and power possessed by XTELLUS under this Agreement or available to a secured creditor and in particular (but without limitation) XTELLUS shall have power to sell or dispose of or convert (where applicable) all or any of the Secured Assets in any manner permitted by law upon such terms as XTELLUS shall in its discretion determine. Without prejudicing the foregoing, where XTELLUS exercises its power of sale, the timing of such sale shall be in XTELLUS’s absolute discretion and XTELLUS may take into account the size, amount, liquidity and such other factors in respect of the Secured Assets as XTELLUS in its absolute discretion thinks fit and may sell Secured Assets over such period and by such method as XTELLUS in its absolute discretion thinks fit.
- 33.9 The power of sale under the Transfer and Mortgage of Immovable Property Law (No. 9/1965) shall apply and have effect on the basis that the Client Documents constitute a mortgage within the meaning of the said law and XTELLUS is a mortgagee exercising the power of sale conferred on mortgagees by the said law.
- 33.10 Following the determination of the Close-Out Amount, XTELLUS shall apply towards the full and final discharge of the Secured Obligations:
 - 33.10.1 the proceeds of sale of the Secured Assets; and

33.10.2 to the extent that any liquidation of the Secured Assets pursuant to this Clause 28 results in cash proceeds in excess of the Secured Obligations, XTELLUS shall hold such cash proceeds on trust for the Client.

33.11 XTELLUS may appoint a receiver of all or part of the Secured Assets over which the Security Interest has become enforceable and may remove any receiver so appointed and appoint another in his place. Such receiver shall be vested by XTELLUS with such powers and discretions that XTELLUS has under this Agreement. XTELLUS shall have no liability for the acts or omissions of any receiver so appointed, including any negligence, fraud or willful default. No person dealing with XTELLUS or any receiver appointed by XTELLUS need enquire whether any of the powers, authorities and discretions conferred by or pursuant to this Agreement in relation to the Secured Assets are or may be exercisable by XTELLUS or such receiver.

34. SET - OFF

- 34.1 Any amount payable by XTELLUS to the Client may, at the option of XTELLUS (and without prior notice to the Client), be reduced by its set-off against any other amounts payable by the Client or any Client Affiliate to XTELLUS (whether or not arising under the Client Documents, matured or contingent and irrespective of the currency, place of payment or place of booking of the obligation).
- 34.2 For this purpose, any amount may be converted by XTELLUS into the currency in which the other is denominated at the rate of exchange at which XTELLUS would be able, in good faith and using commercially reasonable procedures, to purchase the relevant amount of such currency.
- 34.3 If an obligation is unascertained, XTELLUS may, in good faith, estimate that obligation and set off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.

35. LIABILITY AND INDEMNITY

- 35.1 The Client is liable for all losses arising from any order or Transaction executed by XTELLUS on behalf of the Client under this Agreement and all risks arising therefrom.
- 35.2 Neither XTELLUS nor any of its directors, officers, employees or agents (the "Indemnified Persons") shall be liable to the Client, any Client Affiliate or any of their respective officers, directors, employees or agents in the absence of gross negligence, fraud or willful default on the part of the relevant Indemnified Person and no Indemnified Person will be liable for:
- 35.2.1 any loss of profits, revenue, business, goodwill or anticipated savings; or any loss of opportunity whereby the value of any investments purchased, held or sold by XTELLUS on the Client's behalf might have been increased;
 - 35.2.2 indirect or consequential loss;
 - 35.2.3 any loss (including any tax or increase in tax incurred by the Client or for any failure to insure) resulting from any Act or omission made under or in relation to or in connection with this Agreement or the Services;
 - 35.2.4 any delay or change in market conditions before any Transaction is effected;
 - 35.2.5 any decline in the value of any investments purchased, held or sold by XTELLUS on the Client's behalf;
 - 35.2.6 any errors of fact or judgment; and
 - 35.2.7 the solvency, acts or omissions of any broker, nominee, Sub-Custodian, settlement agent, securities depository or other third party by whom or in whose control any of the Client's investments (or documents of, or certificates evidencing, title thereto) are held or through whom any Transactions are effected, any Approved Bank with whom XTELLUS maintains any bank account or any other third party with whom XTELLUS deals or transacts business or who is appointed by XTELLUS in good faith on the Client's behalf.
- 35.3 The aggregate liability of the Indemnified Persons to the Client, the Client Affiliates and their respective officers, directors, employees or agents shall not exceed €1,000,000.

- 35.4 XTELLUS shall in no circumstances be liable to the Client for special, indirect and consequential damages arising as a result of any breach by XTELLUS of any provision of the Clients Documents.
- 35.5 The Client hereby agrees to indemnify and hold harmless each of the Indemnified Persons from and against any taxes and all claims, proceedings, expenses, costs, losses, damages and liabilities of every description (including legal fees, accountant's fees, fines and penalties) in the absence of gross negligence, fraud or willful default on the part of the relevant Indemnified Person.
- 35.6 The Client is solely responsible for its own compliance with the any Applicable Regulations relating to the Electronic Services, including suitability requirements, the preparation and/or filing of any of any relevant reports to an exchange and/or any other regulatory authority and the maintenance of records required to be maintained by the Client.

36. FORCE MAJEURE

- 36.1 XTELLUS shall not be liable for any failure or delay in performing any of its obligations under or pursuant to the Client Documents, and any such failure or delay in performing such obligations will not constitute a breach of the Client Documents, if such failure or delay is due to any cause whatsoever outside its reasonable control and XTELLUS shall be entitled to a reasonable extension of the time for performing such obligations as a result of such cause.
- 36.2 Causes and/or events outside the reasonable control of XTELLUS shall include without limitation: acts of God; pandemic or epidemic; any change to the law, order or regulation of a government, supranational or regulatory body; currency restrictions, devaluations and fluctuations; any Act of terrorism; market conditions affecting the execution or settlement of transactions or the value of assets; any 'denial of service' or cyber attack; failure or breakdown of communications not reasonably within XTELLUS's control; and the failure of any relevant exchange or clearing house and shall include any event or circumstance that XTELLUS is unable, using reasonable skill and care, to avoid ("Force Majeure").
- 36.3 Client acknowledges that XTELLUS uses computer-based automated systems in connection with providing services, including but not limited to the receipt and handling of orders; the execution and cancellation of orders; order and trade confirmation; the clearing and settlement of transactions; the delivery of corporate action information; account management; storing and processing account information; and risk management (collectively, "XTELLUS System"). Client understands that the use of the XTELLUS System entails risks, including but not limited to: interruption or delays of service and systems, network or communications failures; cyberattacks; and errors in the design or functionality of such XTELLUS Systems (collectively, a "System Failure") that could cause damage, expense, or liability to Client. XTELLUS is not liable to Client for any loss Client may suffer due to any System Failure. In order to mitigate the risk of loss to Client that may be caused by a System Failure, Client acknowledges that they should maintain alternative trading arrangements of sufficient capacity and utility to allow Client to change positions as necessary to modify risk of loss to Client during a System Failure.

37. COMPLAINTS

- 37.1 All formal complaints should in the first instance be made in writing to XTELLUS and to be sent via email to compliance@xtelluseurope.com. Complaints to XTELLUS will be dealt with in accordance with the CySEC Circulars and/or relevant Legal Framework. XTELLUS's complaints policy is available at www.xtelluseurope.com.

38. NOTICES

- 38.1 All notices and other communications should be sent, in the case of XTELLUS, to Xtellus Europe Ltd., 26 Spyrou Kyprianou Str., 1st floor, 4040 Germasogeia, Limassol, Cyprus and, in the case

of the Client, to such address as is notified to XTELLUS by such Client or, in the absence of such notification, to its registered office address.

- 38.2 Any notice in writing given by the Client to XTELLUS is deemed delivered upon actual receipt.
- 38.3 Any notice in writing given by XTELLUS to the Client is deemed delivered as follows:-
- 38.3.1 where such notice is sent by post (first class or, where appropriate, by air mail), it will be deemed delivered seven (7) Business Days after posting. Proof that the letter was correctly addressed and was posted first class or, where appropriate, air-mail will be sufficient proof of delivery;
- 38.3.2 where such notice is sent by courier, it will be deemed delivered upon actual delivery. Proof that it was delivered to the correct address will be sufficient proof of delivery; or
- 38.3.3 where such notice is sent by electronic transmission, it will be deemed delivered upon transmission. Proof that it was transmitted to the correct number or destination will be sufficient proof of delivery.

39. COSTS

- 39.1 The Client hereby acknowledges and agrees that XTELLUS will make information on costs and charges available to the Client via email, to the email address provided by the client during the Onboarding Process.

40. TREATMENT OF CONFIDENTIAL INFORMATION

- 40.1 Each Party will treat as confidential any non-public information about the other Party that it obtains in connection with this Agreement (the "Confidential Information"); provided, that each Party may disclose the information:
- i. to its officers, directors, employees, shareholders and agents, where such disclosure is necessary or desirable to facilitate the performance of the Services;
 - ii. to its professional advisors which are subject to an obligation to maintain the confidentiality of such information;
 - iii. that it has developed independently of the other Party;
 - iv. where required by Applicable Law or the CySEC Rules;
 - v. pursuant to any demand or request of any court, regulatory authority, arbitrator or tribunal; or
 - vi. to any government or regulatory body with authority to regulate the disclosing Party's business or that of its affiliates, but the disclosing Party agrees to advise them of the confidential nature of such information and request confidential treatment of such information.
- 40.2 In each case the disclosing Party will give the other at least five (5) days' prior written notice of the information to be disclosed to the extent that such notice is reasonable, practical and permissible.
- 40.3 Clause 40.1 shall remain in full force and effect for a period of five (5) years months following the termination of this Agreement.

41. TERMINATION

- 41.1 Each of XTELLUS and the Client may terminate this Agreement on 30 Business Days' prior written notice to the other (the "Termination Notice"), provided that, in the case of the Client, (a) there are no Secured Obligations outstanding; and (b) the Termination Notice is accompanied with written instructions regarding the transfer of the Client's Financial Instruments from XTELLUS or a Sub-Custodian to the Client's replacement custodian. Further, XTELLUS has the right to immediately

terminate this Agreement if: (i) there is a material breach of any provision of the Agreement or representation by Client; or (ii) XTELLUS has reasonable reputational concerns with continuing the Agreement.

42. ASSIGNMENT

- 42.1 The Client may not assign any part of its rights and obligations under this Agreement without the prior written consent of XTELLUS.
- 42.2 The Client agrees that XTELLUS may assign, transfer or novate any of its rights or obligations under this Agreement to one or more Affiliates, by giving the Client reasonable notice which shall specify a date upon which the assignment, transfer or novation shall become effective.

43. AMENDMENTS

- 43.1 XTELLUS may amend the terms of the Agreement at any time in order to comply with Applicable Law and shall give the Client such notice (including no advance notice) as may be reasonable in respect of the proposed change.
- 43.2 Subject to Clause 43.1 XTELLUS may amend the terms of this Agreement by giving the Client 30 Business Days advance written notice of the changes.
- 43.3 The Client may not amend the Client Documents without the prior written consent of XTELLUS.

44. GOVERNING LAW AND CHOICE OF JURISDICTION

- 44.1 This Agreement shall be governed by and construed in accordance with the Republic of Cyprus Law and, subject to the dispute resolution provisions set forth hereinafter, the client irrevocably agrees for XTELLUS's exclusive benefit that the courts of Cyprus are to have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any proceedings may be brought in such courts.
- 44.2 Nothing contained in this Section shall, however, limit XTELLUS's right to take proceedings against the Client in any other court of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.
- 44.3 The Client agrees that XTELLUS may serve any documents required to be served on the Client in relation to any dispute (including originating process) at any address provided by the Client during the onboarding process, where the Client or any company within the same group of companies of which the Client is a member has a place of business, and that this will constitute effective service. If no such address exists, the Client undertakes to: (a) maintain an agent for the service of process on its behalf throughout the duration of this Agreement and notify XTELLUS of the identity and address of such agent; and (b) notify XTELLUS promptly upon any change in the identity or address of the person the Client has appointed for the time being as its agent for service of process. If the Client fails to appoint or maintain an agent for service of process in breach of its obligations to do so under this clause, the Client hereby authorises XTELLUS to appoint an agent on the Client's behalf.

45. THIRD PARTY RIGHTS

- 45.1 Each party hereby acknowledges and agrees that no rights, powers or benefits are or shall be conferred on any person pursuant to the Client Documents except for such rights, powers or benefits as are expressly conferred on the parties hereto in accordance with, and subject to the terms of the Client Documents.

46. SOFTWARE LICENCE

- 46.1 XTELLUS hereby grants the Client a License to access and use the System in accordance with the terms of this Clause.
- 46.2 The License and the terms at Schedule 1 will terminate on termination of this Agreement or forthwith on XTELLUS giving notice to the Client in writing.
- 46.3 The Client will not be permitted to assign, sub-license or otherwise transfer the License in whole or in part.

47. PROCESS AGENT

- 47.1 The Client hereby appoints the persons identified as signatories to this Agreement as its agent to receive on its behalf service of process in the Cyprus courts.

48. WAIVER

- 48.1 A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver and a single or partial exercise of any right or power provided under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

49. ENTIRE AGREEMENT

- 49.1 The Client Documents constitute the entire agreement and understanding of the parties with respect to their subject matter.

50. PARTIAL INVALIDITY

- 50.1 If any provision or term of the Client Documents or any part thereof shall become or be declared illegal, invalid or unenforceable for any reason whatsoever, such term or provision shall be divisible from the Client Documents and shall be deemed to be deleted from the Client Documents provided always that, if any such deletion substantially affects or alters the commercial basis of the Client Documents, XTELLUS reserves the right to amend and modify the provisions and terms of the Client Documents in such fashion as may be necessary or desirable in the circumstances.

51. NO PARTNERSHIP

- 51.1 Nothing in the Client Documents (or any of the arrangements contemplated thereby) shall be deemed to create a partnership between XTELLUS and the Client.

52. DEFINITIONS

- 52.1 In this Agreement the following words and phrases shall have the following meanings:

“Act of Insolvency”

“Act of Insolvency” means with respect to that person:

- (i) the party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of the REGULATION (EU) 2015/848 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 May 2015 on insolvency proceedings.
- (ii) the party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with any of its creditors other than (being a company) for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
- (iii) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the other party (being a company, limited liability partnership or partnership) other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
- (iv) an application is made to court, or an order is made, for the appointment of an administrator, or a notice of intention to appoint an administrator is given or an administrator is appointed, over the other party (being a company, partnership or limited liability partnership);
- (v) the holder of a qualifying floating charge over the assets of that other party (being a company or limited liability partnership) has become entitled to appoint or has appointed an administrative receiver;
- (vi) a person becomes entitled to appoint a receiver over all or any of the assets of the other party or a receiver is appointed over all or any of the assets of the other party;
- (vii) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the other party's assets and such attachment or process is not discharged within 14 days; or any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in (i) to Clause (vii) (inclusive);

“Agreement”

means this agreement setting out the settlement and custody terms of business as amended or updated from time to time including any Schedules and Appendices;

**“Applicable Law” and/or
“Applicable Regulations”**

means any statute, rule, regulation, order or decision made by a government, court or relevant regulatory authority (including published guidance) and any directions given by a governmental

body, regulator or self-regulatory organisation; in any jurisdiction that applies to the Client and XTELLUS for the purposes of this Agreement;

“Approved Bank”	means a bank, building society or another institution that is regulated in the EU or under the national regulations of an overseas jurisdiction for holding money on deposit;
“Authorized Persons”	means a member of the Client’s Personnel who is authorized to use the System in accordance with Clause 41;
“Business Day”	means any day on which banks are open for normal banking business in Cyprus;
“Cash Account”	means any cash account established on XTELLUS books and records in the name of the Client pursuant to this Agreement and "Cash Accounts" means all such accounts.
“Client Affiliate”	<p>means any entity that directly or indirectly:-</p> <p>(a) is controlled by the Client;</p> <p>(b) controls the Client; or</p> <p>(c) is under common control with the Client;</p>
“Client(s) Funds” and/or “Client(s) Money”	has the meaning provided in Article 4(1)(9) of Directive 2014/65/EU (MiFID II): Funds belonging to a client that an investment firm receives or holds in connection with the provision of investment services or the performance of investment activities.
“Client Funds Account”	means one or more cash accounts maintained by XTELLUS in the name of the Client with an Approved third party bank in accordance with the with the DIRECTIVE DI87-01 of the CySEC;
“Custody Account”	means one or more custody accounts or sub-accounts opened and maintained by XTELLUS under this Agreement for the custody and safekeeping of Financial Instruments in accordance with the DIRECTIVE DI87-01 of the CySEC which shall from time to time be delivered to XTELLUS or any Sub-Custodian;
“CySEC Rules”	means the rules and guidance set out in the DIRECTIVE DI87-01;
“Designated Person”	means a person that is listed on, or owned or controlled by a person listed on the “Specially Designated Nationals and Blocked Persons” list issued by Office of Foreign Assets Controls of the US Department of Treasury, the Consolidated List of Financial Sanctions Targets issued by His Majesty’s Treasury, or the European Union’s Consolidated list of persons, groups and entities subject to EU financial sanctions, or any similar list issued or maintained or made public by any of the Sanctions Authorities relating to a Sanctions Regime;
“Electronic Service”	means a service provided by XTELLUS (and/or the Company’s Third Party Associates), for example an internet trading service offering clients access to information and trading facilities and the ability to route orders or engage in Transactions, via an internet service, a WAP service and/or an electronic order routing system;
“Electronic Services Rules”	means any rules, conventions, regulations, user agreements, user guides or instructions related to the Electronic Services or of any

regulatory authorities, exchanges or trading systems through which the Client's trades are executed, as well as any terms of use, including disclosures, disclaimers, data protection and privacy policies that are displayed by the Services or which the Client may click through;

“Encumbrance”

means any interest or equity of any third party, or any mortgage, charge, pledge, lien, restriction, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement or agreement to create any of the same;

“Equivalent Assets”

means, in relation to any Securities, assets of the same type, nominal value, description and amount as such Securities;

“Equivalent Securities”

means in relation to any Securities Loan provided under this Agreement, Securities of the same issuer, issue and of an identical type, nominal value and description as such security and shall include the certificates and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate).

“Fees and Costs Annex”

means a schedule of fees and expenses of XTELLUS and any Sub-Custodian as notified by XTELLUS in writing from time to time and payable by the Client;

“Financial Instruments”

means any Securities of the Client in respect of which XTELLUS has agreed to provide custody services on and subject to these terms of this Agreement;

“Financial Crime Rules”

means all applicable laws relating to the prevention of bribery, corruption, money laundering, terrorist financing, facilitation of tax evasion, fraud or similar or related activities or relating to financial sanctions including the Prevention and Suppression of Money Laundering Activities Law of 2007 L188(I)/2007 as amended in 2010, 2012, 2013, 2016, 2018, 2019 and 2021 by Laws L58(I)/2010, L192(I)/2012, 80(I)/2012 101(I)/2013, 18(I)/2016, 13(I)/2018, 81(I)/2019, 13(I)/2021, 22(I)/2021, 61(I)/2021 and 40(I)/2022 (the “Law” or “AML Law”);

“License”

means the non-exclusive, revocable licence granted by XTELLUS to the Client pursuant Clause 41 and Schedule 1;

“Permitted Encumbrances”

means in respect of any Securities, and Encumbrance in favour of XTELLUS or any Sub-Custodian through which the relevant Securities are held or in whose name the Securities are so registered or any lien routinely imposed on all assets in a clearing system in which such Securities are held;

“Personnel”

means the employees, directors, officers, members, consultants, secondees and agents of the Client;

“Sanctions Regime”

means: sanctions (including but not limited to a sanctions program relating to economic sanctions, trade sanctions, export controls, embargoes or international boycotts of any type) administered, enacted or enforced by the United Nations; the United States government; the European Union or its Member States; the United Kingdom; or the respective governmental institutions and agencies of any of the foregoing, including without limitation, the Office of Foreign Assets Control of the US Department of Treasury, the United States Department of State, and His Majesty's Treasury (together “Sanctions Authorities”);

“Secured Assets”

means:

a) all of the Client's rights, title or interest in the amounts standing to the credit of the Client Funds Account;

b) all Financial Instruments standing to the credit of the Custody Account;

c) all of the Client's rights, title and interest in any claims for sums due or Equivalent Assets deliverable to the Client under the Client Documents and any Transaction;

d) all of the Client's rights, title and interest in and under the Client Documents, subject to the netting rights thereunder; and

e) all of the Client's rights, title and interest in and to any Close-Out Amount;

“Secured Obligations” means all obligations and liabilities owed by the Client to XTELLUS, whether actual, contingent, present or future;

“Securities” means any financial instruments including, without limitation, common stock and other equity securities, warrants, derivatives, bonds, debentures and other debt securities, notes and other obligations, limited partnership interests, limited liability company interests, shares and units in investment funds and other collective investment schemes, depositary receipts or other similar property (including evidence of securities or title thereto and all rights in respect thereof) (including any instruments representing rights to receive, purchase or subscribe for the same or representing any rights, distributions or interests therein);

“Securities Loan” means when time to time and either (i) on request by the Client XTELLUS or (ii) if necessary to settle a Transaction, XTELLUS may, in its sole discretion and subject to the terms of this Agreement, agree to lend Securities to the Client;

“Security Interest” means the security constituted pursuant to Clause 28;

“Services” means the services to be provided by XTELLUS to the Client pursuant to Clause 1;

“Software License” means the software license set out at Schedule 1 hereto;

“Sub-Custodian” means any sub-custodian selected by XTELLUS as custodian to hold any Securities of the Client in accordance with this Agreement;

“System” means XTELLUS's web-based interface, any information or data entry software, report delivery and other software provided by XTELLUS to the Client hereunder;

“Taxes” means any value added tax, stamp duty, transfer taxes, other taxes and duties and levies applied in connection with the provision of the Services including those charged by a counterparty or Trading Venue for the execution, settlement and clearing of Transactions;

“Trading Venue” means a regulated market, multilateral trading facility or organized trading facility; and

“Transaction” means, as the context requires, each Purchase Transaction and/or each Sale Transaction.

- 52.2 The index and headings to the Clauses and Schedules of this Agreement are for information only and do not form part of this Agreement.
- 52.3 Terms defined in this Agreement include the singular and the plural depending on the context in which they are used.
- 52.4 Any references to “in writing” or “written” mean any form of written communication including e-mail. All communications will be in English.
- 52.5 Any reference to a clause means a clause in this Agreement. Any reference to a paragraph means a paragraph in a Schedule to this Agreement.
- 52.6 Any reference to a “person” or “persons” includes, individuals, firms, companies, incorporated associations, partnerships, limited liability partnerships, limited partnerships, or joint venture.
- 52.7 Any reference to a statute, or any secondary legislation, will include references to the amended, consolidated, or modified version of that statute or secondary legislation. Any amendment, consolidation or modification to a statute or legislation that affects a change to a provision in this Agreement will have the effect of amending this Agreement to bring it into line with the current law.
- 52.8 Any words following the terms “including”, “include”, “in particular”, “for example” or any similar expression, are illustrative and do not limit the sense of the words preceding those terms.

SCHEDULE 1: SOFTWARE LICENCE ADDENDUM TO THIS AGREEMENT

1. LICENCE

- 1.1 XTELLUS hereby grants the Client a non-exclusive, non-transferrable, revocable license to access and use the System subject to the terms and conditions contained in this Addendum.
- 1.2 The Client hereby acknowledges that it is licensed to use the System only in accordance with the express terms of this Addendum and not further or otherwise.

2. USE OF THE SYSTEM

- 2.1 The Client shall use the System for its own internal business purposes only. The Client shall not permit any third party to use the System nor use the System on behalf of or for the benefit of any third party in any way whatsoever.
- 2.2 The Client shall be responsible for maintaining all equipment used by the Client at the Client's premises in connection with the System. It is the Client's sole responsibility to ensure connectivity to, and the compatibility of the Client's computers with, the System. XTELLUS shall have no liability for any such equipment or connections, nor any liability for any damage thereto. XTELLUS shall have no responsibility for any systems support or maintenance concerning Client's computers' access to, or use of, the System.

3. SECURITY AND CONTROL

- 3.1 Client shall be responsible for ensuring the security of the System and represents and warrants that only Authorized Persons shall have access to the System. The Client shall notify XTELLUS immediately if the Client becomes aware of any unauthorized use of the whole or any part of the System by any person.
- 3.2 Each Authorized Person will receive an Authorized Person Password to enable Client's Authorized Persons to access information, send communications or enter instructions for the delivery of monies or securities. The Client is responsible for maintaining the confidentiality of the Authorized Persons' Passwords. The Client shall ensure that the Authorized Persons change their Authorized Person Passwords regularly and frequently. Authorized Persons should not configure their operating system, browser, or other software to remember and automatically provide the Authorized Person Password. The Client shall be liable for all actions taken under Authorized Person Passwords assigned to the Client's account, whether or not such actions are taken by an Authorized Person.
- 3.3 The Client will be liable for any misuse of passwords assigned to the Client's account.
- 3.4 The Client will permit XTELLUS to check the use of the System by the Client at all reasonable times and for that purpose XTELLUS shall be entitled to enter any of the Client's premises and remote working systems.
- 3.5 The Client acknowledges that XTELLUS shall retain sole control over the System and may, from time to time, in its sole discretion, make changes to, or reconfigure, the System.

4. EXCLUSION OF WARRANTIES

- 4.1 The System is provided "as is" at Client's sole risk and XTELLUS does not make any representation or warranty, express or implied, to Client or any other person regarding the System and the information produced and accessed by the System.

5. PROPRIETARY RIGHTS

- 5.1 The System and all of the copyright and other intellectual property rights of any nature in the System are and shall remain the property of XTELLUS and XTELLUS reserves the right to grant licenses to use the System to third parties.

6. NO COPYING

- 6.1 The Client may not copy the System, or any information retrieved from it save to the extent that Client is required to do so by any relevant regulator or self-regulatory organization.

7. NO ALTERATIONS

- 7.1 The Client shall not:
 - 7.1.1 adapt, alter or modify the whole or any part of the System in any way whatsoever;

7.1.2 permit the whole or any part of the System to be combined with or become incorporated in any other programs; or

7.1.3 decompile, disassemble or reverse engineer any part of the System.

8. INTELLECTUAL PROPERTY RIGHTS INDEMNITY

8.1 XTELLUS shall indemnify the Client against any claim that the normal use or possession of the System infringes the intellectual property rights of any third party provided that:-

8.1.1 XTELLUS is given immediate and complete control of such claim;

8.1.2 the Client does not prejudice XTELLUS's defense of such claim;

8.1.3 the Client gives XTELLUS all reasonable assistance with such claim; and

8.1.4 the claim does not arise as a result of the use of the System in combination with any equipment not supplied or approved by XTELLUS.

8.2 XTELLUS shall have the right to replace or change all or any part of the System in order to avoid any infringement.

8.3 Clause 8 states the entire liability of XTELLUS to the Client in respect of the infringement of the intellectual property rights of any third party.

9. LIMITED LIABILITY

9.1 XTELLUS shall have no liability for any losses, costs, damages or expenses of any kind arising out of the Client's use of, or inability to use, the System or the access of, or inability to access, any information through the System unless such losses, costs, damages or expenses arise as a direct result of the fraud or willful default of XTELLUS.

9.2 Without limiting the generality of this Clause 9.1, XTELLUS shall have no liability for:-

9.2.1 any error in putting any communication or instruction in the System;

9.2.2 the rejection by the System of any communication or instruction;

9.2.3 any failure for any communication or instruction to be acknowledged via the System; or

9.2.4 any communication or instruction which is sent through the System which is not actually received by XTELLUS.

9.3 The liability of XTELLUS under and in connection with this Addendum in respect of any twelve (12) month period shall not exceed €10,000.

10. INDEMNITY

10.1 The Client hereby agrees to indemnify and hold harmless XTELLUS and its directors, employees, delegates and agents against any loss, cost, damage or expense suffered by any of them in connection with the Client's use of the System unless such loss, cost, damage or expense arises as a direct result of the fraud or willful default of XTELLUS.

11. DURATION OF LICENCE

11.1 The License shall continue until terminated in accordance with Clause 12 of this Addendum.

12. TERMINATION

12.1 The License shall terminate upon the termination of the Agreement.

12.2 XTELLUS may, at any time prior to the termination of the Agreement, terminate the License forthwith on giving notice in writing to the Client.

12.3 XTELLUS may, at any time prior to the termination of the Agreement, amend this Schedule 1 on written notice to the Client.

13. ASSIGNMENT

13.1 The Client shall not be entitled to assign, sub-license or otherwise transfer the License whether in whole or in part.

The Parties have executed this Agreement on the respective dates specified below with effect from the Effective Date.

Signed for and on behalf of **Xtellus Europe Ltd**

Signature:

Title:

Print Name:

Date:

Signed for and on behalf of **the Client**

Signature:

Title:

Print Name:

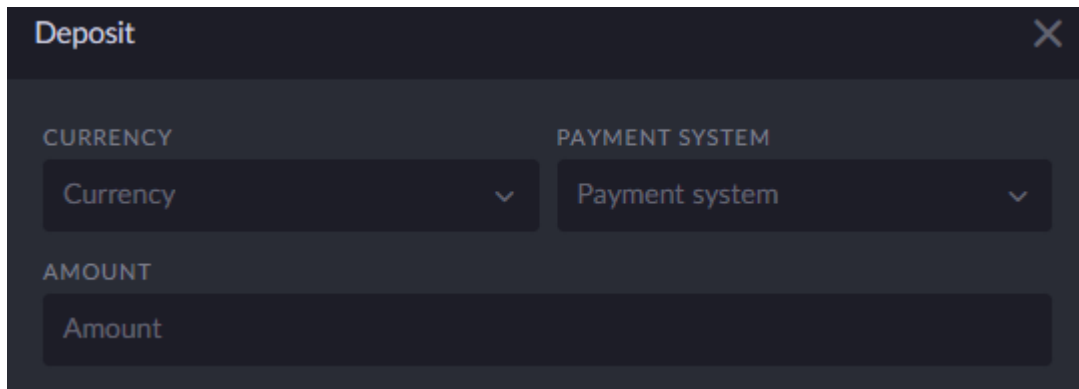
Date:

SECURITIES AND FUNDS DEPOSIT/WITHDRAWAL ANNEX

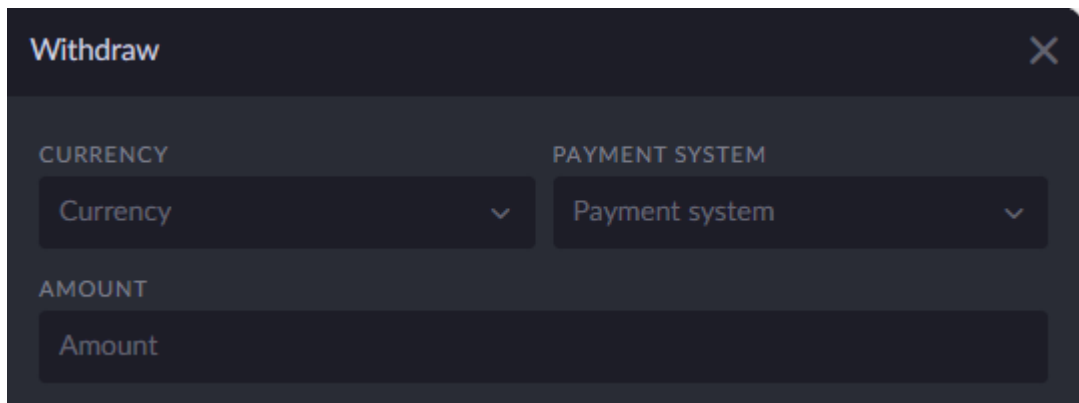
The Client may instruct XTELLUS to perform a deposit and/or a withdrawal of with Client(s) Funds or Securities either through the System or by email attaching filled and signed instruction as per below draft forms, which can be adopted or amended by XTELLUS at its own discretion. Unless otherwise is agreed upon by XTELLUS and the Client, the valid forms of respective Instruction are published by XTELLUS on its website.

Reception of Deposit / Withdrawal Instructions through client's interface

Deposit / Withdrawal Instructions can be received through the System, which is a separate web-based client interface from the publicly accessible website of XTELLUS. The orders must include all the prerequisites for successful execution.



The image shows a dark-themed web form titled "Deposit" with a close button (X) in the top right corner. The form contains three input fields: "CURRENCY" with a dropdown menu showing "Currency", "PAYMENT SYSTEM" with a dropdown menu showing "Payment system", and "AMOUNT" with a text input field showing "Amount".



The image shows a dark-themed web form titled "Withdraw" with a close button (X) in the top right corner. The form contains three input fields: "CURRENCY" with a dropdown menu showing "Currency", "PAYMENT SYSTEM" with a dropdown menu showing "Payment system", and "AMOUNT" with a text input field showing "Amount".

Instructions via Email

For clients without access to the System or in the event there is an outage of our trading terminal, XTELLUS has available email bo@xtelluseurope.com for reception of Deposit / Withdrawal Instruction forms. Emails will only be accepted from authorized addresses.

FINANCIAL INSTRUMENTS DEPOSIT/WITHDRAWAL INSTRUCTION

CLIENT NAME _____
 INVESTMENT SERVICES AGREEMENT _____
 DATE _____

INSTRUCTION STATUS NEW AMENDMENT CANCELATION
 DIRECTION RECEIPT DELIVERY
 CHANGE OF BENEFICIAL OWNER NCBO CBO

SECURITY NAME	
TICKER	
ISIN	
NOMINAL AMOUNT FOR BONDS / QUANTITY FOR SHARES	
NAME OF DELIVERING/RECEIVING CUSTODIAN	
ACCOUNT NUMBER WITH DELIVERING/RECEIVING CUSTODIAN	
CONTACT DETAILS OF DELIVERING/RECEIVING CUSTODIAN	
REASON FOR SECURITIES TRANSFER	
ADDITIONAL INFORMATION	

AUTHORISED SIGNATURES

 Full Name
 Title

SCHEDULE 2: CUSTODY TERMS

1. SCOPE

- 1.1 **Scope of these terms:** The terms set out in this Schedule 2 (*Custody Terms*) is the basis on which XTELLUS will provide custody and client money Services to the Client.

2. ACCOUNTS

- 2.1 XTELLUS shall open and maintain one or more Cash Accounts and one or more Securities Accounts in a Segregated Clients' Account (herein after called "the Account") with banks and/or regulated entities under MiFID II within the European Union and/or EEA and/or United Kingdom and/or any regulated bank or credit institution within a Third Country
- 2.2 The Client understands and agrees that it will be required to ensure that there is sufficient cash and/or Securities (as applicable) credited to the Account to meet the Client's payment or transfer obligations to XTELLUS under outstanding Transactions.
- 2.3 XTELLUS may be required from time to time to transfer cash or Securities to the Client in order to meet XTELLUS's payment or transfer obligations to the Client in respect of any outstanding Transactions. The Client agrees that XTELLUS's obligation to transfer cash or Securities to the Client shall be deemed satisfied by XTELLUS crediting margin equivalent to the cash or Securities owed in respect of such Transactions to the Accounts to be held in accordance with this Schedule 2 (*Custody Terms*).
- 2.4 The Client understands and agrees that:
- (a) XTELLUS will treat money received from the Client or held by XTELLUS on the Client's behalf in accordance with Directive DI87-01 (herein after "the Directive"); and
 - (b) The Cash Accounts opened by XTELLUS will be Client Money accounts.
- 2.5 The Client understands and agrees that the Securities Accounts opened by XTELLUS will be Custody Accounts, and each such account shall have such title or other designation as agreed by XTELLUS and the Client. Such title or designation shall indicate that the assets recorded in such account do not belong to XTELLUS and are the property of the Client (the "**Securities Accounts**"). XTELLUS shall record in a Securities Account any Securities (including evidence of, or title to, Securities and all rights in respect of Securities) deposited or transferred by the Client or on the Client's behalf with or to XTELLUS or a Third Party or collected by XTELLUS or a Third Party for credit to that Securities Account and which XTELLUS agrees to hold on the Client's behalf ("Custody Assets"). XTELLUS at all times reserves the right to reverse any provisional or erroneous entries (including reversals necessary to reflect adjustments by a Third Party to its records as a result of bad deliveries) to the Securities Accounts with effect back valued to the date upon which the final or correct entry (or no entry) should have been made.
- 2.6 The Client agrees that XTELLUS acts as custodian of the Client's Custody Assets which XTELLUS may from time to time safeguard and administer under this Agreement.

3. ARRANGEMENTS FOR CUSTODY

- 3.1 **Registration:** Custody Assets, which are in registrable form, may be registered in the relevant record of legal title in any name (including, where required by law or market practice, in XTELLUS's own name or the name of a third party) to the extent permitted by the Directive.
- 3.2 **Statements:**

- (a) XTELLUS will prepare Statements at least every 12 months or at such other (more regular) frequency as may be agreed in writing by XTELLUS and the Client. The value of assets shown on the Statements will be determined by XTELLUS using information received from reputable published sources and/or XTELLUS's reasonable judgment.
- (b) The Client is recommended to examine each Statement promptly on receipt and notify XTELLUS as soon as reasonably practicable of any errors and discrepancies.
- (c) XTELLUS will use reasonable endeavors to provide the Client with such information about the Custody Assets as the Client may reasonably request in writing from time to time. XTELLUS will have no obligation to forward to the Client any other information received by XTELLUS in relation to the Custody Assets other than as set out in this Clause.
- (d) XTELLUS has no duty to disclose to the Client any information in the possession of XTELLUS which might indicate that Instructions received by XTELLUS may not be in the best interests of the Client.

4. SUB-CUSTODIANS

4.1 Use of Third Parties:

XTELLUS may from time-to-time delegate to sub-custodians, nominees, agents and depositories, which may include Affiliates or other Associates, (together "**Third Parties**") any of XTELLUS's duties under these custody terms, including (without limitation) the safekeeping of the Custody Assets. XTELLUS is not liable for the acts, omissions or insolvency of any Third Party, except that XTELLUS accepts responsibility to the Client for any nominee company controlled by XTELLUS, or controlled by any of XTELLUS's Affiliates, to the extent required by the Directive. In the event of the insolvency or any other analogous proceedings of a Third Party holding Custody Asset belong to the Client, XTELLUS may only have an unsecured claim against the Third Party on the Client's behalf, and the Client will be exposed to the risk that the securities, cash or any other property received by XTELLUS from the Third Party is insufficient to satisfy the Client's claim and the claims of all other relevant clients.

4.2 **Custody Assets held by Third Parties:** The Client's Custody Assets may be held overseas by a Third Party on XTELLUS's behalf. Furthermore:

- (a) the Client's Custody Assets may be held in an omnibus account by the Third Party, and there is a risk that the Client's Custody Assets could be withdrawn or used to meet obligations of other persons, or that the balance of assets held by the third party does not reconcile with the quantity which the third party is required to hold, and the Client may not in such circumstances receive its full entitlement of Custody Assets;
- (b) in some jurisdictions it may not be possible to identify separately the Custody Assets which a Third Party holds for clients from those which it holds for itself or for XTELLUS, and there is a risk that the Client's Custody Assets could be withdrawn or used to meet the obligations of the third party, or lost altogether if the third party becomes insolvent; but where possible, XTELLUS will obtain an undertaking from the Third Party to segregate the Custody Assets from XTELLUS's assets and XTELLUS will provide details of any such arrangements to the Client; and
- (c) an account containing the Client's Custody Assets may be subject to the laws of a jurisdiction other than the Republic of Cyprus. In such case, the Client's rights in relation to those Custody Assets may be different from the Client's

rights to Custody Assets held in an account subject to the laws of the Republic of Cyprus.

- 4.3 ***Liens and set-off rights:*** Where Custody Assets are deposited into an account with a third party, such Third Party may have a security interest or lien over, or right of set-off in relation to such securities, to the extent XTELLUS is permitted to grant such rights by the CySEC Rules. Where the Client's Custody Assets are held by a Third Party, and such Third Party or other person has a security interest, lien, right of set-off, or similar rights over the Client's Custody Assets, the Client is exposed to the risk that such Third Party or other person may exercise such rights over the Client's Custody Assets and reduce the amount of the Client's Custody Assets even where the Client has not breached any of its obligations under this Agreement.
- 4.4 ***Third Parties outside the EU:*** XTELLUS may use a Third Party outside the UK and where the holding and safekeeping of financial instruments is not regulated. XTELLUS will only do so when the nature of the Custody Assets or of the other services provided to the Client connected with those Custody Assets requires them to be deposited with such a Third Party or where the Client has requested XTELLUS in writing to deposit Custody Assets with a Third Party outside the EU.
- 4.5 ***Use of Custody Assets by settlement systems:*** Where any of the Client's Custody Assets are held by XTELLUS or a Third Party in a settlement system, and the mandatory terms of the settlement system require that the settlement system is permitted to use assets held in the settlement system for any purpose, the Client hereby consents to such use of the Client's Custody Assets.
- 4.6 ***Suspension or discontinuance of a Third Party service:*** If a Third Party to which XTELLUS has delegated any of its duties ceases to provide, or is prevented from providing, either temporarily or permanently, its services to XTELLUS, or gives advance notice to XTELLUS of the occurrence of either event, then XTELLUS may, without prior notice to the Client, (a) suspend or terminate the custody Service, or the relevant part thereof, delegated to the Third Party and/or (b) take any action which it, in its reasonable discretion, considers appropriate, including to mitigate any Loss incurred or other impact to XTELLUS and/or the Client or potential Loss or other impact which may be incurred as a result of the action or event. Any action taken by XTELLUS in accordance with this Clause 4.6 is binding on the Client. XTELLUS and any Associate, and any of their directors, officers, employees or agents, will not be liable for any action that XTELLUS or any Associate takes, or does not take, in accordance with this Clause 4.6.
- 4.7 For the avoidance of doubt, neither XTELLUS nor any Affiliate shall have any liability to the Client with respect to any third party which may be appointed by XTELLUS or an Affiliate to act as a sub-custodian or nominee in respect of all or a part of the Custody Assets.

5. CUSTODIAL LIABILITY

- 5.1 The Client understands and agrees that:
- (a) XTELLUS will not be liable for country specific risks of loss or value or other restrictions resulting from country risk, including the risk of investing and holding securities and cash in a particular country or market such as, but not limited to, risks arising from: (i) any Force Majeure Event (as per Section 34 above); (ii) investment, repatriation or exchange control restriction or nationalisation, expropriation or other actions by any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction, domestic or foreign; (iii) devaluation or revaluation of any currency; (iv) changes in Applicable Regulations; and (v) a country's financial infrastructure and practices including market rules and conditions;

- (b) XTELLUS shall not be responsible for any failure to perform any of its obligations under this Schedule 2 (*Custody Terms*) if such performance by XTELLUS or any third party appointed by XTELLUS is prevented, hindered or delayed by a Force Majeure Event. On the occurrence of any Force Majeure Event, the obligations of XTELLUS under this Schedule 2 (*Custody Terms*) are suspended for so long as the Force Majeure Event continues. Further, XTELLUS is not responsible or liable for any action taken to comply with sanctions or government requirements. Upon the occurrence of any Force Majeure Event, to the extent allowed by Applicable Regulations, XTELLUS shall inform the Client and shall use its reasonable efforts to minimise the effect of the force majeure event on the Client;
- (c) XTELLUS may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to the United Kingdom, the European Union, the United States of America or, in each case, any jurisdiction forming a part of it and England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in its opinion, necessary to comply with any such law, directive or regulation;
- (d) XTELLUS is not obliged to maintain any insurance in respect of Custody Assets or Client Money;
- (e) XTELLUS shall not be liable for any loss resulting from, or caused by, the collection of any securities or cash and/or any other property paid or distributed in respect of securities or cash being held in the Securities Account or Client Money account or arising out of effecting delivery or payment against expectation of a receipt in accordance with the customary practice in the relevant market, save where such loss is caused by the gross negligence, willful misconduct or fraud of XTELLUS.
- (f) it shall be responsible for all filings, tax returns and reports in respect of the securities or cash being held in the Securities Account or Client Money accounts respectively or collections relating to such securities or cash as may be requested by any relevant authority, whether governmental or otherwise, and for the payment of all unpaid calls, taxes (including without limitation any value added tax), imposts, levies or duties due on or with respect to any principal, interest, income or profit or other collections, or any other liability or payment arising out of or in connection with the securities or cash being held in the Securities Account or Client Money account, and XTELLUS shall not be under any obligation to pay or withhold (other than as required pursuant to applicable law) the same on behalf of the Client.

6. INSTRUCTIONS

- 6.1 **Instructions:** Notwithstanding any agreement between XTELLUS and the Client, XTELLUS may act upon instructions in respect of the safe custody service ("**Instructions**") provided to XTELLUS by the Client under these custody terms from any Authorised Person of the Client and any communication or action which XTELLUS believe to have originated from the Client or an Authorised Person received by XTELLUS via telephone, telex, facsimile transmission or other teleprocess or electronic instruction system acceptable to XTELLUS and transmitted with such testing or authentication as XTELLUS may specify. Instructions shall continue in full force and effect until cancelled or superseded. If any instructions are received by XTELLUS by telephone, the Client shall confirm them before the close of business on the same day by another method acceptable to XTELLUS. XTELLUS shall be authorised to follow Instructions

notwithstanding the Client's failure to confirm them in writing.

6.2 **Acting on Instructions:** XTELLUS may in its absolute discretion refuse to act on Instructions. If any Instructions are incomplete, unclear, ambiguous and/or in conflict with others, XTELLUS may, in its absolute discretion and without any liability on its part, act upon what XTELLUS believes them in good faith to be or refuse to act on them until any incompleteness, lack of clarity, ambiguity or conflict has been resolved to its satisfaction. Any Instruction shall be conclusively deemed to be a valid Instruction from the Client to XTELLUS if XTELLUS believes it to be genuine. The Client is responsible for any loss, claim or expense incurred by XTELLUS for following or attempting to follow any Instructions.

6.3 **Actions not requiring Instructions:** The Client agrees that XTELLUS may, without any further Instructions from the Client, carry out the following actions relating to the Custody Assets:

- (a) collect and receive, for the Client's account, any payments (whether income or capital) and distributions in respect of the Custody Assets, and take any action necessary and proper in connection with them, including (without limitation) the presentation of coupons and other interest items, drafts and other negotiable instruments and the deduction or withholding of any sum on account of any tax: (i) required (or which, in XTELLUS's view, is required) to be so deducted or withheld; or (ii) for which XTELLUS is, in relation to the Client's account, liable or accountable by law or practice of any relevant revenue authority of any jurisdiction;
- (b) execute in the Client's name such ownership and other certificates as may be required to obtain payment in respect of the Custody Assets; and
- (c) exchange interim or temporary documents of title to Custody Assets for definitive ones.

6.4 **Operation of Securities Accounts.** Except where otherwise permitted by the terms of this Agreement, XTELLUS shall not transfer Custody Assets from any Securities Accounts except in accordance with Instructions.

7. SCOPE OF XTELLUS'S RESPONSIBILITY

7.1 **Dividends, interest payments and other entitlements:** XTELLUS will transfer to the Client any amounts which are not payments or distributions of principal received by it in relation to the Custody Assets within the time period specified by XTELLUS from time to time (or, if no period has been specified, on the first Business Day after they are credited to the account), subject to deductions and to the exercise of any of XTELLUS's rights under these custody terms.

7.2 **Corporate actions:** Provided XTELLUS receives the relevant information, XTELLUS will use reasonable endeavors to notify the Client of all matters in respect of which the Client has voting rights and of all calls for redemption, grants or expirations of conversion rights, takeovers, grants or expirations of subscription rights, mergers, offers, consolidations, reorganisations and capitalisations or such other corporate actions or any other administrative or supervisory matters affecting the Custody Assets. Unless otherwise agreed with the Client in writing, XTELLUS will not take any action in relation to such matters except in accordance with Instructions provided in writing or by electronic means.

8. SECURITY INTEREST

- 8.1 As continuing for the payment or discharge of the Secured Liabilities and with full title guarantee, the Client charges in favor of XTELLUS by way of fixed charge:
- (a) the Securities Account;
 - (b) the Custody Assets credited or recorded as being held in the Securities Account;
 - (c) all Client Money credited or recorded as being held in the Cash Accounts; and
 - (d) all Related Rights.
- 8.2 Prior to the occurrence of a Potential Event of Default or Event of Default with respect to the Client and prior to the Security Interest having become enforceable in accordance with this Agreement, upon proof being given to XTELLUS's satisfaction as to the irrevocable and unconditional payment or discharge of the Secured Liabilities in full, and upon a determination by XTELLUS that no further Secured Liabilities will arise, XTELLUS shall, at the Client's request and cost, release, discharge or reassign the Charged Property to the Client or to any other person entitled to the Charged Property of whom XTELLUS has notice.
- 8.3 Subject to Clause 8.4 below, the Client undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Agreement:
- (a) create or permit to subsist any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect over all or any part of the Charged Property other than the Security Interest;
 - (b) execute any conveyance, transfer, lease or assignment of, or other right to use, all or any part of the Charged Property;
 - (c) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property;
 - (d) allow any person any right to use or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, adversely affect the value of any of the Charged Property or XTELLUS's ability to exercise any rights, powers or remedies in respect of the Security Interest; or
 - (e) assign or otherwise dispose of any interest in any Securities Account.
- 8.4 Clause 8.3 above does not apply to any of the following:
- (a) any netting or set-off arrangement entered into by the Client in the ordinary course of its banking arrangements for the purposes of netting debit and credit balances;
 - (b) any payment or close-out netting or set-off arrangement pursuant to any hedging transaction entered into by the Client for the purpose of:
 - (i) hedging any risk to which the Client is exposed in the ordinary course of trading; or
 - (ii) the Client's interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,

excluding, in each case, any mortgage, charge, pledge, lien, other security interest or other arrangement or agreement under a credit support arrangement in relation to a hedging transaction; or any lien arising by operation of law and in the ordinary course of trading.

8.5 At any time after the occurrence of an Event of Default, the Security Interest shall become immediately enforceable and XTELLUS may (without notice to the Client nor any prior authorisation from any court) do all or any of the following:

- (a) enforce all or any part of that Security Interest (at the times, in the manner and on the terms as XTELLUS thinks fit) and take possession of and hold, sell or otherwise dispose of all or any part of the Charged Property;
- (b) exercise all or any of the powers, authorities and discretions conferred by law on mortgagees or receivers;
- (c) appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property; and
- (d) to the extent that the provisions of the Directive and/or any other Regulations issued by the Cyprus Securities and Exchange Commission (“the Regulations”) apply to any of the Charged Property, XTELLUS shall have the right to appropriate all or any part of such Charged Property in or towards discharge of the Secured Liabilities and may exercise such right to appropriate upon giving written notice to the Client. For this purposes, the parties agree that a commercially reasonable method of valuing any of the Charged Property shall be the market price of the Charged Property at the time of the appropriation as determined by XTELLUS (or an agent, delegate, attorney or Receiver appointed by it) but reference to a public index or by such other process as XTELLUS (or an agent, delegate, attorney or Receiver appointed by it) may select, including independent valuation.

8.6 The power of sale or other disposal conferred on XTELLUS by this Agreement shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Agreement. The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to the exercise by XTELLUS of XTELLUS's right to consolidate all or any of the Security Interest with any other security in existence at any time or to XTELLUS's power of sale, which powers may be exercised by XTELLUS without notice to the Client on or at any time after the Security Interest has become enforceable in accordance with this Agreement.

9. RIGHT OF USE

9.1 XTELLUS may from time to time and in accordance with the CySEC Rules, Rehypothecate any Custody Assets in accordance with the terms of this Clause (*Rights of Use*).

9.2 The Client hereby expressly consents and authorises XTELLUS at any time to transfer Rehypothecated Assets to a proprietary account of XTELLUS (or any other account as may be selected by XTELLUS from time to time) with the effect that such Rehypothecated Assets will:

- (a) transfer to XTELLUS on a full title transfer basis and free from any liens, charges or encumbrances and any interests of yours; and
- (b) no longer be held by XTELLUS in accordance with the CySEC Rules.

9.3 Immediately on XTELLUS exercising its right to Rehypothecate, the Client shall

have a right to the redelivery of Equivalent Securities to the Rehypothesized Assets. For the purpose of satisfying its redelivery obligation XTELLUS may credit Equivalent Securities to the Securities Accounts. Such Equivalent Securities, upon being credited to the relevant Securities Accounts, will become subject to all provisions of this Agreement.

- 9.4 For the avoidance of doubt, any Securities Rehypothesized by XTELLUS continue to be taken into account for the purposes of determining the Margin Balance.
- 9.5 XTELLUS shall use reasonable efforts to ensure that on any Business Day the aggregate Market Value of all Rehypothesized Assets does not exceed the Rehypothesisation Limit.
- 9.6 If at any time the aggregate value of Rehypothesized Assets exceeds the Rehypothesisation Limit (as determined by XTELLUS in a commercially reasonable manner and without applying any haircut), XTELLUS will use reasonable endeavors to return Securities Equivalent to the Rehypothesized Assets (as XTELLUS in its sole discretion selects) (the "Redeliverable Assets") to the Securities Accounts such that immediately following such delivery, the aggregate value of Rehypothesized Assets is less than or equal to the Rehypothesisation Limit (as determined by XTELLUS in a commercially reasonable manner and without applying any haircut).
- 9.7 On receipt of notice from the Client that the Client proposes to enter into a Transaction in respect of any Rehypothesized Assets, XTELLUS shall use all reasonable endeavors to return Securities Equivalent to the relevant Rehypothesized Assets to the Securities Accounts in sufficient time to allow the Client to enter the Transaction.
- 9.8 As soon as reasonably practicable following the date on which any Income is received by Firm in respect of any Rehypothesized Assets, XTELLUS shall credit to the Cash Accounts or Securities Accounts, as applicable, a sum of money or property equivalent to (and in the same currency as) the type and amount of such Income that would be received by the Client (after deduction of any Taxes payable) in respect of such Securities if such Securities were not Rehypothesized Assets.
- 9.9 Where, following any Rehypothesisation but prior to the delivery of any Equivalent Securities to the Client, any rights relating to conversion, subdivision, consolidation, pre-emption, rights arising under a takeover offer, rights to receive Securities or a certificate which may at a future date be exchanged for Securities or other rights, including those requiring election by the holder for the time being of such Securities, become exercisable prior to the redelivery or repurchase of Equivalent Securities, to the Rehypothesized Assets, then the Client may, within a reasonable time before the latest time for the exercise of the right or option, give written notice to XTELLUS that on redelivery of Equivalent Securities to the Rehypothesized Assets that it wishes to receive Equivalent Securities in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice. XTELLUS shall use reasonable endeavors to exercise such rights in accordance with the Client's instructions, provided that XTELLUS receive such instructions in a timely manner, as determined by Firm acting reasonably.

10. CLIENT MONEY

10.1 Deposit with EU or non-EU licensed banks, or holding money with other permitted third parties as per the Directive:

Subject to the provisions in this Clause 12 (*Client Money*), XTELLUS will deposit money received from the Client with:

- (i) a central bank,
- (ii) a credit institution incorporated in the EU; or
- (iii) a bank authorised in a third country.

XTELLUS may allow another third party (for example, an Infrastructure or other intermediary) to hold Client Money in order to effect one or more Transactions through or with that person.

XTELLUS may hold money held for the Client with any bank or other third party in an omnibus account.

XTELLUS has no responsibility or liability for:

- (iv) any acts or omissions of any bank, credit institution or other third party with whom XTELLUS holds money received from the Client; or
- (v) any bank, credit institution or other third party in the event of insolvency or analogous proceedings in relation to the relevant entity.
- (vi) In the event described in paragraph 10.1(d)(ii) above, XTELLUS will only have an unsecured claim against the bank, credit institution or other third party on behalf of the Client and XTELLUS's other clients, and the Client will be exposed to the risk that the money received by XTELLUS from the bank, credit institution or other third party is insufficient to satisfy the claims of the Client and all other clients in respect of the relevant account with that bank, credit institution or other third party.

10.2 Transfer of Client Money where the Directive or Regulations cease to apply: The Client agrees and acknowledges that:

10.1.1 where XTELLUS transfers money held for the Client out of the relevant Client Money account to a third party on the Client's instructions (other than where the transfer is to another Client Money account of XTELLUS) or pursuant to a title transfer collateral arrangement, this will involve a transfer of full ownership of the money to that third party, in which case the Client will no longer have a proprietary claim to that money and the transferee may deal with it in its own right; and

10.1.2 where XTELLUS is required to transfer Client Money to a third party on a title transfer basis, at the time of the transfer by XTELLUS to the third party, the Client shall be deemed to have transferred full ownership of the money to XTELLUS immediately before the transfer by XTELLUS to the third party.

10.2 ***Placing money in a qualifying money market fund:*** If XTELLUS places money received from the Client in a qualifying money market fund the money will not be held in accordance with the requirements of the Directive or Regulations for holding Client Money, and the units or shares in the qualifying

money market fund will be held for the Client as custody assets in accordance with the CySEC Rules. The Client explicitly consents to the placement of the Client's money in a qualifying money market fund.

- 10.3 **Interest:** The Client understands and agrees that XTELLUS will not pay the Client interest on Client Money and that any income received by XTELLUS in respect of Client Money shall be retained by XTELLUS and not shall be credited to the Client as additional Client Money.
- 10.4 **Overseas banks, intermediate broker, settlement agent:** XTELLUS may hold Client Money on the Client's behalf outside of the United Kingdom. The legal and regulatory regime applying to any such bank or person will be different from that of the United Kingdom and, in the event of the insolvency or any other analogous proceedings in relation to that bank or person, the Client's money may be treated differently from the treatment which would apply if the money was held with a bank or other person in an appropriate account in the United Kingdom.
- 10.5 **Depository's lien:** XTELLUS may deposit the Client's money with a depository who may have a security interest, lien or right of set-off in relation to that money in certain circumstances to the extent permitted by the CySEC Rules.
- 10.6 **Right of application of Client Money:** In accordance with the Directive or Regulations:
- 10.6.1 XTELLUS may cease to treat as Client Money an amount of the Client Money held by XTELLUS for the Client which is equal to the amount of any obligations due and payable by the Client to XTELLUS;
 - 10.6.2 XTELLUS may apply that money in or towards satisfaction of all or part of those obligations of the Client; and
 - 10.6.3 any such obligations of the Client become immediately due and payable by the Client to XTELLUS, without notice or demand by XTELLUS, when incurred by the Client or on the Client's behalf; and
 - 10.6.4 for the avoidance of doubt if XTELLUS is due any payment from the Client pursuant to the Agreement, XTELLUS may, without the need to provide notice, debit Client Money to satisfy the relevant payment obligation and such debited money shall no longer be treated as Client Money.

10.7 **Unclaimed Client Money:** The Client agrees that:

- 10.7.1 XTELLUS may, in its sole discretion, decide to pay to a registered charity of its choice any money that XTELLUS holds for the Client as Client Money, and in that case XTELLUS shall cease to treat that money as Client Money, if:
 - there has been no movement on the Client's balance for six years (notwithstanding any payments or receipts of charges, interest or similar items); and
- 10.7.1.1 XTELLUS has been unable to contact the Client having taken reasonable steps in accordance with the Directive or Regulations to trace the Client and return the money.

In those circumstances, XTELLUS unconditionally undertakes to pay the Client (or ensure that a member of its group unconditionally

undertakes to pay the Client) a sum equal to the relevant Client Money balance paid to charity in the event that the Client seeks to claim the Client Money balance in future;

10.7.2 if the aggregate balance of the Client Money XTELLUS holds for the Client is GBP 100 or less, XTELLUS may, in its sole discretion, decide to pay the money to a registered charity of its choice, in which case the money shall cease to be Client Money, if:

- (i) there has been no movement on the balance for six years (disregarding any payments or receipts of charges, interest or similar items); and
- (ii) XTELLUS has made at least one attempt to contact the Client to return the balance using the most up-to-date contact details XTELLUS has for the Client, and the Client has not responded to the relevant communication within 28 days of it having been made.

10.8 **Transfer of business:** Except in respect of *de minimis* sums transferred in accordance with the Directive or Regulations (where the Client's consent is not required), the Client agrees that XTELLUS may transfer to another person, as part of a transfer of business to that person, Client Money balances, provided that:

10.8.1 the sums transferred will be held for the Client by the person to whom they are transferred in accordance with the Directive or Regulations; or

if not held in accordance with paragraph (a) above, XTELLUS will exercise all due skill care and diligence in assessing whether the person to whom the Client Money is transferred will apply adequate measures to protect these sums.

For the purposes of this Clause, *de minimis* sums shall mean GBP100 or less.

10.9 **Statements:** The Client is entitled to request at any time a statement of the Client Money held by XTELLUS for the Client under this Agreement in accordance with the Directive or Regulations. XTELLUS may charge a commercial cost for providing such a statement.

10.10 **Currency Conversion:** XTELLUS may convert cash denominated in any currency into Euros at such rate prevailing at the time of the conversion as XTELLUS reasonably selects.

11 SHORTFALL

11.1 If, as at close of business (Cyprus time) on any Business Day, XTELLUS has identified a discrepancy or a Securities Shortfall and/or Money Shortfall for which XTELLUS considers it is obliged to account to the Client for pursuant to the Directive or Regulations, XTELLUS shall, unless otherwise agreed with the Client, transfer an amount of its own cash and/or securities (a "**Resolution Amount**"), equal to the value of such Securities Shortfall and/or Money Shortfall (the "**Shortfall Amount**"), to a Client Money account in the case of cash and to the Securities Account in the case of securities.

11.2 A Resolution Amount which is comprised solely or partially of cash may comprise cash in such currency as XTELLUS in its sole discretion determines, and such money shall be treated as Client Money in accordance with the Directive or Regulations once credited to the Client Money account.

- 11.3 If at any time and from time to time on any Business Day following a Resolution Amount being credited to the Client Money account or Securities Accounts (as applicable) the associated Shortfall Amount decreases or is reduced to zero (other than where such decrease or reduction occurs solely as a result of the Resolution Amount being credited to the Client Money account or Securities Account), the Resolution Excess Amount shall become immediately due and payable by the Client to XTELLUS.
- 11.4 The Client understands and agrees that for the purposes of satisfying its obligation to pay to XTELLUS any Resolution Excess Amount, XTELLUS will be entitled, and the Client authorises XTELLUS, from time to time (and without notice to the Client) to debit such amount from the Client Money account and/or the securities from the Securities Account. XTELLUS will use reasonable endeavours to debit securities from the Securities Account which are of the same type as those which comprised the Resolution Amount. The Client further understands and agrees that any Resolution Excess Amount debited from the Client Money account or Securities Account may be credited to a proprietary account of XTELLUS.
- 11.5 The Client understands and agrees that where a Resolution Amount relating to a Securities Shortfall has been credited to, and remains standing to the balance of, the Client Money account or Securities Accounts (as applicable) and a termination of the Agreement occurs (whether pursuant to the occurrence of an Event of Default or otherwise), the return to the Client of all or part of the Resolution Amount (the "**Resolution Return Amount**") will fully and finally discharge XTELLUS's obligation to return to the Client those securities recorded as being held in the Securities Account relating to such Resolution Return Amount.

12 ADDITIONAL REPRESENTATIONS

- 12.1 The Client represents and warrants to XTELLUS on each date that this Agreement is in effect that:
- 12.1.1 it is the sole beneficial owner of the Custody Assets over which it purports to create the Security Interest;
- 12.1.2 except for the Security Interest, it has not created or allowed to subsist any mortgage, charge, pledge, lien or other security interest securing any obligation or any person or any other agreement or arrangement having a similar effect over all or any part of the Charged Property nor have it agreed to create any such other security nor will it at any time do so or agree to do so or suffer the same to be done;
- 12.1.3 there are no actions, suits or proceedings pending or threatened by or against it in connection with (or arising out of) the Charged Property; and
- 12.1.4 there are no restrictions binding on it which would affect its ability to create the Security Interest.

13 UNCLAIMED CUSTODY ASSETS

- 13.1 **Unclaimed Custody Assets:** The Client agrees that XTELLUS may, in its sole discretion, decide to (i) liquidate any unclaimed Custody Asset at market value, and pay the proceeds, or (ii) transfer any such unclaimed Custody Asset, in either case to a registered charity of XTELLUS's choice if XTELLUS has held the relevant Custody Asset for at least twelve years, and: (a) in the twelve years preceding the divestment of that Custody Asset XTELLUS has not received instructions relating to any Custody Asset from the Client or on the Client's behalf; and (b) XTELLUS has been unable to contact the Client having taken reasonable steps in accordance with the CySEC Rules to trace

the Client and return the Custody Asset, in which case XTELLUS shall cease to treat such assets as Custody Assets. In such circumstances, XTELLUS will unconditionally undertake to pay the Client (or ensure that a member of XTELLUS's group unconditionally undertakes to pay the Client) a sum equal to the value of the Custody Asset at the time it was liquidated or transferred to charity in the event that the Client seeks to claim the Custody Asset in future.

14 TERMINATION OF CUSTODY SERVICE

- 14.1 **Termination of Agreement or custody Service:** Without prejudice to XTELLUS's rights under the Termination Clauses of this Agreement, either Party may terminate the custody Service for no reason by giving 30 days' written notice of termination to the other Party. If either party gives notice of termination of the Agreement in accordance with clause *Termination* thereof, or of termination of the custody Service in accordance with this Clause (*Termination of Custody Service*) then, promptly following receipt of such notice and prior to the date on which the termination becomes effective, the Client shall provide details to XTELLUS of an alternative custodian to which XTELLUS shall, subject to satisfaction of any outstanding obligations of the Client, transfer any Custody Assets held by XTELLUS for the Client.

15 CONSEQUENCES OF TERMINATION OF THE AGREEMENT

- 15.1 On a termination of this Agreement XTELLUS will transfer to the Client any Custody Assets or Client Money remaining after liquidation and/or set-off after satisfaction in full of all amounts payable by the Client with respect to any obligations the Client has incurred in connection with this Agreement.

16 DEFINITIONS

"Money Shortfall" means the amount by which the cash recorded as Client Money are insufficient to cover expenses or financial obligations and/or fall short of XTELLUS's obligation to the Client to hold the Custody Assets;

"Charged Property" means all of the Client's property which is subject to the Security Interest;

"Receiver" means a receiver appointed pursuant to this Agreement or to any applicable law, whether alone or jointly, and includes a receiver and/or manager.

"Rehypothebate" and "Rehypotheication" means to borrow, lend, pledge, charge, hypothecate, appropriate, dispose of or otherwise use for its own purposes;

"Rehypotheicated Assets" means Custody Assets in respect of which Firm has exercised its right to Rehypothebate and which have not been returned to the Client pursuant to Clauses this Schedule 2 (Custody Terms);

"Rehypotheication Limit" means 200% of Secured Liabilities.

"Regulations" means any European Regulations concerning the Safeguarding of Clients' Funds, including the Markets in Financial Instruments Directive II (MiFID II)

"Related Rights" means all non-cash dividends and other distributions paid or payable on or in respect of the Custody Assets and any right to receive them.

"Resolution Excess Amount" means an amount equal to the difference between:

- (a) the Resolution Amount; and

(b) the cash value of the current outstanding Securities Shortfall and Money Shortfall (as applicable).

"Secured Liabilities" means all monies, debts, liabilities and obligations which are owed by the Client to XTELLUS this Agreement, any Transaction, contract or otherwise including, without limitation, any Liquidation Amount, owed by the Client to XTELLUS from time to time, together with any reasonable costs, charges, funding breakage costs, taxes or expenses (including, without limitation, reasonable legal fees) that XTELLUS may incur or suffer in perfecting, enforcing or maintaining, or attempting to perfect, enforce or maintain any of its rights under this Agreement, any Transaction, contract or otherwise;

"Security Interest" means the security created in favor of XTELLUS by or pursuant to this Schedule 2 (Custody Terms) Agreement; and

"Securities Shortfall" means the amount by which the Custody Assets held in the Securities Accounts fall short of XTELLUS's obligation to the Client to hold the Custody Assets.

"Segregated Clients' Account" means an account established on behalf of a Client that maintains the practice of keeping client assets, including money and financial instruments, separate from XTELLUS's own assets.

"Statement" means a statement of account providing details of the Custody Assets as at the end of the statement.

ELECTRONIC TRADING DISCLOSURE STATEMENT

Electronic Trading and Order Routing Systems FIA Disclosure Statement

Electronic trading and order routing systems differ from traditional open outcry pit trading and manual order routing methods. Transactions using an electronic system are subject to the rules and regulations of the exchange(s) offering the system and/or listing the contract. Before you engage in transactions using an electronic system, you should carefully review the rules and regulations of the exchange(s) offering the system and/or listing contracts you intend to trade.

1. Differences among Electronic Trading Systems: Trading or routing orders through electronic systems varies widely among the different electronic systems. You should consult the rules and regulations of the exchange offering the electronic system and/or listing the contract traded or order routed to understand, among other things, in the case of trading systems, the system's order matching procedure, opening and closing procedures and prices, error trade policies, and trading limitations or requirements; and in the case of all systems, qualifications for access and grounds for termination and limitations on the types of orders that may be entered into the system. Each of these matters may present different risk factors with respect to trading on or using a particular system. Each system may also present risks related to system access, varying response times, and security. In the case of internet-based systems, there may be additional types of risks related to system access, varying response times and security, as well as risks related to service providers and the receipt and monitoring of electronic mail.

2. Risks Associated with System Failure: Trading through an electronic trading or order routing system exposes you to risks associated with system or component failure. In the event of system or component failure, it is possible that, for a certain time period, you may not be able to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority.

3. Simultaneous open outcry pit and Electronic Trading: Some contracts offered on an electronic trading system may be traded electronically and through open outcry during the same trading hours. You should review the rules and regulations of the exchange offering the system and/or listing the contract to determine how orders that do not designate a particular process will be executed.

Limitation of Liability: Exchanges offering an electronic trading or order routing system and/or listing the contract may have adopted rules to limit their liability, the liability of FCMs, and software and communication system vendors and the amount of damages you may collect for system failure and delays. These limitations of liability provisions vary among the exchanges. You should consult the rules and regulations of the relevant exchange(s) in order to understand these liability limitations

FUTURES AND OPTIONS PRODUCT INFORMATION

1 Understanding the Risk of Derivative Products

1.1 You should not deal in derivative products unless you understand the nature of the contract you are entering into and the extent of your exposure to risk. You should also be satisfied that the contract is suitable for you in the light of your circumstances and financial position.

1.2 Although futures and options can be utilized for the management of investment risk, some of these products are unsuitable for many investors. Derivative products will not always act in the same way. Relationships with the broker may differ depending on the product and style of the transaction, and clearing houses may not always owe you a direct commitment. Different products involve different levels of exposure to risk and in deciding whether to trade such products you should be aware of the following points.

1.3 You should be aware that the product information and advice contained in this Clause is not necessarily a comprehensive description of all aspects of the product. [Additionally, specific products may be tailored for a particular client or market and may differ in detail from the outline set forth in this Clause. The terms of the particular transactions will prevail over the product description and information given in this disclosure].

2 Futures

2.1 Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash.

2.2 The risk of loss in trading commodity futures contracts can be substantial. You should, therefore, carefully consider whether such trading is suitable for you in light of your circumstances and financial resources. Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit your losses to the intended amounts, since market conditions on the exchange where the order is placed may make it impossible to execute such orders.

2.3 Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example, when the market reaches a daily price fluctuation limit ("limit move").

2.4 The 'gearing' or 'leverage' often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement in the value of your investment, and this can work against you as well as for you.

2.5 Futures transactions have a contingent liability, and you should be aware of the implications of this, in particular the margining requirements. You may sustain a total loss of the funds that you deposit with your broker to establish or maintain a position in the commodity futures market, and you may incur losses beyond these amounts. If the market moves against your position, you may be called upon by your broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the time required by your broker, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.

2.6 You should consult your broker concerning the nature of the protections available to safeguard funds of property deposited for your account.

3 Options

3.1 There are many different types of options with different characteristics subject to the following conditions.

(a) *Buying options*: Buying options involves less risk than selling options because, if the price of the underlying asset moves against you, you can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if you buy a call option on a futures contract and you later exercise the option, you will acquire the future. This will expose you to the risks described under 'futures' and 'contingent liability investment transactions'.

(b) *Writing options*: If you write an option, the risk involved is considerably greater than buying options. You may be liable for margin to maintain your position and a loss may be sustained well in excess of the premium received. By writing an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset which you have contracted to sell (when the options will be known as 'covered call options') the risk is reduced. If you do not own the underlying asset ('uncovered call options') the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

(c) *Traditional options*: Certain London Stock Exchange ("**LSE**") member firms under special LSE rules write a particular type of option called a 'traditional option'. These may involve greater risk than other options. Two-way prices are not usually quoted and there is no access to a market via a Market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk.

3.2 Certain options Markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time they purchase it. In this situation you may subsequently be called

upon to pay margin on the option up to the level of your premium. If you fail to do so as required, your position may be closed or liquidated in the same way as a futures position.

4 Contracts for differences

4.1 Futures and options contracts can also be referred to as a contract for differences. These can be options and futures on the FTSE 100 index or any other index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in a contract for differences carries the same risks as investing in a future or an option. Transactions in contracts for differences may also have a contingent liability and you should be aware of the implications of this.

5 Foreign markets

5.1 Foreign markets will involve different risks. In some cases the risks will be greater. On request, your firm must provide an explanation of the relevant risks and protections (if any) which will operate in any foreign markets, including the extent to which it will accept liability for any default of foreign firm through whom it deals. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates. Such transactions may also be affected by exchange controls that could prevent or delay performance.

6 Contingent liability transactions

6.1 Contingent liability transactions, which are margined, require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately.

6.2 If you trade in futures, contracts for differences or sell options you may sustain a total loss of the margin you deposit with your firm to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice to maintain the position. If you fail to do so within the time required, your position may be liquidated at a loss and you will be responsible for the resulting deficit.

6.3 Even if a transaction is not marginalized, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract.

7 Limited liability transactions

7.1 Before entering into a limited liability transaction, you should obtain from your firm, or the firm with whom you are dealing, a formal written statement confirming that the extent of your loss liability on each transaction will be limited to an amount agreed by you before you enter into the transaction.

7.2 The amount you can lose in limited liability transactions will be less than in other margined transactions, which have no predetermined loss limit. Nevertheless, even though the extent of loss will be subject to the agreed limit, you may sustain the loss in a relatively short time. Your loss may be limited, but the risk of sustaining a total loss to the amount agreed is substantial.

8 Suspensions of trading

8.1 Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant Market trading is suspended or restricted or if the systems of the relevant Market cannot function for any reason. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

9 Clearing house protections

9.1 On many Markets, the performance of a transaction by your firm (or third party with whom he is dealing on your behalf) is 'guaranteed' by the Market or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the client, and may not protect you if your firm or another party defaults on its obligations to you. Not all Markets act in the same way. Further specific information about trading on the London Metal Exchange ("LME") can be found at www.lme.co.uk. Further specific

information about trading derivative products on Euronext can be found at http://www.euronext.com/home_derivatives-2153-EN.html.

10 Insolvency

10.1 Your firm's insolvency or default, or that of any other brokers involved with your transaction, may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back the actual assets which you lodged as collateral, and you may have to accept any available payments in cash. On request, your firm must provide an explanation of the extent to which it will accept liability for any insolvency of, or default by, other firms involved with your transactions.

11 Warrants

11.1 A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. Warrants often involve a high degree of gearing, so that a relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile.

11.2 It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fails to exercise this right within the pre-determined timescale then the investment becomes worthless.

11.3 You should not buy a warrant unless you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges.

11.4 Transactions in off-Market warrants may involve greater risk than dealing in Market traded warrants because there is no access to a market through which to liquidate your position, or to assess the value of the warrant or the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

12 General Information

12.1 Exchange-traded futures and options are not subject to a prospectus.

12.2 Exchange-traded futures and options may give rise to liabilities for the investor, calculated in accordance with Market or clearing house rules.

12.3 Your firm may not deal directly in the relevant Market but may act through one or more brokers or intermediaries. In such cases, your position may be affected by the performance of those third parties in addition to the performance of your firm. [In addition, settlement of such transactions may not be effected via the Market itself but may be effected on the books of your firm or of a broker or intermediary if such transactions can be crossed with equal but opposite orders of another participant transacting through the same firm, broker or intermediary. Your rights in such circumstances differ from those you would enjoy if your transaction was affected in the Market.

12.4 The price and liquidity of any investment depends upon the availability and value of the underlying asset, which can be affected by several extrinsic factors including, but not limited to, political, environmental and technical. Such factors can also affect the ability to settle or perform on time or at all.

12.5 Any payments made or received in relation to any investment may be subject to tax and you should seek professional advice in this respect.

12.6 Where you are unable to transfer a particular instrument which you hold, to exit your commitment under that instrument, you may have to offset your position by either buying back a short position or selling a long position. Such an offsetting transaction may have to be over the counter and the terms of such a contract may not match entirely those of the initial instrument. For example, the price of such a contract may be more or less than you received or paid for the sale or purchase of the initial instrument.

November 2024